

**DATE:** November 16, 2018  
**TO:** SAA Board of Directors  
**FROM:** Tim Rogers and Shelli Swanson  
**SUBJECT:** November 21, 2018 Regular Board Meeting

Enclosed are items for your review prior to Wednesday's meeting. Please note that the meeting will be held in the **second-floor conference room, Hangar 600, 2720 Arnold Ct.** A map showing the location of Hangar 600 is enclosed in your board meeting packet.

Please note the following agenda comments.

**Agenda Item #5 – Review of Airport Activity and Financial Reports for the Month Ending October 31, 2018** (Rogers and Swanson)

**Airport Activity – Air Traffic** (Rogers)

Salina air traffic controllers handled 9,974 total operations during October 2018 which was a 61% increase over the October 2017 total of 6,177. The increase was a result of the Airport Authority's hosting of the National Intercollegiate Flying Association SAFECON regional competition in partnership with K-State. The peak day during October was 976 operations which was an average of 61 operations per hour (one per minute) without incident.

**Airport Activity – Fuel Flowage** (Rogers)

October 2018 fuel flowage totaled 161,563 gallons which was 6% less than the October 2017 total of 172,614. For the year to date a total of 2,190,257 gallons has been delivered which is 4% less than the 2017 YTD total of 2,288,934 gallons. During 2018, year to date, 156 large air carrier aircraft have landed at SLN for charter flights which is 54% more than the 101 larger air carrier aircraft that landed at SLN through October 2017. This year's charter flight activity deployed Ft. Riley troops to fewer overseas locations. Other flights landed at SLN returning soldiers to Ft. Riley. The 2018 air carrier charter flights required less fuel as compared to 2017 charter flights that required full fuel loads for overseas destinations.

**Airport Activity – Passenger Counts** (Rogers)

Each month of United/SkyWest service has resulted in new high marks for passenger enplanements and total passengers. During October 2018 the number of total passengers soared to 3,456 which was 123% more than the October 2017 total of 1,547. The November 2018 number of total passengers is expected to approach 3,750.

**Financial Reports – Comments and Notes** (Swanson)

At the end of October, total operating income arrived at 16% over budget and is tracking \$300,907 ahead of the same period in 2017. The majority of the increase is a result of the improvement in both hangar and building occupancy rates year-over-year. The YOY vacancy rate has decreased 7%. In addition, agricultural rent has increased 35% or \$14,174. The increase is attributable to a scheduled rental rate change in our farm land leases.

Total operating expenses ended up 8% over budget bringing total operating income before depreciation to \$185,105 which is outpacing 2017 by 131% or \$105,116.

The below tables represent the October activity in our two bond fund accounts.

**Salina Airport Authority  
Account QuickReport  
As of October 31, 2018**

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>Cash in Bank-Bond Funds</b>							20,612.09
FBK Imp Fund Temp Note 2016							20,612.09
Check	10/24/2018	1046	Sunflower Bank	Funds Transfer from 2016-1 FBK to SFB CM (Rwy 12/30 pavement markings)	SFB - Cash mgmt	-20,612.09	0.00
Total FBK Imp Fund Temp Note 2016							0.00
Total Cash in Bank-Bond Funds							0.00
<b>TOTAL</b>							<b>0.00</b>

**Salina Airport Authority  
Account QuickReport  
As of October 31, 2018**

Type	Date	Num	Name	Memo	Split	Amount	Balance
<b>Cash in Bank-Bond Funds</b>							338,496.25
FBK Imp Fund Temp Note 2017							338,496.25
Bill Pmt -Check	10/30/2018	1023	Lochner - BWR Division	Beechcraft Road Construction Observation / Eng - Final Progress Payment	Accounts pa...	-7,445.97	331,050.28
Deposit	10/31/2018			Interest	Interest incom...	162.87	331,213.15
Total FBK Imp Fund Temp Note 2017							0.00
Total Cash in Bank-Bond Funds							0.00
<b>TOTAL</b>							<b>0.00</b>

## **Financial Reports – October 2018 Significant Expenditures/Payables Report**

## **Financial Reports – Accounts Receivable Past Due 30 days or more as of November 16, 2018** (Swanson)

Account	Amount	Days	Comments
AAL Organic Matters	\$10,518.10	31>90	Bldg. rent and utility reimbursement
Kansas Military Board	\$950	31-60	Bldg. rent
Southwest Airlines	\$1,177	31-60	Landing Fees & ARFF fees
Tischlerei	\$29,910	31>90	Bldg. rent
United Airlines Charter	\$1,608	31>60	Landing Fees & ARFF fees

The SAA has entered in a payment plan agreement with AAL Organic Matters. The agreement calls for the balance to be paid in full within 4 months.

## **Agenda Item #6 – Presentation of the Airport Authority's 2019 Property and Liability Insurance Coverages** (Swanson and Charlesworth)

In August of this year, SAA staff began the 2019 property/liability insurance renewal process. The Authority's statement of property values, automobile and equipment schedules were reviewed and updated. In early October, the SAA completed the insurance applications and information requests for submittal to the underwriters through our insurance broker, Lockton. Annually, Lockton negotiates with each incumbent insurer to assure a competitive renewal and also looks for options when appropriate. This renewal year was particularly important in seeking other markets with certain property insurers wishing to impose per location wind/hail deductibles and declining coverages based upon the type of occupancy. In addition, recent Authority claims on both its auto and worker's compensation policies required an outreach to insure the most competitive premium possible.

The Airport Authority's risk management consultant, James Charlesworth will attend the meeting and report on the Airport Authority's 2019 insurance coverages that will renew on January 1. The report will include details concerning policy limits, deductible amounts and premiums for the Authority's automobile, equipment, commercial property, environmental, workers' compensation and liability insurance coverages. Enclosed is a preliminary summary of the 2019 insurance package. The total 2019 premium cost including broker and consultant fees, is expected to be \$185,386 which is a 11.8% increase over our 2018 expense of \$165,884. After the Authority invoices for the applicable tenant's portion of the premiums, the net insurance expense results in a 12.9% increase YOY. In our preliminary budget, we estimated a 15% increase.

**Agenda Item #7 – Consideration of the renewal of the insurance broker services agreement with Lockton Companies, LLC, Kansas City, MO.** (Rogers and Swanson)

Since 2013, the Authority has been utilizing the services of Lockton Companies as its property and liability insurance broker. Each year, Lockton works to secure several different types of policies as referenced above and reaches out to numerous markets to achieve the best possible premium pricing while maintaining adequate levels of coverage with reputable carriers. Lockton's firm also brings to the table specialists that have deep expertise in aviation insurance.

The enclosed Addendum B would renew their services for a 3-year term effective Oct. 1, 2018 and extending to October 1, 2021. The proposed rental rate for the first year remains unchanged at \$18,000 and years 2 and 3 represent a 2.7% or \$500 per year increase.

**Recommendation:** Approval of Addendum B with Lockton Companies, LLC.

**Agenda Item #8 – Consideration of a facility/tower use agreement with Nex-Tech, LLC, Lenora, KS for radio and communications equipment.** (Rogers and Swanson)

Since 2012, Nex-Tech Inc. has utilized the checkered tower located at the corner of Arnold Ave. and General Jim Road for the purpose of affixing equipment as necessary to provide their clients wireless Internet service. The original Airport Use/Lease Agreement which was originally for a three-year term expired at the end of 2015 and was renewed for an additional 3-year term. The current term expires at the end of this year. Nex-tech desires to continue to offer wireless service in this area and has agreed to another three-year lease term. The proposed rental will increase from \$300 to \$325 per month and Nex-tech will be responsible for all utilities and costs associated with their utilization of the tower site. A copy of the agreement is enclosed for your consideration.

**Recommendation:** Approval of the three-year Airport Use Lease Agreement with Nex-Tech, Inc.

**Agenda Item #9– 2019 Operating Plan and Budget Report (Draft)** (Rogers and Swanson)

The draft of the Airport Authority's 2019 Operating Plan and Budget Report will be posted to the SAA's web site by Noon, Tuesday, November 20. A hard copy of the report will be available at the board meeting.

**Agenda Item #10 – Executive Session.** (Weisel)

An executive session is scheduled to discuss the executive director's 2018 performance review.

## STAFF REPORTS

### **Beechcraft Road Reconstruction** (Bieker)

The final inspection was held on October 30, 2018. A few clean-up items were identified and will be complete before making final payment to Pavers Inc. Final payment will be contingent on receipt of lien waivers from subcontractors confirming that all the subs have been paid.

### **Aircraft Rescue & Fire Fighting (ARFF) Vehicle** (Bieker)

The ARFF vehicle has been assembled and is going through final outfitting at the Oshkosh plant. A late December or early January delivery is expected. Airport Authority firefighters and maintenance staff will go through 40 hours of training on the new 3,000 gallon vehicle.



### **Fossett Plaza** (Bieker)



The Fossett Plaza destination sign is complete and installed. Staff will purchase and install solar powered, ground lighting for the sign.

### **Terminal Building Overflow Parking Lot** (Bieker)

T & R Dirt has completed the regrading and expansion of the overflow parking for the Terminal Building. The overflow lot can now accommodate 106 cars. Total terminal building parking is now 226.



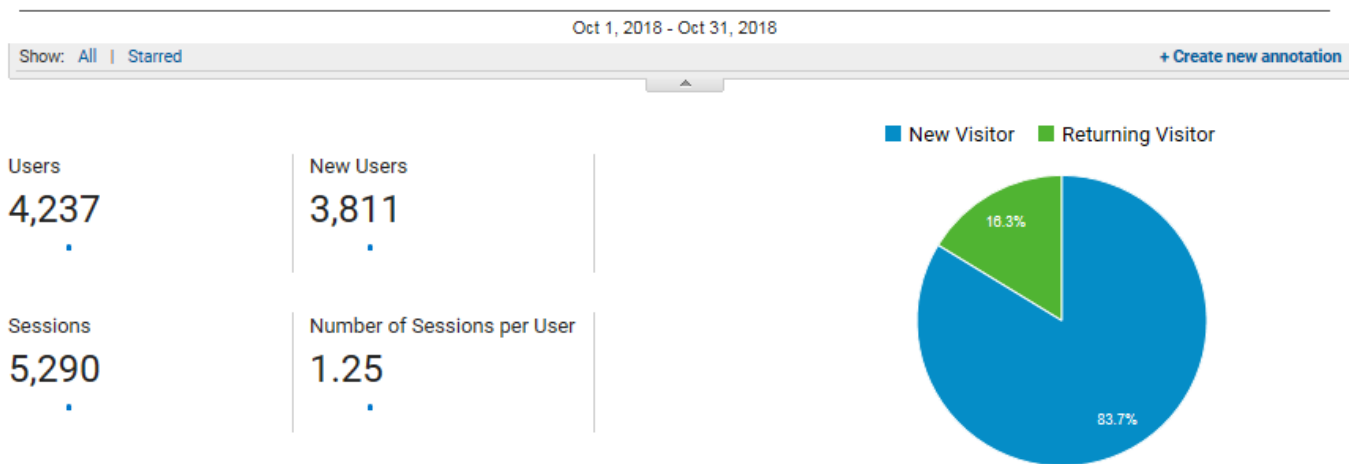
### **Terminal Building Signs** (Bieker)

The new terminal building way finding signs have been installed. Feedback from new visitors to the terminal building has been positive. From the I-135 and Schilling exit up six signs help a passenger locate the terminal building.



### **Fly Salina Marketing** (Windhorst)

Google Analytics continue to show an increase in activity on the Salina Airport Authority website. During the month of October, the SAA website had over 4.2K new users viewing the site which resulted in a 19.12% increase as compared to September 2018. The top active page is the Fly Salina page due to the recent marketing campaign and social media advertising activity. Native Digital, Facebook and Pandora ads continue to perform well above industry averages.



### **SAA Staff Training** (Windhorst)

The Salina Airport Authority Aircraft Rescue Fire Fighting (ARFF), Operations and Maintenance staff recently completed the annual Mobile ARFF trainer (MAFT) at Salina Regional Airport. The live-fire training is a two-day event and included firefighters from Salina Fire, Rural Fire and Liberal Fire Departments.





### **Upcoming Events** (Windhorst)

Salina Airport Authority staff is working with SkyWest/United and the Transportation Security Administration on several upcoming airport tours and events to promote Fly Salina. Recently the Boy Scouts and Solomon High School travel and tourism class toured the terminal building and enjoyed presentations regarding airport management, operations and security.

