

DATE: July 18, 2022
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **July 20, 2022, SAA Regular Board Meeting**

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

<https://meet.goto.com/salinaairport/salina-airport-authority-board-meeting>

Wednesday's meeting will feature discussion concerning the following 2022 Airport Authority operating plan priorities.

- Finance and administration
- Future MRO hangar construction
- Salina Regional Airport airfield improvements project funding

Please note the following agenda comments.

Agenda Item #5 – Review of Airport Activity and Financial Reports for the Month Ending June 30, 2022. (Rogers)

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 6,660 operations during June 2022 which was a 7% decrease as compared to the June 2021 total of 7,142. For the year-to-date, a total of 34,464 operations have occurred at the Salina Airport which is 14% less than the June 2021 YTD total of 40,124.

Airport Activity – Fuel Flowage (Rogers)

The June 2022 fuel flowage came in at 193,611 gallons which was 21% more than the June 2021 total of 159,726 gallons. For the year-to-date, a total of 1,230,478 gallons have been delivered which is 32% more than the June 2021 YTD total of 931,494 gallons.

Airport Activity – Passenger Enplanements (Rogers)

During June 2022 SkyWest enplaned 2,325 passengers, which was a 18% increase over the June 2021 total of 1,979 passengers. The June 2022 total passenger count was 4,375 which was a 12% increase over the June 2021 YTD total of 3,917. For the year-to-date, a total of 10,170 passengers have enplaned United Express flights which is 62% more than the June 2021 YTD total of 6,267 enplaned passengers.

Financial Reports – Comments and Notes (Swanson)

Highlights from the June 2022 financials include:

- Unrestricted cash in bank at \$1,887,229
- Total YTD income came in \$270,311 over the first half of 2021 (20%) and is tracking over (12%, \$171,158) the 2022 budget projections.
- Total operating expenses came in 1% under budget and is running .66% less than 2021 or \$9,467.
- Net operating income before depreciation equaled \$194,039 YTD at the end of the 2nd quarter.

Enclosed is a copy of a ten-year profit and loss trend analysis report for Jan-June 2013-2022.

The below table represents disbursements from the 2021-1 GO Temporary Note project fund account during June 2022.

Salina Airport Authority Transactions by Account As of June 30, 2022											
Type	Date	Num	Adj	Name	Memo	Class	Clr	Split	Debit	Credit	Balance
Cash in Bank-Bond Funds											1,856,496.11
BSB 2021-1 GO Temp Note (\$146)											1,856,496.11
B8 Pmt -Check	06/02/2022	1033		Cheney Construction Inc.	B595 Improvements - Progress pymnt no. 2		✓	Accounts pa...	84,860.95		1,771,635.16
B8 Pmt -Check	06/09/2022	1034		Glass Services, Inc.	Labor to install insulated glass unit at concourse		✓	Accounts pa...	595.00		1,771,040.16
B8 Pmt -Check	06/09/2022	1035		Hutton Corporation	Concourse construction progress payment No. 9		✓	Accounts pa...	14,324.90		1,756,715.26
B8 Pmt -Check	06/29/2022	1036		Cheney Construction Inc.	SAA BLDG 595 22005 Progress Payment # 3			Accounts pa...	100,092.70		1,576,622.56
Deposit	06/30/2022				Interest	Airport	✓	Interest incom...	293.23		1,576,915.79
Total BSB 2021-1 GO Temp Note (\$146)											1,576,915.79
Total Cash in Bank-Bond Funds											1,576,915.79
TOTAL											1,576,915.79

Financial Reports – Accounts Receivable Past Due 31 days or more as of July 15, 2022 (Swanson)

Account	Amount	Days	Comments
AGCO Corporation	\$962	31-90	Utilities & late fees
Carr, Bill	\$168	31-60	Storage Igloo rent
Delta Airlines	\$1,840	61-90	Landing Fees & ARFF coverage
Eastern Airlines	\$15,116	61>90	Landing Fees & ARFF coverage

Short-term Leasing Activity

On June 27, 2022, the SAA entered a 90-day lease for 1,193 SF of office space in Bldg. 655 with Packers Sanitation Services, Inc. (PSSI). Over the next three-months, PSSI will use the office space for conducting interviews, employee orientation, and training. This short-term arrangement will generate approximately \$4,350 in building revenue.

In early June, the SAA leased 9,910 SF of Hangar 703 to 1 Vision for the purposes of aircraft maintenance and painting for 19 days. This short-term rental will generate approximately \$2,880 in hangar rental.

Agenda Item #6 – SAA Comprehensive Annual Financial Report for Calendar Years 2021 and 2020. (Rogers and Swanson)

Danielle Hollingshead, CPA and lead auditor with AdamsBrown, LLC will attend the meeting to present the Airport Authority's Comprehensive Annual Financial Report for Calendar Years 2021 and 2020. The independent auditor's opinion letter states that, *"In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Salina Airport Authority as of December 31, 2021 and 2020, and the respective changes*

in financial position and, where applicable, cash flows thereof for the years ended in accordance with accounting principles generally accepted in the United States of America.”

Agenda Item #7 – Review of the SLN North Ramp Development Plan and Public Comment Concerning the Plan. (Rogers)

Enclosed is the application for a National Environmental Policy Act (NEPA) application for a Categorical Exclusion (CATEX) from the need to prepare an Environmental Assessment (EA) report of an even more extensive Environmental Impact Statement (EIS) report for the project. The CATEX application will be submitted to the FAA for decision that no further NEPA review is required.

Following a favorable FAA CATEX decision, the updated Salina Regional Airport (SLN) Airport Layout Plan (ALP) showing the SLN North Ramp Development can be approved by the FAA. The FAA CATEX and ALP approvals are required before SLN North Ramp construction can start.

Following a review of plans for new North Ramp MRO hangar construction, Chair Buer will ask for public comment concerning the North Ramp development plan. Public comments received will be documented and included in the final draft of the CATEX application.

Agenda Item #8 – Review of FAA Airport Improvement Program (AIP) Projects Scheduled for Calendar Years 2023 through 2027. (Rogers and Swanson)

Enclosed is a summary of airfield improvements projects scheduled calendar years 2023 through 2027. The order of the projects matches up with FAA priorities and available grant funds. Years 2023 through 2025 take advantage of multiple sources of FAA grant funding. The grant program applicable to SLN projects is listed. The 2023 – 2025 priority projects are:

- 2023 - New fuel farm construction
- 2023 - Rehabilitate (resurface) Runway 12/30
- 2024 - Rehabilitate and expand the terminal building parking lot
- 2025- Terminal building expansion

FAA grant funding for the projects is estimated to be \$18,631,574 over the next four years. The local match required is estimated to be \$1,594,675.

At the meeting I'll update you on the status of FAA grant funding for the projects listed above.

Agenda Item #9 – Review of the SAA's General Obligation Debt Service Mill Levy Requirement for Calendar Year 2023. (Swanson)

Enclosed is a summary of the debt service schedules for SAA G.O. bond debt. Shelli will review the summary with you and the resulting requirement for mill levy funds to make 2023 G.O. bond principal and interest payments.

Agenda Item #10 – Consideration of SAA's Intent to Exceed the Revenue Neutral Rate for the 2022 Mill Levy for the Budget Year 2023. (Rogers and Swanson)

Kansas law now requires public entities to declare intent to set a property tax mill levy that would generate more tax revenue than the entity's prior year mill levy rate. (K.S.A. 79-1460, 79-1801, 79-2024, and 79-2925(c)). A declaration of intent does not set the public entities mill levy. The declaration of intent provides for public notice of the possibility of a mill levy that is not a "Revenue Neutral Rate." By

adopting a notice of intent, the Salina Airport Authority declares its intent to consider a 2022 mill levy that would exceed its 2021 mill levy. The SAA's 2021 certified mill levy rate is 4.838 generating an estimated \$2,456,055. The projected 2022 mill levy rate is 5.091 that would generate an estimated \$3,129,470. A notice of intent also sets a date for a public hearing to provide for an opportunity for public comment concerning the SAA's 2023 mill levy budget.

The Salina Airport Authority uses mill levy funds for general obligation bond (G.O.) debt service and for federal and state grant matching funds. At the meeting Shelli and I will review the 2023 projections for G.O bond debt service and requirement for federal and state grant matching funds.

Recommendation: Approval of the **Notice of Revenue Neutral Intent** certification to be submitted to the Saline County Clerk and authorize Chair Buer to sign the notice.

Agenda Item #11 – Consideration of SAA Resolution No. 22-07 designating the Bennington State Bank as the depository for the SAA's general obligation temporary notes, Series 2022-1, project funds in the amount of \$1,000,000, and designating the individuals authorized to sign checks on the account. (Swanson)

Enclosed is a copy of SAA Resolution No. 22-07 for your review. Shelli will be able to answer any questions that you may have.

Recommendation: Approval of SAA Resolution No. 22-07 and authorize Chair Buer to sign the resolution.

Agenda Item #12 - Consideration of bids received for the storm damage repair to Bldg. 655 and Hangars 606 and 626. (Swanson and Cunningham)

Enclosed is a copy of the bid tabulation for windstorm damage repairs for buildings B655 and hangars H606 and H626. The sole bidder was Cheney Construction. Cheney's total bid for all three structures was \$254,118. The cost of the repairs is eligible for FEMA financial assistance. The FEMA share will be no less than 90% the repair costs.

Shelli will be able to update you on the status of the SAA's application for FEMA assistance for all December 15, 2021, windstorm damage.

Recommendation: Accept the Cheney Construction bid for windstorm damage repairs for building B655, hangars H606 and H626, and authorize the executive director to sign a contract with Cheney in an amount not to exceed \$254,118.

Please contact us if you have any questions or comments.

DATE: July 15, 2022

TO: Tim Rogers, SAA Board of Directors

FROM: Maynard Cunningham

SUBJECT: **July 20, 2022, SAA Regular Board Meeting**

Facilities and Construction Notes

New Projects

- **Runway 17/35 South 7500 ft.** – Bettis Asphalt, the contractor performing the rehabilitation of the south 7500 ft. of Runway 17/35, began milling and paving operations of the first phase of runway construction on July 14, 2022. The runway is scheduled to be closed through August 29, 2022.
- **H626 Boiler Room Demolition** – SAA is seeking bids bid by July 22, 2022 for removal of asbestos containing insulation in the boiler room on the west side of Hangar 626. Demolition and removal of the equipment will follow. The room can then be utilized in the overall design of the aircraft paint facility.

Current Projects

- **SLN Fuel Facility (PH305)** – The Kansas State Historic Preservation Office (SHPO) has reviewed the materials submitted by Coffman Associates, SAA's Airport Planning Consultant, and determined that the proposed project will not adversely affect any property listed or determined eligible for listing in the National Register. Coffman has submitted a Documented Categorical Exclusion (CATEX) to request a CATEX determination from the FAA.
- **Runway 12/30** – Pavement investigation was performed in the Fall 2021. From the pavement investigation report, the type of rehabilitation was determined and proposed by Jviation. A meeting was held May 11, 2022 to discuss the Scope of Work for the runway rehabilitation project.
- **Aircraft Paint Facility (1 Vision Aviation)** – Hutton and its sub-contracted architect firm, Architect One continue design of the aircraft paint facility at Hangar 626. The bid package is scheduled to be sent out this week for paint facility vendors.
- **Airport Terminal South Overflow Parking Lot (150 additional spaces)** – T&R Construction began work on the Airport Terminal South Overflow Parking Lot June 6, 2022 with expected completion within 45 days. Concrete for the west driveway entrance has been poured. Parking curbs will arrive next week.



- **B595 Renovation** - Cheney Construction began work on the B595 renovation project the first week of March. The south unit has painted ceilings, lighting, and framing completed for the office and restrooms, with metal liner panel installation near complete on the warehouse area walls. The north unit has the offices framed and drywall partially installed on the framed walls and ceilings. Dirt work is in process around the exterior to prepare for concrete. Building renovations are scheduled to be completed by October.
-
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- **H959 (1 Vision Aviation)** - A project is in process to reduce heating and cooling costs at H959. The project includes installation of 38 destratification fans and new hangar door seals. Just a few destratification fans remain to be installed.
 - **Terminal Building** –
 - Exterior cameras arrived and have been installed around the SLN Terminal Building. Nex-Tech is working to provide solutions for the exterior locations to optimize camera viewing area.

Special Projects

- **December 15, 2021, Windstorm** - Multiple properties were damaged in the windstorm. Roofing, siding, and other mitigation repairs have been completed at multiple sites to protect from weather. Bids are still being solicited for repairs from the windstorm.
 - **B412 (Century Business Systems)** – A purchase order was issued to Webcon Inc., for roofing repairs at B412. Repairs are scheduled to begin in two weeks.
 - **D Hangars** – A bid package for storm damage repairs on the D Hangars was placed out for bid Monday, March 21, 2022. The bid opening was held April 4, 2022, with no contractors responding with bids. SAA is seeking an engineering firm to request an engineer's estimate for repair costs. SAA personnel are working with FEMA for possible funding.
 - **Multiple Locations** – FEMA has received the reports from the site visit Thursday, May 21, 2022, to multiple SAA buildings as part of the process to determine available funding for debris removal, temporary and emergency protective measures, permanent repairs, and mitigation, etc.
- **AIT and CTX Devices at SLN** - TSA approval has been received for AIT and CTX devices at the airport terminal building to improve passenger and bag screening. Contractors have installed electrical power to the necessary locations and moved the storefront wall in the TSA screening area to accommodate the AIT device when it arrives. The Skywest ticket counter was relocated April 6, 2022, to allow room for the CTX device.

Completed Projects

- **B412 (Century Business Systems), B520 (Salina Development Center)** – SAA maintenance personnel completed demolition and repairs at B420 room 118, and B520 unit A to improve useability of the spaces for prospective tenants.
- **H600, Room 100 Conference Room** – Work on HVAC improvements in the H600 conference room were completed. Improvements include new registers, relocating thermostats, and rerouting duct.
- **December 15, 2021, Windstorm** -
 - **B517(Scientific Engineering, storage)** - Geisler Roofing completed roofing repairs at B517.
 - **B939 (KHP Training)** – Webcon Inc. completed roofing repairs at B939.



BUSINESS AND COMMUNICATIONS MANAGER

3237 Arnold Ave.

Salina, Kansas 67401

Telephone (785) 827-3914 • FAX (785) 827-2221 • E-Mail kaseyw@salinaairport.com

DATE: July 15, 2022
TO: Salina Airport Authority Board of Directors
FROM: Kasey L. Windhorst
SUBJECT: July Board Meeting Update

Terminal Building Advertising

On June 21, 2022, SAA staff finalized an advertising agreement with Kansas Wesleyan University (KWU) for advertising at the M.J. Kennedy Air Terminal. The terminal building advertising agreement is a two-year contract and will generate \$850 in revenue, effective October 1, 2022 – September 30, 2024. In addition, KWU will partner with SAA to promote air service to KWU staff and students.

Aerial Applicator Seasonal Use Agreements

Aerial Applicator Seasonal Use Agreements provide ag operators use of the Salina Regional Airport for application of agricultural fertilizer, herbicide, fungicide, and seed including aerial application and crop dusting/spraying. The term is for a six-month period from June 1, 2022 – November 30, 2022. Each agreement results in \$750/year base rent plus fuel flowage fees in the amount of \$0.0866 per gallon. The following aerial applicator use agreements were executed during the month of June for CY 2022.

1. A+ Aviation Services, LLC.
2. Ag Service, Inc.
3. Tyree Ag, Inc.
4. Crop Service Center, Inc.
5. Heinen Brothers Agra Service

SAA/SLN FCT Letter of Agreements (LOA)

Three (3) additional Letter of Agreements (LOA) with Salina Airport Authority and SLN Federal Contract Tower (SLN FCT) have been updated and finalized during the month.

1. Airport Movement/Non-Movement Areas – This LOA establishes responsibilities and procedures for the operation of vehicles, equipment, and personnel on the movement/non-movement areas of the airport. The movement area includes runways, taxiways, and other areas utilized for taxing, takeoff, and landing of aircraft, exclusive of loading ramps, parking areas and roadways.

2. Prior Permission Required (PPR) Procedures – This LOA provides the procedures to obtain a Prior Permission Required (PPR) number for any non-scheduled military and commercial aircraft arriving at Salina Regional Airport (SLN).
3. US NOTAM System and Notification Procedures – This LOA establishes responsibilities and procedures for notification of the affected areas to the Air Traffic Control (ATC) facility regarding Surface Area Notices to Airmen (NOTAM) issued by the airport.

SALINA AIRPORT AUTHORITY REGULAR BOARD MEETING
Hangar H600, First Floor Conference Room
2720 Arnold Court

July 20, 2022 – 8:00 AM

AGENDA

Call to Order: (Buer)

1. Call to order, determine that a quorum is present and confirm that the meeting notice has been published. (Buer)
2. Recognition of guests. (Rogers)
3. Additions to the agenda and agenda overview. (Rogers)
4. Approval of the minutes of the June 15, 2022, regular board meeting. (Buer)
5. Review of airport activity and financial reports for the month ending June 30, 2022. (Rogers and Swanson)
6. Presentation of the SAA's Comprehensive Annual Financial Report for calendar years 2021 and 2020. (Rogers and Swanson)
7. Review of the SLN North Ramp Development Plan. Public comment and/or questions concerning the SLN North Ramp Development Plan are invited. (Rogers)
8. Review of FAA Airport Improvement Program (AIP) projects scheduled for calendar years 2023 through 2027. (Rogers and Swanson)
9. Review of the SAA's General Obligation Bond debt service mill levy requirement for calendar year 2023. (Swanson)
10. Consideration of the SAA's Intent to Exceed the Revenue Neutral Rate for the 2022 Mill Levy for the Budget Year 2023. (Rogers and Swanson)
11. Consideration of SAA Resolution No. 22-07 designating the Bennington State Bank as the depository for the SAA's general obligation temporary notes, Series 2022-1, project funds in the amount of \$1,000,000, and designating the individuals authorized to sign checks on the account. (Swanson)
12. Consideration of bids received for the storm damage repair to Bldg. 655 and Hangars 606 and 626. (Swanson and Cunningham)

Directors' Forum: (Buer)

Visitor's Questions and Comments: (Buer)



Staff Reports: (Rogers)

Announcements: (Moon)

Adjournment: (Buer)



**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
JUNE 15, 2022
HANGAR 600, ROOM 100**

Call to Order

The meeting was called to order at 8:00 A.M. by Chair Kent Buer. Chair Buer confirmed that a quorum was present. Business and Communications Manager Kasey Windhorst stated the board meeting notice and packet was published and distributed on Friday, June 10, 2022.

Attendance

Attendance was taken. Chair Buer, Directors Roberg, Gunn, Carlin, and Eichelberger were present. Executive Director Tim Rogers; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Guests were Julie Yager-Zucker and Aaron Maurer, Avflight; David Arteberry, Stiefel; Mitch Robinson, Salina Community Economic Development Organization; and Michael Bunn, based pilot. Attending via GTM were guests Gary Foss, ArkStar; and Mitch Walter, Gilmore & Bell.

Additions to the Agenda

Chair Buer asked if there were any additions to the agenda. Executive Director Rogers stated there were no additions to the agenda. Rogers provided an overview of the agenda.

Minutes

Chair Buer asked if the board members had additions or corrections to the minutes. Director Gunn moved to approve the minutes of the May 18, 2022, regular board meeting, Director Carlin seconded the motion. Motion carried 5-0.

Airport Activity

Executive Director Rogers reviewed the airport activity during the month of May 2022. SLN ATCT recorded 5,965 operations during the month which was 9% decrease compared to May 2021. KSU flight operations have returned to normal. May 2022 fuel flowage came in at 132,882 gallons which was 22% less than the May 2021 total of 171,290 gallons. Fuel flowage is tracking 34% ahead of last year for year to date. Rogers anticipates fuel flowage will slow while the runway is closed for construction in July but also anticipates quickly catching up after the runway reopens. Enplanements are looking good for both commercial and charter flights. Passengers boarding at SLN for the month is holding steady with 1,813 passengers during the month of May. Total passengers per week is trending ahead of prior years. Rogers noted that SkyWest's subsidy is \$68.63/passenger. In advanced bookings, Salina passengers are not being affected by the Hays tag as sales show approximately 15 Salina bookings to each Hays ticket. The Connecting Passengers report documents that almost all of the passengers boarding at SLN are flying to Denver and Chicago to connect with flights to other destinations.

Financial Reports

Rogers reviewed the financial reports for the month ending May 31, 2022. Unrestricted cash in the bank is ahead of target at \$2,118,173 exceeding our 2022 goal of \$1,800,000. Total year-to-date income came in \$143,583 ahead of 2021 year-to-date and is tracking 5% over the 2022 budget projections. Total operating expenses came in 2% under budget and is running 4.29% less than 2021 or \$52,480. Rogers reviewed capital expenditures during the month and disbursements from the 2021-1 GO temporary note project fund account during the month of May. Rogers stated that the second FAA/ARPA grant installment for the 17-35 project FY2022 funding has been received and reviewed the multi-year grant budget reflecting the ARPA funds to cover the 2022 local match and the letter from the FAA amending the grant to provide for the 2022 funding.

SAA Resolution No. 22-05

Executive Director Rogers presented SAA Resolution No. 22-05 and provided an overview of 2022-2027 capital improvement projects. This resolution declares an intent to levy up to a 1-mil property tax is required by K.S.A 27-322(b). The declaration of intent does not commit the Airport Authority to a 1-mill tax levy for federal and state matching funds at this time. The declaration of intent allows for public comment before final action by the Airport Authority at the September 21, 2022, board meeting. A motion was made by Director Gunn to accept SAA Resolution No. 22-05 declaring the airport authority's intent to levy a 1-mill tax to provide matching funds for federal or state grants and authorize Chair Buer to sign the resolution. Seconded by Director Eichelberger. Motion passed unanimously.

Review and consideration of bids received for the sale of Salina Airport Authority taxable, General Obligation, Temporary Notes, Series 2022-01, in the amount of \$1,000,000.

Executive Director Rogers provided an overview of the hangar H626 improvements and reviewed the bid tab for the three bids received on June 3, 2022. Bennington State Bank submitted the low bid at 2.25% which results in a total interest cost of \$22,125 for the \$1,000,000 temp note issue. Funding is required to move forward on hangar improvement project. David Arteberry, Stiefel, reviewed the bid process and bids received.

Director Carlin moved to accept the bid of 2.25% (\$22,125 total interest cost) submitted by Bennington State Bank for the sale of \$1,000,000, taxable, general obligation, temporary notes, Series 2022-01 to Bennington State Bank. Director Gunn seconded the motion. Motion carried 5-0.

SAA Resolution No. 22-06

Rogers presented SAA Resolution No. 22-06 to the board. This resolution authorizes and directs the issuance, sale, and delivery of the SAA's Series 2022-1 general obligation temporary notes. The SAA board of directors and the Salina city commission previously authorized \$12,250,000 in general obligation bond funding for hangar H606 and H626 improvements in support of air carrier and corporate aircraft MRO growth at the Salina Regional Airport. The sale of \$1,000,000 in general obligation temporary notes will fund the design of improvements needed to convert H626 to an aircraft paint hangar. A full and complete project design will lead to obtaining construction bids that will determine the actual cost of converting H626 to an aircraft paint hangar. Director Gunn moved to adopt Resolution 22-06, authorizing and directing the issuance, sale and delivery of taxable General Obligation temporary Notes, Series 2022-1, of the Salina Airport Authority

(Salina, Kansas); providing for the levy and collection of an annual tax, if necessary, for the purpose of paying the principal of and interest on said notes as they become due; making certain covenants and agreements to provide for the payment and security thereof; and authorizing certain other documents and actions connected therewith be adopted as presented and authorize Chair Buer to sign said Resolution and the Note Purchase Agreement between the Salina Airport Authority and The Bennington State Bank, Salina, KS. Director Eichelberger seconded. Motion carried unanimously.

EAS Program Air Carrier selection process update and discussion.

Executive Director Rogers invited Gary Foss, ArkStar to provide the update to the board. Foss stated that SkyWest is waiting on the FAA to approve a new operating authority before making any further decisions on resending the notice to vacate service. Five other communities formerly served by SkyWest have selected another service, taking them out of the SkyWest commitment. Statistics prove that the partnership of SkyWest at SLN is strong, and SkyWest wants to stay in this market.

Upon a motion duly made, the meeting adjourned at 8:53 A.M.

Minutes approved at the July 20, 2022, board meeting.