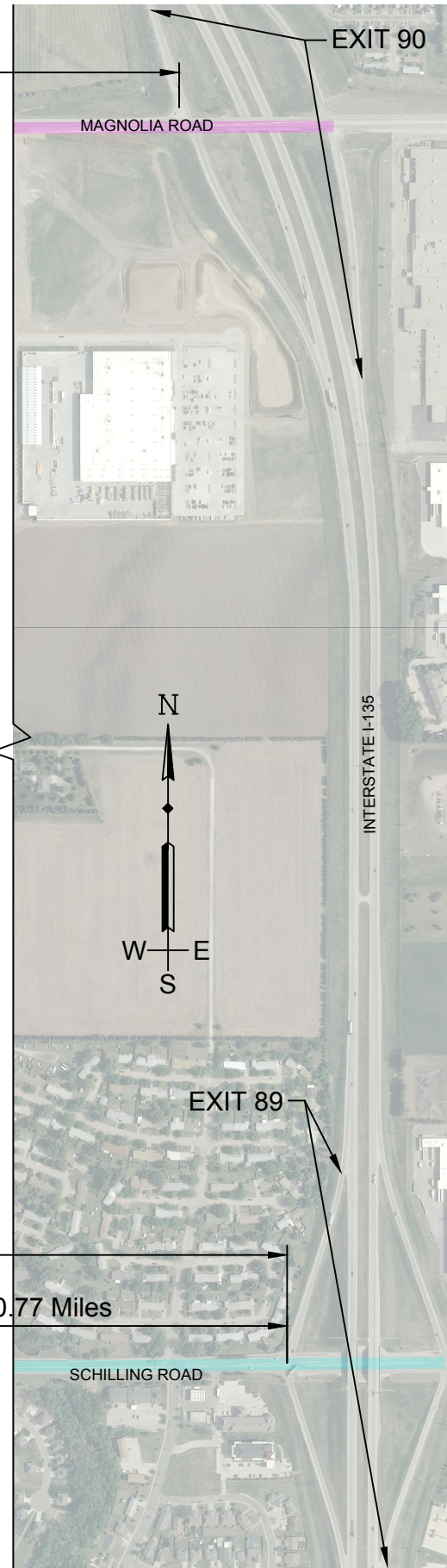
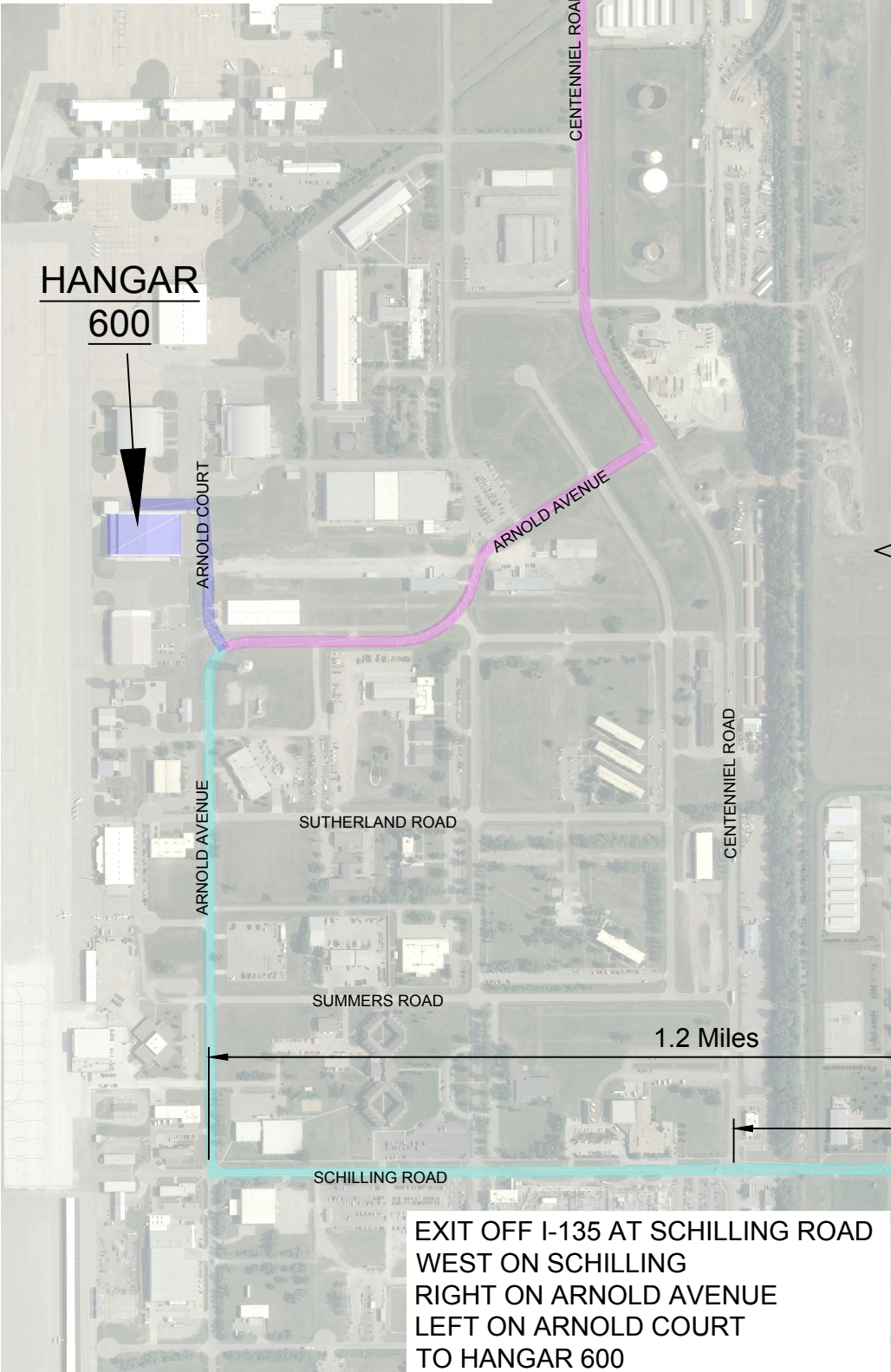
Candy Canes and Airplanes is scheduled for Saturday, December 1, 2018 in Hangar 600. Doors open at 1:00 p.m. and Santa will fly into SLN at 2:00 p.m. This is a great event for kids of all ages. Book your calendars now, you won't want to miss it!

Please contact me if you have any questions or comments.



## DIRECTIONS TO HANGAR 600 (2720 ARNOLD COURT)

EXIT OFF I-135 AT MAGNOLIA ROAD  
WEST ON MAGNOLIA  
LEFT ON CENTENNIAL  
RIGHT ON ARNOLD AVENUE  
RIGHT ON ARNOLD COURT  
TO HANGAR 600





# **SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING**

**Hangar H600, Second Floor Conference Room  
2720 Arnold Court  
November 21, 2018– 8:00 AM**

## **AGENDA**

### **Action Items**

1. Call to order and determine a quorum is present. (Weisel)
2. Recognition of guests. (Weisel)
3. Additions to the agenda. (Weisel)
4. Approval of the minutes of the October 17, 2018 regular board meeting. (Weisel)
5. Review of airport activity and financial reports for the month ending October 31, 2018. (Rogers & Swanson)
6. Presentation of the Airport Authority's 2019 automobile, equipment, commercial property, environmental, workers' compensation and liability insurance coverages for 2019 (Swanson and Charlesworth)
7. Consideration of the renewal of the insurance broker services agreement with Lockton Companies, LLC, Kansas City, MO. (Rogers & Swanson)
8. Consideration of a facility/tower use agreement with Nex-Tech, LLC, Lenora, KS for radio and communications equipment at 2725 Arnold Ave. (Swanson)
9. Presentation of the draft 2019 Operating Plan and Budget Report. (Rogers and Swanson)

### **Directors' Forum** (Weisel)

### **Visitor's Questions and Comments** (Weisel)

### **Staff Reports** (Rogers)

### **Announcements** (Windhorst)

### **Executive Session** (Weisel)

10. An executive session of the board of directors to discuss matters of non-elected personnel. (Weisel)

I move the board recess into executive session for 10 minutes to discuss the subject of the Executive Director's performance evaluation based upon the need to discuss personnel matters of non-elected personnel pursuant to K.S.A. 75-4319(b)(1). The open meeting will resume in this room at \_\_\_\_ a.m.

### **Adjournment** (Weisel)





**MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY  
OCTOBER 17, 2018  
HANGAR 600 SECOND FLOOR CONFERENCE ROOM**

**Call to Order**

The meeting was called to order at 8:00 AM by Chairman Brian Weisel.

**Attendance**

Attendance was taken. Chairman Weisel, Directors Eichelberger, Vancil, and Gunn were present. Also present were Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Kenny Bieker; Business and Communications Manager Kasey Windhorst, Administrative Assistant Kaycie Taylor, and Attorney Greg Bengtson. Bob Vidricksen, Saline County Commissioner; Julie Yager-Zuker, Avflight Salina and Mitch Robinson, Salina Community Economic Development Organization were guests.

**Additions to the Agenda**

Chairman Weisel asked if there were any additions. Executive Director Rogers stated there was an addition of item number 10, the consideration of a land lease with TRR, Inc.

**Minutes**

Chairman Weisel asked if the board members had additions or corrections to the minutes of the September 19, 2018 regular board meeting. Director Gunn moved, seconded by Director Vancil, to approve the minutes of the September 19, 2018 regular board meeting. Motion passed unanimously.

**Airport Activity and Financial Reports**

Executive Director Rogers reported on airport activity for the month of September 2018. The Salina Air Traffic Control Tower (ATCT) recorded 6,336 operations during September 2018 which was an 10% decrease as compared to September 2017. For the year-to-date, a total of 49,911 operations have occurred, which is 11% more than the September 2017 year-to-date total. Rogers discussed SAFECON regionals, currently occurring at SLN. The September 2018 fuel flowage came in at 348,454 gallons which was 17% less than the September 2017 total of 418,616. For the year-to-date, a total of 2,028,696 gallons has been delivered on the airport which is 4% less than the 2017 total of 2,116,321. Rogers anticipates fuel flowage to increase due to ongoing military charter operations and an increase in Kansas State University professional pilot training program enrollment. Avflight continues to excel. SkyWest reported 3,139 total passengers during September 2018 which was 112% more than the September 2017 total of 1,479 total passengers. Gary Foss, managing partner of the ArkStar Group attend the Wednesday, October 24<sup>th</sup> study session to review the first six months of United service. Rogers reviewed weekly passenger counts, load factor, and advanced bookings.

Director of Administration and Finance Swanson reported on the financials for September 2018. Statement of net assets shows a reduction in Debt-long term of 1,220,000 due to the second of the bi-annual due dates for the Authority's outstanding general obligation bonds. Swanson highlighted on "Deferred Outflow of Resources" and "Net Pension Liability". Total operating expenses arrived at 6% over budget. Net operating income arrived at 16% over budget and ahead of the same period of 2017 by \$244,976, bringing net income before depreciation to \$187,354 which is 110% ahead year-over-year. Chairman Weisel directed staff to file the financials for audit.

### **10 Year Financial Trend Analysis Report.**

Executive Director Rogers reported that operating revenue through the third quarter, 2018 is at a ten-year high. With a 78% occupancy rate, building rent arrived at \$1.9 million. Swanson highlighted on the Q3 – 10-year trend analysis report from 2009 – 2017.

Director Eichelberger stressed the importance of building cash in reserve and the Authority's plan to build reserve funds.

### **Renewal of the Kansas State University and Salina Airport Authority Airport Access and Use Agreement.**

Executive Director Rogers reviewed the history of the K-State "through-the-fence" agreement. The agreement provides for K-State's access to the Salina Airport for the purpose of operating a FAA Part 141 flight school and transporting K-State personnel. In consideration of the access granted by the Airport Authority, K-State pays the same fuel flowage fee that applies to aircraft owners and operators based on the Salina Airport.

Rogers recommended that the board approve the updated Kansas State University and Salina Airport Authority airport access and use agreement.

Director Vancil moved, seconded by Director Gunn. The motion passed unanimously.

### **Review and Discussion of Forecasted 2019 Operating Expenses.**

Executive Director Rogers distributed the preliminary 2019 Budget Summary for board review. Additional details will be presented at the November 7, 2018 study session.

### **Salina Regional Airport Projects Eligible for Supplemental FAA Airport Improvement Program (AIP) Funding.**

Executive Director Rogers reviewed the legislation signed by President Trump on March 23, 2018 to provide an additional \$1 billion in discretionary, AIP grant funds. The first round of Supplemental AIP grants were awarded to airports with projects that were ready for immediate construction. The second round is for projects that can be designed and constructed within two years of grant award. The Salina Airport Authority will submit three projects for Supplemental AIP grant funding.

- Runway 17/35 Rehabilitation
- Taxiway Delta Extension
- M.J. Kennedy Air Terminal Parking Lot Expansion

Rogers highlighted on the projects to be submitted. Runway 17/35 Rehabilitation is estimated to cost \$13.3 million, Taxiway Delta Extension is estimated at \$6.9 million, and The M.J. Kennedy Air Terminal Parking Lot Expansion is estimated at \$2.5 million. Each of these projects has the possibility of being 100% funded by the FAA. All projects must be submitted by October 31, 2018.

#### **TRR, Inc. Land Lease.**

Executive Director Rogers reviewed the proposed TRR, Inc. land lease and location for an Aviation fuel storage tank.

The proposed terms of the land lease are:

- **Leased Area:** 580 SF adjacent to T-Hangar P30 (see attached exhibit)
- **Lease Term:** Three (3) years effective November 1, 2018
- **Option:** One (1) additional term of three (3) years at a rental rate to be mutually agreed upon
- **Rental Rate:** Six hundred dollars (\$600.00) per year
- **Fuel Flowage Fee:** \$.0784 per gallon adjusted bi-annually
- **Insurance:** Per Salina Airport Authority Rules and Regulations
- **Environmental:** Above Ground Storage Tank Liability insurance

In addition to the provisions of the land lease agreement, Mr. Roberg will comply with the following provisions of the Salina Regional Airport Rules and Regulations.

- **Environmental:** Storm Water Pollution Prevention Plan (SWPPP) compliance
- **Environmental:** Spill Prevention Contingency and Control Plan (SPCC) submitted to the Airport Authority
- **Airport Operations:** Compliance with the SLN Airport Certification Manual (ACM)

Rogers recommends the approval of the proposed land lease with TRR, Inc for the construction of 100LL Avgas, above ground storage tank. Director Eichelberger moved seconded by Director Gunn. Motion passed unanimously

#### **Staff Reports**

- i. **Kansas State University Global Aviation Initiative**  
Executive Director Rogers reviewed K-state Aviation's Global Aeronautics Initiative. Rogers commented on background, initial market opportunities for manned and unmanned aeronautics, and the next steps to assess and address initial market opportunities.

**Announcements**

Executive Director Rogers reminded staff of the upcoming Board Study Sessions and October 28<sup>th</sup> and November 7<sup>th</sup> at 4:00p.m. in the 2<sup>nd</sup> floor conference room at Hangar H600. The Schilling Aviation Service Fly-In and Open House is scheduled for Saturday, October 27<sup>th</sup> from 7:00a.m. to 12:00p.m.