Alan Eichelberger, Secretary

(SEAL)

SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2022

AIR TRAFFIC/ATCT

June, 2022	6,660 Operations 860 Instrument Operations 488 Peak Day
June, 2021	7,142 Operations 809 Instrument Operations 468 Peak Day
January 2022 - June 2022	34,464 Operations
January 2021 - June 2021	40,124 Operations
January 2020 - June 2020	22,302 Operations

FUEL FLOWAGE

June, 2022	193,611 Gallons
June, 2021	159,726 Gallons
January 2022 - June 2022	1,230,478 Gallons
January 2021 - June 2021	931,494 Gallons
January 2020 - June 2020	837,609 Gallons

KSU-S	Avflight Salina	Avflight	
		Military/Gov't Portion	Self-fuel Station Portion
9,814	183,796	81,739	662
9,407	150,319	1,168	794
62,601	1,167,877	387,616	2,014
62,595	868,899	138,322	2,355
29,874	807,735	146,678	1,069

SkyWest Airlines

ENPLANEMENTS	DEPLANEMENTS	TOTAL
June, 2022	2,325 Passengers	2050 Passengers
June, 2021	1,979 Passengers	1938 Passengers
January 2022 - June 2022	10,170 Passengers	
January 2021 - June 2021	6,267 Passengers	
January 2020 - June 2020	4,603 Passengers	

ENPLANEMENTS - Charter Flights

June, 2022	133 Passengers
June, 2021	0 Passengers
January 2022 - June 2022	2,198 Passengers
January 2021 - June 2021	862 Passengers
January 2020 - June 2020	4,059 Passengers

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

June, 2022	2,458 Passengers
June, 2021	1,979 Passengers
January 2022 - June 2022	12,368 Passengers
January 2021 - June 2021	7,129 Passengers
January 2020 - June 2020	8,662 Passengers

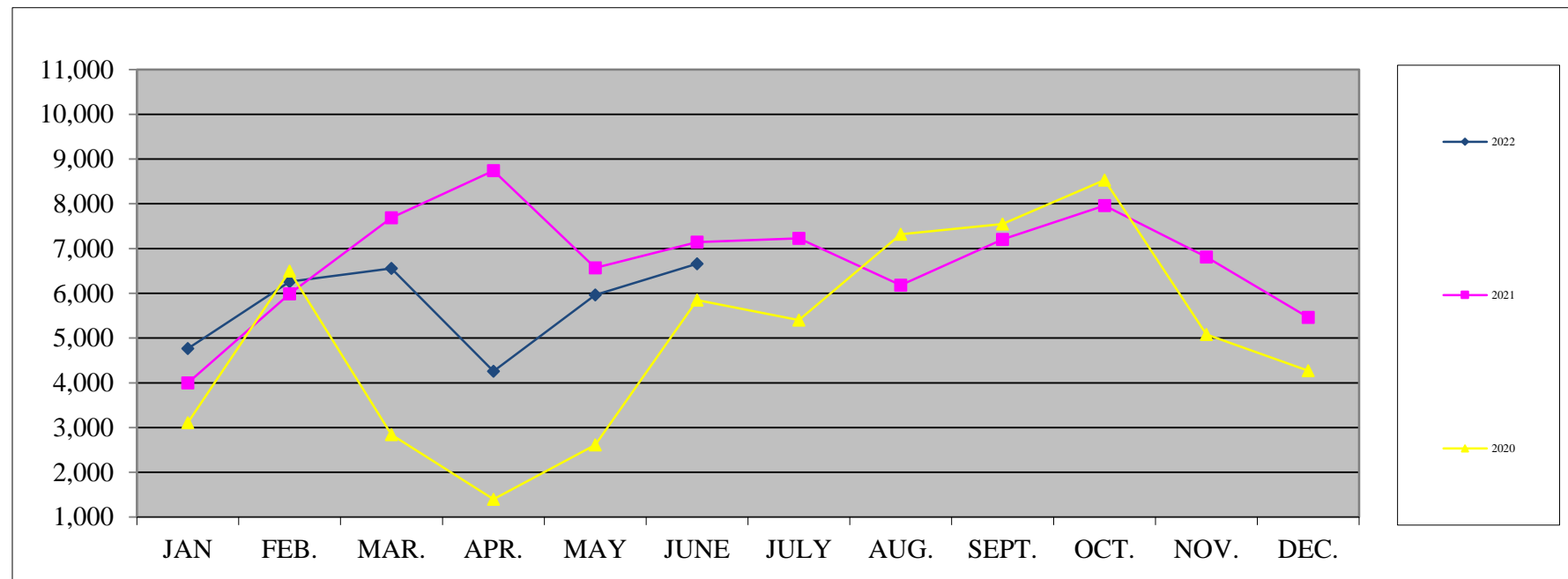
AIRPORT TRAFFIC RECORD

2021 - 2022

	ITINERANT					LOCAL			
	AC	AT	GA	MI	Total Itinerant	Civil	Military	Total Local	Total Operations
2022									
January, 22	124	1,618	610	156	2,508	2,062	194	2,256	4,764
February, 22	128	2,269	680	151	3,228	2,974	58	3,032	6,260
March, 22	131	2,009	722	329	3,191	3,188	178	3,366	6,557
April, 22	176	1,876	616	151	2,819	1,381	58	1,439	4,258
May, 22	186	1,617	711	176	2,690	3,093	182	3,275	5,965
June, 22	178	1,782	749	450	3,159	3,209	292	3,501	6,660
July, 22									
August, 22									
September, 22									
October, 22									
November, 22									
December, 22									
Totals January - June	923	11,171	4,088	1,413	17,595	15,907	962	16,869	34,464
2021									
January, 21	131	1,074	540	161	1,906	1,968	122	2,090	3,996
February, 21	109	1,966	533	218	2,826	2,863	300	3,163	5,989
March, 21	113	2,286	743	340	3,482	3,804	402	4,206	7,688
April, 21	120	2,534	743	196	3,593	4,966	180	5,146	8,739
May, 21	132	1,767	847	272	3,018	3,274	278	3,552	6,570
June, 21	141	2,327	876	154	3,498	3,522	122	3,644	7,142
July, 21									
August, 21									
September, 21									
October, 21									
November, 21									
December, 21									
Totals January - June	746	11,954	4,282	1,341	18,323	20,397	1,404	21,801	40,124
Difference	177	-783	-194	72	-728	-4,490	-442	-4,932	-5,660
YTD % Change	24%	-7%	-5%	5%	-4%	-22%	-31%	-23%	-14%
Legend:	AC: Air Carrier		AT: Air Taxi						
	GA: General Aviation		MI: Military						

AIR TRAFFIC

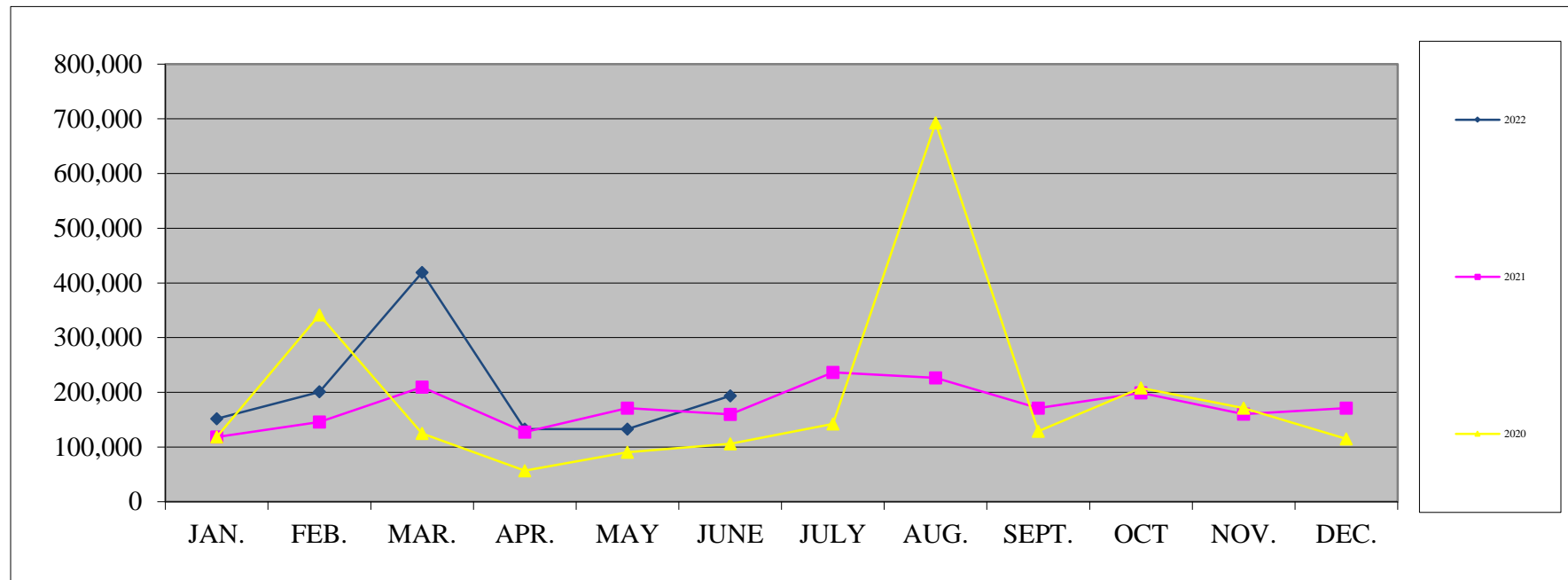
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2022	4,764	6,260	6,557	4,258	5,965	6,660							34,464
2021	3,996	5,989	7,688	8,739	6,570	7,142	7,230	6,181	7,206	7,958	6,808	5,463	80,970
2020	3,109	6,494	2,841	1,398	2,614	5,846	5,399	7,318	7,550	8,532	5,078	4,269	60,448
2019	3,102	4,852	6,848	8,225	6,328	8,541	8,051	5,520	7,187	7,240	6,072	4,587	76,553
2018	3,418	4,601	6,312	5,510	5,094	6,865	6,865	4,910	6,336	9,974	5,317	4,091	69,293
2017	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
2016	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
2015	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
2014	6,511	6,887	7,143	8,426	8,365	7,234	7,423	5,756	9,035	10,496	8,316	5,509	91,101
2013	5,341	7,146	7,440	7,349	7,336	8,291	6,696	6,694	8,755	10,136	7,946	7,001	90,131
2012	4,642	6,700	8,189	8,002	11,819	7,532	7,635	7,802	10,478	10,292	8,838	5,409	97,338



FUEL FLOWAGE

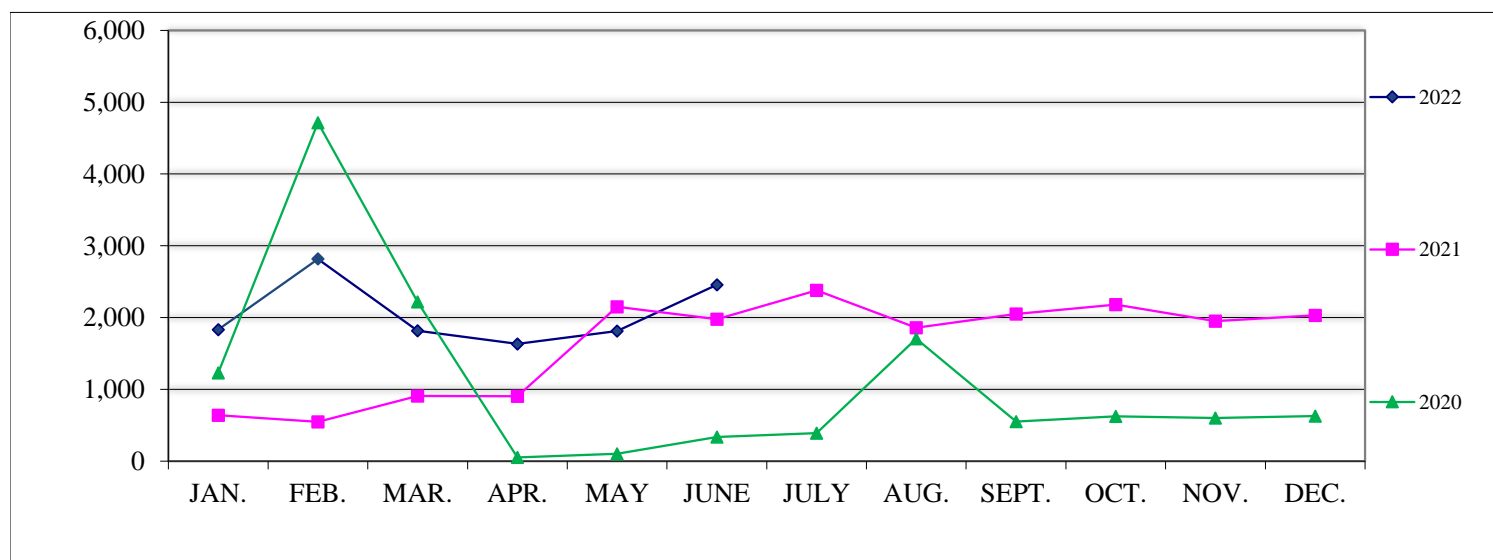
Gallons of Fuel Sold at SLN

	<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>
2022	151,697	200,550	418,949	132,790	132,882	193,611							1,230,479
2021	118,269	145,726	209,376	127,107	171,289	159,725	236,452	226,367	171,259	199,197	160,279	171,150	2,096,198
2020	118,337	341,329	124,865	56,765	90,326	105,987	142,234	692,613	128,710	208,081	170,893	114,869	2,295,009
2019	156,531	183,334	150,881	119,745	172,835	157,376	111,147	645,834	161,888	223,382	108,525	87,182	2,278,659
2018	74,807	186,507	172,561	154,513	131,941	367,663	288,977	303,273	348,454	161,563	125,129	99,437	2,414,825
2017	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
2016	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
2015	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
2014	115,573	135,651	112,694	95,549	110,387	282,468	103,108	83,757	91,423	652,207	90,948	97,295	1,971,061
2013	139,227	165,167	138,056	121,295	120,083	282,743	134,677	137,840	126,523	134,024	151,427	106,917	1,757,981
2012	136,995	163,253	303,472	142,770	307,541	365,938	162,584	169,534	163,515	149,404	287,619	241,424	2,594,049



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>TOTAL</u>
2022	1,833	2,815	1,815	1,634	1,813	2,458							12,368
2021	638	548	909	904	2,151	1,979	2,379	1,859	2,050	2,182	1,949	2,032	19,580
2020	1,232	4,716	2,219	52	105	338	392	1,705	552	624	602	628	13,165
2019	996	1,659	1,698	1,548	1,865	1,727	2,065	2,556	1,540	1,958	1,703	1,874	21,189
2018	414	715	370	783	1,387	1,751	1,623	5,553	2,095	2,230	1,756	1,622	20,299
2017	720	1,344	731	756	761	852	793	746	3,874	946	1,229	1,207	13,959
2016	36	0	0	0	0	104	372	910	637	558	574	692	3,883
2015	528	107	4,550	531	122	88	77	79	61	3,574	592	80	10,389
2014	145	109	140	135	175	403	282	223	178	431	157	178	2,556
2013	166	191	205	214	243	218	202	205	161	178	212	243	2,438
2012	237	249	247	216	287	213	174	198	151	187	229	335	2,723



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

***SALINA** Airport*

Authority



FINANCIAL STATEMENTS JUNE 2022

Salina Airport Authority
Statement of Net Assets Prev Year Comparison
As of June 30, 2022

07/15/2022

	Jun 30, 22	May 31, 22	\$ Change	Jun 30, 21	\$ Change	% Change
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank-Bond Funds	1,576,916	1,856,496	-279,580	52,173	1,524,743	2,922%
Cash in bank-Operating Funds	1,887,229	2,124,595	-237,366	2,088,991	-201,762	-10%
Cash in Bank - Mill Levy	2,668,051	2,210,399	457,652	2,344,346	323,705	14%
Total Checking/Savings	6,132,196	6,191,490	-59,294	4,485,510	1,646,686	37%
Accounts Receivable						
Accounts Receivable	222,747	54,003	168,744	63,861	158,886	249%
Total Accounts Receivable	222,747	54,003	168,744	63,861	158,886	249%
Other Current Assets						
Agri Land Receivable	66,760	66,760	0	66,760	0	0%
Mill Levy receivable	281,658	1,100,648	-818,990	196,494	85,164	43%
Other current assets	184,163	1,384,765	-1,200,602	168,007	16,156	10%
Undeposited Funds	9,800	4,340	5,460	3,430	6,370	186%
Total Other Current Assets	542,381	2,556,513	-2,014,132	434,691	107,690	25%
Total Current Assets	6,897,324	8,802,006	-1,904,682	4,984,062	1,913,262	38%
Fixed Assets						
Fixed assets at cost	95,545,293	95,144,383	400,910	93,909,812	1,635,481	2%
Less accumulated depreciation	-51,454,752	-51,212,665	-242,087	-51,868,343	413,591	1%
Total Fixed Assets	44,090,541	43,931,718	158,823	42,041,469	2,049,072	5%
Other Assets						
Deferred Outflow of Resources	1,085,654	1,085,654	0	1,232,712	-147,058	-12%
Total Other Assets	1,085,654	1,085,654	0	1,232,712	-147,058	-12%
TOTAL ASSETS	52,073,519	53,819,378	-1,745,859	48,258,243	3,815,276	8%
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	131,873	1,799,093	-1,667,220	239,478	-107,605	-45%
Total Accounts Payable	131,873	1,799,093	-1,667,220	239,478	-107,605	-45%
Credit Cards						
Total Credit Cards	448	7,668	-7,220	2,537	-2,089	-82%
Other Current Liabilities						
Accrued debt interest payable	187,413	140,368	47,045	217,789	-30,376	-14%
Debt, current portion	1,710,800	1,710,800	0	3,772,397	-2,061,597	-55%
Deferred Agri Land Revenue	33,380	38,943	-5,563	33,380	0	0%
Deferred Mill Levy revenue	1,228,028	1,432,699	-204,671	1,267,334	-39,306	-3%
Other current liabilities	221,767	181,662	40,105	219,108	2,659	1%
Total Other Current Liabilities	3,381,388	3,504,472	-123,084	5,510,008	-2,128,620	-39%
Total Current Liabilities	3,513,709	5,311,233	-1,797,524	5,752,023	-2,238,314	-39%
Long Term Liabilities						
Debt - Long Term	25,617,773	25,617,773	0	23,523,853	2,093,920	9%
Deferred Inflows of Resources	229,504	229,504	0	66,426	163,078	246%
Less current portion	-1,710,800	-1,710,800	0	-3,772,397	2,061,597	55%
Net OPEB Liability (KPERs)	13,911	13,911	0	13,924	-13	-0%
Net Pension Liability	509,789	509,789	0	715,670	-205,881	-29%
Security Deposits Returnable	94,064	94,064	0	91,021	3,043	3%
Total Long Term Liabilities	24,754,241	24,754,241	0	20,638,497	4,115,744	20%
Total Liabilities	28,267,950	30,065,474	-1,797,524	26,390,520	1,877,430	7%
Equity						
Invested in Capital Assets net	18,470,167	18,272,130	198,037	18,438,664	31,503	0%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	4,274,464	4,472,501	-198,037	2,668,519	1,605,945	60%
Net Income	970,937	919,273	51,664	670,538	300,399	45%
Total Equity	23,805,568	23,753,904	51,664	21,867,721	1,937,847	9%
TOTAL LIABILITIES & EQUITY	52,073,518	53,819,378	-1,745,860	48,258,241	3,815,277	8%

Salina Airport Authority
Profit & Loss Budget Performance
June 2022

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07/15/2022
Accrual Basis

	Jun 22	Jan - Jun 22	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
Airfield revenue						
Fuel Flowage Fees	17,423	110,013	90,000	20,013	122%	180,000
Hangar rent	158,159	514,993	407,500	107,493	126%	815,000
Landing fees	3,852	25,048	15,225	9,823	165%	30,450
Ramp rent	5,435	33,710	32,500	1,210	104%	65,000
Total Airfield revenue	184,869	683,764	545,225	138,539	125%	1,090,450
Building and land rent						
Agri land rent	5,563	33,880	33,500	380	101%	67,000
Building rents - Long Term						
Short-term leasing	39,419	229,024	266,225	-37,201	86%	532,450
Building rents - Long Term - Other	77,279	464,154	408,775	55,379	114%	817,550
Total Building rents - Long Term	116,698	693,178	675,000	18,178	103%	1,350,000
Land rent						
Basic Land Rent	16,843	84,115	81,287	2,828	103%	162,573
Property tax - tenant share	8,952	53,713	53,713	0	100%	107,427
Total Land rent	25,795	137,828	135,000	2,828	102%	270,000
Tank rent	1,220	7,320	7,020	300	104%	14,040
Total Building and land rent	149,276	872,206	850,520	21,686	103%	1,701,040
Other revenue						
Airport Marketing	0	0	12,500	-12,500	0%	25,000
ARFF Training	0	0	0	0	0%	0
Commissions	2,289	11,661	9,500	2,161	123%	19,000
Other income	19,852	58,272	37,000	21,272	157%	74,000
Total Other revenue	22,141	69,933	59,000	10,933	119%	118,000
Total Income	356,286	1,625,903	1,454,745	171,158	112%	2,909,490
Gross Profit	356,286	1,625,903	1,454,745	171,158	112%	2,909,490
Expense						
Administrative expenses						
A/E, consultants, brokers	1,097	4,132	17,000	-12,868	24%	34,000
Airport promotion	26,765	119,637	122,500	-2,863	98%	245,000
Bad Debt Expense	0	0	2,500	-2,500	0%	5,000
Computer/Network Admin.	2,840	17,436	14,250	3,186	122%	28,500
Dues and subscriptions	1,669	14,258	13,750	508	104%	27,500
Employee retirement	6,156	41,587	40,044	1,543	104%	80,088
FICA and medicare tax expense	5,234	35,263	33,579	1,684	105%	67,157
Industrial development	4,792	28,750	30,000	-1,250	96%	60,000
Insurance , property	19,167	115,915	115,000	915	101%	230,000
Insurance, medical	32,293	97,660	110,000	-12,340	89%	220,000
Kansas unemployment tax	0	209	500	-291	42%	1,000
Legal and accounting	8,551	18,227	22,950	-4,723	79%	45,900
Office salaries	39,975	264,994	275,000	-10,006	96%	550,000
Office Supplies	1,056	5,492	4,078	1,414	135%	8,155
Other administrative expense	473	6,119	9,000	-2,881	68%	18,000
Postage	37	677	1,020	-343	66%	2,040
Property tax expense	12,047	72,282	72,283	-1	100%	144,565
Special Events	-2,287	1,004	750	254	134%	1,500
Telephone	1,646	9,056	12,500	-3,444	72%	25,000
Training	545	1,545	5,000	-3,455	31%	10,000
Travel and meetings	1,009	8,213	5,000	3,213	164%	10,000
Total Administrative expenses	163,065	862,456	906,704	-44,248	95%	1,813,405

	Jun 22	Jan - Jun 22	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Maintenance expenses						
Airfield maintenance	2,076	21,226	25,000	-3,774	85%	50,000
Airport Security	340	382	4,000	-3,618	10%	8,000
Building maintenance	6,421	121,043	75,000	46,043	161%	150,000
Equipment fuel and repairs	-2,671	38,416	45,000	-6,584	85%	90,000
Fire Services	235	4,753	15,875	-11,122	30%	31,750
Grounds maintenance	674	16,742	7,500	9,242	223%	15,000
Maintenance salaries	29,166	200,594	191,062	9,532	105%	382,124
Other maintenance expenses	1,072	6,932	10,000	-3,068	69%	20,000
Snow removal expense	0	8,740	10,000	-1,260	87%	20,000
Utilities	23,917	150,580	150,000	580	100%	300,000
Total Maintenance expenses	61,230	569,408	533,437	35,971	107%	1,066,874
Total Expense	224,295	1,431,864	1,440,141	-8,277	99%	2,880,279
Net Ordinary Income	131,991	194,039	14,604	179,435	1,329%	29,211
Other Income/Expense						
Other Income						
Capital contributed	4,818	1,282,830	3,091,816	-1,808,986	41%	6,183,632
Gain on sale of assets	0	0	10,000	-10,000	0%	20,000
Interest income						
Interest income on deposits	332	2,272	750	1,522	303%	1,500
Total Interest income	332	2,272	750	1,522	303%	1,500
Mill levy income	204,671	1,228,028	1,228,028	0	100%	2,456,055
Total Other Income	209,821	2,513,130	4,330,594	-1,817,464	58%	8,661,187
Other Expense						
Debt interest expense net						
Bond issue cost	1,019	1,444	45,000	-43,556	3%	45,000
Interest Expense on Debt	47,044	282,265	282,265	0	100%	564,530
Total Debt interest expense net	48,063	283,709	327,265	-43,556	87%	609,530
Depreciation expense	242,087	1,452,522	1,452,522	0	100%	2,905,044
Total Other Expense	290,150	1,736,231	1,779,787	-43,556	98%	3,514,574
Net Other Income	-80,329	776,899	2,550,807	-1,773,908	30%	5,146,613
Net Income	51,662	970,938	2,565,411	-1,594,473	38%	5,175,824

Salina Airport Authority
Profit & Loss Prev Year Comparison
January through June 2022

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07/15/2022
Accrual Basis

	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
Airfield revenue				
Fuel Flowage Fees	110,013.27	79,132.30	30,880.97	39.02%
Hangar rent	514,992.58	347,554.22	167,438.36	48.18%
Landing fees	25,048.41	14,733.50	10,314.91	70.01%
Ramp rent	33,710.00	31,918.00	1,792.00	5.61%
Total Airfield revenue	683,764.26	473,338.02	210,426.24	44.46%
Building and land rent				
Agri land rent	33,879.98	33,379.98	500.00	1.5%
Building rents - Long Term				
Short-term leasing	229,024.00	207,771.96	21,252.04	10.23%
Building rents - Long Term - Other	464,154.46	459,526.52	4,627.94	1.01%
Total Building rents - Long Term	693,178.46	667,298.48	25,879.98	3.88%
Land rent				
Basic Land Rent	84,115.25	79,769.91	4,345.34	5.45%
Property tax - tenant share	53,713.26	56,712.00	-2,998.74	-5.29%
Total Land rent	137,828.51	136,481.91	1,346.60	0.99%
Tank rent	7,320.00	7,002.00	318.00	4.54%
Total Building and land rent	872,206.95	844,162.37	28,044.58	3.32%
Other revenue				
Commissions	11,660.84	7,355.25	4,305.59	58.54%
Other income	58,272.07	30,737.65	27,534.42	89.58%
Total Other revenue	69,932.91	38,092.90	31,840.01	83.59%
Total Income	1,625,904.12	1,355,593.29	270,310.83	19.94%
Gross Income	1,625,904.12	1,355,593.29	270,310.83	19.94%
Expense				
Administrative expenses				
A/E, consultants, brokers	4,131.90	21,402.80	-17,270.90	-80.7%
Airport promotion				
Air Serv. Mktg - SAA	115,440.76	105,629.06	9,811.70	9.29%
Airport promotion - Other	4,196.22	2,135.93	2,060.29	96.46%
Total Airport promotion	119,636.98	107,764.99	11,871.99	11.02%
Bad Debt Expense	0.00	107.00	-107.00	-100.0%
Computer/Network Admin.	17,435.53	13,343.46	4,092.07	30.67%
Dues and subscriptions	14,258.22	13,066.21	1,192.01	9.12%
Employee retirement	41,587.26	40,184.80	1,402.46	3.49%
FICA and medicare tax expense	35,262.67	30,326.07	4,936.60	16.28%
Industrial development	28,750.02	14,250.00	14,500.02	101.76%
Insurance , property	115,914.82	102,499.98	13,414.84	13.09%
Insurance, medical	97,660.40	101,682.18	-4,021.78	-3.96%
Kansas unemployment tax	209.44	4,220.38	-4,010.94	-95.04%
Legal and accounting	18,226.70	26,859.10	-8,632.40	-32.14%
Office salaries	264,993.94	244,993.53	20,000.41	8.16%
Office Supplies	5,492.23	4,286.88	1,205.35	28.12%
Other administrative expense				
Merchant Processing Fees	3,795.10	5,786.66	-1,991.56	-34.42%
Other administrative expense - Other	2,324.18	2,001.75	322.43	16.11%
Total Other administrative expense	6,119.28	7,788.41	-1,669.13	-21.43%
Postage	676.64	664.34	12.30	1.85%
Property tax expense	72,282.48	85,426.98	-13,144.50	-15.39%
Special Events	1,004.36	0.00	1,004.36	100.0%
Telephone	9,055.77	11,691.59	-2,635.82	-22.55%
Training	1,545.00	39.95	1,505.05	3,767.33%
Travel and meetings	8,212.97	1,875.37	6,337.60	337.94%
Total Administrative expenses	862,456.61	832,474.02	29,982.59	3.6%

	Jan - Jun 22	Jan - Jun 21	\$ Change	% Change
Maintenance expenses				
Airfield maintenance	21,225.68	27,748.26	-6,522.58	-23.51%
Airport Security	382.36	4,071.57	-3,689.21	-90.61%
Building maintenance	121,043.28	74,548.26	46,495.02	62.37%
Equipment fuel and repairs	38,416.31	51,679.58	-13,263.27	-25.66%
Fire Services	4,752.50	473.07	4,279.43	904.61%
Grounds maintenance	16,742.20	9,639.76	7,102.44	73.68%
Maintenance salaries				
COVID-19 Compensation	0.00	343.00	-343.00	-100.0%
Maintenance salaries - Other	200,593.82	168,262.75	32,331.07	19.22%
Total Maintenance salaries	200,593.82	168,605.75	31,988.07	18.97%
Other maintenance expenses	6,931.88	8,059.99	-1,128.11	-14.0%
Snow removal expense	8,740.00	2,684.74	6,055.26	225.54%
Utilities	150,580.15	261,347.02	-110,766.87	-42.38%
Total Maintenance expenses	569,408.18	608,858.00	-39,449.82	-6.48%
Total Expense	1,431,864.79	1,441,332.02	-9,467.23	-0.66%
Net Ordinary Income	194,039.33	-85,738.73	279,778.06	326.32%
Other Income/Expense				
Other Income				
Capital contributed				
ARPA Grant No. 45 - Equipment	0.00	0.00	0.00	0.0%
ARPA Grant No. 45 - Operating	75,271.79	0.00	75,271.79	100.0%
CARES Grant No. 41 - Operating	0.00	183,669.53	-183,669.53	-100.0%
CRRSAA Grant No. 43 - Equipment	0.00	270,402.57	-270,402.57	-100.0%
CRRSAA Grant No. 43 - Operating	0.00	512,128.65	-512,128.65	-100.0%
Capital contributed - Other	1,207,557.72	75,110.27	1,132,447.45	1,507.71%
Total Capital contributed	1,282,829.51	1,041,311.02	241,518.49	23.19%
Gain on sale of assets	0.00	193,240.00	-193,240.00	-100.0%
Interest income				
Interest income on deposits	2,272.07	523.02	1,749.05	334.41%
Total Interest income	2,272.07	523.02	1,749.05	334.41%
Mill levy income	1,228,027.50	1,267,334.52	-39,307.02	-3.1%
Total Other Income	2,513,129.08	2,502,408.56	10,720.52	0.43%
Other Expense				
Debt interest expense net				
Bond issue cost	1,444.00	461.00	983.00	213.23%
Interest Expense on Debt	282,265.20	321,630.00	-39,364.80	-12.24%
Total Debt interest expense net	283,709.20	322,091.00	-38,381.80	-11.92%
Depreciation expense	1,452,521.76	1,424,041.02	28,480.74	2.0%
Total Other Expense	1,736,230.96	1,746,132.02	-9,901.06	-0.57%
Net Other Income	776,898.12	756,276.54	20,621.58	2.73%
Net Income	<u>970,937.45</u>	<u>670,537.81</u>	<u>300,399.64</u>	<u>44.8%</u>

Salina Airport Authority
Capital Additions Budget vs. Actual
As of June 30, 2022

3:39 PM
07/15/2022
Accrual Basis

	June 22	Jan - June 22	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-42 Rwy 17/35 Rehab		13,069	3,872,315	-3,859,246	0%
AIP-47 Pumphouse 305		20,449	380,957	-360,508	5%
AIP-48 Terminal Parking Lot Reh		2,490	562,500	-560,010	0%
AIP-XX Rwy 12/30 Rehab Design		43,213	285,250	-242,037	15%
AIP-XX Terminal Bldg. Expansion	1,164	10,064	1,393,302	-1,383,238	1%
Airfield Improvements		20,000	50,000	-30,000	40%
GA Hangar Construction		0	730,000	-730,000	0%
GA Hangar taxilane		0	113,172	-113,172	0%
GA Hangars Design		0	17,694	-17,694	0%
KAIP-2022 Rwy 17/35 N 4,800ft.		1,561,448	1,691,185	-129,737	92%
North Ramp Development	2,566	13,098	7,500	5,598	175%
Rwys 17/35 - 12/30 LED Lighting		15,538	175,000	-159,462	9%
Total Airfield	3,730	1,699,369	9,278,875	-7,579,506	18%
Buildings & Improvements					
Bldg. 120 Terminal building					
Concourse Imps.		301,783	393,107	-91,324	77%
South overflow parking lot A/E		18,500	18,500	0	100%
South overflow parking lot const		1,251	155,170	-153,919	1%
Terminal Bldg. Other		0	15,000	-15,000	0%
Total Bldg. 120 Terminal building	0	321,534	581,777	-260,243	55%
Building improvements					
2021-12-15 Storm Damage	81,825	114,348	1,000,000	-885,652	11%
Bldg. #1021 Facility Imps.		88,179	151,891	-63,712	58%
Bldg. 394 Parking Lot Imps.		0	50,000	-50,000	0%
Bldg. 412 Imps.	24,300	24,300	35,000	-10,700	69%
Bldg. 520 Imps.	36,381	63,217	50,000	13,217	126%
Bldg. 595 Improvements Const.	180,093	417,205	1,664,000	-1,246,795	25%
Bldg. 595 Improvements Design	23,250	99,700	99,700	0	100%
Bldg. 655 Improvements		29,253	40,000	-10,747	73%
Bldg. Imps. Other		42,541	45,000	-2,459	95%
Hangar #509 Imps.		0	20,000	-20,000	0%
Hangar 600 Improvements		15,095	16,490	-1,395	92%
Hangar 626 Rehabilitation	28,000		1,000,000		
Hangar 959 Rehabilitation		57,517	32,725	24,792	176%
Total Building improvements	373,849	951,355	4,204,806	-3,253,451	23%
FBO Improvements					
Bldg. 700 Imps. Avflight North	23,331	23,331	45,000	-21,669	52%
Hangar 409-1 Imps Avflight So.		0	10,000	-10,000	0%
Total FBO Improvements	23,331	23,331	55,000	-31,669	42%
Total Buildings & Improvements	397,180	1,296,220	4,841,583	-3,545,363	27%
Equipment					
Airfield Equipment		0	15,000	-15,000	0%
ARFF equipment		-17,413	25,000	-42,413	-70%
Communications equipment		4,299	20,000	-15,701	21%
Computer equipment		1,484	25,000	-23,516	6%
Industrial center equipment		0	15,000	-15,000	0%
Office equipment		0	7,500	-7,500	0%
Other Equipment		0	5,000	-5,000	0%
Shop equipment		3,585	20,000	-16,415	18%
Terminal bldg equipment		0	10,000	-10,000	0%
Vehicles		0	25,000	-25,000	0%
Total Equipment	0	-8,045	167,500	-175,545	-5%
Land					
Airport Indust. Cent. Imps.					
AIC-City-Wide Storage Tract Imp		0	15,000	-15,000	0%
Airport Indust. Cent. Imps. - Other		0	3,000	-3,000	0%
Total Airport Indust. Cent. Imps.		0	18,000	-18,000	0%
Rail Spur Imps.		0	20,000	-20,000	0%
Total Land	0	0	38,000	-38,000	0%
Total Fixed assets at cost	400,910	2,987,544	14,325,958	-11,338,414	21%

Salina Airport Authority

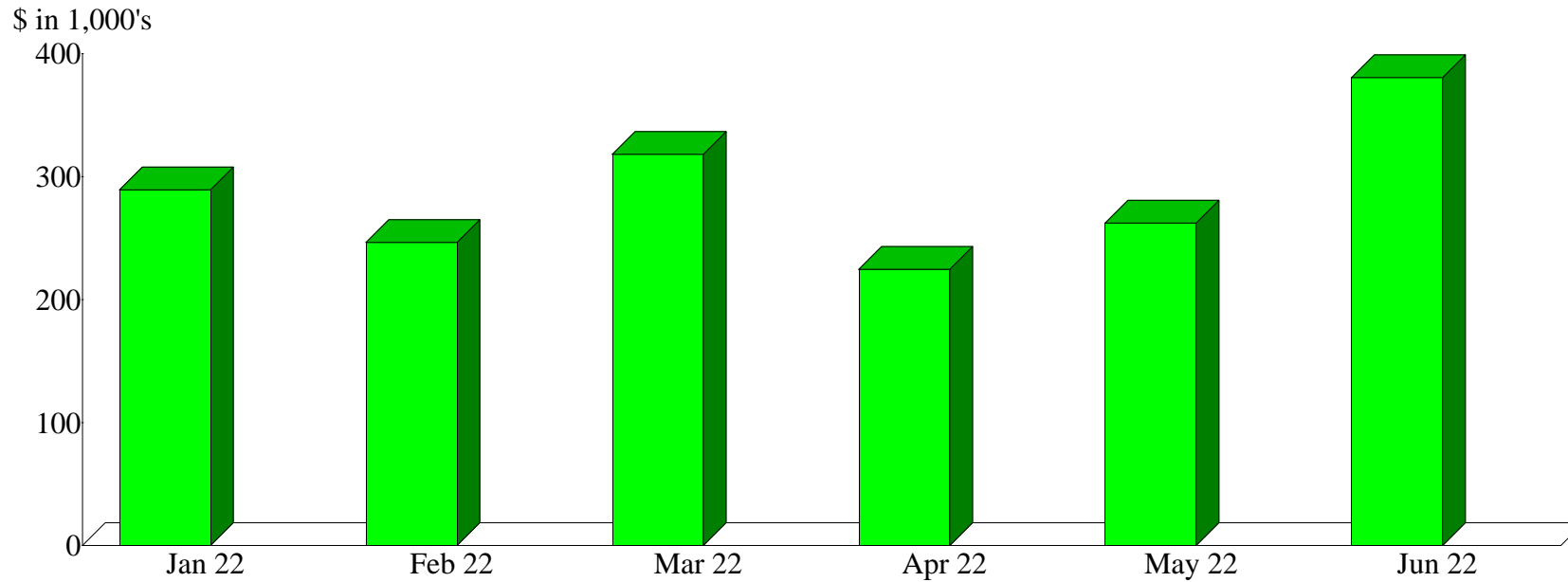
Significant Capital Expenditures Detail

June 2022

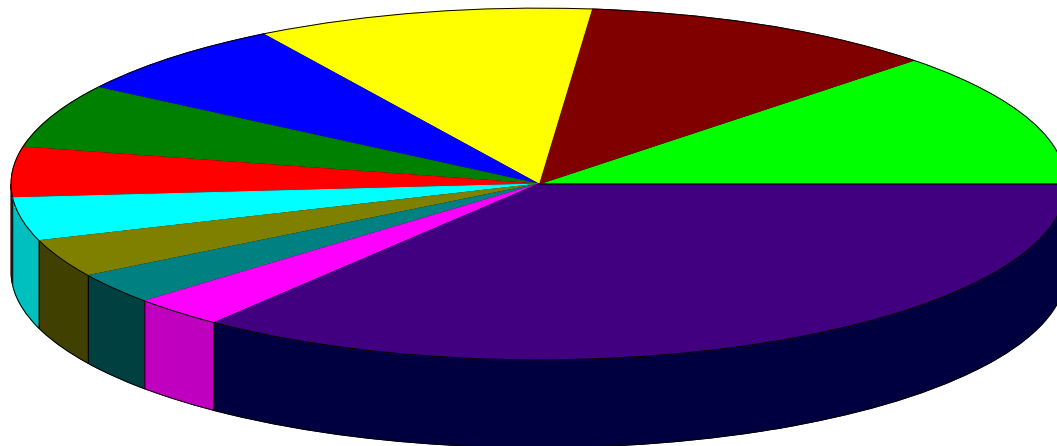
Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Airfield					
AIP-XX Terminal Bldg. Expansion					
Bill	06/30/2022	Coffman Associates, Inc.	Project progress estimate #3	1,164.00	1,164.00
Total AIP-XX Terminal Bldg. Expansion				1,164.00	1,164.00
North Ramp Development					
Bill	06/30/2022	Coffman Associates, Inc.	Project progress estimate #2	2,566.00	2,566.00
Total North Ramp Development				2,566.00	2,566.00
Total Airfield				3,730.00	3,730.00
Buildings & Improvements					
Building Improvements					
2021-12-15 Storm Damage					
Bill	06/20/2022	Webcon, Inc.	B939 roof repairs - materials (progress pymnt)	47,237.30	47,237.30
Bill	06/21/2022	Webcon, Inc.	B412 materials (progress payment)	34,587.30	81,824.60
Total 2021-12-15 Storm Damage				81,824.60	81,824.60
Bldg. 412 Imps.					
Bill	06/10/2022	Luke Kush's Painting, Inc.	Exterior painting	24,300.00	24,300.00
Total Bldg. 412 Imps.				24,300.00	24,300.00
Bldg. 520 Imps.					
Bill	06/10/2022	Luke Kush's Painting, Inc.	Exterior painting	36,380.88	36,380.88
Total Bldg. 520 Imps.				36,380.88	36,380.88
Bldg. 595 Improvements Const.					
Bill	06/28/2022	Cheney Construction Inc.	B595 Improvements - Progress pymnt no. 3	180,092.70	180,092.70
Total Bldg. 595 Improvements Const.				180,092.70	180,092.70
Bldg. 595 Improvements Design					
Bill	06/09/2022	Hutton Corporation	Estimate #6	23,250.00	23,250.00
Total Bldg. 595 Improvements Design				23,250.00	23,250.00
Hangar 626 Rehabilitation					
Bill	06/30/2022	Hutton Corporation	H626 Paint Booth Predesign Phase	28,000.00	28,000.00
Total Hangar 626 Rehabilitation				28,000.00	28,000.00
Total Building improvements				373,848.18	373,848.18
FBO Improvements					
Bldg. 700 Imps. Avflight North					
Bill	06/10/2022	Luke Kush's Painting, Inc.	Exterior painting	23,330.88	23,330.88
Total Bldg. 700 Imps. Avflight North				23,330.88	23,330.88
Total FBO Improvements				23,330.88	23,330.88
Total Buildings & Improvements				397,179.06	397,179.06
Total Fixed assets at cost				400,909.06	400,909.06
TOTAL				400,909.06	400,909.06

Sales by Month
January through June 2022

Dollar Sales



Sales Summary
January through June 2022

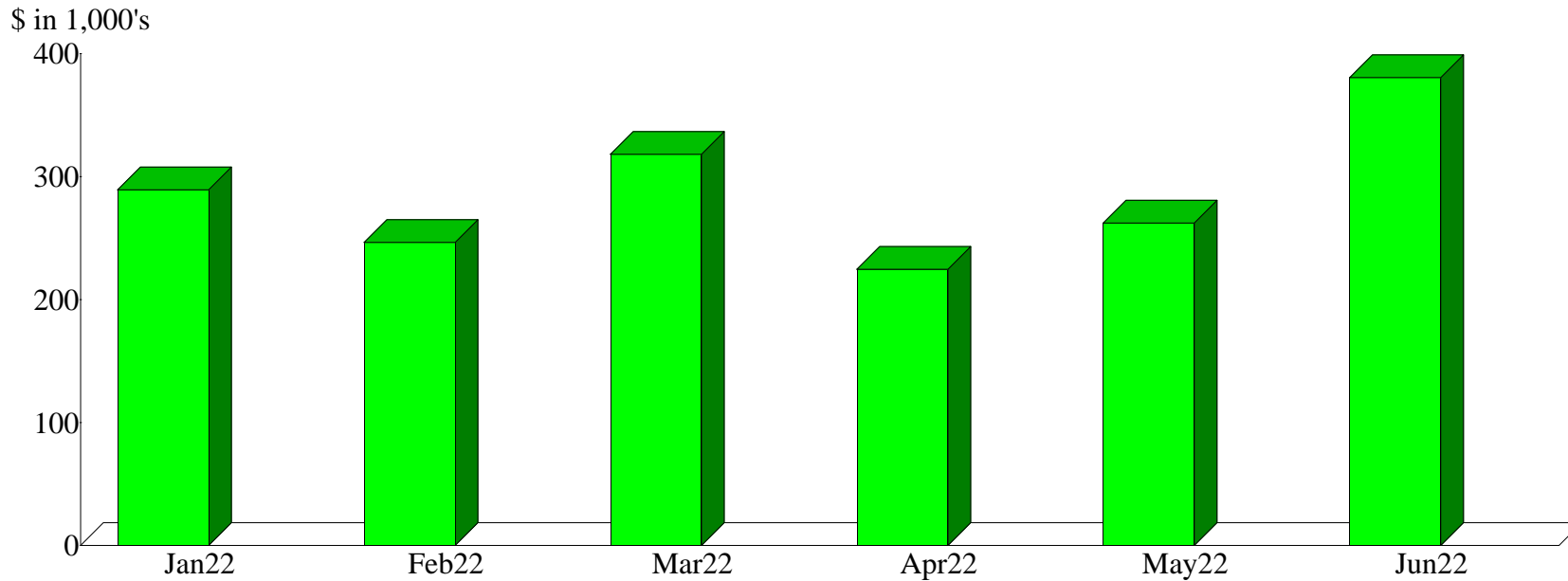


Kansas Erosion Products, LLC.	12.57%
Avflight Salina	11.10
1 Vision Aviation, PLLC	10.48
Stryten Salina, LLC	7.14
NASA	5.95
Marine Forces Reserve MAG-49	4.77
SFC Global Supply Chain	4.04
Universal Forest Products (UFP)	3.52
K-State Salina	3.00
108th Aviation Regiment	2.87
Other	34.55
Total	\$1,721,510.75

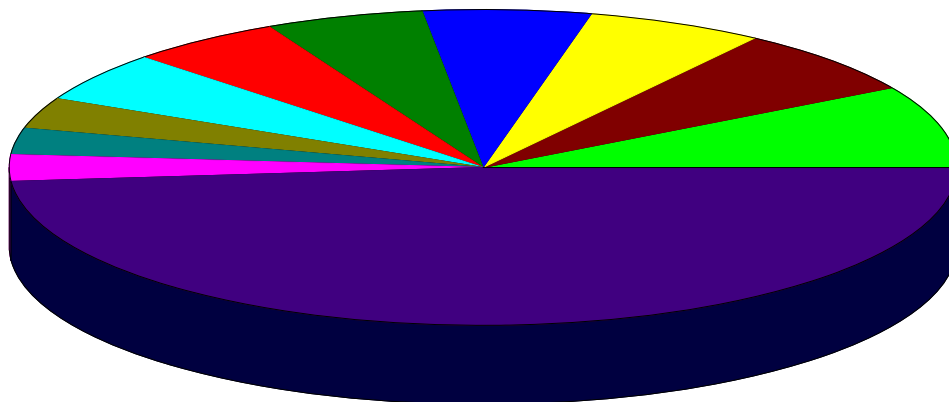
By Customer

Sales by Month
January through June 2022

Dollar Sales



Sales Summary
January through June 2022



H-00959-1 (Hangar Facility H959 - 2044 S	8.54%
B-01021 (Building #1021 located at 3600	6.87
B-00655-3 (Bldg. #655 (96,611 SF) - 2656	6.12
FFF-Avflight Salina (Fuel Flowage Fee @	5.87
Utility Reimbursement (Utility Reimburse	5.43
H-0606-1 (Hangar 606 - 2630 Arnold Ct.	5.37
H-0600-1 (Hangar 600 - 20,217 sq. ft.)	5.24
B-00620-1 (Building #620 (30,000 SF) an	3.33
Insurance(CP) (Insurance Reimbursement)	2.85
B-00626-1 (Manufacturing facility #626 (2.82
Other	47.55
Total	\$1,721,510.75

By Item



COMPREHENSIVE ANNUAL FINANCIAL REPORT

SALINA AIRPORT AUTHORITY

A Component Unit of the

City of Salina, Kansas

For the Fiscal Years Ended December 31, 2021 and 2020

Prepared by the Management
of the
Salina Airport Authority
www.salinaairport.com

CUSIP #794760XXX

3237 Arnold | Salina, KS 67401 | 785-827-3914
www.salinaairport.com | www.flysalina.com

**FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
of the
SALINA AIRPORT AUTHORITY**

**A Component Unit of the
City of Salina, Kansas**

For the Fiscal Years Ended December 31, 2021 and 2020



**SALINA AIRPORT AUTHORITY
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For the Fiscal Years Ended December 31, 2021 and 2020**

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Chairman
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Vice Chair
Tod Roberg

Secretary
Alan Eichelberger

Treasurer
Stephanie Carlin

Past Chairman
Kristin Gunn

Executive Director Timothy F. Rogers, A.A.E.

Dir. of Administration & Finance Michelle R. Swanson, C.M. Dir. of Facilities & Construction Maynard Cunningham

Manager of Operations David Sorell Business & Communications Manager Kasey L. Windhorst Board Attorney Greg A. Bengtson

June 30, 2022

Salina Airport Authority Board of Directors
3237 Arnold Ave.
Salina, KS 67401

To the Board of Directors of the Salina Airport Authority:

The Comprehensive Annual Financial Report of the Salina Airport Authority (the "Authority") for the fiscal years ended December 31, 2021 and 2020 is hereby submitted in accordance with the Kansas Statutes Annotated (K.S.A. 27-324). As required by the statute, the City of Salina will be furnished copies of the Authority's 2021 Comprehensive Annual Financial Report. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Executive Director of the Authority. To the best of our knowledge and belief, the data as presented is accurate in all material aspects, is presented in a manner designed to fairly set forth the fiscal position and results of the operation of the Authority as measured by its financial activity, and all disclosures necessary to enable the reader to gain maximum understanding are included in the report.

This Comprehensive Annual Financial Report is presented in accordance with generally accepted accounting principles (GAAP) and pursuant to K.S.A. 27-324, an audit of the books, accounts, and financial statements has been completed by the Authority's independent certified public accountants, AdamsBrown, LLC. The independent audit is in accordance with the Kansas Municipal Audit and Accounting Guide. GAAP requires that management provide an overview and analysis to accompany the financial statements in the form of a Management Discussion and Analysis (MD&A). It is recommended that this letter of transmittal be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditor in the Financial Section of this report.

REPORTING ENTITY

The Salina Airport Authority is a body corporate and politic. The Authority was created by the City of Salina in April 1965 (Sec. 4-16, Salina City Code) pursuant to the authority granted by the City by the surplus property and public airport authority act of the State of Kansas (K.S.A. 27-315 et seq.) The Authority was created for the purpose of accepting as surplus property, portions of the former Schilling Air Force Base, which was closed by the United States Department of Defense in June 1965. By quitclaim deed the Authority received over 2,900 acres of land and numerous buildings for the purpose of operating and developing the Salina Regional Airport and the Salina Airport Industrial Center. The Authority is managed and controlled by a five-member Board of Directors appointed by the Salina City Commission.

The Board appoints the Executive Director, who is the chief executive officer of the Authority. The Executive Director hires the remaining employees of the Authority. The Executive Director and his staff of fourteen full-time and two part-time employees manage and operate the Salina Regional Airport and the Salina Airport Industrial Center.

The Salina Regional Airport is the only commercial service airport serving Salina/Saline County and the 24-county area, which comprises north central Kansas. The Airport also services the corporate, business, private aviation, and flight training needs of industry, business, and individuals in the area. The Airport is also used by Kansas State University-Salina (KSUS). The Aerospace and Technology Campus of KSUS is located adjacent to the Airport and is one of the nation's top five aviation programs. The college offers degrees in professional flight training, airframe and power plant maintenance, and avionics technology.

The Salina Regional Airport and Airport Industrial Center is home for over 100 businesses and organizations. Over fifty of the businesses and organizations are tenants of the Authority. One of the primary functions of the Authority is to facilitate the continued growth of jobs and payroll at the Airport and Airport Industrial Center. The Authority works in partnership with the City of Salina, Saline County, Salina Area Chamber of Commerce, and the Salina Community Economic Development Organization for the retention of existing business and industry and the recruitment of new business and industry.

ECONOMIC CONDITIONS AND OUTLOOK

Local Economy

The City serves as a 24-county regional trade center for north central Kansas. Many individuals and businesses within a 70-mile radius travel to the city to purchase consumer goods and services. This designation as a regional trade center is supported by the fact that the City had the fifth highest "trade pull factor" of all Kansas first class cities in a report published in October 2021 by the Kansas Department of Revenue Office of Policy and Research. City trade pull factor is computed by dividing the per capita sales tax of a city by the statewide per capita sales tax.

Saline County is in the center of one of the most productive agricultural areas in the United States. Every five years the United States Department of Agriculture conducts a comprehensive summary of agriculture activity for each state in the US. According to the 2017 Census, 609 farms were located on 358,243 acres. Farm crops and livestock sales reached \$73.6 million according to the 2017 Census. According to the Kansas Department of Agriculture, the total economic impact of agriculture food and food processing sectors on the Saline County economy is over \$1.29 billion annually, creates 4,226 jobs, and 12% of the Gross Regional Product.

Salina is a city centered more on industry than agriculture. Currently, there are approximately 100 manufacturing and processing companies located in the city. The City, Saline County, the Chamber of Commerce, Salina Community Economic Development Organization, and the Salina Airport Authority have developed several economic incentives which can be offered as inducements to opening industrial facilities. These include property tax abatement for basic industry, the waiving of building permit and inspection fees, refunding of sales tax paid on machinery and equipment and providing training for

employees through the Salina Area Technical College and the Kansas State University Salina Aerospace and Technology Campus. Additionally, a “build-to-suit-tenant” agreement is available on sites in the Airport Industrial Center that can provide 100% financing for land and building costs.

Additionally, Salina launched a \$160 million downtown redevelopment project that broke ground in April of 2018 and is one of the largest public-private partnerships in the history of the city. The streetscape and utility improvements were completed in 2019 and since the beginning of the redevelopment the construction of a Homewood Suites hotel, Old Chicago restaurant, new entertainment center/bowling alley, and a car museum have been completed. A river renewal project is also on the horizon.