Upon a motion duly made, the meeting adjourned at 9:43 A.M.

Minutes approved at the November 21, 2018 Board Meeting.

---

Secretary

(SEAL)



**SALINA AIRPORT AUTHORITY  
AIRPORT ACTIVITY REPORT  
2018**

**AIR TRAFFIC/ATCT**

October, 2018	9,974 Operations 968 Instrument Operations 976 Peak Day
October, 2017	6,177 Operations 845 Instrument Operations 472 Peak Day
January 2018 - October 2018	59,885 Operations
January 2017 - October 2017	50,985 Operations
January 2016 - October 2016	66,705 Operations

**FUEL FLOWAGE**

October, 2018	161,563 Gallons
October, 2017	172,614 Gallons
January 2018 - October 2018	2,190,257 Gallons
January 2017 - October 2017	2,288,934 Gallons
January 2016 - October 2016	1,578,085 Gallons

		<b>Avflight</b>	
		<b>Military/Gov't</b>	<b>Self-fuel</b>
<b>KSU-S</b>	<b>Avflight Salina</b>	<b>Portion</b>	<b>Station Portion</b>
9,453	152,110	55,447	574
8,968	163,645	43,193	744
75,499	2,114,758	1,071,699	7,011
84,630	2,204,304	848,475	7,330
97,405	1,480,680	575,336	8,543

**SkyWest Airlines**

**ENPLANEMENTS**

October, 2018	1,698 Passengers
October, 2017	766 Passengers
January 2018 - October 2018	11,364 Passengers
January 2017 - October 2017	7,221 Passengers
January 2016 - October 2016	1,993 Passengers

**DEPLANEMENTS**

**TOTAL**

1,758 Passengers	3,456
781 Passengers	1,547

**ENPLANEMENTS - Charter Flights**

October, 2018	532 Passengers
October, 2017	180 Passengers
January 2018 - October 2018	5,557 Passengers
January 2017 - October 2017	4,302 Passengers
January 2016 - October 2016	624 Passengers

**TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights**

October, 2018	2,230 Passengers
October, 2017	946 Passengers
January 2018 - October 2018	16,921 Passengers
January 2017 - October 2017	11,523 Passengers
January 2016 - October 2016	2,617 Passengers

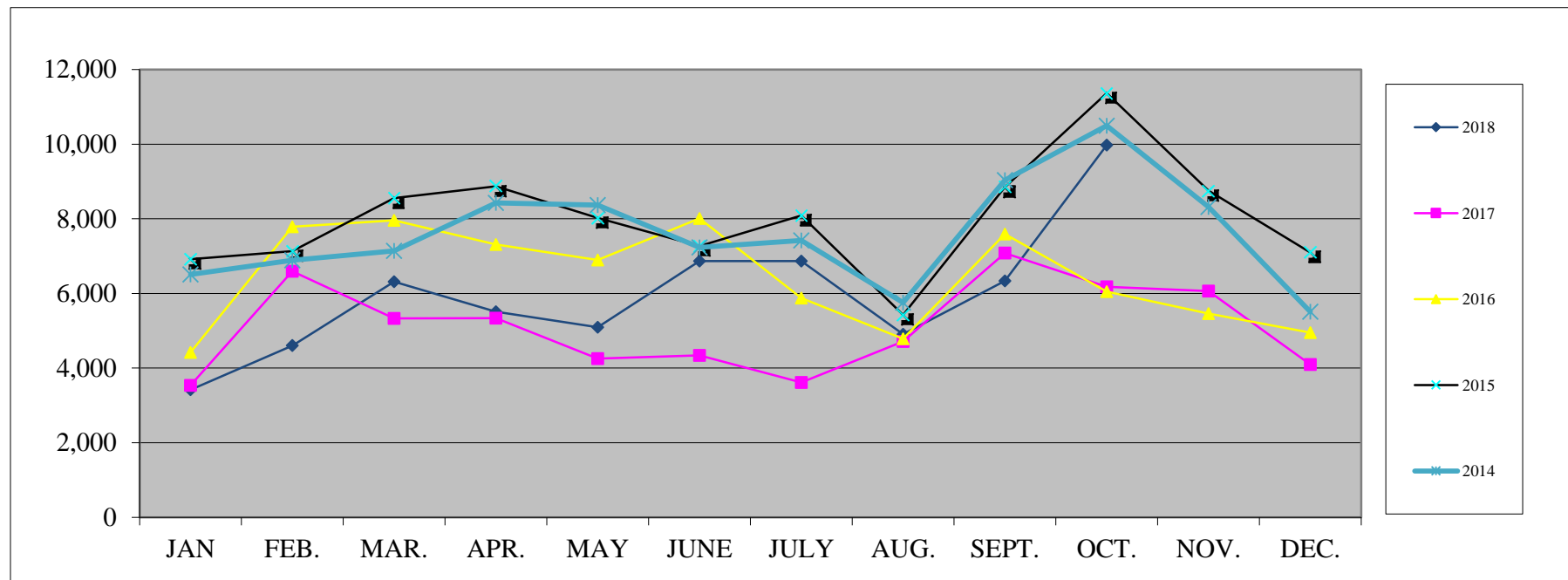
# AIRPORT TRAFFIC RECORD

## 2017 - 2018

	ITINERANT					LOCAL			
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	Total Operations
<b>2018</b>									
January, 18	0	1,068	587	205	1,860	1,390	168	1,558	3,418
February, 18	17	1,282	541	316	2,156	2,103	342	2,445	4,601
March, 18	2	1,413	840	462	2,717	2,976	619	3,595	6,312
April, 18	6	1,469	670	284	2,429	2,666	415	3,081	5,510
May, 18	7	1,431	811	264	2,513	2,370	211	2,581	5,094
June, 18	14	1,696	983	348	3,041	3,088	736	3,824	6,865
July, 18	4	1,444	874	464	2,786	3,502	577	4,079	6,865
August, 18	46	1,390	899	289	2,624	2,124	162	2,286	4,910
September, 18	48	1,846	767	332	2,993	2,823	520	3,343	6,336
October, 18	12	2,443	838	354	3,647	5,941	386	6,327	9,974
November, 18									
December, 18									
<b>Totals January - October</b>	<b>156</b>	<b>15,482</b>	<b>7,810</b>	<b>3,318</b>	<b>26,766</b>	<b>28,983</b>	<b>4,136</b>	<b>33,119</b>	<b>59,885</b>
<b>2017</b>									
January, 17	5	1,154	585	141	1,885	1,438	216	1,654	3,539
February, 17	25	2,062	751	831	3,669	2,553	376	2,929	6,598
March, 17	2	1,426	805	260	2,493	2,518	318	2,836	5,329
April, 17	6	1,793	688	230	2,717	2,317	306	2,623	5,340
May, 17	2	1,433	823	165	2,423	1,612	218	1,830	4,253
June, 17	22	1,241	841	452	2,556	1,328	454	1,782	4,338
July, 17	6	1,035	795	205	2,041	1,320	252	1,572	3,613
August, 17	0	1,281	810	310	2,401	1,800	516	2,316	4,717
September, 17	28	1,953	793	302	3,076	3,496	509	4,005	7,081
October, 17	5	1,676	759	220	2,660	3,283	234	3,517	6,177
November, 17									
December, 17									
<b>Totals January - October</b>	<b>101</b>	<b>15,054</b>	<b>7,650</b>	<b>3,116</b>	<b>25,921</b>	<b>21,665</b>	<b>3,399</b>	<b>25,064</b>	<b>50,985</b>
<b>Difference</b>	<b>55</b>	<b>428</b>	<b>160</b>	<b>202</b>	<b>845</b>	<b>7,318</b>	<b>737</b>	<b>8,055</b>	<b>8,900</b>
<b>YTD % Change</b>	<b>54%</b>	<b>3%</b>	<b>2%</b>	<b>6%</b>	<b>3%</b>	<b>34%</b>	<b>22%</b>	<b>32%</b>	<b>17%</b>
<b>Legend:</b>	<b>AC: Air Carrier</b>		<b>AT: Air Taxi</b>						
	<b>GA: General Aviation</b>		<b>MI: Military</b>						

## AIR TRAFFIC

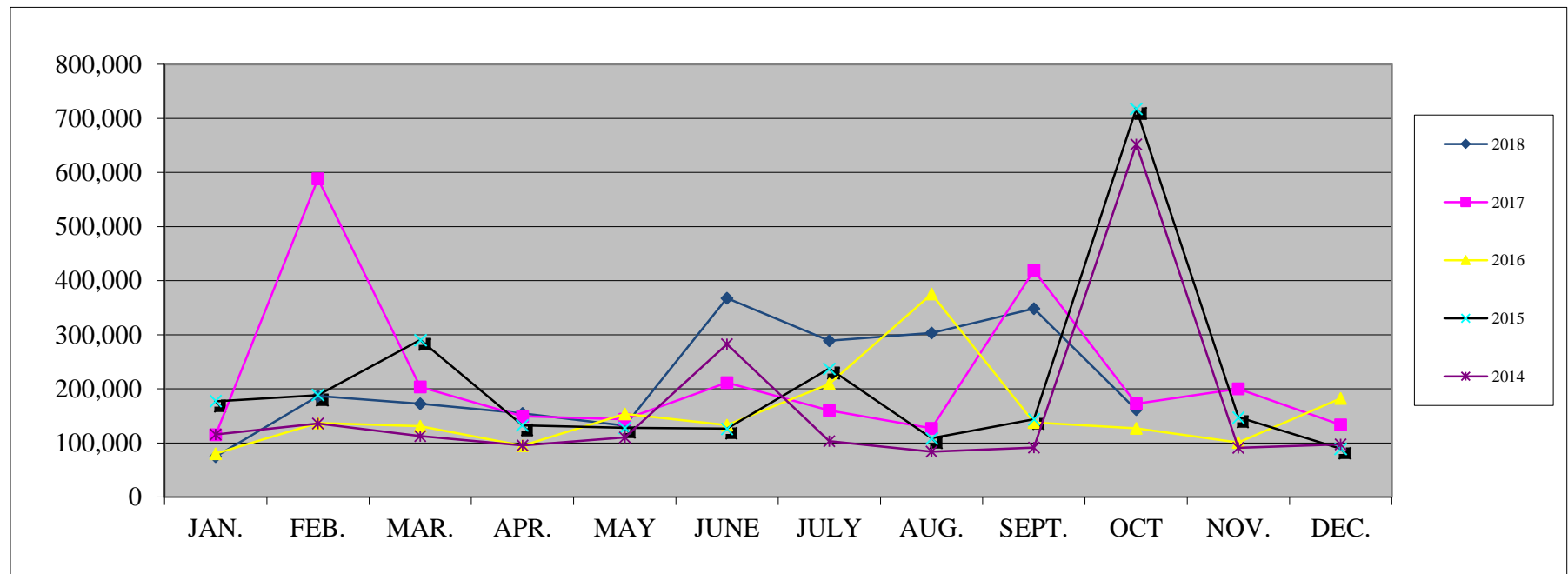
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
<b>2018</b>	3,418	4,601	6,312	5,510	5,094	6,865	6,865	4,910	6,336	9,974			59,885
<b>2017</b>	3,539	6,598	5,329	5,340	4,253	4,338	3,613	4,717	7,081	6,177	6,062	4,094	61,141
<b>2016</b>	4,422	7,789	7,962	7,312	6,898	8,011	5,877	4,789	7,593	6,052	5,458	4,948	77,111
<b>2015</b>	6,918	7,133	8,557	8,870	8,022	7,268	8,089	5,426	8,846	11,367	8,753	7,101	96,350
<b>2014</b>	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
<b>2013</b>	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
<b>2012</b>	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
<b>2011</b>	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
<b>2010</b>	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
<b>2009</b>	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
<b>2008</b>	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



## FUEL FLOWAGE

Gallons of Fuel Sold at SLN

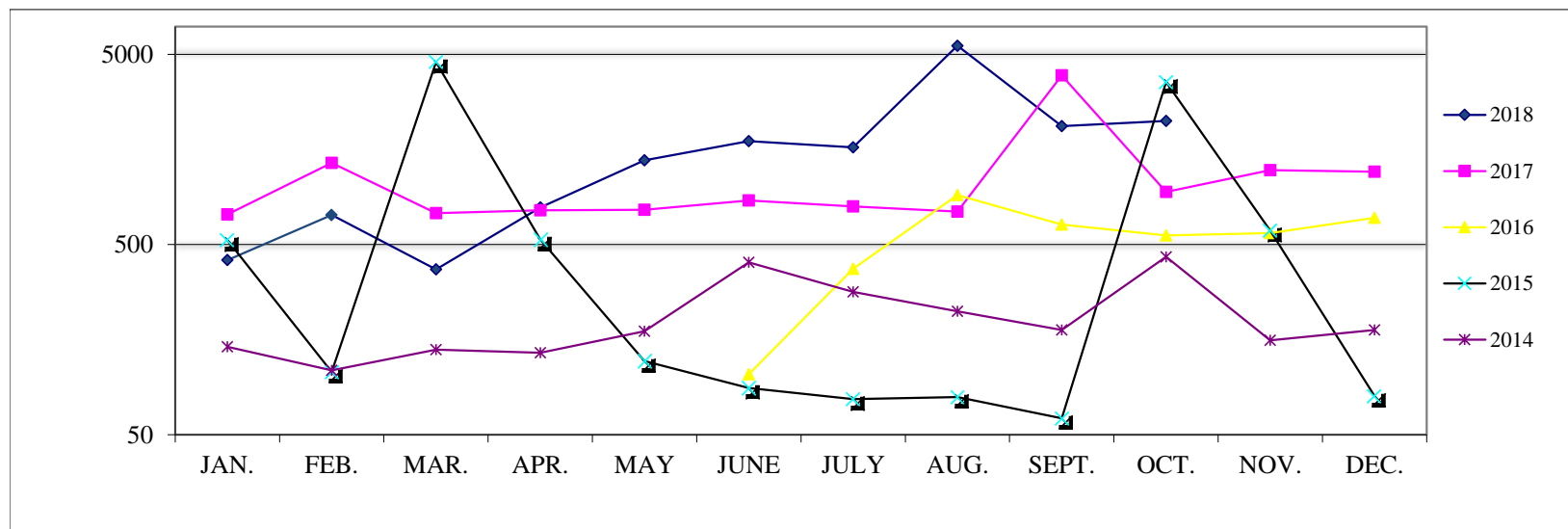
	<u>JAN.</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
<b>2018</b>	74,807	186,507	172,561	154,513	131,941	367,663	288,977	303,273	348,454	161,563			<b>2,190,259</b>
<b>2017</b>	115,075	588,072	203,387	149,134	143,801	211,351	160,134	126,751	418,616	172,614	200,050	133,173	2,622,158
<b>2016</b>	80,221	136,763	130,990	94,673	153,410	132,964	208,846	375,330	137,906	126,983	100,764	182,062	1,860,912
<b>2015</b>	176,746	188,406	290,470	132,543	128,100	126,428	237,782	108,581	143,816	717,601	147,853	89,277	2,487,603
<b>2014</b>	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
<b>2013</b>	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
<b>2012</b>	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
<b>2011</b>	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
<b>2010</b>	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
<b>2009</b>	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
<b>2008</b>	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