The community has 1,200 acres of industrial sites available in North Salina, the South Industrial District, and the Airport Industrial Center. Sites range in size from 1 to 240 acres, and are available for aviation, manufacturing, and distribution and warehouse businesses.

Economic Condition of the Airport and Airport Industrial Center

According to a report published in April 2021 by the Docking Institute of Fort Hays State University, as of December 31, 2020, over 100 businesses and organizations are located at the Salina Regional Airport and Airport Industrial Center.

The total level of economic activity generated by the private businesses, educational institutions, military units, public institutions, and other entities for 2020 was \$1,297,934,889. Combined, Airport and Airport Industrial Center economic activity contributed approximately 42.5% of the total economic activity in Saline County during 2020. The total employment associated with Airport and Airport Industrial Center economic activity was 7,005 jobs which equals 17.6% of the total employment in Saline County.

Future Economic Outlook

Despite the impact of COVID-19, the future economic outlook for both Salina and the Authority looks favorable. Continued growth in service, retail and manufacturing sectors is expected. Salina Regional Airport businesses including 1 Vision Aviation, Kansas State University Salina, and the Kansas Army National Guard, continue to work on facility expansion plans. Salina Airport Industrial Center businesses and organizations including Schwan's Food Manufacturing Inc., Kansas Erosion Products, Universal Forest Products, Superior Plumbing and Heating Co., and Salina Area Technical College, continue to work on facility expansions and improvements.

Salina Regional Airport continues to thrive as a forward operating location for aviation businesses, military, and special operation missions. With its proximity to the Smoky Hill Air National Guard Bombing Range, the Airport continues to host military units from around the country for training purposes.

The Salina Airport Authority in partnership with the Salina Area Chamber of Commerce, the Salina Community Economic Development Organization, the City of Salina, and Saline County, continues to execute an economic development strategic plan that includes specific goals and tasks intended to result in job growth, increased primary jobs, payroll, new capital investment and the leasing of available space at the Airport Industrial Center.

FINANCIAL CONTROLS

The Authority follows generally accepted accounting principles applicable to governmental unit enterprise funds. Accordingly, the financial statements are prepared on the accrual basis.

Management of the Authority is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Authority are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

LONG-TERM FINANCIAL PLANNING

Increasing the Authority's unreserved, undesignated fund balance has been a priority of the organization. The Authority's Board of Directors has a stated plan of maintaining the Authority's cash reserve fund equal to \$1.8 million or greater. Having sufficient liquidity has allowed the Authority to respond to opportunities that arise quickly such as improvements to facilities and infrastructure to secure new businesses and industry to the Airport.

During 2020 and 2021, the Authority was awarded a total of \$2.8 million to be used for airport operating expenditures and equipment under the CARES and CRRSAA federal COVID-19 grant relief programs. Additionally, on July 27, 2021, the Authority was awarded a \$1,078,987 grant under the ARPA act of 2021. The proceeds for the forementioned COVID relief grants can be used for any lawful purposes for which airport revenues can be utilized. The grant funds could be used to reimburse for airport expenditures dating back to January 20, 2020. The Authority utilized the funds to maintain the safe and secure operation of the Airport while managing through the effects of the pandemic and to maintain our targeted unreserved fund balance.

Also, as part of the strategic plan of recruiting business and industry to fill available facilities vacated by three principal customers since 2012, the Authority has developed a systematic method of evaluating projects including definitive trigger points, lease pro-forma requirements, lease calculation methodology, and other qualitative measures prior to capital improvement projects.

GFOA CERTIFICATE OF ACHIEVEMENT

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Salina Airport Authority for its comprehensive annual financial report for the fiscal year ended December 31, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

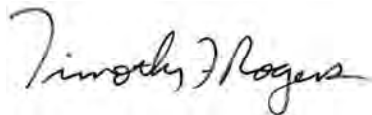
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

The support of the Authority's Board of Directors and Audit Committee has been instrumental in the preparation of this report. The Board has been actively involved in the preparation and review of this report and is committed to responsible and progressive financial reporting.

Also acknowledged is the assistance of the Authority's auditor, AdamsBrown, LLC, the Authority's accounting advisor, Larry Harris, Woods & Durham, Chartered., Saline County Clerk's Office, the Salina Area Chamber of Commerce, Debbie Pack, Director of Finance for the City of Salina, and the University of Kansas Institute for Public Policy and Business Research and the Kansas Department of Human Resources Labor Market Information Services, in the preparation of this report.

Respectfully submitted,



Timothy F. Rogers, A.A.E.
Executive Director
Salina Airport Authority



Michelle R. Swanson, C.M.
Director of Administration and Finance
Salina Airport Authority

cc: The City of Salina Board of Commissioners



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Salina Airport Authority
Kansas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrell

Executive Director/CEO

SALINA AIRPORT AUTHORITY

PRINCIPAL OFFICERS AS OF DECEMBER 31, 2021

BOARD OF DIRECTORS



Kristin Gunn
Chairman



Kent Buer
Vice-Chairman



Brian Weisel
Secretary



Tod Roberg
Treasurer



Alan Eichelberger
Past Chairman

AUTHORITY'S COUNSEL

Greg A. Bengtson
Clark, Mize & Linville, Chartered
Salina, Kansas

AUTHORITY'S BOND COUNSEL

Gilmore & Bell
Kansas City, Missouri

AUTHORITY'S FINANCIAL ADVISOR

Stifel, Nicolaus & Company, Inc.
Kansas City, Missouri

AUTHORITY'S AUDITOR

AdamsBrown, LLC
2006 Broadway, Suite 2A
P.O. Drawer J
Great Bend, KS 67530

SALINA AIRPORT AUTHORITY

Staff Members as of December 31, 2021



Tim Rogers
Executive Director



Shelli Swanson
Director of Admin & Finance



Maynard Cunningham
Director of Facilities & Construction



Kasey Windhorst
Business & Communications Manager



David Sorell
Manager of Operations



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Andrew Hodge
ARFF/Ops Officer



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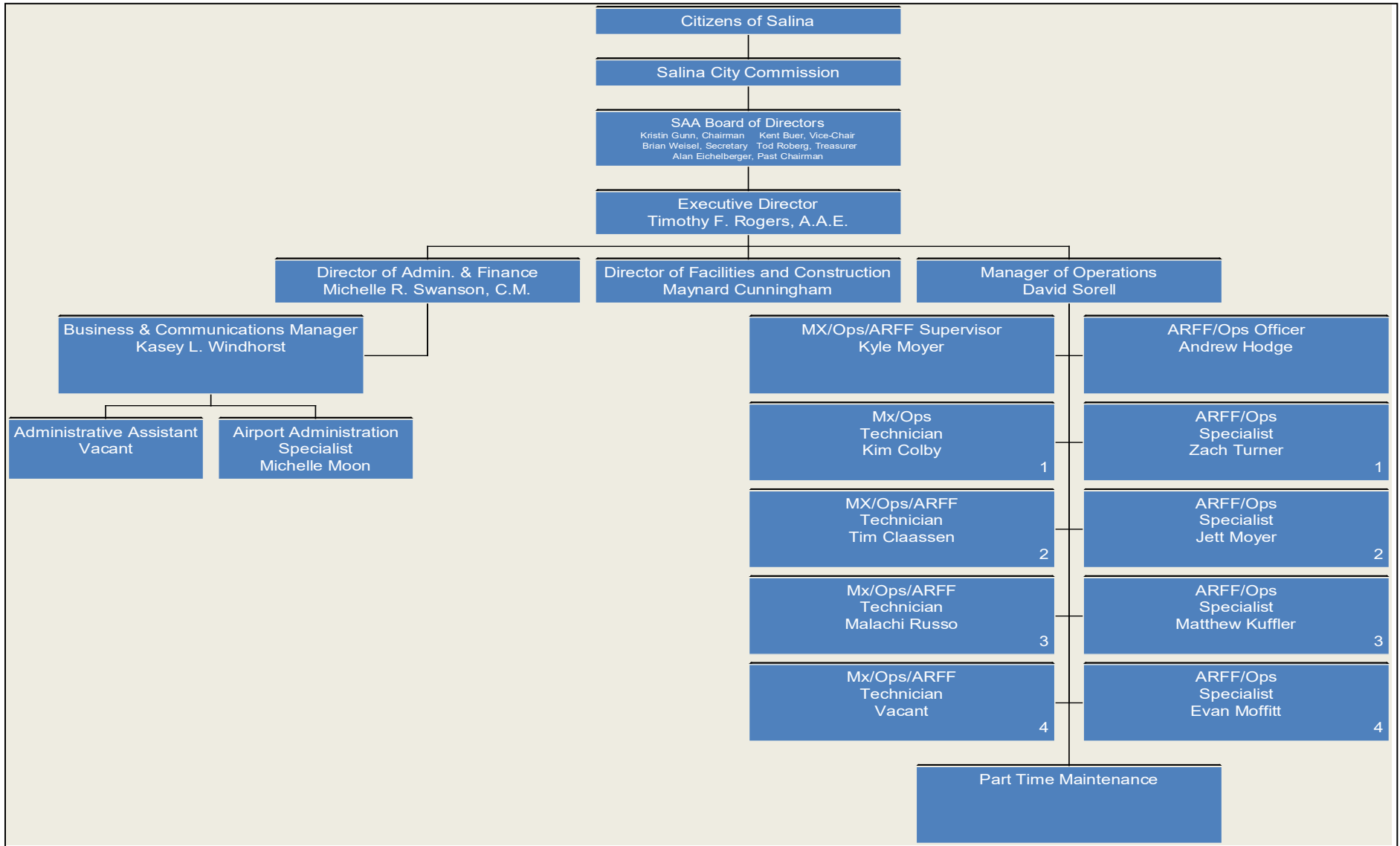
Matthew Kuffler
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ARFF/Ops Specialist

SALINA Airport Authority

December 2021



SALINAAirport *Authority*



INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Salina Airport Authority
Salina, Kansas

Opinion

We have audited the financial statements of the business-type activities of **Salina Airport Authority**, a component unit of the City of Salina, Kansas, as of and for the years ended December 31, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of **Salina Airport Authority** as of December 31, 2021 and 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the *Kansas Municipal Audit and Accounting Guide*, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Salina Airport Authority**, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is

not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise **Salina Airport Authority's** basic financial statements. The introductory section, supplemental information, statistical section, and single audit information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing

and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinions, based on our audit and the procedures performed as described above, the information as noted above is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audits of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2022, on our consideration of the **Salina Airport Authority's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

June 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Salina Airport Authority offers the readers of the Authority's audited financial statements this narrative overview and analysis of the financial activities of the Salina Airport Authority for the fiscal year ended December 31, 2021.

The Salina Air Traffic Control Tower (ATCT) ended 2021 having handled 80,970 aircraft operations. This represented a 34% increase in total aircraft operations over the prior year which had seen a dip of 21% from 2019 and a 10.5% YOY increase from 2018. Not unlike other airports across the country, air traffic was significantly hampered in 2020 due to the COVID-19 pandemic. However, in 2021, not only did the airport experience a recovery in operations it also saw the impact of the pent-up demand in the industry. Categories of aircraft operations at Salina including air carrier, air taxi, and general aviation all saw double-digit decreases as high as 47% as compared to 2020. Military operations were the only category of airport operations that posted a decrease; 41% for itinerant traffic and 38% for local traffic as compared to 2020. The military traffic had a sharp increase in 2020 over 2019 and 2021 was closer to expected levels of military traffic. Even during the pandemic, Salina continued to host military training exercises for all branches of the armed forces and serves as an Airport of Embarkation/Debarcation (APOE/APOD) for Kansas' army military installation known at Fort Riley. The growth in the pre-pandemic years was a result of growth in both local and itinerant military traffic as well as air taxi and local civilian operations. Also, the 2019, and now 2021 air traffic growth coincides with record enrollment in K-State's professional pilot program. K-State Salina's expanded professional pilot and flight training program has assisted in the upward trend in air traffic in previous years as well as an overall increase in commercial business traffic. At the end of 2021, posting the 34% YOY increase moved the Salina Regional Airport into the number one ranked FAA contract towered airport in the state for air traffic operations and fuel delivered. Salina's 2021 ATCT's national ranking for airport operations is 81 out of 256 federal contract towered airports.

Salina continues to remain strong as a mid-continent refueling stop and has earned the recognition as "America's Fuel Stop". At the end of 2021, world-class Fixed Based Operator (FBO), Avflight Corporation, completed its eighth year as the aircraft fueling operator at the Salina Regional Airport. Avflight provides fueling and ground services to the wide mix of air traffic that includes business jets, air carrier, military, and general aviation. Avflight is part of the Avfuel-branded FBO network of over 650 independently owned FBOs around the globe. In addition, Salina continues to remain strong as a base of operations for military and civilian flight training. The 8.7% YOY decrease in 2021 was primarily due to the significant fuel sales because of hosting Jaded Thunder in 2019 and 2020. This multi-force military training exercise results in substantial fuel delivered to the numerous aircraft involved with the activity. During 2020, despite COVID-19, Avflight still delivered 2.3 million gallons, representing a .72% increase over the 2019. Since Avflight's 2014 takeover of the fueling operation at SLN, fuel sales have seen 3 years with double digit year-over-year increases.

Commercial airline service is afforded to Salina through the Department of Transportation's (DOT) Essential Air Service Program (EAS). On December 21, 2017, the United States Department of Transportation (the Department) selected SkyWest Airlines, Inc. (SkyWest), to provide EAS at Salina, Kansas, using 50-passenger Canadair Regional Jet CRJ200 aircraft for a two-year contract term from April 1, 2018, through March 31, 2020, for SkyWest to provide Salina with 12 weekly round trips to

Denver International Airport (DEN) and/or Chicago O'Hare International Airport (ORD). The service is branded as United Express and was subsequently renewed to provide service through March 31, 2023.

From 2017 to 2018, the Airport saw an increase of 46.6% with the jump to 50-seat jet service, operated by SkyWest Airlines, to both United's Chicago and Denver hubs. Of significance is the fact that passenger enplanements exceeding 10,000 annually, allows the airport to receive \$1 million per year in Federal Aviation Administration entitlement dollars for eligible airport capital improvements.

From 2018 to 2019, the Salina Regional Airport's passenger enplanements continued the positive trend increasing 4.38% because of the SkyWest's performance and the market responding. Additionally, the airport continued to serve numerous aircraft as an APOE/APOD for Fort Riley as described above. As the home of the Army's 1st Infantry division, Fort Riley utilizes the infrastructure at the Airport for the deployment of service men and women and cargo to training venues and military missions throughout the world. In addition to an increase in military aircraft activity, the Airport has benefited from the increase in commercial airline charter operations as a result of serving as an APOE/APOD.

Right before the effects of the COVID-19 pandemic hit air travel, Salina's air service and passenger enplanements were reaching new heights. The passenger roundtrip enplanements of 2,712 for SkyWest service during the month of December 2019 was more than double the 1,168 of December 2018. On March 5, 2020, the tag with Hays, KS was removed and the Salina to Denver service became non-stop and the spring break week that followed was the record load factor week for the year. As the air travel reductions were realized around the globe as the pandemic threat continued, Salina's passenger numbers also dropped, and the year ended 50.16% less than 2019.

As air travel resumed and the effects of the pandemic lessened, commercial passenger enplanements returned and exceeded the pre-pandemic levels seen in 2019 with an 85.4% increase from 2020 to 2021 and a 5.8% increase when comparing 2019 to 2021.

The changes in the Authority's major airport activity indicators for the past three years are as follows:

	2021	2020	2019
Enplanements - Scheduled Air Carrier & Charter Flights	19,580	10,561	21,189
% increase / (decrease)	85.40%	-50.16%	4.38%
Aircraft Operations - All Categories	80,970	60,448	76,553
% increase / (decrease)	33.95%	-21.04%	10.48%
Fuel Flowage - (gallons delivered)	2,096,198	2,295,009	2,278,659
% increase / (decrease)	-8.66%	0.72%	-5.64%

AIRPORT INDUSTRIAL CENTER ACTIVITY AND HIGHLIGHTS

The Authority owns over 1.2 million sq. ft. of manufacturing, warehouse, and office space at the Airport Industrial Center. As further described herein, the building and land revenue generated by the Authority's leasing activity constitutes a significant portion of the annual operating revenue budget. During 2021, building and land rents equaled \$1,689,045 or 58.4% of operating revenue. At the end of 2021, the Authority had an occupancy rate of 82% in its building inventory, up from the 80% at the end of 2020. The Authority has made great strides in recent years in re-leasing a portion of the 484,003 sq. ft. of property vacated by Hawker Beechcraft Corporation (HBC) division in Salina in 2012.

SUMMARY OF OPERATIONS AND CHANGES IN NET POSITION

Even with the uncertainty in the aviation industry and the COVID-19 pandemic the financial condition of the Authority improved during 2021. The Authority has effectively dealt with major cost increases in employee health benefits including medical insurance premiums, utility costs, commercial property insurance premiums and other operating expenses. In addition, the Authority has managed through the termination of four operating revenue leases from three principal tenants since 2012, representing nearly \$850,000 in annual operating revenue. Fortunately, since 2012, the Authority has added more than twenty new tenants, diversifying its tenant base and the operating revenues have steadily increased with 2021 reaching a historic high of nearly \$2.9 million.

SUMMARY OF OPERATIONS HIGHLIGHTS

Significant items affecting the Summary of Operations and Changes in Net Position for 2021, 2020 and 2019 are as follows:

	2021	2020	2019
Operating revenues	\$ 2,893,724	\$ 2,652,346	\$ 2,432,958
Operating expenses	(2,810,996)	(2,471,725)	(2,355,435)
Excess of revenues over expenses before depreciation	82,728	180,621	77,523
Depreciation	(3,065,984)	(3,016,267)	(2,898,650)
Loss before non-operating revenues and expenses	(2,983,256)	(2,835,646)	(2,821,127)
Non-operating revenues and (expenses), net	1,903,527	(570,774)	1,497,105
Loss before capital contributions	(1,079,729)	(3,406,420)	(1,324,022)
Capital contributions	2,717,177	2,100,818	1,727,674
Net position			
Increase (decrease) in net position	1,637,448	(1,305,602)	403,652
Total net position, beginning of year	21,197,183	22,502,785	22,099,133
Total net position, end of period	\$22,834,631	\$21,197,183	\$22,502,785

- Operating revenues have increased in recent years due to new tenants and releasing properties and diversifying the tenant base as mentioned previously, with 2021 and 2020 revenues posting ten-year highs. Although fuel flowage fees derived from the delivery and sale of aviation fuel at the Airport dipped by 5.38% in 2021, this revenue stream jumped significantly when it increased 41% in 2017 where it reached the highest level in the previous seven years and in 2020, despite COVID-19 it increased by 2.9% over 2019. Military activity at the Airport continues to remain strong and the field at KSLN continues to have a steady stream of based training operations that generate hangar rent, fuel flowage, and other rental revenue.
- The Authority's operating expenses increased by 13.7% in 2021 and 4.9% in 2020 after a 3.12% YOY decrease in 2019. From 2011 to 2017, the Authority posted year-over-year decreases in operating expenses. After slipping to a vacancy rate of 58% in early 2012, the Authority loss of revenue attributable to the closure of Hawker Beechcraft, required significant cost-cutting measures. With the occupancy rate having improved by over 20% by the end 2020 and continuing in 2021, the Authority was able to expend dollars on deferred airfield, building and equipment maintenance.
 - The 2020 and 2021 increases in operating expenses was a result of increased leasing activity and building occupancy. Ironically, demand for warehouse, manufacturing, and hangar space continued even through the heights of the pandemic for both short and long-term tenancies. These factors work in tandem and when occupancies increase, related operating expenses follow suit. Also, certain tenants requested an increased level of disinfecting requiring up to twice-daily services which was even more critical with the Authority's level of short-term, transient leasing activity.
 - In early 2020 after the outbreak of the pandemic and considering the economic impact uncertainty at the time, the Authority implemented a cash conservation and expense evaluation program. The effects of the pandemic on the financial performance of the Authority were monitored monthly as to provide the ability to respond quickly in the event of a downturn in total revenues, which fortunately did not occur.
 - During 2012-2019, the Authority made a concerted effort to hold and reduce operating costs by reducing travel and meeting expense as well as reducing all dues and subscriptions and cancelling all non-essential items.
- Depreciation expense increased due to very capital-intensive years with exceeding \$3 million in 2021 and 2020.
- Capital grants and contributions during 2021 and 2020 totaled \$2,717,177 and \$2,100,818 respectively, with the significant projects including the design of the rehabilitation of the Authority's primary runway, Terminal Building Master Plan update, and rehabilitation of the Authority's largest aircraft hangar, Hangar 959, for a new Part 145 maintenance tenant. \$1.2 million of the 2021 capital grants included reimbursement for Airport operating expenses and equipment acquisition under federal COVID relief grants including CARES, CHRRSAA and ARPA grants as further discussion in the Notes to the Financial statements. Additionally, the

Authority received \$74,258 in FEMA grant funds to mitigate storm damage on an large-bay aircraft hangar.

- Ad-valorem tax revenue (mill levy) received by the Authority as a local taxing entity decreased 2.6.% from 2020 to 2021 and increased 11.3% from 2019 to 2020. The 2021 decrease was associated with a reduction in funds needed for the Authority's debt service payments. Interest received on investments was relatively flat in 2020 and 2021 and decreased only slightly (\$850) YOY.

FINANCIAL POSITION SUMMARY

The Statement of Net Position depict the Authority's financial position as of point in time – December 31 – and reflects the residual difference between all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Authority. The net position represents the residual interest in the Authority's assets after deducting liabilities. The Authority's net position was \$22,834,631 at the close of 2021, a \$1.6 million increase from December 31, 2020.

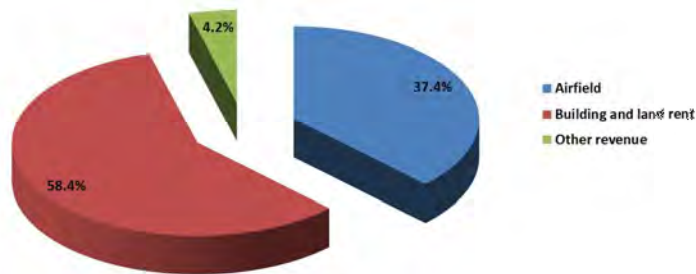
The Authority's net position reflects its heavy investment in capital assets including land, buildings, airfield infrastructure and machinery and equipment, less any related debt used to acquire those assets that is still outstanding. The Authority uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A condensed summary of the Authority's total net position at December 31st for the previous three years is shown on the following page.

	2021	2020	2019
ASSETS			
Current and other assets	\$ 6,866,321	\$ 2,662,550	\$ 1,512,621
Capital assets	42,527,517	42,261,174	44,110,767
Total Assets	49,393,838	44,923,724	45,623,388
DEFERRED OUTFLOWS OF RESOURCES	1,085,654	1,232,712	1,276,204
LIABILITIES			
Long-term debt outstanding	\$ 23,927,207	\$ 19,771,494	\$ 20,984,752
Other liabilities	3,488,150	5,121,333	3,370,643
Total Liabilities	27,415,357	24,892,827	24,355,395
DEFERRED INFLOWS OF RESOURCES	229,504	66,426	41,412
NET POSITION			
Net investment in capital assets	16,889,510	18,717,283	21,698,665
Unrestricted	5,945,121	2,479,900	804,120
Net Position	\$ 22,834,631	\$ 21,197,183	\$ 22,502,785

REVENUES

The following chart shows the major sources and the percentage of total operating revenues for the year ended December 31, 2021:

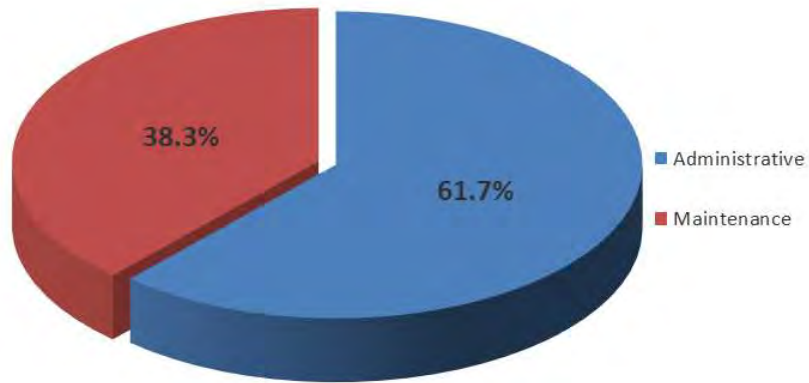


A summary of revenues for the past three years is shown below. Total revenue increased 6.17% from 2020 to 2021 and 9.3% from 2019 to 2020, following a slight decrease of .09% or \$4,341 from 2018 to 2019. 2021 set another ten-year high in operating revenue. The positive trend in operating revenue is a result of the increase in building and land rental attributable to increased occupancy rates. Other operating income has increased as a result of new sources of income including equipment rental to visiting military units and flight test activity.

	2021	2020	2019
Operating Revenue:			
Airfield	\$ 1,083,607	\$ 941,238	\$ 927,921
Building and land rent	1,689,044	1,543,756	1,349,788
Other revenue	121,073	167,352	155,249
Total Operating	<u>2,893,724</u>	<u>2,652,346</u>	<u>2,432,958</u>
Non-Operating Income:			
Mill Levy	2,570,657	2,639,481	2,371,463
Interest Income	1,311	2,161	17,954
Gain on sale of assets	154,774	-	21,263
Total Non-Operating	<u>2,726,742</u>	<u>2,641,642</u>	<u>2,410,680</u>
TOTAL REVENUE	<u>\$ 5,620,466</u>	<u>\$ 5,293,988</u>	<u>\$ 4,843,638</u>

EXPENSES

The following chart shows the major expense categories and the percentage of total operating expenses for the year ended December 31, 2021:



A summary of expenses for the past three years is shown below. Total operating expenses increased 13.7% in 2021 and 4.9% in 2020 following a 3.1% decrease over the prior year in 2019. Prior to 2017 and increased building occupancy resulting in higher revenues, the Authority had taken significant steps to hold operating expenses down, including completing more facility maintenance projects in-house and reducing administrative expenses such as travel and meetings. From 2011-2017, the Authority reduced operating expenses year-over-year for each of the six years.