## 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>
<b>2018</b>	414	715	370	783	1,387	1,751	1,623	5,553	2,095	2,230				<b>16,921</b>
<b>2017</b>	720	1,344	731	756	761	852	793	746	3,874	946	1,229	1,207	-109	13,850
<b>2016</b>	36	0	0	0	0	104	372	910	637	558	574	692	84	3,967
<b>2015</b>	528	107	4,550	531	122	88	77	79	61	3,574	592	80	-310	10,079
<b>2014</b>	145	109	140	135	175	403	282	223	178	431	157	178	-158	2,398
<b>2013</b>	166	191	205	214	243	218	202	205	161	178	212	243	391	2,829
<b>2012</b>	237	249	247	216	287	213	174	198	151	187	229	335	803	3,526
<b>2011</b>	146	156	205	181	254	258	261	234	225	287	264	234	152	2,857
<b>2010</b>	81	97	139	116	668	166	162	154	178	436	234	510	203	3,144
<b>2009</b>	224	227	275	223	232	210	225	242	439	190	223	129	29	2,868
<b>2008</b>	228	147	224	283	372	396	393	450	524	930	309	398	516	5,170
<b>2007</b>	109	81	133	107	185	226	221	285	241	325	679	353	1,182	4,127



**\*\*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 October 31, 2018

11/14/2018

	Oct 31, 18	Sep 30, 18	\$ Change	Oct 31, 17	\$ Change	% Change
<b>ASSETS</b>						
<b>Current Assets</b>						
<b>Checking/Savings</b>						
Cash in Bank-Bond Funds	331,213	359,108	-27,895	111,626	219,587	197%
Cash in bank-Operating Funds	166,495	114,313	52,182	193,841	-27,346	-14%
Cash in Bank - Mill Levy	190,477	159,557	30,920	59,066	131,411	222%
<b>Total Checking/Savings</b>	<b>688,185</b>	<b>632,978</b>	<b>55,207</b>	<b>364,533</b>	<b>323,652</b>	<b>89%</b>
<b>Accounts Receivable</b>						
Accounts Receivable	210,118	219,684	-9,566	168,773	41,345	24%
<b>Total Accounts Receivable</b>	<b>1 210,118</b>	<b>219,684</b>	<b>-9,566</b>	<b>168,773</b>	<b>41,345</b>	<b>24%</b>
<b>Other Current Assets</b>						
Agri Land Receivable	2 0	55,000	-55,000	0	0	0%
Mill Levy receivable	0	0	0	71,179	-71,179	-100%
Other current assets	136,366	139,754	-3,388	124,505	11,861	10%
Undeposited Funds	0	4,393	-4,393	360	-360	-100%
<b>Total Other Current Assets</b>	<b>136,366</b>	<b>199,147</b>	<b>-62,781</b>	<b>196,044</b>	<b>-59,678</b>	<b>-30%</b>
<b>Total Current Assets</b>	<b>1,034,669</b>	<b>1,051,809</b>	<b>-17,140</b>	<b>729,350</b>	<b>305,319</b>	<b>42%</b>
<b>Fixed Assets</b>						
Fixed assets at cost	88,406,014	88,295,273	110,741	85,093,114	3,312,900	4%
Less accumulated depreciation	-44,053,270	-43,828,370	-224,900	-41,460,981	-2,592,289	-6%
<b>Total Fixed Assets</b>	<b>44,352,744</b>	<b>44,466,903</b>	<b>-114,159</b>	<b>43,632,133</b>	<b>720,611</b>	<b>2%</b>
<b>Other Assets</b>						
Deferred Outflow of Resources	1,496,655	1,496,655	0	1,468,140	28,515	2%
Other assets	0	0	0	7,223	-7,223	-100%
<b>Total Other Assets</b>	<b>1,496,655</b>	<b>1,496,655</b>	<b>0</b>	<b>1,475,363</b>	<b>21,292</b>	<b>1%</b>
<b>TOTAL ASSETS</b>	<b>46,884,068</b>	<b>47,015,367</b>	<b>-131,299</b>	<b>45,836,846</b>	<b>1,047,222</b>	<b>2%</b>
<b>LIABILITIES &amp; EQUITY</b>						
<b>Liabilities</b>						
<b>Current Liabilities</b>						
<b>Accounts Payable</b>						
Accounts payable	107,038	80,709	26,329	183,686	-76,648	-42%
<b>Total Accounts Payable</b>	<b>107,038</b>	<b>80,709</b>	<b>26,329</b>	<b>183,686</b>	<b>-76,648</b>	<b>-42%</b>
<b>Credit Cards</b>						
Sam's Club Discover	2,411	-447	2,858	493	1,918	389%
VISA - Sunflower Bank, N.A. - S	0	-37	37	0	0	0%
VISA - Sunflower Bank, N.A. - T	0	853	-853	0	0	0%
<b>Total Credit Cards</b>	<b>2,411</b>	<b>369</b>	<b>2,042</b>	<b>493</b>	<b>1,918</b>	<b>389%</b>
<b>Other Current Liabilities</b>						
Accrued debt interest payable	140,504	78,264	62,240	482,099	-341,595	-71%
Debt, current portion	1,222,153	1,222,153	0	1,024,320	197,833	19%
Deferred Agri Land Revenue	0	13,750	-13,750	0	0	0%
Deferred Mill Levy revenue	355,393	533,090	-177,697	351,876	3,517	1%
Other current liabilities	202,405	192,657	9,748	218,893	-16,488	-8%
<b>Total Other Current Liabilities</b>	<b>1,920,455</b>	<b>2,039,914</b>	<b>-119,459</b>	<b>2,077,188</b>	<b>-156,733</b>	<b>-8%</b>
<b>Total Current Liabilities</b>	<b>2,029,904</b>	<b>2,120,992</b>	<b>-91,088</b>	<b>2,261,367</b>	<b>-231,463</b>	<b>-10%</b>
<b>Long Term Liabilities</b>						
Debt - Long Term	22,796,722	22,796,722	0	22,573,414	223,308	1%
Deferred Inflows of Resources	96,486	96,486	0	114,057	-17,571	-15%
Less current portion	-1,222,153	-1,222,153	0	-1,024,320	-197,833	-19%
Net Pension Liability	603,456	603,456	0	582,704	20,752	4%
Security Deposits Returnable	48,591	48,502	89	49,572	-981	-2%
<b>Total Long Term Liabilities</b>	<b>22,323,102</b>	<b>22,323,013</b>	<b>89</b>	<b>22,295,427</b>	<b>27,675</b>	<b>0%</b>
<b>Total Liabilities</b>	<b>24,353,006</b>	<b>24,444,005</b>	<b>-90,999</b>	<b>24,556,794</b>	<b>-203,788</b>	<b>-1%</b>
<b>Equity</b>						
Invested in Capital Assets net	21,556,022	21,607,814	-51,792	20,974,258	581,764	3%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	162,162	110,370	51,792	658,978	-496,816	-75%
Net Income	722,878	763,179	-40,301	-443,183	1,166,061	263%
<b>Total Equity</b>	<b>22,531,062</b>	<b>22,571,363</b>	<b>-40,301</b>	<b>21,280,053</b>	<b>1,251,009</b>	<b>6%</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>46,884,068</b>	<b>47,015,368</b>	<b>-131,300</b>	<b>45,836,847</b>	<b>1,047,221</b>	<b>2%</b>

**Salina Airport Authority**  
**Profit & Loss Budget Performance**  
October 2018

5:10 PM  
11/14/2018  
Accrual Basis

	Oct 18	Jan - Oct 18	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
Airfield revenue						
Fuel Flowage Fees	12,667	175,275	165,000	10,275	106%	198,000
Hangar rent	41,831	393,926	362,500	31,426	109%	435,000
Landing fees	3,796	54,351	12,500	41,851	435%	15,000
Ramp rent	4,269	38,760	41,666	-2,906	93%	50,000
Total Airfield revenue	62,563	662,312	581,666	80,646	114%	698,000
Building and land rent						
Agri land rent	28,939	70,689	45,833	24,856	154%	55,000
Building rents - Long Term						
Short-term leasing	27,303	281,145	175,000	106,145	161%	210,000
Building rents - Long Term - Other	63,493	640,698	719,125	-78,427	89%	862,950
Total Building rents - Long Term	90,796	921,843	894,125	27,718	103%	1,072,950
Land rent						
Basic Land Rent	8,439	84,032	75,000	9,032	112%	90,000
Property tax - tenant share	2,575	92,743	100,000	-7,257	93%	120,000
Land rent - Other	0	0	0	0	0%	0
Total Land rent	11,014	176,775	175,000	1,775	101%	210,000
Tank rent	1,128	10,380	7,917	2,463	131%	9,500
Total Building and land rent	131,877	1,179,687	1,122,875	56,812	105%	1,347,450
Other revenue						
Airport Marketing	22,135	144,863	65,417	79,446	221%	78,500
Commissions	1,181	20,400	29,167	-8,767	70%	35,000
Other income	9,718	150,140	54,167	95,973	277%	65,000
Total Other revenue	33,034	315,403	148,751	166,652	212%	178,500
Uncategorized Income	0	0	0	0	0%	0
Total Income	227,474	2,157,402	1,853,292	304,110	116%	2,223,950
Gross Profit	227,474	3 2,157,402	1,853,292	304,110	116%	2,223,950
Expense						
Administrative expenses						
A/E, consultants, brokers	0	21,072	23,333	-2,261	90%	28,000
Airport promotion	11,117	175,346	72,094	103,252	243%	86,512
Bad Debt Expense	0	2,480	1	2,479	248,000%	1
Computer/Network Admin.	1,683	11,712	11,458	254	102%	13,750
Dues and subscriptions	1,962	18,658	21,250	-2,592	88%	25,500
Employee retirement	5,845	61,510	62,756	-1,246	98%	75,307
FICA and medicare tax expense	4,662	49,458	50,480	-1,022	98%	60,576
Industrial development	12,500	50,000	41,667	8,333	120%	50,000
Insurance , property	12,688	114,606	126,875	-12,269	90%	152,250
Insurance, medical	17,529	175,772	187,195	-11,423	94%	224,634
Kansas unemployment tax	0	586	833	-247	70%	1,000
Legal and accounting	2,070	38,924	27,083	11,841	144%	32,500
Office salaries	35,389	404,219	406,683	-2,464	99%	488,020
Office Supplies	1,693	11,353	5,833	5,520	195%	7,000
Other administrative expense						
Merchant Processing Fees	229	2,711	375	2,336	723%	450
Other administrative expense - Other	225	4,931	3,792	1,139	130%	4,550
Total Other administrative expense	454	7,642	4,167	3,475	183%	5,000
Postage	685	3,501	2,500	1,001	140%	3,000
Property tax expense	12,083	120,833	120,833	0	100%	145,000
Special Events	0	0	833	-833	0%	1,000
Telephone	2,084	15,902	14,583	1,319	109%	17,500
Training	0	6,638	4,167	2,471	159%	5,000
Travel and meetings	1,188	7,174	9,583	-2,409	75%	11,500
Total Administrative expenses	123,632	4 1,297,386	1,194,207	103,179	109%	1,433,050

	<b>Oct 18</b>	<b>Jan - Oct 18</b>	<b>YTD Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>	<b>Annual Budget</b>
<b>Maintenance expenses</b>						
Airfield maintenance	3,393	26,477	25,000	1,477	106%	30,000
Airport Security	518	2,629	417	2,212	630%	500
Building maintenance	7,762	66,591	39,583	27,008	168%	47,500
Equipment fuel and repairs	14,073	84,894	54,167	30,727	157%	65,000
Fire Services	64	660	16,667	-16,007	4%	20,000
Grounds maintenance	336	2,204	3,333	-1,129	66%	4,000
Maintenance salaries	26,492	275,783	284,725	-8,942	97%	341,670
Other maintenance expenses	1,455	12,693	16,667	-3,974	76%	20,000
Snow removal expense	0	3,439	18,333	-14,894	19%	22,000
Utilities	20,291	199,541	165,000	34,541	121%	200,000
<b>Total Maintenance expenses</b>	<b>74,384</b>	<b>5 674,911</b>	<b>623,892</b>	<b>51,019</b>	<b>108%</b>	<b>750,670</b>
<b>Total Expense</b>	<b>198,016</b>	<b>6 1,972,297</b>	<b>1,818,099</b>	<b>154,198</b>	<b>108%</b>	<b>2,183,720</b>
<b>Net Ordinary Income</b>	<b>29,458</b>	<b>7 185,105</b>	<b>35,193</b>	<b>149,912</b>	<b>526%</b>	<b>40,230</b>
<b>Other Income/Expense</b>						
<b>Other Income</b>						
Capital contributed	0	8 1,416,610	1,134,085	282,525	125%	1,360,902
Gain on sale of assets	0	5,375	25,000	-19,625	22%	25,000
Interest income						
Interest income on deposits	168	3,613	833	2,780	434%	1,000
<b>Total Interest income</b>	<b>168</b>	<b>3,613</b>	<b>833</b>	<b>2,780</b>	<b>434%</b>	<b>1,000</b>
Mill levy income	217,212	1,983,574	1,776,967	206,607	112%	2,132,360
<b>Total Other Income</b>	<b>217,380</b>	<b>3,409,172</b>	<b>2,936,885</b>	<b>472,287</b>	<b>116%</b>	<b>3,519,262</b>
<b>Other Expense</b>						
<b>Debt interest expense net</b>						
Bond issue cost	0	0	0	0	0%	0
Interest Expense on Debt	62,240	622,399	622,399	0	100%	746,879
<b>Total Debt interest expense net</b>	<b>62,240</b>	<b>622,399</b>	<b>622,399</b>	<b>0</b>	<b>100%</b>	<b>746,879</b>
Depreciation expense	224,900	2,249,000	2,249,000	0	100%	2,698,800
<b>Total Other Expense</b>	<b>287,140</b>	<b>2,871,399</b>	<b>2,871,399</b>	<b>0</b>	<b>100%</b>	<b>3,445,679</b>
<b>Net Other Income</b>	<b>-69,760</b>	<b>537,773</b>	<b>65,486</b>	<b>472,287</b>	<b>821%</b>	<b>73,583</b>
<b>Net Income</b>	<b>-40,302</b>	<b>722,878</b>	<b>100,679</b>	<b>622,199</b>	<b>718%</b>	<b>113,813</b>



**Salina Airport Authority**  
**Profit & Loss Prev Year Comparison**  
January through October 2018

5:14 PM  
11/14/2018  
Accrual Basis

	Jan - Oct 18	Jan - Oct 17	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
<b>Airfield revenue</b>				
Fuel Flowage Fees	175,275.05	176,602.78	-1,327.73	-0.75%
Hangar rent	393,925.50	346,683.00	47,242.50	13.63%
Landing fees	54,350.86	40,176.85	14,174.01	35.28%
Ramp rent	38,760.00	39,344.00	-584.00	-1.48%
<b>Total Airfield revenue</b>	<b>662,311.41</b>	<b>602,806.63</b>	<b>59,504.78</b>	<b>9.87%</b>
<b>Building and land rent</b>				
Agri land rent	70,689.00	55,773.98	14,915.02	26.74%
<b>Building rents - Long Term</b>				
Short-term leasing	281,145.42	195,396.90	85,748.52	43.88%
Building rents - Long Term - Other	640,697.80	665,210.42	-24,512.62	-3.69%
<b>Total Building rents - Long Term</b>	<b>921,843.22</b>	<b>860,607.32</b>	<b>61,235.90</b>	<b>7.12%</b>
<b>Land rent</b>				
Basic Land Rent	84,031.65	86,527.96	-2,496.31	-2.89%
Property tax - tenant share	92,743.43	100,000.00	-7,256.57	-7.26%
Land rent - Other	0.00	0.00	0.00	0.0%
<b>Total Land rent</b>	<b>176,775.08</b>	<b>186,527.96</b>	<b>-9,752.88</b>	<b>-5.23%</b>
Tank rent	10,380.00	8,080.00	2,300.00	28.47%
<b>Total Building and land rent</b>	<b>1,179,687.30</b>	<b>1,110,989.26</b>	<b>68,698.04</b>	<b>6.18%</b>
<b>Other revenue</b>				
Airport Marketing	144,863.36	44,011.92	100,851.44	229.15%
Commissions	20,400.45	33,717.77	-13,317.32	-39.5%
Other income	150,139.85	64,969.03	85,170.82	131.09%
<b>Total Other revenue</b>	<b>315,403.66</b>	<b>142,698.72</b>	<b>172,704.94</b>	<b>121.03%</b>
<b>Total Income</b>	<b>2,157,402.37</b>	<b>1,856,494.61</b>	<b>300,907.76</b>	<b>16.21%</b>
<b>Gross Profit</b>	<b>2,157,402.37</b>	<b>1,856,494.61</b>	<b>9 300,907.76</b>	<b>16.21%</b>
<b>Expense</b>				
<b>Administrative expenses</b>				
A/E, consultants, brokers	21,072.25	850.00	20,222.25	2,379.09%
Airport promotion				
Total Airport promotion	175,345.68	49,833.21	125,512.47	251.87%
Bad Debt Expense	2,480.00	0.00	2,480.00	100.0%
Computer/Network Admin.	11,712.43	13,952.46	-2,240.03	-16.06%
Dues and subscriptions	18,658.19	23,549.08	-4,890.89	-20.77%
Employee retirement	61,510.36	52,404.18	9,106.18	17.38%
FICA and medicare tax expense	49,457.70	46,821.22	2,636.48	5.63%
Industrial development	50,000.00	25,000.00	25,000.00	100.0%
Insurance , property	114,606.09	123,364.48	-8,758.39	-7.1%
Insurance, medical	175,772.11	159,873.78	15,898.33	9.94%
Kansas unemployment tax	585.57	553.22	32.35	5.85%
Legal and accounting	38,923.50	15,247.40	23,676.10	155.28%
Office salaries	404,218.93	365,791.50	38,427.43	10.51%
Office Supplies	11,352.80	5,751.28	5,601.52	97.4%
<b>Other administrative expense</b>				
Merchant Processing Fees	2,710.90	691.12	2,019.78	292.25%
Other administrative expense - Other	4,930.57	8,291.21	-3,360.64	-40.53%
<b>Total Other administrative expense</b>	<b>7,641.47</b>	<b>8,982.33</b>	<b>-1,340.86</b>	<b>-14.93%</b>
<b>Payroll expenses</b>	0.00	0.00	0.00	0.0%
<b>Postage</b>	3,500.97	1,716.62	1,784.35	103.95%
<b>Property tax expense</b>	120,833.30	133,333.30	-12,500.00	-9.38%
<b>Telephone</b>	15,901.53	15,085.01	816.52	5.41%
<b>Training</b>	6,638.43	175.00	6,463.43	3,693.39%
<b>Travel and meetings</b>	7,174.05	9,424.03	-2,249.98	-23.88%
<b>Total Administrative expenses</b>	<b>1,297,385.36</b>	<b>1,051,708.10</b>	<b>245,677.26</b>	<b>23.36%</b>

	Jan - Oct 18	Jan - Oct 17	\$ Change	% Change
Bank Service Charges	0.00	0.00	0.00	0.0%
Maintenance expenses				
Airfield maintenance	26,476.79	23,689.93	2,786.86	11.76%
Airport Security	2,628.79	848.63	1,780.16	209.77%
Building maintenance	66,590.87	97,389.00	-30,798.13	-31.62%
Equipment fuel and repairs	84,894.42	96,557.92	-11,663.50	-12.08%
Fire Services	659.74	750.00	-90.26	-12.04%
Grounds maintenance	2,204.39	4,057.98	-1,853.59	-45.68%
Maintenance salaries	275,783.40	281,665.27	-5,881.87	-2.09%
Other maintenance expenses	12,693.37	13,161.81	-468.44	-3.56%
Snow removal expense	3,438.86	514.36	2,924.50	568.57%
Utilities	199,541.16	206,162.52	-6,621.36	-3.21%
Total Maintenance expenses	674,911.79	724,797.42	-49,885.63	-6.88%
Total Expense	1,972,297.15	1,776,505.52	10 195,791.63	11.02%
Net Ordinary Income	185,105.22	79,989.09	11 105,116.13	131.41%
Other Income/Expense				
Other Income				
Capital contributed	1,416,610.43	857,894.00	12 558,716.43	65.13%
Gain on sale of assets	5,375.00	15,065.00	-9,690.00	-64.32%
Interest income				
Interest income on deposits	3,613.25	861.66	2,751.59	319.34%
Total Interest income	3,613.25	861.66	2,751.59	319.34%
Mill levy income	1,983,573.64	1,762,604.64	220,969.00	12.54%
Total Other Income	3,409,172.32	2,636,425.30	772,747.02	29.31%
Other Expense				
Debt interest expense net				
Bond issue cost	0.00	135,085.20	-135,085.20	-100.0%
Interest Expense on Debt	622,399.20	778,862.50	-156,463.30	-20.09%
Total Debt interest expense net	622,399.20	913,947.70	-291,548.50	-31.9%
Depreciation expense	2,249,000.00	2,245,650.00	3,350.00	0.15%
Total Other Expense	2,871,399.20	3,159,597.70	-288,198.50	-9.12%
Net Other Income	537,773.12	-523,172.40	1,060,945.52	202.79%
Net Income	722,878.34	-443,183.31	1,166,061.65	263.11%

**Salina Airport Authority**  
**Capital Additions Budget vs. Actual**  
As of October 31, 2018

5:03 PM  
11/14/2018  
Accrual Basis

	Oct 18	Jan - Oct 8	Annual Budget	+/- Annual Budget	% of Annual Budget
<b>ASSETS</b>					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-36 Txy E Rehab Const. Ph 1		263,915	30,054	233,861	878%
AIP-38 Txy B Rehab Const. Ph 2		1,300,018	1,423,837	-123,819	91%
AIP-39 ARFF Vehicle Acquisition		200	98,500	-98,300	0%
Airfield Improvements	13 44,268	77,286	40,000	37,286	193%
KAIP-19 Rwy 12/30 Slurry Seal		2,850	150,000	-147,150	2%
Total Airfield	44,268	1,644,269	1,742,391	-98,122	94%
Buildings & Improvements					
Building improvements					
Bldg. Imps. Other	14 30,141	84,109	45,000	39,109	187%
Total Building improvements	30,141	84,109	45,000	39,109	187%
Total Buildings & Improvements	30,141	84,109	45,000	39,109	187%
Equipment					
ARFF equipment		119,691	25,650	94,041	467%
Communications equipment	3,560	11,752	2,500	9,252	470%
Computer equipment		1,690	2,500	-810	68%
Shop equipment		25,658	26,000	-342	99%
Total Equipment	3,560	158,791	56,650	102,141	280%
Land					
Airport Indust. Cent. Imps.	15 17,356	17,356	10,000	7,356	174%
Environmental					
Environmental - SAFB	7,969	68,311	15,000	53,311	455%
Total Environmental	7,969	68,311	15,000	53,311	455%
West Beechcraft Road Imps.	7,446	757,775	1,178,000	-420,225	64%
Total Land	32,771	843,442	1,203,000	-359,558	70%
Total Fixed assets at cost	110,740	2,730,611	3,047,041	-316,430	90%

# Salina Airport Authority

## Significant Capital Expenditures Detail

### October 2018

Type	Date	Name	Memo	Amount	Balance
<b>Fixed assets at cost</b>					
<b>Airfield</b>					
<b>Airfield Improvements</b>					
Bill	10/25/2018	Eagle Airport Marking, Inc.		44,268.24	44,268.24
Total Airfield Improvements				44,268.24	44,268.24
Total Airfield				44,268.24	44,268.24
<b>Buildings &amp; Improvements</b>					
<b>Building Improvements</b>					
<b>Bldg. Imps. Other</b>					
Bill	10/01/2018	Helm Electric	Install 125 amp circuit to pedestal at the terminal building	8,704.00	8,704.00
Bill	10/01/2018	Helm Electric	Install new 100a feeder to panel in covered walk way. Insta...	7,680.00	16,384.00
Bill	10/01/2018	Helm Electric	Install circuit for furnace and extend circuit for a/c at buildin...	1,270.00	17,654.00
Bill	10/02/2018	Helm Electric	Extra for 125 A outlet and circuit for terminal building. Digger.	1,500.00	19,154.00
Bill	10/02/2018	Waddle's Heating & Cooling...	H509 HVAC updates as per proposal dated 6/13/18	10,987.00	30,141.00
Total Bldg. Imps. Other				30,141.00	30,141.00
Total Building improvements				30,141.00	30,141.00
Total Buildings & Improvements				30,141.00	30,141.00
<b>Equipment</b>					
<b>Communications equipment</b>					
Bill	10/15/2018	Salina Blueprint, Inc.	New FIDS Screen	1,585.26	1,585.26
Bill	10/26/2018	Nex-Tech Communications, ...	TR New computer	1,974.53	3,559.79
Total Communications equipment				3,559.79	3,559.79
Total Equipment				3,559.79	3,559.79
<b>Land</b>					
<b>Airport Indust. Cent. Imps.</b>					
Bill	10/31/2018	Gleason & Son Signs, Inc.	Termnal Directional Signs	17,356.25	17,356.25
Total Airport Indust. Cent. Imps.				17,356.25	17,356.25
<b>Environmental</b>					
<b>Environmental - SAFB</b>					
Bill	10/31/2018	Stinson Leonard Street, LLP	Professional services - October 2018	7,969.36	7,969.36
Total Environmental - SAFB				7,969.36	7,969.36
Total Environmental				7,969.36	7,969.36
<b>West Beechcraft Road Imps.</b>					
Bill	10/26/2018	Lochner - BWR Division	Reversal of Adjustment from Final Invoice #12	7,445.97	7,445.97
Total West Beechcraft Road Imps.				7,445.97	7,445.97
Total Land				32,771.58	32,771.58
Total Fixed assets at cost				110,740.61	110,740.61
<b>TOTAL</b>				<b>110,740.61</b>	<b>110,740.61</b>