	2021	2020	2019
Operating Expenses			
Administrative	\$ 1,734,025	\$ 1,630,020	\$ 1,524,897
Maintenance	1,076,971	841,705	830,538
Total Operating	<u>2,810,996</u>	<u>2,471,725</u>	<u>2,355,435</u>
Non-Operating Expenses			
Interest Expense	738,945	771,821	840,390
Bond Issue Costs	84,270	44,885	73,185
Loss on Sale of Assets	-	2,395,710	-
Total Non-Operating	<u>823,215</u>	<u>3,212,416</u>	<u>913,575</u>
TOTAL EXPENSES	<u>\$ 3,634,211</u>	<u>\$ 5,684,141</u>	<u>\$ 3,269,010</u>

CAPITAL ACQUISITIONS AND CONSTRUCTION ACTIVITIES

Capital grants and contributions during 2021 totaled \$2,717,177 which included funding through the Federal Aviation Administration's Airport Improvement Program to provide 100% grant funding for the Authority's design of the rehabilitation of the Airport's primary runway. In addition, the Authority received \$1,922,449 in funding support from COVID relief grants as mentioned previously that allowed the Authority to purchase needed airfield equipment to assist in the maintenance and operations of the airfield and commercial service Terminal Building.

The Authority acquired \$3,370,794 in capital assets during 2021. Significant items included the renovation of the M.J. Kennedy Air Terminal concourse, the acquisition of over \$900,000 in airfield equipment and the construction of a general aviation restroom facility. Additional information on the Authority's capital assets can be found in Note III (C) in the notes to the financial statements and within the Supplemental Section of this report.

Capital asset acquisitions exceeding \$1,000 are capitalized at cost and are depreciated over their useful lives, with the exception of land. The Authority's capital assets are financed using Federal and State grants with matching Authority funds, debt issuance and Authority revenues. Additional information can be found in Note I (G) in the notes to the financial statements.

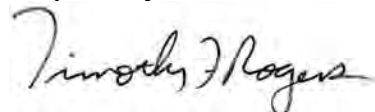
DEBT ADMINISTRATION

The outstanding long-term debt of the Authority was \$23,927,207 net of unamortized bond discounts at and current maturities at December 31, 2021. This debt consists of general obligation bonds and temporary notes and a lease purchase agreement. Maturities range from 2023 through 2036. Both principal and interest are payable from the Authority's mill levy revenue. Details of the Authority's debt can be found in Note III (D) in the notes to the financial statements.

REQUEST FOR INFORMATION

This Management's Discussion and Analysis is designed to provide detailed information on the Authority's operations and the financial results of those operations to all those with an interest in the Authority's financial affairs. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Director of Administration and Finance by e-mail: shellis@salair.org or in writing to, Salina Airport Authority, 3237 Arnold Ave., Salina, KS 67401.

Respectfully submitted,



Timothy F. Rogers, A.A.E.
Executive Director



Michelle R. Swanson, C.M.
Director of Administration and Finance

SALINA AIRPORT AUTHORITY
STATEMENTS OF NET POSITION
December 31, 2021 and December 31, 2020

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	December 31	
	2021	2020
CURRENT ASSETS		
Cash	\$ 5,303,767	\$ 2,255,880
Accounts Receivable, Net of Allowance for Uncollectibles	1,545,489	390,970
Prepaid expenses	17,065	15,700
Total Current Assets	6,866,321	2,662,550
NON-CURRENT ASSETS		
Capital Assets		
Land	9,920,765	9,874,567
Buildings, Improvements and Equipment, Net of Depreciation	30,621,531	32,181,015
Construction in Progress	1,985,221	205,592
Total Non-Current Assets	42,527,517	42,261,174
TOTAL ASSETS	49,393,838	44,923,724
DEFERRED OUTFLOWS OF RESOURCES		
Deferred KPERS Pension Funds	197,575	214,164
Deferred KPERS OPEB	803	4,727
Deferred Advanced Refunding	887,276	1,013,821
Total Deferred Outflows of Resources	1,085,654	1,232,712
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 50,479,492</u>	<u>\$ 46,156,436</u>

SALINA AIRPORT AUTHORITY
STATEMENTS OF NET POSITION
December 31, 2021 and December 31, 2020
(continued)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

	December 31	
	2021	2020
CURRENT LIABILITIES		
Accounts Payable	\$ 769,715	\$ 125,641
Accrued Property Tax	54,005	40,159
Accrued Special Assessments	1,282	1,282
Unearned Rental and Marketing Income	90,478	105,228
Accrued Interest	193,171	211,244
Current Portion of Compensated Absences	53,228	51,799
Current Maturities of Long-Term Debt	1,710,800	3,772,397
Total Current Liabilities	2,872,679	4,307,750
NON-CURRENT LIABILITIES		
Bonds and Notes Payable, Less Current Maturities	23,927,207	19,771,494
Net Pension Liability	509,789	715,670
Net OPEB Liability	13,911	13,924
Security Deposits Returnable	91,771	83,989
Total Non-Current Liabilities	24,542,678	20,585,077
Total Liabilities	27,415,357	24,892,827
DEFERRED INFLOWS OF RESOURCES		
Deferred KPERS Pension Funds	218,778	58,465
Deferred KPERS OPEB	10,726	7,961
Total Deferred Inflows of Resources	229,504	66,426
NET POSITION		
Net Investment in Capital Assets	16,889,510	18,717,283
Unrestricted	5,945,121	2,479,900
Net Position	22,834,631	21,197,183
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 50,479,492</u>	<u>\$ 46,156,436</u>

SALINA AIRPORT AUTHORITY
 STATEMENTS OF REVENUES, EXPENSES and CHANGES IN NET POSITION
 For the Years Ended December 31, 2021 and December 31, 2020

	January 1 to December 31 2021	2020
Operating Revenues		
Airfield	\$ 1,083,607	\$ 941,238
Building and Land Rent	1,689,044	1,543,756
Other Revenue	121,073	167,352
Total Operating Revenues	<u>2,893,724</u>	<u>2,652,346</u>
Operating Expenses		
Administrative	1,734,025	1,630,020
Maintenance	1,076,971	841,705
Total Operating Expenses	<u>2,810,996</u>	<u>2,471,725</u>
Revenues Over Expenses Before Depreciation	82,728	180,621
Depreciation	<u>(3,065,984)</u>	<u>(3,016,267)</u>
Operating Loss Before Non-Operating Revenues and Expenses	<u>(2,983,256)</u>	<u>(2,835,646)</u>
Non-Operating Revenues and (Expenses)		
Mill levy	2,570,657	2,639,481
Interest on Investments	1,311	2,161
Interest Expense	(738,945)	(771,821)
Bond Issuance Costs	(84,270)	(44,885)
Gain (Loss) on Sale of Assets	154,774	(2,395,710)
Total Non-Operating Revenues and (Expenses)	<u>1,903,527</u>	<u>(570,774)</u>
Loss Before Capital Contributions	(1,079,729)	(3,406,420)
Capital Contributions	<u>2,717,177</u>	<u>2,100,818</u>
Net Position		
Increase (Decrease) in Net Position	1,637,448	(1,305,602)
Net Position, Beginning of Year	<u>21,197,183</u>	<u>22,502,785</u>
Net Position, End of Year	<u>\$ 22,834,631</u>	<u>\$ 21,197,183</u>

SALINA AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS
(DIRECT METHOD)

For the Years Ended December 31, 2021 and December 31, 2020

	<u>January 1 to December 31</u>	
	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Providing Services	\$ 1,739,205	\$ 3,109,625
Cash Paid to Employees for Services	(921,910)	(854,885)
Cash Paid to Suppliers for Goods and Services	(1,133,826)	(2,133,137)
Net Cash Provided (Used) by Operating Activities	<u>(316,531)</u>	<u>121,603</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Property, Plant and Equipment	(3,370,794)	(1,501,297)
Acquisition of Land Subsequently Donated (Net)	-	(2,061,088)
Proceeds from Capital Grants	2,717,177	2,100,818
Proceeds from Property Tax	2,570,657	2,639,481
Proceeds from Sale of Capital Assets	193,240	-
Principal Payments on Debt	(3,772,338)	(1,428,211)
Proceeds of New Borrowing	5,866,454	2,560,000
Bond Issuance Costs	(84,270)	(44,885)
Interest Paid on Long-term Debt	<u>(757,019)</u>	<u>(787,723)</u>
Net Cash Provided by Capital and Related Financing Activities	<u>3,363,107</u>	<u>1,477,095</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received on Deposits	<u>1,311</u>	<u>2,161</u>
INCREASE IN CASH	3,047,887	1,600,859
CASH BALANCE - January 1	<u>2,255,880</u>	<u>655,021</u>
CASH BALANCE - December 31	<u><u>\$ 5,303,767</u></u>	<u><u>\$ 2,255,880</u></u>

SALINA AIRPORT AUTHORITY
STATEMENTS OF CASH FLOWS
(DIRECT METHOD)

(continued)

For the Years Ended December 31, 2021 and December 31, 2020

RECONCILIATION OF OPERATING LOSS TO NET
CASH PROVIDED BY OPERATING ACTIVITIES

	January 1 to December 31 2021	December 31 2020
OPERATING LOSS	<u>\$ (2,983,256)</u>	<u>\$ (2,835,646)</u>
ADJUSTMENTS RECONCILING OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Depreciation	3,065,984	3,016,267
Decrease (Increase) in Operating Assets		
Accounts Receivable	(1,154,519)	457,279
Prepaid Expenses	(1,365)	(6,347)
Change in Deferred Outflows of Resources	147,059	43,492
Increase (Decrease) in Operating Liabilities		
Accounts Payable (Operations)	644,075	(741,507)
Accrued Payroll Expenses	-	(402)
Accrued Property Tax and Special Assessments	13,846	(14,996)
Current Portion of Compensated Absences	1,429	12,604
Unearned Rental Income	(14,750)	56,020
Security Deposits	7,782	26,425
Net Pension Liability	(205,894)	83,400
Change in Deferred Inflows of Resources	163,078	25,014
Total Adjustments	<u>2,666,725</u>	<u>2,957,249</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (316,531)</u>	<u>\$ 121,603</u>

SALINA AIRPORT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
December 31, 2021 and 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Salina Airport Authority (Authority) was established by the City of Salina, pursuant to Chapter 27, Article 3, of the Kansas Statutes Annotated for the purpose of acquiring surplus federal government property, specifically the former Schilling Air Force Base, located near the City of Salina. The Authority operates, maintains, and develops the Salina Regional Airport and the Salina Airport Industrial Center. The Authority is controlled by a five-member Board of Directors appointed by the Salina City Commission and, in accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, the Authority is considered to be a component unit of the City of Salina. The Authority is discreetly presented in the City's financial statements.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accompanying financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) for state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for state and local governments in the United States of America.

The Authority consists of a single enterprise fund. Enterprise funds are classified as proprietary funds by the GASB and are accounted for using a total economic resource measurement focus. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the Authority is that the costs of providing services on a continuing basis be recovered through user fees and rents. The financial statements are prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized as earned and expenses as incurred.

Revenues from airlines, fuel flowage fees, building and land rents, and rental car commissions are reported as operating revenues. Transactions, which are capital, financing or investing related, and the sale of assets, related to economic development, are reported as non-operating revenues. All expenses related to operating the Airport and Industrial Center are reported as operating expenses. Interest expense and financing costs are reported as non-operating expenses.

C. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect certain reported amounts and disclosures that can affect these financial statements. Actual results could differ from those estimates.

D. Property Taxes

The Authority has the ability by statute to levy up to three mills with approval from the governing body of the City for operational purposes. An additional one mill may be levied in order to match grants, subject to a notice and protest period. These mills do not apply to the Authority's ability to levy unlimited taxes for the repayment of its general obligation debt.

E. Adopted Accounting Pronouncements

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

F. Pending Accounting Pronouncements

The Authority is preparing to implement the following Statements of Governmental Accounting Standards, established by the Governmental Accounting Standards Board (GASB) on or before the required implementation date. Management is currently evaluating the effect that the standards will have on the financial statements.

- GASB Statement No. 87, *Leases*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.
- GASB Statement No. 91, *Conduit Debt Obligations*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends December 31, 2022.
- GASB Statement No. 92, *Omnibus 2020*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.
- GASB Statement No. 93, *Replacement of Interbank Offered Rates*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.
- GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.
- GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.
- GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment to GASB Statements No. 14 and No. 84, and a supersession of*

GASB Statement No. 32. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

- *GASB Implementation Guide 2019-3, Leases.* The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2022.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position.

1. Cash and Investments

The Authority's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition. The Authority held no investments during these years.

2. Receivables

Accounts Receivable. The Authority records revenues when services are provided. All receivables are shown net of an allowance for uncollectibles.

3. Inventories

The Authority maintains no significant inventory of office and maintenance supplies. These items are expensed as purchased and no inventory is recorded in these financial statements. The Authority uses the consumption approach in valuing inventories of Avgas sold for retail. That is, the purchase is recorded as a current asset on the cost basis and the expenditure is deferred until the inventory is consumed under the weighted average cost method.

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

5. Capital Contributions

Airport Improvement Program - Certain expenditures for airport capital improvements are significantly funded through the Federal Aviation Administration's Airport Improvement Program (AIP) and the Kansas Department of Transportation's Airport Improvement Program (KAIP), with certain matching funds of the Authority. Capital funding provided under the AIP grant programs are considered earned as the related allowable expenditures are incurred. Grants received under the AIP programs are reported in the Statement of Revenues, Expenses and Changes in Net Position, as non-operating revenues and expenses as capital contributions.

Defense Reutilization Marketing Office Program - The Authority is a participant in the Defense Reutilization Marketing Office (DRMO) program. The DRMO entity disposes of United States military surplus property. The property is first offered for reutilization with the Department of Defense, transferred to other federal agencies or donated to state and local governments.

The Authority's policy is to record capital assets having a cost (or by implication fair value) in excess of \$1,000 at acquisition. The Authority's capitalization policy with respect to capital assets is to expense capital assets costing \$1,000 or less. Freight or other expenses necessary to put the asset into service equal to or greater than \$1,000, are capitalized.

The Authority estimates the United States military donated items to have a value equal to 20% of cost. Items having an original cost by the military of less than \$5,000 will be valued at \$1 with memo of original cost. Items having an original cost of more than \$5,000 will be valued at 20% of original cost rounded to the nearest \$1,000 with a memo to the file of the original cost.

The Authority keeps record of the military donated assets having an original cost by the military of \$5,000 or less in order to meet the tracking requirement and will treat as a consumable because the Authority believes the fair value of these is less than \$1,000 each.

If the Authority receives reliable written information indicating this procedure has produced a value significantly different from fair value, an adjustment to that value will be made.

Donated DRMO property with a value in excess of \$1,000 is reported in the Statement of Revenues, Expenses and Changes in Net Position, as non-operating revenues and expenses as capital contributions.

The Federal Aviation Administration, as the oversight agency, requires that the Airport track all the contributed property and the property must be held for at least one year prior to disposition.

6. Capital Assets

Capital assets purchased or constructed are recorded at cost. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend assets' lives are not included in capital assets cost. Capital assets donated to the Authority are recorded at their estimated acquisition value at the date of donation. Donated assets include property and equipment transferred to the Authority from the United States of America, September 9, 1966 and recorded at acquisition value at that date. The Authority maintains a capitalization threshold of \$1,000.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	5 – 50
Equipment	5 – 10
Vehicles	7 – 10
Airfield	10 – 30

7. Compensated Absences

Substantially all full-time employees receive compensation for vacations, holidays, illness and certain other qualifying absences. The number of days compensated for various categories of

absence is generally based on length of service. Liabilities relating to these absences are recognized as incurred and included in accrued expenses. Per the Authority's compensation policy, the paid time off is not able to accrue beyond a one-year period, therefore all such liabilities are recorded as current.

8. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority currently reports deferred charges on early retirement on debt refunding. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The Authority also reports a collective deferred outflow of resources related to pensions and deferred outflows for OPEB, which is described further in Note IV A and Note IV G, respectively.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority reports a collective deferred inflow of resources related to pensions and OPEB, which is described further in Note IV A and Note IV G, respectively.

9. Net Position

In proprietary fund financial statements net position is classified into three components:

- Net investment in capital assets - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - consisting of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Authority first utilizes restricted resources to finance qualifying activities.
- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Cash-Basis Law (KSA 10-1113)

The Authority was in compliance with this law at all times during the year.

B. Depository Security (KSA 9-1402)

The Authority's funds were adequately secured at all times during the year.

III. DETAILED NOTES**A. Deposits**

As of December 31, 2021 and 2020, the Authority had cash and cash equivalents as listed below:

	<u>2021</u>	<u>2020</u>
Gross Cash Balances		
Cash	\$ 5,253,946	\$ 2,106,496
Less: Deposits in Transit and Petty Cash	(3,299)	(11,665)
Add: Uncleared Checks	<u>72,135</u>	<u>34,959</u>
Bank Balance	5,322,782	2,129,790
Less: FDIC Coverage	<u>525,745</u>	<u>537,548</u>
Balances Securable by Collateral	<u>\$ 4,797,037</u>	<u>\$ 1,592,242</u>
Security Provided by Depositories	<u>\$ 6,314,632</u>	<u>\$ 2,001,818</u>

The Authority had the following investments and maturities:

<u>Year</u>	<u>Investment Type</u>	<u>Fair Value</u>	<u>Maturities Less than 1 Year</u>	<u>Rating U.S.</u>
2021	Kansas Municipal Investment Pool	\$ 49,821	\$ 49,821	AAAf/S1+
2020	Kansas Municipal Investment Pool	149,384	149,384	AAAf/S1+

The municipal investment pool is under the oversight of the Pooled Money Investment Board. The board is comprised of the State Treasurer and four additional members appointed by the State Governor. The board reports annually to the Kansas legislature. State pooled monies may be invested in direct obligations of, or obligations that are insured as to principal and interest, by the U.S. government or any agency thereof, with maturities up to four years. No more than ten percent of those funds may be invested in mortgage-backed securities. In addition, the State pool may invest in repurchase agreements with Kansas banks or with primary government securities dealers.

The Authority's policies relating to deposits and investments are governed by various Kansas Statutes (KSA). Those statutes specify the type of deposits and investments as well as the securing of those deposits and investments.

Interest rate risk – In accordance with Kansas Statute 12-1675, the Authority manages its exposure to interest rate fluctuations by limiting all time investments to maturities of less than two years.

Credit risk – State law limits the amount of credit risk by restricting governments to specific investment types as listed in KSA 12-1675. The Authority's policy is to place idle funds in certificates of deposit, United States obligations, and the Kansas Municipal Investment Pool (KMIP). The KMIP was rated AAf/S1+ by Standard & Poor's as of the date of this report. The KMIP is permitted to invest in fully collateralized certificates of deposit, certain obligations of the United States, certain repurchase/reverse repurchase agreements, and other types of investments. Maturity information released by the KMIP showed that the investment pool consisted of investment with a maturity date of 365 days or less.

Custodial credit risk deposits– The Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Kansas Statutes 9-1402 and 9-1405 require that governments obtain security for all deposits. The Authority manages its custodial credit risk by requiring the financial institutions to grant a security interest in securities held by third-party custodial banks. Monies in the Kansas Municipal Investment Pool are not required to have pledged securities.

Custodial credit risk – investments. For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Concentration of credit risk – This is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Authority manages this risk by placing funds with financial institutions only after contacting all eligible institutions in the taxing area and monies in the Kansas Municipal Investment Pool are diverse according to the policies of the investment pool. 100% of the Authority's investments is in KMIP, which results in a concentration of credit risk.

B. Receivables

Receivables as of year-end, including the applicable allowance for uncollectible accounts, are as follows:

	<u>2021</u>	<u>2020</u>
Receivables		
Accounts	\$ 94,058	\$ 178,682
Grants	1,452,931	213,788
Less: Allowance for Uncollectibles	<u>(1,500)</u>	<u>(1,500)</u>
Total	<u><u>\$ 1,545,489</u></u>	<u><u>\$ 390,970</u></u>

C. Capital Assets

The following is a summary of the changes in capital assets during the current and preceding year:

	Balance January 1, 2021	Additions	Dispositions	Reclassify	Balance December 31, 2021
Capital Assets					
Non-Depreciable					
Land	\$ 9,874,567	\$ 46,198	\$ -	\$ -	\$ 9,920,765
Construction in Progress	205,592	1,779,629	-	-	1,985,221
Total Non-Depreciable	10,080,159	1,825,827	-	-	11,905,986
Depreciable					
Buildings and Improvements	30,521,989	485,933	(24,855)	-	30,983,067
Airfield and Improvements	46,303,393	128,021	(2,822,496)	-	43,608,918
Equipment	5,799,934	931,013	(699,171)	-	6,031,776
Total Depreciable	82,625,316	1,544,967	(3,546,522)	-	80,623,761
Total Non-Depreciable & Depreciable	92,705,475	3,370,794	(3,546,522)	-	92,529,747
Accumulated Depreciation					
Buildings and Improvements	(16,532,370)	(1,150,795)	24,855	-	(17,658,310)
Airfield and Improvements	(29,655,836)	(1,631,452)	2,822,495	-	(28,464,793)
Equipment	(4,256,095)	(283,737)	660,705	-	(3,879,127)
Total Accumulated Depreciation	(50,444,301)	(3,065,984)	3,508,055	-	(50,002,230)
Total Capital Assets	\$ 42,261,174	\$ 304,810	\$ (38,467)	\$ -	\$ 42,527,517

	Balance January 1, 2020	Additions	Dispositions	Reclassify	Balance December 31, 2020
Capital Assets					
Non-Depreciable					
Land	\$ 10,166,124	\$ 43,066	\$ (334,623)	\$ -	\$ 9,874,567
Construction in Progress	132,218	186,591	-	(113,217)	205,592
Total Non-Depreciable	10,298,342	229,657	(334,623)	(113,217)	10,080,159
Depreciable					
Buildings and Improvements	29,839,596	682,393	-	-	30,521,989
Airfield and Improvements	45,808,087	382,089	-	113,217	46,303,393
Equipment	5,592,776	207,158	-	-	5,799,934
Total Depreciable	81,240,459	1,271,640	-	113,217	82,625,316
Total Non-Depreciable & Depreciable	91,538,801	1,501,297	(334,623)	-	92,705,475
Accumulated Depreciation					
Buildings and Improvements	(15,394,873)	(1,137,497)	-	-	(16,532,370)
Airfield and Improvements	(28,024,512)	(1,631,324)	-	-	(29,655,836)
Equipment	(4,008,649)	(247,446)	-	-	(4,256,095)
Total Accumulated Depreciation	(47,428,034)	(3,016,267)	-	-	(50,444,301)
Total Capital Assets	\$ 44,110,767	\$ (1,514,970)	\$ (334,623)	\$ -	\$ 42,261,174

D. Long-Term Liabilities

Following is a summary of changes in long-term liabilities during the current and preceding year:

	Balance January 1, 2021	Additions	Reductions	Balance December 31, 2021	Current Maturities December 31, 2021
Long-Term Liabilities					
Current Portion of Compensated Absences	\$ 51,799	\$ 17,092	\$ 15,663	\$ 53,228	\$ 53,228
General Obligation Bonds	23,100,000	5,890,000	3,730,000	25,260,000	1,670,000
Less: Unamortized Discount	(18,564)	(23,546)	59	(42,051)	-
Lease Purchase Agreement	460,000	-	39,942	420,058	40,800
Net Pension Liability and OPEB	729,594	-	205,894	523,700	-
Special Assessment Debt	2,455	-	2,455	-	-
Security Deposits Returnable	83,989	14,955	7,173	91,771	-
Total Long-Term Liabilities	\$24,409,273	\$ 5,898,501	\$ 4,001,186	\$26,306,706	\$ 1,764,028
Current Maturities	(3,824,196)			(1,764,028)	
Long-Term Liability Net	\$20,585,077			\$24,542,678	

	Balance January 1, 2020	Additions	Reductions	Balance December 31, 2020	Current Maturities December 31, 2020
Long-Term Liabilities					
Current Portion of Compensated Absences	\$ 39,195	\$ 18,661	\$ 6,057	\$ 51,799	\$ 51,799
General Obligation Bonds	22,425,000	2,100,000	1,425,000	23,100,000	3,730,000
Less: Unamortized Discount	(17,703)	-	(861)	(18,564)	-
Lease Purchase Agreement	-	460,000	-	460,000	39,942
Net Pension Liability and OPEB	646,194	83,400	-	729,594	-
Special Assessment Debt	4,805	-	2,350	2,455	2,455
Security Deposits Returnable	57,564	36,341	9,916	83,989	-
Total Long-Term Liabilities	\$ 23,155,055	\$ 2,698,402	\$ 1,442,462	\$ 24,409,273	\$ 3,824,196
Current Maturities	(1,466,515)			(3,824,196)	
Long-Term Liability Net	\$ 21,688,540			\$ 20,585,077	

The following is a detailed listing of the Authority's long-term debt including general obligation bonds, lease purchase agreements, and special assessment debt at December 31, 2021:

	<u>Original Issue</u>	<u>Interest Rates</u>	<u>Bonds Outstanding</u>
General Obligation Debt			
General Obligation 2015-A, due 2025	\$ 3,075,000	1.50-3.55%	\$ 430,000
General Obligation 2017-A, due 2030	10,255,000	1.61-3.35%	9,935,000
General Obligation 2017-B due 2031	4,835,000	2.00-3.00%	4,735,000
General Obligation 2019-A due 2029	675,000	2.10-3.10%	555,000
General Obligation 2019-B due 2023	3,455,000	2.80-3.00%	1,615,000
General Obligation 2021-A due 2036	2,345,000	0.25-2.00%	2,345,000
General Obligation Temporary Notes 2019-1 due 2021	2,250,000	2.50%	-
General Obligation Temporary Notes 2020-1 due 2023	2,100,000	0.48%	2,100,000
General Obligation Temporary Notes 2021-1 due 2023	3,545,000	0.45%	3,545,000
Plus Unamortized Bond Premium			18,163
Less: Unamortized Bond Discount			(60,214)
Total General Obligation Debt			25,217,949
Taxable Lease Purchase Agreement - Direct Borrowing			
Bldg. 824 Lease Purchase, due 2030	460,000	3.30%	420,058
Total Long Term Debt			\$ 25,638,007
Interest Expense in 2021 is as follows:			
General Obligation Bonds			\$ 598,007
Special Assessment Debt			110
Capital Leases			14,223
Amortization of Bond Discount, Premium & Deferred Refundings			126,605
Total Debt Interest Expense			\$ 738,945

Annual debt service requirements to maturity for general obligation bonds and temporary notes to be paid with tax levies and rental revenue as follows:

Year	Bonds Outstanding	Interest Due	Total
2022	\$ 1,670,000	\$ 564,031	\$ 2,234,031
2023	7,355,000	524,787	7,879,787
2024	1,760,000	454,541	2,214,541
2025	1,810,000	411,120	2,221,120
2026	1,865,000	363,633	2,228,633
2027-2031	9,960,000	983,283	10,943,283
2032-2036	840,000	49,780	889,780
	<u>\$ 25,260,000</u>	<u>\$ 3,351,175</u>	<u>\$ 28,611,175</u>

The Authority's outstanding 2020-1 and 2021-1 temporary notes will be refinanced in 2023 with Authority issued general obligation bonds.

The Authority has entered into lease agreement as lessee for financing the Building 824 – Transportation Facility Expansion. This year, \$20,694 was included in depreciation expense. This lease agreement qualifies as a capital lease and therefore have been recorded at the present value of their future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

Building 824 - Transportation Facility Expansion	\$ 413,874
Less Accumulated Depreciation	<u>(31,040)</u>
Net Book Value	\$ <u>382,834</u>

Annual debt service requirements to maturity for a taxable lease purchase agreement will be paid with building and land rental revenues as follows:

Year	Lease Purchase Outstanding	Interest Due	Total
2022	\$ 40,800	\$ 13,528	\$ 54,328
2023	42,157	12,171	54,328
2024	43,560	10,768	54,328
2025	45,009	9,319	54,328
2026	46,507	7,821	54,328
2027-2030	202,025	15,285	217,310
	<u>\$ 420,058</u>	<u>\$ 68,892</u>	<u>\$ 488,950</u>

E. Capital Contributions

Since its inception, the Authority has received capital contributions through Federal and State grants as follows:

	Inception to Date	2021	2020
Federal	\$ 37,997,481	\$ 2,716,326	\$ 1,760,718
State	2,465,849	-	250,000
Total	\$ 40,463,330	\$ 2,716,326	\$ 2,010,718

The Authority has designated \$90,000 to be used as an insurance increase reserve or to accelerate future debt service payments. As of December 31, 2021, the reserve had been funded but not used.

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

Description of Pension Plan. The Authority participates in a cost-sharing multiple-employer pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERs), a body corporate and an instrumentality of the State of Kansas. KPERs provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

Public employees, which includes:

- State/School employees
- Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the Authority are included in the Local employees group.

KPERs issues a stand-alone comprehensive annual financial report, which is available on the KPERs website at www.kpers.org.

Benefits. Benefits are established by statute and may only be changed by the State Legislature. Members with ten or more years of credited service may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85.

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups,

the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump-sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A cash balance retirement plan (KPERS 3) was created for new hires starting after January 1, 2015. Normal retirement age for KPERS 3 is 65 with five years of service or 60 with 30 years of service. Early retirement is available at age 55 with ten years of service, with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions. Member contributions are established by state law and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERS employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2021.

The actuarially determined employer contribution rates (not including the 1.00% contribution rate for the Death and Disability Program) and the statutory contribution rates are as follows:

	Local Employees	
	Actuarial Employer Rate	Statutory Employer Capped Rate
2021	8.87%	8.87%
2020	8.61%	8.61%

Member contribution rates as a percentage of eligible compensation for the fiscal year 2021 are 6.00% for local employees. Contributions to the pension plan for the Authority were \$79,143 and \$75,190 for the years ended December 31, 2021 and 2020, respectively.

Employer Allocations. Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the Authority's share of the collective pension amounts as of December 31, 2021 and 2020, are based on the ratio of its contributions to the total of the employer and nonemployer contributions of the group for the fiscal years ended June 30, 2021 and 2020.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments. At June 30, 2021, the Authority's proportion for the local employees group was 0.042484%, which was a increase of .0012% from its proportion measured at June 30, 2020.

Net Pension Liability. At December 31, 2021 and 2020, the Authority reported a liability of \$509,789 and \$715,670, respectively, for its total proportionate share of the net pension liability.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation as of December 31, 2020, which was rolled forward to June 30, 2021, using the following actuarial assumptions:

<u>Assumptions</u>	<u>Rate</u>
Price inflation	2.75%
Salary increases, including wage increases	3.50% to 12.00% including inflation
Long-term rate of return, net of investment expense, and including price inflation	7.25%

Mortality rates were based on the RP-2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted for the three year period January 1, 2016 through December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class as of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset class	Long-term target allocation	Long-term expected real rate of return
U.S. Equities	23.50%	5.20%
Non-U.S. Equities	23.50	6.40
Private Equity	8.00	9.50
Private Real Estate	11.00	4.45
Yield Driven	8.00	4.70
Real Return	11.00	3.25
Fixed Income	11.00	1.55
Short Term Investments	4.00	0.25
Total	100.00%	

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the contractually required rate. The local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the Board may not increase by more than the statutory cap. The statutory cap was 1.2%.

Sensitivity of the Authority's proportionate share of the net pension liability to changes in the discount rate. The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

2021		
1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
\$ 838,554	\$ 509,789	\$ 234,079

2020		
1% Decrease (6.50%)	Discount Rate (7.50%)	1% Increase (8.50%)
\$ 1,007,234	\$ 715,670	\$ 470,540

Pension Expense. For the years ended December 31, 2021 and 2020, the Authority recognized pension expense of \$50,796 and \$89,686 respectively, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources. At December 31, 2021 and 2020, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions:

	2021		2020	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Actual and Expected Experience	\$ 20,123	\$ 4,616	\$ 11,950	\$ 9,201
Net Differences Between Projected and Actual Earnings				
on Investments	-	181,025	83,502	-
Changes in Proportion	34,068	33,137	40,138	49,264
Changes in Assumptions	100,353	-	43,107	-
Contributions Made After Measurement Date	43,031	-	35,467	-
Total	<u>\$ 197,575</u>	<u>\$ 218,778</u>	<u>\$ 214,164</u>	<u>\$ 58,465</u>

The \$43,031 reported as deferred outflows of resources related to pensions resulting from Authority contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Deferred Outflows (Inflows) of Resources
2022	\$ (1,081)
2023	(8,824)
2024	(18,175)
2025	(40,318)
2026	<u>4,164</u>
Total	<u>\$ (64,234)</u>

B. Deferred Compensation Plan

The Authority offers its employees a deferred compensation plan ("Plan") created in accordance with Internal Revenue Code Section 457. The Plan, available to all Authority employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Plan assets are transferred to a plan agent in a custodial trust and are not available to the claims of the Authority's general creditors.

C. Flexible Benefit Plan (I.R.C. Section 125)

The Authority has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Code. All Authority employees working more than 20 hours per week are eligible to participate in the Plan beginning after thirty days of employment. Each participant may elect to reduce his or her salary to purchase benefits offered through the Plan. Benefits offered through the Plan include various insurance and disability benefits.

D. Risk Management

The Authority is exposed to various levels of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There has been no significant reduction in the Authority's insurance coverage from the previous year. In addition, there have not been settlements in excess of the Authority's coverage in any of the prior three years.

E. Contingent Liabilities

The Authority receives significant financial assistance from numerous federal and state governmental agencies in the form of grants and state pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit. Any disallowed claims resulting from such audits could become a liability of the Authority. However, in the opinion of management, any such disallowed claims would not have a material effect on any of the financial statements of the Authority at December 31, 2021 and 2020.

F. Other Postemployment Benefits (OPEB)

As a component unit of the City of Salina, the Authority participates in the City's defined benefit health care plan that is administered by the City. The Employee Benefit Plan (the Plan) provides medical and dental benefits to eligible early retirees and their spouses. K.S.A 12-5040 requires all local governmental entities in the state that provide a group health care plan to make participation available to all retirees and dependents until the retiree reaches the age of 65 years. No separate financial report is issued for the Plan. As a component unit of the primary government, the Authority is not required to make contributions to the plan.

The OPEB cost, actuarial valuations of the ongoing plan and net OPEB obligations for the Authority as a sub-group of the plan, are calculated and recorded in the City's Comprehensive Annual Financial Report.

G. Other Postemployment Healthcare Benefits (KPERS)

Plan Description. The Authority participates in the KPERS Long-Term Disability plan, a single-employer defined benefit other postemployment benefit (OPEB) plan (the Plan), which is administered by the Kansas Public Employees Retirement System (KPERS). The Plan provides long-term disability benefits and a life insurance benefit for disabled members to KPERS members, as provided by K.S.A. 74-4925. The Plan is administered through a trust held by KPERS that is funded to pay annual benefit payments. However, because the trust's assets are used to pay employee benefits other than OPEB, the trust does not meet the criteria in paragraph 4 of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. Accordingly, the Plan is considered to be administered on a pay-as-you-go basis.

Benefits. Benefits are established by statute and may be amended by the KPERS Board of Trustees. The Plan provides long-term disability benefits equal to 60 percent (prior to January 1, 2006, 66 2/3 percent) of annual compensation, offset by other benefits. Members receiving long-term disability benefits also receive credit towards their KPERS retirement benefits and have their group life insurance coverage continued under the waiver of premium provision.

The monthly long-term disability benefit is 60 percent of the member's monthly compensation, with a minimum of \$100 and a maximum of \$5,000. The monthly benefit is subject to reduction by deductible sources of income, which include Social Security primary disability or retirement benefits, workers compensation benefits, other disability benefits from any other sources by reason of employment, and earnings from any form of employment. If the disability begins before age 60, benefits are payable while the disability continues until the member's 65th birthday or retirement date, whichever occurs first. If the disability begins after age 60, benefits are payable while the disability continues, for a period of five years or until the member retires, whichever occurs first. Benefit payments for disabilities caused or contributed to by substance abuse or non-biologically based mental illnesses are limited to the shorter of the term of the disability or 24 months per lifetime.

The death benefit paid to beneficiaries of disabled members is 150% of the greater of 1) the member's annual rate of compensation at the time of disability, or 2) the members previous 12 months of compensation at the time of the last date on payroll. If the member has been disabled for five or more years, the annual compensation or salary rate at the time of death will be

indexed using the consumer price index, less one percentage point, to compute the death benefit. If a member is diagnosed as terminally ill with a life expectancy of 12 months or less, the member may be eligible to receive up to 100% of the death benefit rather than having the benefit paid to the beneficiary. If a member retires or disability benefits end, the member may convert the group life insurance coverage to an individual insurance policy.

Employees Covered by Benefit Terms. At the valuation date, the following members were covered by the benefit terms:

	<u>2021</u>	<u>2020</u>
Active Employees	14	14
Disabled Employees	-	-
Total	<u>14</u>	<u>14</u>

Total OPEB Liability. The Authority's total KPERS OPEB liability of \$13,911 and \$13,924 for December 31, 2021 and 2020, respectively, which was measured as of June 30, 2021 and 2020 and was determined by an actuarial valuation as of December 31, 2020 and 2019, which was rolled forward to June 30, 2021 and 2020, using the following actuarial assumptions:

Discount Rate	2.16% for 2021 and 2.21% for 2020
Implicit Inflation Rate	2.75%
Mortality Rates	Local Males: 90% of RP-2014 M Total Dataset +2 Local Females: 90% of RP-2014 F Total Dataset +1 Generational mortality improvements were projected for future years using MP-2021 Post-disability mortality rates are included in long-term disability claim termination rates.
Salary Increases	3.50% to 10.00% based on years of service
Payroll Growth	3.00%
Actuarial Cost Method	Entry Age Normal
The discount rate was based on the bond buyer general obligation 20-bond municipal index.	

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period of January 1, 2016 through December 31, 2018.

Changes in the Total OPEB Liability

Balance at December 31, 2020	\$ <u>13,924</u>
Changes for the Year:	
Service Cost	3,797
Interest on Total OPEB Liability	392
Effect of Economic/Demographic Gains or Losses	(4,212)
Effect of Assumptions Changes or Inputs	10
Benefit Payments	<u>-</u>
Net Changes	<u>(13)</u>
Balance at December 31, 2021	\$ <u>13,911</u>

Sensitivity of the Total KPERS OPEB Liability to Changes in the Discount Rate. The following presented the total KPERS OPEB liability of the Authority, as well as what the Authority's total KPERS OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.16%) or 1-percentage-point higher (3.16%) than the current discount rate:

2021		
1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
\$ 14,040	\$ 13,911	\$ 13,649

2020		
1% Decrease (1.16%)	Discount Rate (2.16%)	1% Increase (3.16%)
\$ 14,114	\$ 13,924	\$ 13,610

Sensitivity of the Total KPERS OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following presented the total KPERS OPEB liability of the Authority calculated using the current healthcare cost trend rates as well as what the Authority's total KPERS OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates. The reader should note that healthcare trend rates do not affect the liabilities related to the long-term disability benefits sponsored by KPERS, but this exhibit is provided as it is a required disclosure under GASB 75.

	1% Decrease	Health Cost Trend Rates	1% Increase
2021	\$ 13,911	\$ 13,911	\$ 13,911
2020	13,924	13,924	13,924

For the year ended December 31, 2021 and 2020, the Authority recognized OPEB expense of \$10,748 and \$11,170, respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources. The Authority reported deferred outflows and inflows related to other postemployment benefits from the following sources:

	2021		2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Actual and Expected Experience	\$ -	\$ 10,603	\$ -	\$ 7,813
Changes in Assumptions	803	123	897	148
Benefit Payments Made After Measurement Date	-	-	3,830	-
Total	\$ 803	\$ 10,726	\$ 4,727	\$ 7,961

Amounts reported as deferred inflows of resources related to pensions will be recognized in OPEB expense as follows:

Year Ended December 31,	
2022	\$ (1,343)
2023	(1,343)
2024	(1,343)
2025	(1,343)
2026	(1,335)
Thereafter	<u>(3,216)</u>
Total	\$ <u>(9,923)</u>

H. Environmental Matter

The U.S. Department of Defense transferred property located at the former Schilling Air Force Base (the Base or Site) to the Authority on or about September 9, 1966. The property is now known to contain areas of extensive soil and groundwater contamination, which is a result of the use and disposal of chlorinated solvents during military operations at the Base from 1942 until Base closure in 1965. The U.S. Department of Defense is responsible for the investigation and remediation of contamination caused by military activities at current and former military bases. The U.S. Army Corps of Engineers (Corps) is the lead agency for the Department at formerly used defense sites. The Corps has investigated the soil and groundwater contamination at the Site under the regulatory oversight of the U.S. Environmental Protection Agency (EPA) and the Kansas Department of Health and Environment (KDHE). The Site is not designated as a National Priority List Superfund site, but investigation and remediation are required to be in compliance with the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

A November 23, 2020, Consent Decree approved by the U.S. District Court for the District of Kansas provides the Salina Public Entities the funds necessary to undertake the cleanup of the former Schilling AFB environmental contamination without requiring local matching funds.

The project will be administered by means of the November 3, 2020 Former Schilling Air Force Base Site Environmental Project Management Agreement approved by the Salina Public Entities' respective governing boards. The management agreement provides for the administrative structure necessary to enable the Salina Public Entities to collectively complete the cleanup activities detailed in the KDHE CAD.

On January 6, 2021, the U.S. Treasury transferred \$65,900,000 to the City of Salina's "Former SAFB Environmental Project Fund" established by City ordinance for the purpose of segregating the settlement proceeds from all other City funds.

In March 2021, KDHE approved an amended Consent and Final Order (CAFO) that reaffirms the KDHE's July 2019, Corrective Action Decision (CAD) scope of work for final Remedial Design (RD) and Remedial Action (RA). The final RD and RA work will be funded by funds on deposit in the Former SAFB Environmental Project Fund. Once the remedial action is completed the site will be CERCLA compliant.

Based on the terms of the Court-approved Consent Decree and presently known information concerning total estimated costs for the project, the Authority does not expect but acknowledges the potential for future financial liability. At this time, however, that potential liability is regarded by the Authority as sufficiently contingent that no reasonable estimate of the potential liability can be made. Therefore, no liability related to the matter has been recorded.

I. Rental Income Under Operating Leases

A significant portion of the operating revenue of the Authority is generated through the leasing of airport and building space to airport fixed base operators and others on a fixed fee as well as a contingent rental basis. Ownership risks are retained by the Authority, and accordingly, such leases are treated as operating leases.

The following is a schedule of minimum future rentals on non-cancellable operating leases to be received in each of the next five years and thereafter:

<u>Years Ending December 31,</u>	
2022	\$ 1,758,220
2023	1,260,191
2024	713,503
2025	286,395
2026	202,431
Thereafter	<u>1,313,993</u>
Total	<u><u>\$ 5,534,733</u></u>

J. Major Customers

The Authority received significant operating revenue from Avflight Salina, Kansas Erosion Products, LLC., 1 Vision Aviation, Stryten Salina, LLC, and SFC Global Supply Chain. Rent from these five tenants equals 40.64% of operating revenue for the year ended December 31, 2021. Additionally, for the year ended December 31, 2020, the Authority's top five tenants Avflight Salina, Kansas, Erosion Products, LLC., 1 Vision Aviation, Exide Battery, and the United States Special Operations Command. Rent from these five tenants equals 43.02% of operating revenue.

K. Non-Operating Revenue and (Expenses)

Net non-operating revenue and expense consisted of the following for the years ended December 31, 2021 and 2020:

	December 31,	
	2021	2020
Mill Levy	\$ 2,570,657	\$ 2,639,481
Interest Income	1,311	2,161
Gain (Loss) on Sale of Assets	154,774	(2,395,710)
Total	<u>2,726,742</u>	<u>245,932</u>
Interest Expense		
General Obligation Bonds and Temporary Notes	(598,007)	(646,227)
Special Assessment Debt	(110)	(215)
Capital Leases	(14,223)	-
Bond Issuance Costs	(84,270)	(44,885)
Amortization of Bond Discount	(126,605)	(125,379)
Total	<u>(823,215)</u>	<u>(816,706)</u>
Net Non-Operating Revenue and (Expenses)	<u><u>\$ 1,903,527</u></u>	<u><u>\$ (570,774)</u></u>

L. Commitments Under Operating Lease

The Authority has entered into a certain non-cancellable operating lease agreement which will expire in 2024, for the rental of office and computer equipment. During 2021 and 2020, the Authority paid \$12,128 in rental fees. Minimum rentals, on an annual basis hereafter are as follows:

Years Ending December 31,	
2022	\$ 12,128
2023	12,128
2024	<u>2,536</u>
Total	<u><u>\$ 26,792</u></u>

M. Subsequent Events

On March 10, 2022, SkyWest Airlines notified the U.S. Department of Transportation (USDOT) that the airline intends to terminate United Express service at Salina, KS and twenty-eight other United Express communities. The SkyWest decision also impacted essential air service at the Kansas communities of Hays, Dodge City, and Liberal. The decision is not driven by any failure in the US Department of Transportation (USDOT) Essential Air Service Program (EAS) or the communities. The ongoing national pilot shortage has resulted in service cuts by all U.S. airlines. SkyWest lacks the pilots needed to meet demand and is reducing flying across its network.

On June 24, 2022, SkyWest Airlines notified the USDOT of the airline's decision to withdraw the March 10, 2022 termination notice for Salina, KS. The filing rescinded the airline's notice of intent to terminate the essential air service at the Salina Regional Airport.

On March 16, 2022, the SAA Board of Directors adopted a resolution authorizing up to \$12.25 million in General Obligation Bond financing for the rehabilitation of two aircraft hangars and associated pavement rehabilitation. Subsequently on April 4, 2022, the City of Salina adopted an ordinance authorizing the same. The first hangar would be for the purposes of converting the existing hangar into a facility that could accommodate the painting of regional jet and narrow body jet aircraft. The Authority has an existing aircraft maintenance, repair, and overhaul (MRO) tenant on the Salina Regional Airport that is interested in leasing the hangar to expand its operations to include aircraft paint. The second hangar would be upgraded to include additional improvements in support of additional MRO capacity of the Airport. In addition to the improvements to the two aircraft hangars, the project authorization also includes the hangars associated pavements such as aprons, ramps and taxilanes. The Authority is progressing with the \$12.25 authorization in a phased approach which initially included a \$1 million taxable General Obligation Temporary Note (GOTN) expected to close on July 7, 2022. This 2022-1 GOTN will finance the design of the aircraft paint facility design. Completing the design will include obtaining construction bids that will allow the Authority to determine the amount of the \$12.25 million needed to finance the project and secure the tenant lease agreement necessary to service the debt.

SALINA AIRPORT AUTHORITY
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Kansas Public Employees Retirement System
December 31, 2021

Measurement Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of the net pension liability	0.424840%	0.041281%	0.045289%	0.043452%	0.041662%	0.037666%	0.041581%
Proportionate share of the collective net pension liability	\$ 509,789	\$ 715,670	\$ 632,856	\$ 605,630	\$ 603,456	\$ 582,704	\$ 545,977
Covered payroll from the period July 1 - June 30 ^	\$ 819,071	\$ 778,919	\$ 830,413	\$ 777,734	\$ 708,538	\$ 645,485	\$ 694,613
Net pension liability as a percentage of covered-employee payroll	62.24%	91.88%	76.21%	77.87%	85.17%	90.27%	78.60%
Plan fiduciary net position as a percentage of the total pension liability	76.40%	66.30%	69.88%	68.88%	67.12%	65.10%	64.95%

Notes to the Schedule

Changes in assumptions.

As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation are as follows:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERS groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERS 3 members was lowered from 6.50% to 6.25%.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2019 and include:

- The investment return assumption was lowered from 7.75% to 7.25%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

Changes from the January 2020 experience study that impacted individual groups are listed below:

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERS groups.
- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

*Information reported above is as of the KPERS measurement date of June 30. GASB 68 requires a presentation of 10 years. As of June 30, 2021 only seven years of information was available.

^ Covered payroll is measured as of the measurement date ending June 30.

SALINA AIRPORT AUTHORITY
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Kansas Public Employees Retirement System
Last Ten Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required employer contribution	\$ 71,580	\$ 75,190	\$ 83,638	\$ 78,940	\$ 66,198	\$ 61,622	\$ 70,005	\$ 68,904	\$ 66,865	\$ 66,766
Contributions in relation to the contractually required contribution	(71,580)	(75,190)	(83,638)	(78,940)	(66,198)	(61,622)	(70,005)	(68,904)	(66,865)	(66,766)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll^	\$ 892,259	\$ 782,417	\$ 847,208	\$ 840,466	\$ 758,750	\$ 652,874	\$ 672,878	\$ 709,510	\$ 747,901	\$ 800,522
Contributions as a percentage of covered-employee payroll	8.02%	9.61%	9.87%	9.39%	8.72%	9.44%	10.40%	9.71%	8.94%	8.34%

^ Covered payroll is measured as of the fiscal year ended December 31.

SALINA AIRPORT AUTHORITY
 SCHEDULE OF CHANGES IN THE SALINA AIRPORT AUTHORITY'S
 DEATH AND DISABILITY TOTAL OPEB LIABILITY AND RELATED RATIOS
 December 31, 2021

Measurement Date	2021 <u>June 30, 2021</u>	2020 <u>June 30, 2020</u>	2019 <u>June 30, 2019</u>	2018 <u>June 30, 2018</u>
Total OPEB Liability				
Service Cost	\$ 3,797	\$ 3,430	\$ 2,843	\$ 2,825
Interest Cost	392	587	541	533
Effect of Economic/Demographic Gains or Losses	(4,212)	(4,295)	(1,324)	(4,199)
Effect of Assumption Changes or Inputs	10	864	152	(87)
Benefit Payments	-	-	-	-
Net Change in Total Liability - Beginning of Year	(13)	586	2,212	(928)
Total OPEB Liability - Beginning of Year	13,924	13,338	11,126	12,054
Total OPEB Liability - End of Year	<u>\$ 13,911</u>	<u>\$ 13,924</u>	<u>\$ 13,338</u>	<u>\$ 11,126</u>
Covered-Employee Payroll	<u>\$ 800,448</u>	<u>\$ 801,486</u>	<u>\$ 826,640</u>	<u>\$ 706,882</u>
Total OPEB liability as a percentage of covered employee payroll	1.74%	1.74%	1.61%	1.57%
Actuarially determined contribution	<u>\$ -</u>	<u>\$ 3,831</u>	<u>\$ 4,219</u>	<u>\$ 2,137</u>
Actual contribution	<u>\$ -</u>	<u>\$ 3,831</u>	<u>\$ 4,219</u>	<u>\$ 2,137</u>
Contributions as a percentage of covered payroll	0.00%	0.48%	0.51%	0.30%

Notes to Schedule

Changes of Assumptions and Other Inputs

Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 3.58% on June 30, 2017, 3.87% on June 30, 2018, 3.5% on June 30, 2019, 2.21% on June 30, 2020 and 2.16% on June 30, 2021.