# Commercial Property / Liability Insurance Expense Analysis 2015-2019

Revised 11-13-18

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Quoted	+/- Expiring	% Expiring
<b>Commercial Property</b>							
Invoiced / Quoted	101,296.50	100,659.00	97,836.15	101,041.50	110,859.00	9,817.50	9.7%
Addition of Fossett Plaza			85.85			-	
Inland Marine	2,907.00	3,028.00	3,007.00	3,055.00	3,055.00	-	0.0%
Inland Marine Audit		47.00	(81.00)			-	
Remove Bldg. 394		(225.25)				-	
Return premium (H713 & H724 move to ACV)	(2,797.35)	-				-	
<b>Total Commercial Property Insurance Expense</b>	<b>101,406.15</b>	<b>103,508.75</b>	<b>100,848.00</b>	<b>104,096.50</b>	<b>113,914.00</b>	<b>9,817.50</b>	<b>9.4%</b>
<b>Auto Policy</b>							
Invoiced / Quoted	15,610.00	16,326.00	14,885.00	17,619.00	19,399.00	1,780.00	10.1%
Add DRMO Dump Truck	307.00					-	
Add vehicles to policy			1,080.00	839.00		(839.00)	-100.0%
Delete sold vehicles		(1,715.00)	(117.00)			-	
<b>Total Commercial Auto Policy Expense</b>	<b>15,917.00</b>	<b>14,611.00</b>	<b>15,848.00</b>	<b>18,458.00</b>	<b>19,399.00</b>	<b>941.00</b>	<b>5.1%</b>
<b>Commercial Aviation and General Liability (Airport &amp; Industrial Center Liability), including hangarkeeper's</b>							
Invoiced / Quoted	<b>2,538.00</b>	<b>2,538.00</b>	<b>2,538.00</b>	<b>2,463.00</b>	<b>2,635.00</b>	<b>172.00</b>	<b>7.0%</b>
<b>Public Officials Errors and Omissions</b>							
Invoiced / Quoted	<b>5,598.30</b>	<b>5,692.38</b>	<b>5,839.26</b>	<b>5,839.26</b>	<b>4,315.00</b>	<b>(1,524.26)</b>	<b>-26.1%</b>
<b>Worker's Compensation</b>							
Invoiced / Quoted	9,774.60	7,355.70	6,980.40	6,889.50	18,012.00	11,122.50	161.4%
Workers' comp audit & mod rating credit	(1,609.20)	(1,707.00)	(355.50)	977.40		(977.40)	-100.0%
Workers Comp KS Rate Change or Dividend	(792.90)	(380.00)				-	
<b>Total Worker's Compensation Expense</b>	<b>7,372.50</b>	<b>5,268.70</b>	<b>6,624.90</b>	<b>7,866.90</b>	<b>18,012.00</b>	<b>10,145.10</b>	<b>129.0%</b>
<b>UST Liability</b>							
Invoiced / Quoted	<b>1,900.80</b>	<b>1,900.80</b>	<b>1,425.60</b>	<b>1,425.60</b>	<b>1,426.00</b>	<b>0.40</b>	<b>0.0%</b>
(Commission Deletion)							
<b>Crime</b>							
Invoiced / Quoted	<b>1,120.80</b>	<b>1,084.60</b>	<b>1,084.60</b>	<b>1,084.60</b>	<b>1,085.00</b>	<b>0.40</b>	<b>0.0%</b>
<b>Other</b>							
Notary Renewals		50.00		50.00	-	(50.00)	-100.0%
<b>Total Property/Liability Insurance Premiums</b>	<b>135,853.55</b>	<b>134,654.23</b>	<b>134,208.36</b>	<b>141,283.86</b>	<b>160,786.00</b>	<b>19,502.14</b>	<b>13.8%</b>
<b>Broker Fee (Lockton 2013-2019)</b>	<b>16,500.00</b>	<b>17,000.00</b>	<b>17,500.00</b>	<b>18,000.00</b>	<b>18,000.00</b>	<b>-</b>	<b>0.0%</b>
<b>Risk Manager Fee (Charlesworth 2010-2019)</b>	<b>6,600.00</b>	<b>6,600.00</b>	<b>6,600.00</b>	<b>6,600.00</b>	<b>6,600.00</b>	<b>-</b>	<b>0.0%</b>
<b>Total Property/Liability Insurance Premiums &amp; Fees</b>	<b>158,953.55</b>	<b>158,254.23</b>	<b>158,308.36</b>	<b>165,883.86</b>	<b>185,386.00</b>	<b>19,502.14</b>	<b>11.8%</b>
<b>Commercial Property Insured Billed as Additional Tenant Rental</b>	<b>(13,448.99)</b>	<b>(15,394.81)</b>	<b>(15,531.60)</b>	<b>(17,218.90)</b>	<b>(17,500.00)</b>	<b>281.10</b>	<b>1.6%</b>
<b>Previous Year Adjustments/Credits</b>							
<b>Net Property/Liability Insurance Expense</b>	<b>145,504.56</b>	<b>142,859.42</b>	<b>142,776.76</b>	<b>148,664.96</b>	<b>167,886.00</b>	<b>19,221.04</b>	<b>12.9%</b>
<b>Budget</b>	<b>155,000.00</b>	<b>150,000.00</b>	<b>150,000.00</b>	<b>144,862.00</b>	<b>166,591.00</b>	<b>21,729.00</b>	<b>15.0%</b>
<b>+/- Actual vs. Budget</b>	<b>(9,495.44)</b>	<b>(7,140.58)</b>	<b>(7,223.24)</b>	<b>3,802.96</b>	<b>1,295.00</b>	<b>(2,507.96)</b>	<b>-65.9%</b>
<b>NATA Good Experience Return</b>							
KS UST Policy Dividend	(71.25)		(56.11)			-	
<b>Net Property/Liability Insurance Expense After Returns &amp; Dividends</b>	<b>145,433.31</b>	<b>142,859.42</b>	<b>142,720.65</b>	<b>148,664.96</b>	<b>167,886.00</b>	<b>19,221.04</b>	<b>12.9%</b>

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

**PREMIUM SUMMARY -**

PROPERTY:	\$	101,042	\$	110,859
BUSINESS INCOME / EXTRA EXPENSE:		Included in Property		Included in Property
CONTRACTORS EQUIPMENT:	\$	3,055	\$	3,055
CRIME:	\$	1,085	\$	1,085
AVIATION & GENERAL LIABILITY:	\$	2,463	\$	2,635
HANGARKEEPERS LIABILITY:		Included		Included
EMPLOYEE BENEFIT LIABILITY:		Included		Included
PUBLIC OFFICIAL LIABILITY:	\$	5,839	\$	4,315
EMPLOYMENT PRACTICES LIABILITY:		Included		Included
AUTOMOBILE LIABILITY:	\$	18,458	\$	19,399
AUTOMOBILE PHYSICAL DAMAGE:		Included		Included
WORKERS' COMPENSATION :	\$	7,867	\$	18,012
UNDERGROUND STORAGE TANK:	\$	1,426	\$	1,426
BROKER FEE:	\$	18,000	\$	18,000
<b>TOTAL</b>	<b>\$</b>	<b>159,235</b>	<b>\$</b>	<b>178,786</b>

**PROPERTY**

INSURER & BEST RATING:	Affiliated FM A+ : XV	Zurich A+: XV
LIMIT:	\$67,959,598	\$70,000,000
BLANKET:	Yes, Building and Contents	Yes, Building and Contents
RISK OF DIRECT PHYSICAL LOSS:	Yes	Yes
AGREED AMOUNT:	Yes	Yes
REPLACEMENT COST:	Yes (ACV on vacant buildings)	Yes
VACANCY CLAUSE:	The vacancy clause applies when 100% of the building has been vacant for 60 days. If company is notified in writing of vacancy, and fire, watch and alarm service is maintained, coverage remains as Replacement Cost.	NO VACANCY CLAUSE
POLLUTION CLEAN-UP CAUSED BY INSURED PERIL:	Included, \$50,000	\$200,000
PROPERTY IN TRANSIT LIMIT:	\$500,000	\$500,000
INCL. BUILDING ORDINANCE & LAW:	Replacement of Undamaged--Policy Limit Demolition of Undamaged--Policy Limit Incr. Cost of Construction--Policy Limit	Replacement of Undamaged--\$5,000,000 Demolition of Undamaged--Included Incr. Cost of Construction--Included
INCL. UNINTENTIONAL E&O IN SCHEDULE:	Yes	Yes
INCL. PROPERTY IN THE OPEN:	Yes, within 1,000 feet of premises	Yes, within 1,000 feet of premises
INCL. EQUIPMENT BREAKDOWN:	Yes	Yes

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

ACCOUNTS RECEIVABLE LIMIT:	\$1,000,000 Limit	\$1,000,000 Limit
VALUABLE PAPERS & RECORDS:	\$500,000 Limit	\$1,000,000 Limit
TREES, SHRUBS & PLANTS:	\$1,000 Per Item / \$100,000 Per Loss	\$250,000
NEWLY ACQUIRED PROPERTY:	\$2,500,000 Building Limit Included--Personal Property 120 Days to Report	\$2,500,000 Building Limit Included--Personal Property 90 Days to Report
DATA PROCESSING:	\$500,000 Limit	\$500,000 Limit
TERRORISM:	Included	Included
DEDUCTIBLE:	\$ 25,000 All Perils	\$ 25,000 All Perils
<b>PROPERTY ANNUAL PREMIUM:</b>	<b>\$96,042</b>	<b>\$105,859</b>
<b>ENGINEERING FEE:</b>	<b>\$5,000</b> <b>(\$0.1413 Rate)</b>	<b>\$5,000</b> <b>(\$0.1582 Rate)</b>

<u>EARTHQUAKE</u>	\$5,000,000 Earthquake Limit \$5,000,000 Annual Aggregate \$100,000 Deductible Includes Earth Movement <b>Included</b>	\$5,000,000 Earthquake Limit \$5,000,000 Annual Aggregate \$25,000 Deductible Includes Earth Movement <b>Included</b>
-------------------	--	---

<u>FLOOD</u>	\$5,000,000 Flood Limit \$100,000 Deductible Excludes Zone A <b>Included</b>	\$5,000,000 Flood Limit \$25,000 Deductible Excludes Zone A <b>Included</b>
--------------	---	--

**BUSINESS INCOME / EXTRA EXPENSE**

ALL SCHEDULED LOCATIONS:	Yes	Yes
LIMIT:	Business Income - Incl. in property limit Extra Expense - \$1,000,000	Business Income - Incl. in property limit Extra Expense - \$1,000,000
LIMIT PER LOCATION:	Blanket	Blanket
RISK OF DIRECT PHYSICAL LOSS:	Yes	Yes
PERIOD OF INDEMNITY:	No Time Limit	12 months
COINSURANCE:	None	None
ORDINARY PAYROLL:	Included	90 days not to exceed \$1,000,000
EE DEDUCTIBLE:	Included in property deductible	Included in property deductible
BI DEDUCTIBLE:	Included in property deductible	Included in property deductible
<b>ANNUAL PREMIUM:</b>	<b>Included in property premium</b>	<b>Included in property premium</b>

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

**CONTRACTORS EQUIPMENT**

**GENERAL CONDITIONS**

INSURER & BEST RATING:	Atlantic Specialty A:X	Atlantic Specialty A:X
ALL RISK OF DIRECT PHYSICAL LOSS:	Yes	Yes
VALUATION:	Stated Value	Stated Value
COINSURANCE PROVISION:	None	None

**CONTRACTOR'S EQUIPMENT**

LIMIT:	\$1,426,088 Scheduled \$250,000 Additionally Acquired \$30,000 Unscheduled \$5,000 Unscheduled Max per item \$25,000 Rental Expense Reimbursement \$100,000 Debris Removal \$50,000 Pollutant Clean Up \$1,456,088 Any One Loss	\$1,426,088 Scheduled \$250,000 Additionally Acquired \$30,000 Unscheduled \$5,000 Unscheduled Max per item \$25,000 Rental Expense Reimbursement \$100,000 Debris Removal \$50,000 Pollutant Clean Up \$1,456,088 Any One Loss
CONT. EQUIP. DEDUCTIBLE:	\$1,000 Per Occurrence	\$1,000 Per Occurrence
CONT. EQUIPMENT PREMIUM:	<b>\$3,055 (Rate \$0.21)</b>	<b>\$3,055 (rate \$0.21)</b>

**EMPLOYEE TOOLS**

LIMIT:	\$10,000 Scheduled \$2,500 Per Item Limit	\$10,000 Scheduled \$2,500 Per Item Limit
EMPLOYEE TOOLS DEDUCTIBLE:	\$250 Per Occurrence	\$250 Per Occurrence
SCHEDULED PROP. PREMIUM:	<b>Included</b>	<b>Included</b>

**CRIME COVERAGE**

INSURER & BEST RATING:	Hartford A+: XV	Hartford A+: XV
PUBLIC EMPLOYEES BLANKET	\$250,000 Blanket Coverage	\$250,000 Blanket Coverage
FORGERY & ALTERATIONI	\$250,000 Per Loss	\$250,000 Per Loss
MONEY AND SECURITIES (THEFT, DISAPPEARANCE & DESTRUCTION:	\$100,000 Inside \$100,000 Outside	\$100,000 Inside \$100,000 Outside
COMPUTER / FUNDS TRANSFER FRAUD:	\$250,000 Per Loss	\$250,000 Per Loss
SOCIAL ENGINEERING:	\$15,000 Limit	\$15,000 Limit
DEDUCTIBLE:	\$2,500 (\$5,000 Social Engineering)	\$2,500 (\$5,000 Social Engineering)
CRIME PREMIUM:	<b>\$1,085</b>	<b>\$1,085</b>