*GASB 75 requires presentation of ten years. Until a full 10-year trend is compiled, the Authority will

SALINA AIRPORT AUTHORITY
SCHEDULES OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION

For the Years Ended December 31, 2021 and December 31, 2020

	January 1 to December 31 2021	2020
Operating Revenues		
Airfield		
Fuel Flowage Fees	\$ 180,416	\$ 190,668
Hangar Rent	808,802	634,594
Landing Fees	30,047	55,856
Ramp Rent	64,342	60,120
Total Airfield	<u>1,083,607</u>	<u>941,238</u>
Building and Land Rent		
Agri Land Rent	67,463	67,683
Building Rents	1,342,498	1,221,999
Land Rents	264,920	240,100
Tank Rent	14,163	13,974
Total Building and Land Rents	<u>1,689,044</u>	<u>1,543,756</u>
Other Revenue		
Airport Marketing	20,000	60,420
Commissions	21,381	14,999
ARFF Training	2,460	-
Other Income	77,232	91,933
Total Other Revenue	<u>121,073</u>	<u>167,352</u>
Total Operating Revenues	<u>\$ 2,893,724</u>	<u>\$ 2,652,346</u>

SALINA AIRPORT AUTHORITY
SCHEDULES OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
For the Years Ended December 31, 2021 and December 31, 2020
(continued)

	January 1 to December 31	
	<u>2021</u>	<u>2020</u>
Operating Expenses		
Administrative		
A/E, Consultants, Brokers	\$ 38,249	\$ 15,830
Airport Promotion	230,943	194,563
Bad Debt Expense	107	54,847
Computer Network Administration	30,062	42,730
Dues and Subscriptions	30,653	26,388
Employee Retirement	61,544	100,855
FICA and Medicare	68,468	56,065
Industrial Development	31,000	28,000
Insurance, Property	204,106	174,784
Insurance, Medical	194,650	172,253
Kansas Unemployment Tax	9,342	802
Legal and Accounting	55,169	32,810
Office Salaries	575,076	546,022
Office Supplies	8,222	6,647
Other Administrative	17,941	14,607
Postage	1,116	1,648
Property Taxes	136,383	130,562
Special Events	2,498	-
Telephone	25,386	16,729
Training	2,520	4,405
Travel and Meetings	10,590	9,473
Total Administrative Expenses	<u>\$ 1,734,025</u>	<u>\$ 1,630,020</u>

(continued)

SALINA AIRPORT AUTHORITY
SCHEDULES OF REVENUES, EXPENSES AND CHANGES
IN NET POSITION
For the Years Ended December 31, 2021 and December 31, 2020
(continued)

	January 1 to December 31 2021	2020
Maintenance Expenses		
Airfield Maintenance	\$ 38,861	\$ 70,644
Airport Security	6,582	666
Building Maintenance	150,087	118,472
Equipment Fuel and Repairs	101,396	72,011
Fire Services	22,798	21,936
Grounds Maintenance	14,255	10,960
Maintenance Salaries	345,746	299,035
Other Maintenance Expenses	18,555	23,084
Snow Removal Expense	9,200	4,599
Utilities	369,491	220,298
	<u>1,076,971</u>	<u>841,705</u>
Total Maintenance Expenses		
	<u>2,810,996</u>	<u>2,471,725</u>
Total Operating Expenses		
Surplus of Revenues over Expenses Before Depreciation	82,728	180,621
Depreciation	<u>(3,065,984)</u>	<u>(3,016,267)</u>
Operating Loss Before Non-Operating Revenues and Expenses	<u>(2,983,256)</u>	<u>(2,835,646)</u>
Non-Operating Revenues and (Expenses)		
Mill Levy	2,570,657	2,639,481
Interest Income on Investments	1,311	2,161
Interest Expense	(738,945)	(771,821)
Bond Issuance Costs	(84,270)	(44,885)
Gain (Loss) on Sale of Assets	154,774	(2,395,710)
	<u>1,903,527</u>	<u>(570,774)</u>
Total Non-Operating Revenue (Expenses)		
Loss Before Capital Contributions	(1,079,729)	(3,406,420)
Capital Contributions	<u>2,717,177</u>	<u>2,100,818</u>
Net Position		
Increase (Decrease) in Net Position	1,637,448	(1,305,602)
Net Position, Beginning of Year	<u>21,197,183</u>	<u>22,502,785</u>
Net Position, End of Year	<u><u>\$ 22,834,631</u></u>	<u><u>\$ 21,197,183</u></u>

SALINA AIRPORT AUTHORITY
CAPITAL EXPENDITURES
January 1 to December 31

	<u>2021</u>
AIRFIELD IMPROVEMENTS	
New underground service and 2 ground mounted lights for Fossett	\$ 6,565
Airfield perimeter security fencing improvements	26,581
Airfield guidance sign and lighting upgrades	87,412
Airfield ramp improvements (north of Guard ramp)	7,463
Total Airfield Improvements	<u>128,021</u>
BUILDINGS	
KDOR DMV course rehabilitation	67,388
Bldg. 313 electrical upgrades	7,200
Bldg. 394 improvements	16,903
Bldg. 498 restroom improvements	12,749
B520, Unit E improvements	5,011
Bldg. 614 roof replacement	139,287
Bldg. 655 fire suppression system upgrades	7,282
Bldg. 724 restroom remodel	18,935
Bldg. 820 roof replacement	13,218
Bldg. 824 restroom remodel.	19,583
Bldg. 1021 improvements	41,705
Bldg. 1029 electrical upgrades	2,780
Bldg. 1059 electrical upgrades	2,780
Hangar 504 improvements	23,156
Hangar 600 3 ton HVAC heat pump	5,191
Hangar 606 improvements	19,957
Hangar 959 improvements	82,808
Total Building Improvements	<u>485,933</u>
EQUIPMENT	
Aircraft rescue and firefighting equipment	53,524
Airfield equipment	57,336
Communications equipment	112,469
Computer equipment	2,492
Office equipment	18,811
Shop equipment	430,437
Terminal bldg. equipment	7,025
Vehicles	248,919
Total Equipment Additions	<u>931,013</u>
CONSTRUCTION IN PROGRESS	
Airfield improvements	506,319
Building improvements	1,273,310
Total Construction in Progress	<u>1,779,629</u>
LAND	
Rail spur upgrades	<u>46,198</u>
TOTAL CAPITAL EXPENDITURES	<u><u>\$ 3,370,794</u></u>

SALINA AIRPORT AUTHORITY
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2015-A
December 31, 2021

Date of issue:	August 28, 2015
Amount of issue:	\$ 3,075,000
Interest rate:	2.672%
Maturity date:	September 1, 2025
Principal paid:	\$ 2,645,000
Outstanding balance:	\$ 430,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 13,693	\$ 175,000
2023	8,443	80,000
2024	6,043	85,000
2025	3,195	90,000
	\$ 31,374	\$ 430,000

SALINA AIRPORT AUTHORITY
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2017-A
December 31, 2021

Date of issue:	July 12, 2017
Amount of issue:	\$ 10,255,000
Interest rate:	3.0353%
Maturity date:	September 1, 2030
Principal paid:	\$ 320,000
Outstanding balance:	\$ 9,935,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 290,308	\$ 515,000
2023	278,463	525,000
2024	265,600	1,440,000
2025	228,160	1,475,000
2026	187,598	1,335,000
2027-2030	385,827	4,645,000
	\$ 1,635,956	\$ 9,935,000

SALINA AIRPORT AUTHORITY
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2017-B
December 31, 2021

Date of issue:	July 17, 2017
Amount of issue:	\$ 4,835,000
Interest rate:	2.0-3.0%
Maturity date:	September 1, 2031
Principal paid:	\$ 100,000
Outstanding balance:	\$ 4,735,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 141,800	\$ 25,000
2023	141,300	25,000
2024	140,550	25,000
2025	139,800	25,000
2026	139,050	310,000
2027-2031	468,600	4,325,000
	\$ 1,171,100	\$ 4,735,000

SALINA AIRPORT AUTHORITY
GENERAL OBLIGATION BONDS
SERIES 2019-A
December 31, 2021

Date of issue:	July 10, 2019
Amount of issue:	\$ 675,000
Interest rate:	2.775%
Maturity date:	September 1, 2029
Principal paid:	\$ 120,000
Outstanding balance:	\$ 555,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 15,163	\$ 65,000
2023	13,635	65,000
2024	12,043	65,000
2025	10,385	70,000
2026	8,530	70,000
2027-2029	13,505	220,000
	\$ 73,261	\$ 555,000

SALINA AIRPORT AUTHORITY
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2019-B
December 31, 2021

Date of issue:	July 10, 2019
Amount of issue:	\$ 3,455,000
Interest rate:	2.915%
Maturity date:	September 1, 2023
Principal paid:	\$ 1,840,000
Outstanding balance:	\$ 1,615,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 47,705	\$ 745,000
2023	26,100	870,000
	\$ 73,805	\$ 1,615,000

SALINA AIRPORT AUTHORITY
 GENERAL OBLIGATION BOND TEMPORARY NOTES
 SERIES 2020-1
 December 31, 2021

Date of issue:	September 1, 2020
Amount of issue:	\$ 2,100,000
Interest rate:	0.480%
Maturity date:	September 1, 2023
Principal paid:	\$ -
Outstanding balance:	\$ 2,100,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 10,080	\$ -
2023	10,080	2,100,000
	\$ 20,160	\$ 2,100,000

SALINA AIRPORT AUTHORITY
TAXABLE GENERAL OBLIGATION BONDS
SERIES 2021-A
December 31, 2021

Date of issue:	August 17, 2021
Amount of issue:	\$ 2,345,000
Interest rate:	1.728%
Maturity date:	September 1, 2036
Principal paid:	\$ -
Outstanding balance:	\$ 2,345,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 32,387	\$ 145,000
2023	30,813	145,000
2024	30,305	145,000
2025	29,580	150,000
2026	28,455	150,000
2027-2036	165,130	1,610,000
	\$ 316,670	\$ 2,345,000

SALINA AIRPORT AUTHORITY
 GENERAL OBLIGATION BOND TEMPORARY NOTES
 SERIES 2021-A
 December 31, 2021

Date of issue:	November 10, 2021
Amount of issue:	\$ 3,545,000
Interest rate:	0.450%
Maturity date:	September 1, 2023
Principal paid:	\$ -
Outstanding balance:	\$ 3,545,000

Schedule of Bond Interest and Principal Payments

Due in Year	Bond Interest	Bond Principal
2022	\$ 12,895	\$ -
2023	15,953	3,545,000
	\$ 28,847	\$ 3,545,000

SALINA AIRPORT AUTHORITY
TAXABLE LEASE PURCHASE AGREEMENT
2020
December 31, 2021

Date of issue:	August 12, 2020
Amount of issue:	\$ 460,000
Interest rate:	3.300%
Maturity date:	September 1, 2030
Principal paid:	\$ 39,942
Outstanding balance:	\$ 420,058

Schedule of Lease Interest and Principal Payments

Due in Year	Lease Interest	Lease Principal
2022	\$ 13,528	\$ 40,800
2023	12,171	42,157
2024	10,768	43,560
2025	9,318	45,009
2026	7,821	46,507
2027-2030	15,287	202,025
	\$ 68,893	\$ 420,058

SALINA AIRPORT AUTHORITY
INSURANCE IN FORCE
December 31, 2021

<u>Insurance Policy</u>	<u>Type of Coverage</u>	<u>Amount of Coverage</u>
Old Republic Insurance Company Pol. #0CAV04369405	Worker's compensation and employer's liability	\$ 1,000,000
Old Republic Insurance Company Pol. #PR00262107	Bodily Injury & liability Hangar keepers	\$ 2,000,000 \$ 1,000,000
Zurich Pol. #ERP4509814-02	Deluxe property-building, contents, stock,	\$ 70,000,000
Cincinnati Insurance Companies Pol. #ENP0563029	Vehicles & equipment Bodily injury/property damage Medical payments Uninsured motorists Underinsured motorist	 \$ 1,000,000 \$ 5,000 \$ 1,000,000 \$ 1,000,000
Cincinnati Insurance Companies Pol. #ENP0563029	Inland marine - equipment	\$ 1,585,851
Hartford Fire Insurance Company Pol. #37FA0293328-21	Crime policy Employee theft, forgery, alteration, computer	\$ 250,000
ACE American Insurance Company Pol. #G71465974 003	Public officials and employment practices liability Each claim Aggregate limit	 \$ 2,000,000 \$ 2,000,000
Great American Alliance Ins. Co. Pol. # KST7882933-27	Underground storage tank liability Each incident Aggregate limit Defense expense limit each incident	 \$ 1,000,000 \$ 1,000,000 \$ 100,000
HDI Specialty Insurance Company Pol. # SCYLD2514230000	Commercial Cyber Insurance Each incident Aggregate limit	 \$ 2,000,000 \$ 2,000,000

STATISTICAL Table of Contents

This part of the Salina Airport Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

Financial Trends 69-73

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Debt Capacity 74-75

This schedule presents information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Revenue Capacity 76-77

These schedules contain information to help the reader assess the government's revenue source.

Operating Information 78

This schedule contains service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Demographic and Economic Information 79-82

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

SALINA AIRPORT AUTHORITY
TOTAL ANNUAL REVENUES, EXPENSES AND CHANGES IN NET POSITION HISTORY
FOR YEARS ENDED DECEMBER 31,

	2012	2013	2014
TOTAL REVENUES			
OPERATING REVENUES			
Airfield	\$ 548,193	\$ 411,522	\$ 572,681
Fuel flowage fees	189,370	128,277	150,110
Building and land rent	1,365,853	1,474,057	1,136,063
Other revenue	56,752	53,902	50,499
TOTAL OPERATING REVENUES	2,160,168	2,067,758	1,909,353
TOTAL EXPENSES			
OPERATING EXPENSES			
Administrative	1,245,267	1,232,833	1,198,445
Maintenance	869,091	872,877	860,760
TOTAL OPERATING EXPENSES	2,114,358	2,105,710	2,059,205
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	45,810	(37,952)	(149,852)
DEPRECIATION	2,514,587	2,588,107	2,588,599
OPERATING LOSS	(2,468,777)	(2,626,059)	(2,738,451)
NON-OPERATING INCOME AND (EXPENSES)			
Mill levy	1,767,338	1,788,284	1,993,889
Interest on investments and financing lease	1,500	676	437
Interest expense	(1,175,063)	(1,120,831)	(1,087,440)
Bond Issue Costs	-	-	-
Gain (loss) on sale of assets	-	51,853	50,904
TOTAL NON-OPERATING INCOME AND (EXPENSES)	593,775	719,982	957,790
LOSS BEFORE CAPITAL CONTRIBUTIONS	(1,875,002)	(1,906,077)	(1,780,661)
CAPITAL CONTRIBUTIONS	1,779,827	623,029	799,762
INCREASE (DECREASE) IN NET POSITION	(95,175)	(1,283,048)	(980,899)
NET POSITION AT YEAR END COMPOSED OF:			
Net investment in capital assets	25,339,916	24,818,560	24,510,104
Restricted	-	-	-
Unrestricted	1,171,551	409,859	(262,584)
	\$ 26,511,467	\$ 25,228,419	\$ 24,247,520

SALINA AIRPORT AUTHORITY
TOTAL ANNUAL REVENUES, EXPENSES AND CHANGES IN NET POSITION HISTORY
FOR YEARS ENDED DECEMBER 31,

2015	2016	2017	2018	2019	2020	2021
\$ 529,973	\$ 530,889	\$ 510,263	\$ 586,108	\$ 742,672	\$ 750,570	\$ 903,190
189,532	145,280	202,728	194,647	185,249	190,668	180,417
1,068,335	1,174,553	1,310,833	1,383,282	1,349,788	1,543,756	1,689,044
88,663	106,144	189,476	335,855	155,249	167,352	121,073
1,876,503	1,956,866	2,213,300	2,499,892	2,432,958	2,652,346	2,893,724
1,253,045	1,183,681	1,264,135	1,567,514	1,524,897	1,630,020	1,734,025
698,173	714,188	896,488	863,656	830,538	841,705	1,076,971
1,951,218	1,897,869	2,160,623	2,431,170	2,355,435	2,471,725	2,810,996
(74,715)	58,997	52,677	68,722	77,523	180,621	82,728
2,584,667	2,569,109	2,593,092	2,761,019	2,898,650	3,016,267	3,065,984
(2,659,382)	(2,510,112)	(2,540,415)	(2,692,297)	(2,821,127)	(2,835,646)	(2,983,256)
2,028,074	2,017,013	2,043,302	2,338,967	2,371,463	2,639,481	2,570,657
286	3,387	974	3,745	17,954	2,161	1,311
(1,109,013)	(964,113)	(573,533)	(827,143)	(840,390)	(771,821)	(738,945)
-	(8,329)	(147,664)	-	(73,185)	(44,885)	(84,270)
48,289	6,903	22,081	5,375	21,263	(2,395,710)	154,774
967,636	1,054,861	1,345,160	1,520,944	1,497,105	(570,774)	1,903,527
(1,691,746)	(1,455,251)	(1,195,255)	(1,171,353)	(1,324,022)	(3,406,420)	(1,079,729)
217,112	943,219	1,280,204	1,474,356	1,727,674	2,100,818	2,717,177
(1,474,634)	(512,032)	84,949	303,003	403,652	(1,305,602)	1,637,448
22,516,034	21,862,166	19,753,708	22,491,023	21,698,665	18,717,283	16,889,510
(280,767)	(138,931)	2,054,476	(391,890)	804,120	2,479,900	5,945,121
\$ 22,235,267	\$ 21,723,235	\$ 21,808,184	\$ 22,099,133	\$ 22,502,785	\$ 21,197,183	\$ 22,834,631

SALINA AIRPORT AUTHORITY
CHANGES IN CASH AND CASH EQUIVALENTS HISTORY
FOR YEARS ENDED DECEMBER 31,

	2012	2013	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from providing services	\$ 2,091,754	\$ 2,162,181	\$ 1,849,824
Cash paid to employees for services	(784,733)	(766,300)	(731,571)
Cash paid to suppliers for goods and services	(1,345,746)	(1,469,899)	(1,170,505)
NET CASH PROVIDED (USED) IN OPERATING ACTIVITIES	(38,725)	(74,018)	(52,252)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of property, plant and equipment	(4,789,419)	(1,238,629)	(1,348,143)
Acquisition of land subsequently donated (net)	-	-	-
Proceeds from capital grants	1,755,598	623,029	799,762
Change in grants receivable	-	-	-
Proceeds from property tax	1,767,338	1,788,284	1,993,889
Proceeds from sale of capital assets	-	218,361	81,652
Principal payments on debt	(1,154,007)	(959,134)	(972,729)
Proceeds of new borrowing	-	-	-
Deferred advanced refunding	-	-	-
Bond defeasance and issue costs paid	-	-	-
Interest paid on long-term debt	(1,190,236)	(1,131,523)	(1,099,052)
NET CASH PROVIDED (USED) IN CAPITAL AND RELATED FINANCING ACTIVITIES	(3,610,726)	(699,612)	(544,621)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on deposits	1,500	676	437
NET INCREASE (DECREASE) IN CASH	(3,647,951)	(772,954)	(596,436)
CASH, beginning of year	5,308,083	1,660,132	887,178
CASH, end of year	\$ 1,660,132	\$ 887,178	\$ 290,742

SALINA AIRPORT AUTHORITY
CHANGES IN CASH AND CASH EQUIVALENTS HISTORY
FOR YEARS ENDED DECEMBER 31,

2015	2016	2017	2018	2019	2020	2021
\$ 1,922,061	\$ 1,868,694	\$ 2,162,372	\$ 2,621,123	\$ 1,730,112	\$ 3,109,625	\$ 1,739,205
(698,148)	(724,184)	(821,501)	(845,650)	(841,568)	(854,885)	(921,910)
(1,292,263)	(1,124,098)	(1,249,957)	(578,006)	(1,616,484)	(2,133,137)	(1,133,826)
(68,350)	20,412	90,914	1,197,467	(727,940)	121,603	(316,531)
(301,637)	(1,489,872)	(2,073,730)	(2,851,457)	(3,182,404)	(1,501,297)	(3,370,794)
-	-	-	-	-	(2,061,088)	-
92,414	943,219	1,280,204	1,474,356	1,727,674	2,100,818	2,717,177
-	(573,638)	573,638	-	-	-	-
2,028,074	2,017,013	2,043,302	2,338,967	2,371,463	2,639,481	2,570,657
48,289	20,489	32,990	5,375	55,120	-	193,240
(1,007,271)	(1,095,956)	(1,253,283)	(2,646,876)	(5,337,744)	(1,428,211)	(3,772,338)
722,161	657,000	2,831,470	-	6,380,000	2,560,000	5,866,454
-	-	(1,391,470)	-	-	-	-
(43,159)	(8,329)	(147,664)	-	(73,185)	(44,885)	(84,270)
(1,042,465)	(972,452)	(613,911)	(879,978)	(831,307)	(787,723)	(757,019)
496,406	(502,526)	1,281,546	(2,559,613)	1,109,617	1,477,095	3,363,107
286	3,387	974	3,745	17,954	2,161	1,311
428,342	(478,727)	1,373,434	(1,358,401)	399,631	1,600,859	3,047,887
290,742	719,084	240,357	1,613,791	255,390	655,021	2,255,880
\$ 719,084	\$ 240,357	\$ 1,613,791	\$ 255,390	\$ 655,021	\$ 2,255,880	\$ 5,303,767

SALINA AIRPORT AUTHORITY
CAPITAL EXPENDITURE HISTORY
Ten Years Ended December 31, 2021

Fiscal Year	<u>Equipment</u>	<u>Building Additions</u>	<u>Land</u>	<u>Airfield</u>	<u>Construction in Progress</u>	<u>Total Capital Expenditures</u>
2012	217,548	2,911,756	306,847	2,225,668	244,851	5,906,670
2013	37,532	172,219	94,514	540,392	429,468	1,274,125
2014	76,670	361,842	44,405	490,653	371,219	1,344,789
2015	144,676	57,048	20,379	30,131	71,623	323,857
2016	105,467	321,854	14,062	23,799	1,024,688	1,489,870
2017	226,478	140,422	30,617	385,751	1,290,462	2,073,730
2018	983,492	114,367	77,012	1,793,701	8,921	2,977,493
2019	388,382	2,461,044	201,006	8,675	123,297	3,182,404
2020	207,158	682,393	43,066	382,089	186,591	1,501,297
2021	931,013	485,934	46,198	128,021	1,779,630	3,370,796

Source: Salina Airport Authority Records

SALINA AIRPORT AUTHORITY
GENERAL OBLIGATION DEBT SERVICE COVERAGE
Ten Fiscal Years Ended December 31, 2021

Fiscal Year	November Assessed Valuation	Motor Vehicle Valuation	Valuation Total	GO Bond Capacity of Valuation Total	General Obligation Debt	Revenue Bond Debt	Special Assessment Debt	Financing Leases / Other Loans Payable	GO Temporary Notes	Total Outstanding Debt (All Types)	Remaining GO Capacity	Percentage of Personal Income	Total Debt Per Capita
2012	403,850,282	47,553,744	451,404,026	45,140,403	24,756,769	-	103,947	202,617	-	25,063,333	20,383,634	1.10%	449
2013	405,107,476	48,882,411	453,989,887	45,398,989	23,880,661	-	66,746	156,791	-	24,104,198	21,518,328	1.04%	431
2014	407,454,378	48,865,900	456,320,278	45,632,028	22,974,555	-	48,949	107,966	-	23,131,470	22,657,473	0.98%	415
2015	416,174,805	50,350,566	466,525,371	46,652,537	22,791,329	-	30,465	55,696	-	22,877,490	23,861,208	0.93%	410
2016	425,040,911	51,833,505	476,874,416	47,687,442	21,770,268	-	11,268	-	657,000	22,438,536	25,260,174	0.90%	407
2017	430,490,209	50,970,796	481,461,005	48,146,101	21,910,515	-	9,207	-	2,097,000	24,016,722	24,138,586	0.92%	439
2018	434,451,245	53,336,676	487,787,921	48,778,792	20,705,792	-	7,054	-	657,000	21,369,846	27,416,000	0.80%	393
2019	454,467,318	54,687,311	509,154,629	50,915,463	20,157,297	-	4,805	-	2,250,000	22,412,102	28,508,166	0.83%	413
2020	456,352,518	54,589,132	510,941,650	51,094,165	18,750,000	-	2,455	460,000	4,350,000	23,562,455	27,994,165	0.82%	437
2021	459,861,906	56,545,812	516,407,718	51,640,772	19,615,000	-	-	420,058	5,645,000	25,680,058	26,380,772	0.89%	476

Note: Details regarding the Authority's outstanding debt can be found in the notes to the financial statements.
The special assessment and financing lease/other loans payable debt figures are shown for informational purposes only and not required by statute to be included in the remaining capacity calculation.
See the Schedule of Demographic and Economic Statistics on page 81 for personal income and population data.

N/A = Data not yet available

SALINA AIRPORT AUTHORITY
 LOCAL GOVERNMENT MILL LEVY RATES, DIRECT AND OVERLAPPING
 Ten Years Ended December 31, 2021

<u>Fiscal Year</u>	<u>Saline County</u>	<u>City of Salina</u>	<u>Unified School Dist. #305</u>	<u>Salina Airport Authority</u>	<u>Salina Public Library</u>	<u>State of Kansas</u>	<u>Other Special Taxing Districts</u>	<u>Total</u>
2012	34.823	26.19	58.649	4.007	5.452	1.5	1.176	131.797
2013	37.895	26.927	58.116	4.504	5.761	1.5	1.176	135.879
2014	38.047	27.080	55.605	4.486	6.034	1.5	1.285	134.037
2015	38.275	27.311	56.12	4.396	5.895	1.5	1.502	134.999
2016	37.508	27.603	55.743	4.396	5.893	1.5	1.51	134.153
2017	37.321	26.129	56.501	4.992	5.989	1.5	1.475	133.907
2018	38.437	28.394	57.522	4.998	6.014	1.5	1.476	138.341
2019	41.097	29.720	55.508	5.372	5.913	1.5	1.198	140.308
2020	40.606	30.650	55.454	5.037	5.88	1.5	1.206	140.333
2021	39.782	30.452	54.903	4.838	6.028	1.5	1.196	138.699

Note:
 Funds generated from the Salina Airport Authority's 2020 mill levy become available during calendar year 2021 and are budgeted accordingly.