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

**AVIATION & GENERAL LIABILITY:**

INSURER & BEST RATING:	Old Republic Insurance Co. A+:XII	Old Republic Insurance Co. A+:XII
OCCURRENCE COVERAGE:	Yes	Yes
LIMITS -	\$2,000,000 Each Occurrence, BI & PD \$2,000,000 Aggregate Prod / CO \$2,000,000 Incidental Medical Malpractice \$2,000,000 Personal & Adv. Injury Agg. \$2,000,000 General Aggregate \$250,000 Fire Damage Legal \$ 0 Medical Payments	\$2,000,000 Each Occurrence, BI & PD \$2,000,000 Aggregate Prod / CO \$2,000,000 Incidental Medical Malpractice \$2,000,000 Personal & Adv. Injury Agg. \$2,000,000 General Aggregate \$250,000 Fire Damage Legal \$ 0 Medical Payments
DEDUCTIBLE:	None	None
TORT CAP ENDORSEMENT:	Declined by SAA	Declined by SAA
SUPPLEMENTARY DEFENSE COSTS:	Yes	Yes
INCL. SPECIAL EVENTS:	Yes	Yes
INCLUDE MOBILE EQUIPMENT INCLUDING STAIRS & BELT ROLLERS:	Yes	Yes
INCLUDES SPRAYING OF CHEMICALS:	Yes	Yes
INCL. ON-AIRPORT PREMISES AUTO COVERAGE ENDORSEMENT:	Yes	Yes
TERRORISM:	Not Included	Not Included
<b>AVIATION &amp; G.L. ANNUAL PREMIUM:</b>	<b>\$2,463</b>	<b>\$2,635</b>

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

**HANGARKEEPERS LIABILITY**

COVERAGE FORM:	Occurrence	Occurrence
LIMITS:	\$1,000,000 Each Aircraft \$1,000,000 Each Loss	\$1,000,000 Each Aircraft \$1,000,000 Each Loss
DEDUCTIBLE:	None	None
HANG. LIABILITY ANNUAL PREMIUM:	Included	Included

**EMPLOYEE BENEFIT LIABILITY**

COVERAGE FORM:	Occurrence	Occurrence
LIMITS:	\$2,000,000 Each Claim \$2,000,000 Aggregate	\$2,000,000 Each Claim \$2,000,000 Aggregate
DEDUCTIBLE:	None	None
E.B.L. ANNUAL PREMIUM:	Included	Included

**PUBLIC OFFICIAL LIABILITY /**  
**EMPLOYMENT PRACTICES LIABILITY**

INSURER & BEST RATING:	Indian Harbor Insurance Co. A: XV	ACE American Insurance Co.
FORM:	Claims Made	Claims Made
RETRO DATE:	Full Prior Acts	Full Prior Acts
LIMITS OF LIABILITY :	\$2,000,000 Each Occurrence \$2,000,000 Aggregate	\$2,000,000 Each Occurrence \$2,000,000 Aggregate
DEDUCTIBLE :	\$10,000 Each Claim	\$10,000 Each Claim
WRONGFUL ACT COVERAGE:	Yes	Yes
CRISIS MANAGEMENT:	\$ 25,000	50,000
"PAY ON BEHALF OF INSURED":	Yes	Yes
INSURER'S DUTY TO DEFEND:	Yes	Yes
INCLUDES DISCRIMINATION:	Yes	Yes
INCLUDES CIVIL RIGHTS VIOLATIONS:	Yes	Yes
INCL. SEXUAL HARASSMENT (NO B.I.):	Yes	Yes
INCL. EMPLOYMENT PRACTICES:	Yes	Yes



**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

INCLUDES AUTHORIZED VOLUNTEERS:	Yes	Yes
INCL. BOARDS, EMPLOYEES AND ENTITY:	Yes	Yes
SEVERABILITY EXCEPT FOR SIGNOR:	Yes	Yes
INCLUDE DEFENSE COVERAGE FOR NON-MONETARY DEMANDS:	Yes	Yes
DEDUCTIBLE INCLUDES LOSS ADJUSTMENT EXPENSES:	Yes	Yes
AWARDED PLAINTIFF FEES INCLUDED AS "DAMAGES":	Yes	Yes
INCL. EEOC / KHRC MEDIATION DEFENSE & SETTLEMENTS:	Yes	Yes
<b>ANNUAL PREMIUM:</b>	<b>\$5,839</b>	<b>\$4,315</b>

**AUTOMOBILE**

INSURER & BEST RATING:	Philadelphia Insurance Co A++ : XV	Philadelphia Insurance Co A++ : XV
LIABILITY LIMITS:	\$1,000,000 Combined Single Limit	\$1,000,000 Combined Single Limit
INCL. TORT LIABILITY ENDORSEMENT:	Yes	Yes
UNINSURED/UNDER. MOTORIST:	\$1,000,000	\$1,000,000
MEDICAL PAYMENTS:	\$5,000 All Vehicles	\$5,000 All Vehicles
SYMBOL "ONE" LIABILITY (ANY AUTO):	Yes	Yes
TERRORISM:	Included	Included
<b>AUTO LIABILITY ANNUAL PREMIUM:</b>	<b>\$18,458</b>	<b>\$19,399</b>

**AUTO PHYSICAL DAMAGE**

PER SCHEDULE:	Yes	Yes
AUTO PHYSICAL DAMAGE DEDUCT - COMPREHENSIVE: COLLISION:	Excludes vehicles 10+ years old (Coverage includes Fire Trucks) \$1,000 Per Vehicle \$1,000 Per Vehicle	Excludes vehicles 10+ years old (Coverage includes Fire Trucks) \$1,000 Per Vehicle \$1,000 Per Vehicle
<b>PHYS. DAMAGE ANNUAL PREMIUM:</b>	<b>Included</b>	<b>Included</b>

**SALINA AIRPORT AUTHORITY**  
**PROPERTY AND LIABILITY INSURANCE**  
**JANUARY 1, 2019 TO JANUARY 1, 2020**

**AGENCY:**  
**POLICY PERIOD:**

**LOCKTON COMPANIES**  
**01/01/2018 - 2019**  
*(Expiring)*

**LOCKTON COMPANIES**  
**01/01/2019 - 2020**  
*(Renewal)*

**HIRED PHYSICAL DAMAGE**

<b>LIMIT:</b>	ACV	ACV
<b>DEDUCTIBLE:</b>	\$100 Comprehensive \$1,000 Collision	\$100 Comprehensive \$1,000 Collision
<b>ANNUAL PREMIUM:</b>	Included	Included

**WORKERS' COMPENSATION**

<b>INSURER AND BEST RATING:</b>	Old Republic A+:XII	Old Republic A+:XII
<b>EMPLOYER'S LIABILITY LIMITS:</b>	\$1,000,000 Each Accident \$1,000,000 Disease--Policy Limit \$1,000,000 Disease--Each Employee	\$1,000,000 Each Accident \$1,000,000 Disease--Policy Limit \$1,000,000 Disease--Each Employee
<b>EMF / PAYROLL UTILIZED:</b>	0.89 (\$690,100 Payroll)	1.69 (\$764,993 payroll)
<b>EST. ANNUAL PREMIUM:</b>	<b>\$7,867</b>	<b>\$18,012</b>

**UNDERGROUND STORAGE TANK LIABILITY**

<b>INSURER AND BEST RATING:</b>	Great American Alliance A+:XIII	Great American Alliance A+:XIII
<b>LIMITS:</b>	\$ 1,000,000 Per Environmental Incident \$ 1,000,000 Annual Aggregate \$ 100,000 Defense per Environmental Incident	\$ 1,000,000 Per Environmental Incident \$ 1,000,000 Annual Aggregate \$ 100,000 Defense per Environmental Incident
<b>DEDUCTIBLE:</b>	\$ 5,000 Per Incident	\$ 5,000 Per Incident
<b>ANNUAL PREMIUM:</b>	<b>\$ 1,426</b>	<b>\$ 1,426</b>

**SALINA AIRPORT AUTHORITY**  
**LOSS SUMMARY**



Coverage Term	Carrier	# of Claims	# Open Claims	Total Paid	Total Reserve	Total Incurred	Loss Ratio	Value Date
<b>PROPERTY</b>								
1/1/2018 - 1/1/2019	Affiliated FM	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2017 - 1/1/2018	Affiliated FM	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2016 - 1/1/2017	Affiliated FM	1	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2015 - 1/1/2016	Affiliated FM	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2014 - 1/1/2015	Affiliated FM	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
<b>TOTAL</b>		<b>1</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	
<b>AUTO</b>								
1/1/2018 - 1/1/2019	Philadelphia	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2017 - 1/1/2018	Philadelphia	1	0	\$ 78,768	\$ -	\$ 78,768	507%	11/14/2018
1/1/2016 - 1/1/2017	Philadelphia	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2015 - 1/1/2016	Philadelphia	1	0	\$ 2,209	\$ -	\$ 2,209	14%	11/14/2018
1/1/2014 - 1/1/2015	Philadelphia	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
<b>TOTAL</b>		<b>2</b>	<b>0</b>	<b>\$ 80,977</b>	<b>\$ -</b>	<b>\$ 80,977</b>	<b>101%</b>	
<b>AIRPORT GENERAL LIABILITY</b>								
1/1/2018 - 1/1/2019	Old Republic	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2017 - 1/1/2018	Old Republic	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2016 - 1/1/2017	Old Republic	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2015 - 1/1/2016	Old Republic	0	0	\$ -	\$ -	\$ -	0%	11/14/2018
1/1/2014 - 1/1/2015	AIG	0	0	\$ -	\$ -	\$ -	0%	10/31/2018
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0%</b>	
<b>WORKER'S COMPENSATION</b>								
1/1/2018 - 1/1/2019	Old Republic	2	0	\$ 261	\$ -	\$ 261	3%	11/8/2018
1/1/2017 - 1/1/2018	Old Republic	3	0	\$ 28,535	\$ -	\$ 28,535	323%	11/8/2018
1/1/2016 - 1/1/2017	Old Republic	1	0	\$ 446	\$ -	\$ 446	6%	11/8/2018
1/1/2015 - 1/1/2016	Liberty Mutual	4	0	\$ 1,341	\$ -	\$ 1,341	17%	10/3/2018
1/1/2014 - 1/1/2015	Liberty Mutual	1	0	\$ -	\$ -	\$ -	0%	10/3/2018
<b>TOTAL</b>		<b>11</b>	<b>0</b>	<b>\$ 30,583</b>	<b>\$ -</b>	<b>\$ 30,583</b>	<b>74%</b>	
<b>OVERALL TOTALS</b>		<b>14</b>	<b>0</b>	<b>\$ 111,560</b>	<b>\$ -</b>	<b>\$ 111,560</b>	<b>18%</b>	

## Addendum B

Pursuant to Section VI.B. of the Fee for Services Agreement (the "Agreement") between Salina Airport Authority and Kansas City Series of Lockton Companies, LLC dated October 1, 2015, this Addendum amends that Agreement as follows:

**1. Section I. Term:**

This section shall be amended to reflect the intent of the parties to extend the term of this Agreement for an additional three (3) years from October 1, 2018 to October 1, 2021.

**2. Section II. Compensation:**

Paragraph A. of Section II shall be amended to reflect an increase in the compensation in the form of a fee to the amount of \$18,000 with a \$500 increase in both years two (2) and three (3).

Paragraph D. of Section II shall be replaced with the following:

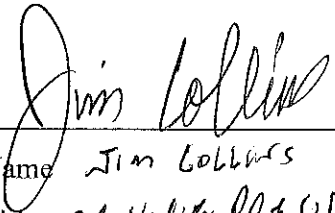
"Schedule and Conditions. Client shall pay the fee set forth above based on the following payment schedule:

<u>Due Date</u>	<u>Amount Due</u>
12/31/18	\$9,000
04/30/19	\$9,000

Client will provide full payment to Lockton for all fee invoices submitted within thirty (30) days of Client's receipt of each invoice. Service fees for years 2 and 3 of the Agreement will be invoiced in equal parts on 12/31 and 04/30 of each annual period."

In witness whereof, the parties hereto have agreed to and have executed this Addendum in duplicate intending each copy to serve as an original and intending the amendments set forth herein to be effective as of and from the date of the last signature below.

KANSAS CITY SERIES OF LOCKTON COMPANIES, LLC

BY:  DATE: 9/27/18  
Name Jim Collins  
Title SA. VICE PRESIDENT

SALINA AIRPORT AUTHORITY

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

## AIRPORT USE LEASE AGREEMENT

This Airport Use Lease Agreement, ("Lease") made and entered into this \_\_\_\_ day of November, 2018 by and between the **SALINA AIRPORT AUTHORITY**, a Kansas public corporation, of Salina, Saline County, Kansas, (the "Authority"), and **NEX-TECH, LLC**, a Kansas limited liability company with principal offices at 145 N. Main, Lenora, KS 67645, (the "Lessee"), WITNESSETH:

WHEREAS, Authority is the operator of the Salina Regional Airport, herein "Airport", and it represents that it has the right to enter into this Lease for the use of the Airport, together with all the facilities, rights, licenses, and privileges herein granted, and has full power and authority to enter into this Lease with respect thereof; and,

WHEREAS, Lessee is engaged in the business of providing wireless internet service, and Lessee desires to obtain the right to use certain facilities on the Airport, together with certain rights, licenses, and privileges thereon; and,

WHEREAS, the parties desire to renew the December 16, 2015 Airport Use Lease Agreement covering the same Premises, which is set to expire on December 31, 2018.

NOW THEREFORE, the parties hereto, for and in consideration of the rents, covenants, and agreements contained herein, agree as follows:

### ARTICLE I - PREMISES

Authority does hereby grant permission to Lessee to install, operate and maintain at its sole expense, the following described radio and communications equipment listed below:

1. Eight (8) Access Points;
2. One (1) 2' Backhaul Dish;
3. Nine (9) Cat5 cables from the top to our cabinet at the base;
4. One (1) Cabinet at the base for our cable termination, switch, and battery backup;
5. Radio communications equipment consisting of transmitter, receiver and accessories to be installed near the base of the Tower
6. Flexible coaxial transmission line between anchor(s) and radio equipment, to be anchored firmly on the Tower.

on or in the Authority's property as described below for the purposes of providing Lessee's wireless Internet connection service:

Tower located on Block 6 Lot 3 of the Schilling Subdivision No. 5, of the City of Salina, Saline County, Kansas, a/k/a 2725 Arnold Ave., Salina, KS ("PREMISES")

1. Rental Rates. Rental rates for use of the Airport Facility shall be Three Hundred Twenty-Five dollars per month (\$325) due and payable on the first day of the month for that month.

2. Access to Tower and Premises. Authority agrees that Lessee shall have unlimited access to the Tower and the Property on which the Tower is located (the "Premises") for the purpose of installing, maintaining and repairing its Equipment. If, at any time, Lessee observes a problem with the Premises, or has concerns with the Premises, Lessee shall immediately notify Authority.

3. Reimbursement for Direct Costs. In addition to the established rental rates, the Lessee shall be responsible for reimbursing the Authority for any direct costs incurred in association with the Lessee's utilization of the Premises. Those direct costs would include items such as damage to SAA property.

4. Interference. Lessee must comply with applicable electrical codes, as well as all applicable rules and regulations of the Federal Communications Commission (FCC) and Federal Aviation Administration (FAA).

With respect to the initial installation and subsequent future operation of Lessee's Equipment on the Tower, Lessee shall, at its sole expense, take such steps as may be necessary to prevent interference with the existing and future broadcasting activities of Authority and any other lessees. In the event Lessee is unable to reduce or eliminate broadcast interference to Authority's satisfaction within thirty (30) days of written notice by Authority of such interference, Lessee agrees to immediately cease its operations and remove its Equipment within fifteen (15) days.

Lessee shall not, without the prior written permission of the Authority, install any additional equipment beyond the list specified in the Premises section herein. All additional equipment shall be in compliance with all applicable laws and regulations.

Authority agrees not to grant tower space lease to any third party if such grant would or could in any way affect, or interfere with, Lessee's use of the Tower or Premises. Authority, however, reserves the right to install additional equipment for its own use; provided, that Authority's equipment does not interfere in any way with the operation of Lessee's Equipment already installed on the Tower or Premises.

5. Maintenance. Lessee shall be responsible for and pay all necessary maintenance and repairs associated with the Equipment it places on the Tower or Premises. All installation, maintenance and repair work must be performed by parties carrying General Liability Insurance of One Million Dollars (\$1,000,000) at a minimum, as well as Worker's Compensation Insurance.



6. Utilities. Lessee shall, at its own expense, obtain and pay for all electricity, water, gas, sewer use fees, or other utilities used by it during the term of this Lease or any extensions thereof, including the cost of maintenance and operation of the heating system for the Premises.

Authority shall furnish, at Authority's sole expense, 115-volt 60-cycle single-phase alternating current with 20 amp capacity to operate Lessee's Equipment. Lessee shall pay for the installation of any additional electrical service necessary on the Tower or Premises to ensure sufficient capacity to operate Lessee's Equipment. Authority shall not be liable for the interruption of such electrical service.

7. Assignment of Lease. Lessee shall not assign this Lease or any interest therein and shall not sublet the Premises or any part thereof, or allow any person to occupy or use the Premises or any portion thereof, without prior written consent of the Authority. A consent to one assignment or subletting for use by any other person shall not be deemed to be a consent to any subsequent assignment.

## ARTICLE II - TERM

1. Term of Lease. This Lease shall be for a term of three (3) years commencing effective January 1, 2019 and terminating on December 31, 2021. Upon termination of this Lease, Lessee shall have sixty (60) days to remove Lessee's Equipment from the Tower and Premises.

During the term of the Lease, if the Authority abandons or sells its interest in the Tower or Premises, Authority shall ensure that Lessee's rights hereunder are honored and protected by Authority's successors and assigns as documented in writing through any future contracts involving the Tower or Premises.

2. Holdover. If the Lessee remains in possession of all or any part of the Premises after the expiration of this Lease, without the express or implied consent of the Authority, such occupancy shall be considered to be a "Holdover Tenancy" from month-to-month only, and not a renewal or extension of this Lease for any further term. In such case, the Basic Rent for such Holdover Tenancy shall be payable in the amount of 150% of the amount specified in herein. Such Holdover Tenancy shall be subject to every other provision, covenant and agreement contained herein. The foregoing provisions of this Subsection are in addition to and do not affect the right of re-entry or any right of the Authority hereunder or as otherwise provided by law and in no way shall such provisions affect any right which the Authority may have otherwise to recover damages, to the extent permissible by applicable law, from Lessee for loss or liability incurred by the Authority resulting from the failure by Lessee to surrender the Premises, or for any other reason. Nothing contained in this Subsection shall be construed as consent by Authority to any holding over by Lessee and the Authority expressly reserves the right to require Lessee to

surrender possession of the Premises to Authority as provided in this Lease, and to the extent permissible by applicable law, upon the expiration of this Lease

### ARTICLE III - DAMAGE OR DESTRUCTION TO PREMISES

If any building of Authority in which Lessee occupies exclusive place hereunder shall be destroyed or partially damaged by fire or other casualty but not rendered untenable, or if rendered untenable, the Authority shall have the option to repair, replace, or reconstruct but shall not be obligated to do so. Where the Premises are untenable the rent payable hereunder with respect to the Premises shall be proportionately paid up to the time of such damage or destruction and shall then cease until such time as the Premises are repaired or replaced. If the Premises are not repaired, the Lease shall be cancelled.

### ARTICLE IV – INDEMNITY AND CONTINGENCY

Lessee shall indemnify, protect, defend and save Authority harmless from and against all claims, demands, liabilities and costs, including attorney fees, arising from damage or injury, actual or claimed, of whatever kind or character to property or persons allegedly occurring on or about the Airport during this Lease resulting from or arising out of the willful or negligent acts and omissions of officers, agents, and employees of Lessee. Upon notice from Authority, Lessee shall defend Authority in any action or proceeding brought in connection with such claims or demands.

Nothing in this Article IV shall require Lessee to indemnify, protect, defend, and save Authority harmless against claims, demands, liabilities, and costs arising from negligence of Authority, its officers, employees, agents, licensees, and invitees.

If, after execution of this Lease, Lessee is unable to use or occupy Authority's Tower due to action of the FCC or for other reasons, this Lease may be canceled without obligation on the part of either Party.

### ARTICLE V - OWNERSHIP AND REMOVAL OF FIXTURES

It is understood and agreed by and between the parties hereto that any additions, improvements, or fixtures attached to the Premises or placed on or about the Premises by Lessee shall be considered as personal property and shall remain the property of Lessee who shall have the right to remove the addition, improvements, or fixtures from the Premises upon the expiration of this Lease so long as such removal does not impair the structural feature of the improvements presently on the leased Premises. Provided, however, in the event of termination of this Lease due to a breach of covenant by Lessee,

then all fixtures and improvements shall become the property of the Authority and may not be removed from the Premises.

On or before the date of expiration of this Lease or any extension thereof, Lessee shall vacate the Premises, remove its property therefrom, and restore the Premises to as good order and condition as that existing upon the commencement of the term of this Lease, damages beyond the control of Lessee and due to fair wear and tear excepted. If, however, the Lease is revoked as a result of a breach by Lessee, then at the option of the Authority, the property shall either become property of the Authority without compensation therefor, or the Authority may cause it to be removed and the Premises to be restored at the expense of the Lessee, and no claims for damages against the Authority shall be created or made on account of such removal and restoration work.

#### ARTICLE VI - SURRENDER OF POSSESSION

Lessee agrees to yield and deliver to Authority possession of the Premises at the termination of this Lease, by expiration or otherwise, or of any renewal or extension hereof, in good condition in accordance with its express obligations hereunder only, except for reasonable wear and tear, fire and other casualty, and Authority shall have the right at any time during the term or any renewal or extension hereof, to remove all fixtures and equipment and other property installed or placed by it at its expense in, on, or about the Premises; subject, however, to any valid lien which Authority may have thereon for unpaid rents or fees.

#### ARTICLE VII - NOTICES

All notices to be given pursuant to this Lease shall be addressed to the parties as follows:

Authority	Salina Airport Authority Salina Airport Terminal Building 3237 Arnold Salina, KS 67401
Lessee	Nex-Tech, LLC Attn: Product/Services Manger 145 N. Main Lenora, KS 67645 Email: sroe@nex-tech.com

## ARTICLE VIII - AIRPORT PROTECTION

It is understood and agreed that the rights granted by this Lease will not be exercised in such a way as to interfere with, or adversely affect the use, operation, or maintenance of the Airport.

## ARTICLE IX - INVALID PROVISIONS

It is further expressly understood and agreed by and between the parties hereto that in the event any covenant, condition, or provision herein contained is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, condition, or provision shall in no way affect any other covenant, condition, or provision herein contained; provided, however, that the invalidity of any such covenant, condition, or provision does not materially prejudice either the Authority or Lessee in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Lease.

## ARTICLE X - GENERAL CLAUSES

a. Lessee shall comply with all applicable laws, ordinances and regulations of the state, county and municipality wherein the Premises are located with regard to construction, sanitation, licenses or permits to do business and all other matters.

b. Lessee shall pay to the proper governmental agencies and as they become due and payable, all taxes, assessments, and similar charges which at any time during the term of this Lease may be taxed, assessed or imposed upon the Lessee with respect to the Premises, except those which the Authority has in this Lease agreed to pay.

c. Any property of the Authority damaged or destroyed by the Lessee, incident to the Lessee's use and occupation of Premises, shall be promptly repaired or replaced by the Lessee to the satisfaction of the Authority or in lieu of repair or replacement, the Lessee shall, if so required by the Authority, pay to the Authority money in an amount sufficient to compensate for the loss sustained by the Authority by reason of damage or destruction of the property.

d. Lessee acknowledges that it has inspected and knows the condition of the Premises and it is understood that the same is hereby leased without any representation or warranty by the Authority whatsoever and without obligation on the part of the Authority to make any alterations, repairs, or additions thereto. Should the Premises structurally deteriorate during the term of the Lease rendering it unusable by Lessee for its intended

purposes, the Authority and Lessee shall mutually agree on a course of action and allocation of responsibility for such repairs. If a mutual agreement cannot be reached, either party may terminate the Lease by providing 60 days advance notice, served in writing.

e. No Lessee shall use, or permit to be used, any portion of the property under its control for signs, billboards, or displays, other than those connected with its own operations thereon. Advertising signs must be located on the buildings on the Premises and shall not contain more than 120 square feet in area. Flashing or illuminated signs in which the light is not maintained constant and stationary in intensity and color shall be prohibited.

f. All loading docks for buildings or warehouses shall be maintained on the side or rear of the buildings.

g. Lessee shall not be the agent of the Authority in making repairs or other improvements to the Premises and no mechanics liens or claims thereunder shall be valid against the Authority or against the interest of the Authority in the property.

h. All materials, supplies, or equipment stored outside of the buildings shall be done so in an orderly manner so as not to create a nuisance or fire hazard and shall be in compliance with all applicable governmental regulations.

i. The Lessee must at all times keep the Premises and buildings in a safe, clean, wholesome condition and comply in all respects to all government, health, and police requirements and the Lessee will remove at its own expense any rubbish which may accumulate on the property.

k. Authority reserves the right (but shall not be obligated to Lessee) to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the Lessee in this regard.

l. Authority reserves the right further to develop or improve the landing area and all publicly owned air navigation facilities of the airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance.

m. Authority reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the airport which in the opinion

of the Authority would limit the usefulness of the airport or constitute a hazard to aircraft.

n. During time of war or national emergency Authority shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area, the publicly owned air navigation facilities, and/or other area or facilities of the airport. If any such agreement is executed, the provisions of this instrument insofar as they are inconsistent with the provisions of the agreement with the Government, shall be suspended.

o. It is understood and agreed that the rights granted by this agreement will not be exercised in such a way to interfere with or adversely affect the use, operation, maintenance, or development of the airport.

p. There is hereby reserved to the Salina Airport Authority, its successors and assigns, for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises herein conveyed, together with the right to cause in the airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using the airspace or landing at, taking off from, or operating on or about the airport.

q. Lessee agrees to comply with all applicable laws, ordinances, rules and regulations of the federal, state, county, and municipality wherein Premises are located, including compliance with future laws and regulations, i.e., those passed after the date of this agreement.

r. In the event that Lessee defaults in its payment of rentals or fails to substantially comply with any of the other items of this Lease then, if requested by Authority, the Lessee agrees to provide it with a financial statement covering its latest fiscal or calendar year, which financial statement shall be in such form as accurately discloses the assets, liabilities, and net worth of the Lessee. If, in the opinion of the Authority, the financial statement provided is incomplete or fails to accurately indicate the financial condition of the Lessee, the Lessee agrees to provide the Authority such further financial information as the Authority may in writing request.

s. Entire Lease. This Lease represents the entire Lease and understanding between the Parties relating to the subject matter hereof and supersedes any prior agreements and understandings relating to the subject matter, expressly including the previous Airport Use Lease between the Parties hereto. This Lease may not be amended except through a written document executed by authorized representatives of both Parties.

t. Binding Effect. This Lease is binding upon the Parties hereto, their respective heirs, executors, administrators, successors and assigns. Each Party acknowledges that it has full power and authority to enter into and perform this Lease, and that the individuals executing this Lease have been properly authorized and empowered to do so. Each Party acknowledges that it has read this Lease, understands it and agrees to be bound by it.

IN WITNESS WHEREOF, the respective parties have hereunto caused this instrument to be executed on its behalf by its duly authorized officers all on the date and year hereinafter shown.

**SALINA AIRPORT AUTHORITY**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Brian Weisel, Chairman


**ATTEST**

Date \_\_\_\_\_

By: \_\_\_\_\_  
Alan Eichelberger, Secretary

**NEX-TECH, LLC**

Dated: 11/2/18 \_\_\_\_\_

By:  \_\_\_\_\_  
Justin McClung, Director of Dev.,  
Innovation & Admin.