Source: Saline County Clerk

SALINA AIRPORT AUTHORITY
PRINCIPAL CUSTOMERS
Current and Ten Years Ago

Company	2021			2011		
	Income	Rank	Percentage of Total Income	Income	Rank	Percentage of Total Income
Kansas Erosion Products, LLC.	354,515	1	11.24%			
Avflight Salina	319,982	2	10.14%			
1 Vision Aviation	313,699	3	9.94%			
SFC Global Chain Supply	166,567	4	5.28%	107,179	7	4.65%
Stryten Salina, LLC	127,240	5	4.03%			
Universal Forest Products (UFP)	114,516	6	3.63%			
Kansas State University-Salina	91,025	7	2.89%	44,496	10	1.93%
NASA	85,364	8	2.71%			
Durham School Service	64,560	9	2.05%			
AGCO Corporation	59,182	10	1.88%			
Kansas Military Board (RSMS, Salina, KS)				589,028	1	25.53%
Hawker Beechcraft Corp.				236,473	2	10.25%
Learjet Inc.				187,108	3	8.11%
CAV Aerospace, Inc.				168,756	4	7.32%
JRM Enterprises, Inc, d/b/a America Jet (formerly Moore's Midway Aviation)				156,849	5	6.80%
Flower Aviation				141,709	6	6.14%
Two Rivers Vending				53,210	8	2.31%
Canadian Royal Air Force				51,109	9	2.22%
	<u>\$ 1,696,650</u>		<u>53.79%</u>	<u>\$ 1,735,917</u>		<u>75.26%</u>

Source: Salina Airport Authority Records

SALINA AIRPORT AUTHORITY
MILL LEVY REVENUE
Ten Years Ended December 31, 2021

<u>Fiscal Year</u>	<u>Mil Levy Revenue</u>
2012	1,767,338
2013	1,788,284
2014	1,993,889
2015	2,028,074
2016	2,017,013
2017	2,043,302
2018	2,338,967
2019	2,371,463
2020	2,639,481
2021	2,570,657

Source: Salina Airport Authority Records

SALINA AIRPORT AUTHORITY
AIR TRAFFIC, FUEL FLOWAGE AND ENPLANEMENT TRENDS
Ten Years Ended December 31, 2021

Fiscal Year	Air Traffic Operations	Fuel Flowage Gallons	Passenger Enplanements		
			Scheduled Air Carrier	Non-Scheduled Air Carrier	Total Enplanements
2012	97,338	2,594,049	2,546	980	3,526
2013	90,131	1,757,980	2,361	468	2,829
2014	91,101	1,971,061	2,138	418	2,556
2015	96,350	2,487,603	1,124	8,955	10,079
2016	77,111	1,860,912	3,257	710	3,967
2017	61,141	2,622,158	8,877	4,973	13,850
2018	69,293	2,414,825	14,642	5,657	20,299
2019	76,553	2,278,659	19,710	1,479	21,189
2020	60,448	2,295,009	6,331	4,230	10,561
¹ 2021	80,970	2,096,198	18,353	1,227	19,580

Note:

One air traffic operation equals one aircraft takeoff and landing

Sources:

Salina Airport Authority Records

Federal Aviation Administration Office of Airport Planning and Program

¹ Non-scheduled air carrier data is estimated as data not available from
FAA until July of the following calendar year

SALINA AIRPORT AUTHORITY
PRINCIPAL EMPLOYERS
Current Year and Ten Years Prior

Employer	2021			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Salina Regional Health Center	1,800	1	6.0%	1,300	3	3.8%
Unified School District No. 305	1,500	2	5.0%	1,659	2	4.8%
Schwan's Global Supply Chain, Inc.	1,200	3	4.0%	1,800	1	5.2%
Great Plains Manufacturing	1,175	4	4.0%	250	10	0.7%
Stryten Manufacturing	800	5	2.7%	750	4	2.2%
City of Salina	425	6	1.4%	465	6	1.3%
Salina Vortex	385	7	1.3%			
Wal-Mart	250	8	0.08%	421	7	1.2%
Blue Beacon International	230	9	0.08%			
Advance Auto Parts Distribution	190	10	0.06%			
Dillons Stores				343	8	1.0%
Philips Lighting Company				490	5	1.4%
Solomon Corporation				324	9	0.9%
Total	7,955		24.6%	7,802		22.5%

Source: Salina Area Chamber of Commerce

SALINA REGIONAL AIRPORT AND SALINA AIRPORT INDUSTRIAL CENTER

Airport/Industrial Center Information

As of December 31, 2021

Airport Code	SLN		
Location:	3 miles Southwest of City of Salina		
Elevation	1,288 ft.		
Tower:	Midwest ATC 0700 - 2300 -365		
FBO:	AVFlight		
		2011	2021
Acreage +/-	Airport	2,502	2,502
	Airport Industrial Center	396	291.65
Runways :	35/17 North/South ILS/GPS/VOR/NDB	12,301 x 150 ft.	12,301 x 150 ft.
	30/12 Southeast/northwest GPS	6,510 x 100 ft.	6,510 x 100 ft.
	36/18 North/South	4,301 x 75 ft.	4,301 x 75 ft.
	22/4 West/East	3,648 x 75 ft.	3,648 x 75 ft.
Aircraft Rescue & Fire Fighting Facility	ARFF Station	2,500	10,000
Commercial Air Service Terminal	M.J. Kennedy Air Terminal Bldg. - sq. ft.	10,750	10,750
	Vehicle parking spaces	123	217
	Number of Rental Car Agencies in Terminal	1	1
Apron	Commercial Service Ramp - sq. ft.	541,218	541,218
	FBO - sq. ft.	319,596	319,596
	KS National Guard - sq. ft.	261,523	261,523
	General Aviation / Other - sq. ft.	1,896,664	1,896,664
Buildings	Sq. Ft.	1,051,631	1,163,471
Employees	Airport Authority		
	Administration	7	6
	Operations	10	9
	Total Airport Authority Employees	17	15

Source: Salina Airport Authority Records

SALINA AIRPORT AUTHORITY
SALINE COUNTY DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

<u>Year</u>	<u>Population¹</u>	<u>Per Capita Personal Income²</u>	<u>Total Personal Income²</u>	<u>Median Age³</u>	<u>Unemployment Rate⁴</u>	<u>K-12 Graduation Rate⁵</u>	<u>K-12 Enrollment⁵</u>
2012	55,988	41,070	2,287,072,000	38.3	5.9%	89.4%	9,201
2013	55,740	43,078	2,310,899,000	37.4	5.2%	87.7%	9,197
2014	55,755	43,552	2,366,034,000	36.5	4.3%	86.8%	8,895
2015	55,691	44,310	2,448,164,000	37.7	4.2%	87.1%	9,196
2016	55,142	46,020	2,498,485,000	37.6	3.7%	88.5%	9,114
2017	54,734	47,945	2,597,328,000	37.6	3.2%	84.4%	8,992
2018	54,401	47,945	2,674,141,000	37.9	3.1%	85.5%	8,975
2019	54,224	49,983	2,712,384,000	38.4	3.0%	87.2%	8,527
2020	53,926	53,320	2,875,330,000	38.4	6.7%	92.9%	8,167
2021	55,691	n/a	n/a	38.6	3.8%	n/a	8,172

Data Sources:

¹Kansas Division of Budget

² Bureau of Economic Analysis

² Kansas Statistical Abstract

³U.S. Census Bureau

⁴ Bureau of Labor Statistics

⁵Kansas Department of Education

2021 population is an estimated figure

notes: n/a= information not yet available

Largest Taxpayers

According to the Saline County Clerk's Office, the following table lists the largest taxpayers in the City, their November 2020 assessed valuations, and the percentage each taxpayer comprised of the total assessed valuation of the City.

<u>Company</u>	<u>Type of Business</u>	<u>Assessed Valuation</u>	<u>% of Total Valuation</u>
Evergy, Inc.	Utility	\$19,659,775	3.85%
SFC Global Supply Chain Inc	Manufacturing	5,927,488	1.16
Kansas Gas Service	Utility	5,415,618	1.06
RAF Salina LLC	Retail Shopping Center	4,680,507	0.92
S&B Motels Inc	Motel	3,010,427	0.59
Central Mall Realty Holding LLC	Retail Shopping Center	2,851,701	0.56
Union Pacific Railroad Co.	Railroad	2,565,902	0.50
Menard Inc.	Home Improvement Store	2,427,090	0.48
Individual	Residential	2,367,201	0.46
Sam's Real Estate Business Trust/Walmart	Discount Store	<u>2,195,047</u>	<u>0.43</u>
Total		\$48,249,055	10.00%

Property Tax Collections

Tax statements are mailed November 1 each year and may be paid in full or one-half on or before December 20 with the remaining one-half due on or before May 10 of the following year. Taxes that are unpaid on the due dates are penalized at a statutorily prescribed rate until paid or until the property is sold for taxes. Real estate bearing unpaid taxes is advertised for sale in July of each year and is sold by the County for taxes and all legal charges on the first Tuesday in September. Properties that are sold and not redeemed within two years after the tax sale are subject to foreclosure sale, except homestead properties which are subject to foreclosure sale after three years.

Personal property taxes are assessed, due and may be paid in the same manner as real estate taxes. Motor vehicle property taxes are based on valuations provided by the Kansas Department of Revenue and the county average tax rate for the county in which the vehicle is registered. Motor vehicle taxes are payable to the county treasurer at the time of the vehicle's annual registration. Vehicle registration dates are assigned by the State in a manner such as to equal registration over a twelve-month period. Motor vehicle taxes are distributed by the county to the state, city and other taxing jurisdictions based on their proportionate tax levies. Delinquent personal and motor vehicle taxes are penalized at the same rate as delinquent real property taxes. The following is a summary of tax collections for the Authority in the years shown.

<u>Levy Year</u>	<u>Tax Rate</u>	<u>Taxes Levied</u>	<u>Current Tax Collections</u>		<u>Current and Delinquent Tax Collections</u>	
			<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
2020*	5.037	\$2,287,941	2,187,816	95.62%	\$2,189,762	95.71%
2019	5.372	2,415,817	2,357,078	97.57	2,392,216	99.02
2018	4.998	2,152,299	2,107,328	97.91	2,144,176	99.62
2017	4.992	2,132,134	2,082,567	97.68	2,128,023	99.81
2016	4.396	1,841,679	1,802,833	97.89	1,840,134	99.92
2015	4.396	1,804,238	1,768,092	98.00	1,803,826	99.98
2014	4.486	1,807,084	1,771,278	98.02	1,806,808	99.98
2013	4.504	1,817,896	1,813,028	99.73	1,814,155	99.79
2012	4.007	1,618,228	1,565,139	96.72	1,600,808	99.39
2011	4.007	1,612,235	1,560,405	96.79	1,598,276	99.13

*As of May 21, 2021

Source: Saline County

SALINA AIRPORT AUTHORITY

Single Audit Information

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Salina Airport Authority
Salina, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the *Kansas Municipal Audit and Accounting Guide* and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **Salina Airport Authority**, as of and for the year ended December 31, 2021, and the related notes to the financial statements, and have issued our report thereon dated June 30, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **Salina Airport Authority's** internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **Salina Airport Authority's** internal control. Accordingly, we do not express an opinion on the effectiveness of **Salina Airport Authority's** internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Salina Airport Authority's** financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC
Certified Public Accountants
Great Bend, Kansas

June 30, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors
Salina Airport Authority
Salina, Kansas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited **Salina Airport Authority's** compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of **Salina Airport Authority's** major federal programs for the year ended December 31, 2021. **Salina Airport Authority's** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, **Salina Airport Authority** complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of **Salina Airport Authority** and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of **Salina Airport Authority's** compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to **Salina Airport Authority's** federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on **Salina Airport Authority's** compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about **Salina Airport Authority's** compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding **Salina Airport Authority's** compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of **Salina Airport Authority's** internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of **Salina Airport Authority's** internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies

in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Adams Brown, LLC". The signature is written in a cursive, flowing style.

ADAMSBROWN, LLC

Certified Public Accountants

Great Bend, Kansas

June 30, 2022

SALINA AIRPORT AUTHORITY
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

Federal Grantor/ Pass-through Grantor/ Program Title	Federal Assistance Listing Number	Agency or Pass-through Number	Passed-through to Subrecipients	Federal Expenditures
U.S. Department of Transportation				
Direct Funding				
Airport Improvement Program	20.106	3-20-0072-042-2021	\$ -	449,216
COVID-19 Funding				
Airport Improvement Program	20.106	3-20-0072-041-2020	-	183,670
Airport Improvement Program	20.106	3-20-0072-043-2021	-	1,005,467
Airport Improvement Program	20.106	3-20-0072-045-2021	-	1,003,715
Total U.S. Department of Transportation			-	2,642,068
U.S. Department of Homeland Security				
Direct Funding				
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4449-DR-KS	-	74,258
Total Expenditures of Federal Awards			\$ -	2,716,326

SALINA AIRPORT AUTHORITY
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021

NOTE 1 – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Salina Airport Authority**, and is presented in accordance with generally accepted accounting principles. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

NOTE 2 – INDIRECT COST RATE

The Authority has elected not to use the 10% de minimis cost rate allowed under Section 200.414(f) of the Uniform Guidance.

NOTE 3 – OTHER EXPENDITURES

The Authority did not receive any federal awards in the form of noncash assistance, insurance, loans, or loan guarantees, and incurred no expenditures in relation thereof for the year ended December 31, 2021.

SALINA AIRPORT AUTHORITY
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

SECTION I - SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

- Material weakness identified? Yes X No
- Significant deficiency identified? Yes X None reported
- Noncompliance material to financial statements noted? Yes X No

FEDERAL AWARDS

Internal control over major programs:

- Material weakness identified? X No
- Significant deficiency identified? X None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? Yes X No

Identification of major programs:

<u>Assistance Listing Number</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes X No

SALINA AIRPORT AUTHORITY
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted in current year.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs are required to be disclosed under the Uniform Guidance.



Chairman
Kent Buer

Vice Chair
Tod Roberg

Secretary
Alan Eichelberger

Treasurer
Stephanie Carlin

Past Chairman
Kristin Gunn

Executive Director Timothy F. Rogers, A.A.E.

Dir. of Administration & Finance Michelle R. Swanson, C.M. Dir. of Facilities & Construction Maynard Cunningham

Manager of Operations David Sorell Business & Communications Manager Kasey L. Windhorst Board Attorney Greg A. Bengtson

Summary Schedule of Prior Audit Findings For the Year Ended December 31, 2021

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters noted for the year ended December 31, 2020.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No material findings or questioned costs are required to be disclosed under the Uniform Guidance.

SALINA* Airport** ***Authority

Salina Regional
***SLN* Airport**

***SALINA* Airport**
Industrial Center

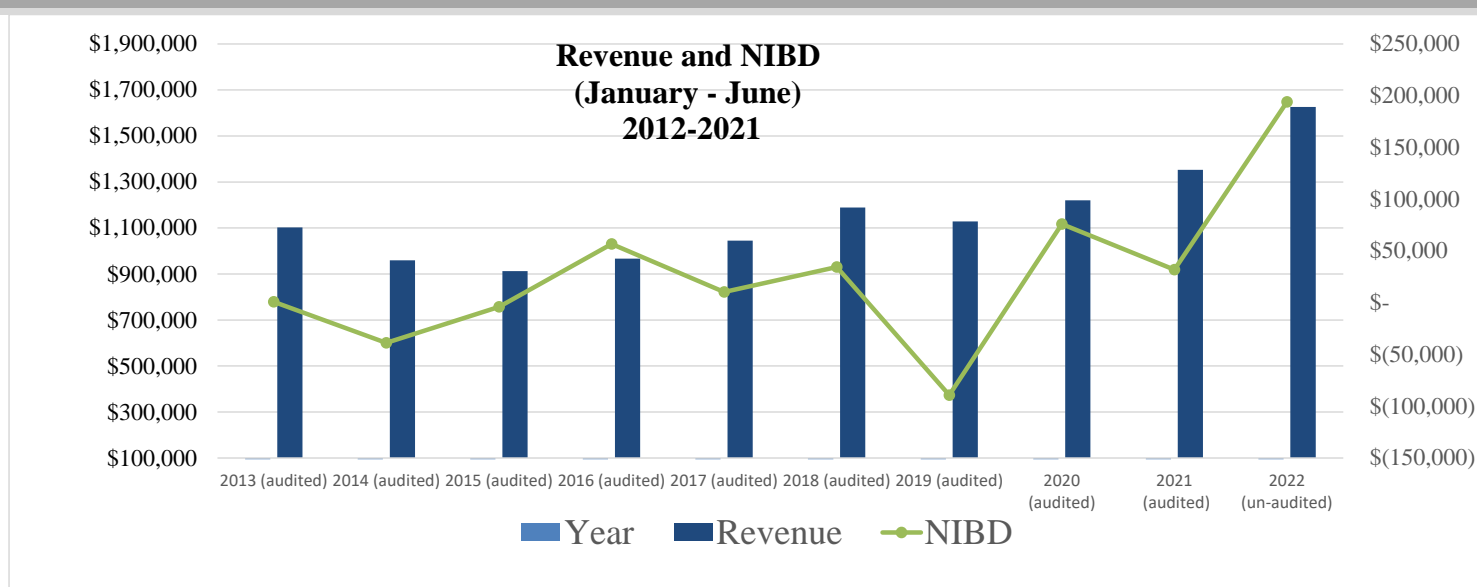
3237 Arnold | Salina, KS 67401 | 785-827-3914
www.salinaairport.com | www.flysalina.com

10-Year Operating Revenue and Expense Analysis

January - June

2013-2022

	2013 (audited)	2014 (audited)	2015 (audited)	2016 (audited)	2017 (audited)	2018 (audited)	2019 (audited)	2020 (audited)	2021 (audited)	2022 (un-audited)
<u>TOTAL REVENUES</u>										
OPERATING REVENUES										
Airfield	\$ 252,361	\$ 278,180	\$ 257,321	\$ 292,985	\$ 237,612	\$ 253,513	\$ 352,268	\$ 307,186	\$ 394,206	\$ 573,751
Fuel flowage fees	69,320	64,507	79,396	58,222	109,377	88,269	76,117	69,388	79,132	110,013
Building and land rent	744,875	594,919	541,427	563,152	634,949	696,793	642,555	741,966	842,296	872,206
Other revenue	35,604	22,115	34,657	52,318	63,476	150,053	57,158	102,149	37,365	69,933
TOTAL OPERATING REVENUES	1,102,160	959,721	912,801	966,677	1,045,414	1,188,628	1,128,098	1,220,689	1,352,999	1,625,903
<u>TOTAL EXPENSES</u>										
OPERATING EXPENSES										
Administrative	604,322	556,505	558,319	587,062	614,504	745,200	752,183	748,114	786,279	862,456
Maintenance	496,988	441,955	358,561	322,917	420,575	408,962	465,151	396,538	534,829	569,408
TOTAL OPERATING EXPENSES	1,101,310	998,460	916,880	909,979	1,035,079	1,154,162	1,217,334	1,144,652	1,321,108	1,431,864
OPERATING INCOME BEFORE DEPRECIATION	\$ 850	\$ (38,739)	\$ (4,079)	\$ 56,698	\$ 10,335	\$ 34,466	\$ (89,236)	\$ 76,037	\$ 31,891	\$ 194,039



APPENDIX A. DOCUMENTED CATEX

Airport sponsors may use this form for projects eligible for a categorical exclusion (CATEX) that have greater potential for extraordinary circumstances or that otherwise require additional documentation, as described in the Environmental Orders (FAA Order 1050.1F and FAA Order 5050.4B).

To request a CATEX determination from the FAA, the sponsor should review potentially affected environmental resources, review the requirements of the applicable special purpose laws, and **consult with the Airports District Office or Regional Airports Division Office staff** about the type of information needed. The form and supporting documentation should be completed in accordance with the provisions of FAA Order 5050.4B, paragraph 302b, and submitted to the appropriate FAA Airports District/Division Office. The CATEX cannot be approved until all information /documentation is received and all requirements have been fulfilled.

Name of Airport, LOC ID, and location:

Salina Regional Airport (SLN)
3237 Arnold Avenue
Salina, KS 67401

Project Title:

Salina Regional Airport North Ramp Development

Give a brief, but complete description of the proposed project, including all project components, justification, estimated start date, and duration of the project. Include connected actions necessary to implement the proposed project (including but not limited to moving NAVAIDs, change in flight procedures, haul routes, new material or expanded material sources, staging or disposal areas). Attach a sketch or plan of the proposed project. Photos can also be helpful.

As the airport sponsor, the Salina Regional Airport (Sponsor) is collaborating with the NIAR-WERX P2F initiative converting 777-ER passenger jets to freight aircraft. The plan is to develop the north ramp area in the vicinity of the existing Maintenance, Repair, and Overhaul (MRO) facility used by 1 Vision Aviation Salina, for additional MRO activity. Salina Airport Authority recently completed a study of the MRO expansion called "SLN North Ramp MRO Hangar Construction Study" that details the layout and provides background for the MRO expansion and its alignment with State of Kansas initiatives to expand this aviation industry sector.

The MRO development would make available approximately 80 acres for aeronautical development and leasing to private industry. The development is intended to occur in phases with the southernmost hangars being developed first. Exhibit 1 in Attachment 1 shows the proposed development that will be added to the Airport Layout Plan (ALP) and submitted to FAA for approval. The proposed development includes construction of the following:

- 1. 4 - 130,000 square foot dual entry hangars*
- 2. A warehouse building (approximately 123,000 square feet)*
- 3. A machine shop (approximately 99,000 square feet)*
- 4. Parking lots for the MRO facilities (approximately 250,000 square feet)*

The depth of excavation for the hangar footings and foundations will be a maximum of three feet. There will be no excavation for the aircraft parking apron or vehicle parking lots. These project components will occur on existing pavement which will be milled and overlaid with new asphalt.

Additional changes include marking a 695,000 square foot area on the existing apron for aircraft parking and staging. The following changes will be made to enhance safety in the MRO area:

- *Closing and removing the pavement for all connector taxiways between the ramp and the A taxiway within the last 3,500 feet of the Runway 17 end except for taxiways G and H.*
- *Closure and removal of approximately 260,000 square feet of pavement north of Taxiway H and east of the Runway 17 blast pad.*
- *Straightening of Taxiway A from Taxiway F to the end of Runway 17. Removal of all pavement related to the previous alignment of Taxiway A and the connector taxiways.*

The maximum depth of excavation for these project components is 18 inches.

Hangars 1-4 would be constructed on existing apron and are designed as pairs of dual entry hangars. A taxilane would be designated on the west edge of the ramp, and the area east of the taxilane would be designated as a tow only zone. The ALP is being updated to show the North Ramp MRO development.

The Sponsor is currently in discussions with the proponent to begin development of the site. All construction staging will occur onsite. There are existing utilities in the vicinity of the site. Some new utility lines may need to be run to the site through existing ramp. The hangars are a dual entry design with flat roofs with a maximum height of 76 feet above ground level (AGL). They will be constructed in phases as demand increases.

The sponsor's objective for the project is to support the long-term viability of the airport by providing additional revenues that would be used for the airport's share of the funds needed for important airport capital improvement projects and airport operating costs and help the Sponsor meet its FAA Grant Assurance 24 for self-sustainability. The MRO project could provide a substantial economic impact to the community by bringing jobs and enhancing training opportunities in Salina. To meet this objective, the Sponsor has partnered with a private company with experience in MRO services. The Sponsor has been identified in the NIAR-WERX initiative as one of the three sites for the P2F conversion. The Sponsor will lease the land to the private MRO companies. The private companies will redevelop the site providing direct improvements. The project will also generate revenue for the airport according to the terms of the lease.

Give a brief, but complete, description of the proposed project area. Include any unique or natural features within or surrounding airport property.

The proposed project site is the north ramp area of Salina Regional Airport. The north ramp is defined as the ramp and landside facilities to the east of Runway 17 and extending from the fire station and the Kansas State University facilities. The area contains approximately 380,000 square yards of ramp space, as well as a few assorted hangar buildings. 1 Vision Aviation Salina is located off Taxiway G and straddles a large pass-through ramp area where aircraft can essentially taxi in and out without having to turn around. Undeveloped areas adjacent to the project site have been graded and are regularly maintained as part of the airport.

Identify the appropriate CATEX paragraph(s) from Order 1050.1F (paragraph 5-6.1 through 5-6.6) or 5050.4B (Tables 6-1 and 6-2) that apply to the project. Describe if the project differs in any way from the specific language of the CATEX or examples given as described in the Order.

5-6.4(h). Federal financial assistance, licensing, Airport Layout Plan (ALP) approval, or FAA construction or limited expansion of accessory on-site structures, including storage buildings, garages, hangars, t-hangars, small parking areas, signs, fences, and other essentially similar minor development items.

The circumstances one must consider when documenting a CATEX are listed below along with each of the impact categories related to the circumstance. Use FAA Environmental Orders 1050.1F, 5050.4B, and the Desk Reference for Airports Actions, as well as other guidance documents to assist you in determining what information needs to be provided about these resource topics to address potential impacts. Keep in mind that both construction and operational impacts must be included. Indicate whether or not there would be any effects under the particular resource topic and, **if needed**, cite available references to support these conclusions. Additional analyses and inventories can be attached or cited as needed.

5-2.b(1) National Historic Preservation Act (NHPA) resources	YES	NO
<p>Are there historic/cultural resources listed (or eligible for listing) on the National Register of Historic Places located in the Area of Potential Effect? If yes, provide a record of the historic and/or cultural resources located therein and check with your local Airports Division/District Office to determine if a Section 106 finding is required.</p> <p><i>There are two NRHP properties within three miles of the proposed project: the H.D. Lee Company Complex and the John H. Prescott House, both of which are located more than two miles northeast of the project site. The nearest NHRP districts are Coronado Heights (11 miles from the airport) and Naroma Court (24 miles from the airport).</i></p> <p>Source: https://www.nps.gov/subjects/nationalregister/database-research.htm</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to cause effects? If yes, describe the nature and extent of the effects.</p> <p><i>The SHPO has determined that the proposed project will not adversely affect any property listed or determined eligible for listing in the National Register (Attachment 2).</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Is the project area undisturbed? If not, provide information on the prior disturbance (including type and depth of disturbance, if available).</p> <p><i>The proposed project will occur in areas that are currently developed with an aircraft parking ramp or taxiways.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact tribal land or land of interest to tribes? If yes, describe the nature and extent of the effects and provide information on the tribe affected. Consultation with their THPO or a tribal representative long with the SHPO may be required.</p> <p><i>The proposed project will not affect tribes or tribal land. The north ramp project is on previously developed airport property.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(2) Department of Transportation Act Section 4(f) and 6(f) resources	YES	NO
<p>Are there any properties protected under Section 4(f) (as defined by FAA Order 1050.1F) in or near the project area? This includes publicly owned parks, recreation areas, and wildlife or waterfowl refuges of national, state, or local significance or land from a historic site of national, state, or local significance.</p> <p><i>There are two known NRHP properties within three miles of the proposed project: the H.D. Lee Company Complex and the John H. Prescott House. The nearest NHRP districts are Coronado Heights (11 miles from the airport) and Naroma Court (24 miles from the airport). There are several public parks located within three miles of the proposed project. The nearest public park is 1.6 miles southeast of the proposed project, called Schilling Park. The nearest wildlife area is 279 miles from the airport. The nearest wildlife refuge is located 57 miles from the airport.</i></p> <p>Source: Google Earth Aerial Imagery (June 2022)</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project construction or operation physically or constructively “use” any Section 4(f) resource? If yes, describe the nature and extent of the use and /or impacts, and why there are no prudent and feasible alternatives. See 5050.4B Desk Reference Chapter 7.</p> <p><i>Neither construction of, nor the continued long-term use of the proposed improvements will directly or indirectly affect Section 4(f) resources. The proposed project will be located entirely within airport property, and no physical use of Section 4(f) properties will occur. In addition, there are no direct lines-of-sight between the airport and any of the public recreation areas in proximity to the airport, and the proposed project will not change the ambient noise environment in the general area.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project affect any recreational or park land purchased with Section 6(f) Land and Water Conservation Funds? If so, please explain, if there will be impacts to those properties.</p> <p><i>There are no recreation or land parks purchased with Section 6(f) Land and Water Conservation Funds within the direct vicinity of the proposed project.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(3) Threatened or Endangered Species**YES****NO**

<p>Are there any federal or state listed endangered, threatened, or candidate species or designated critical habitat in or near the project area? This includes species protected by individual statute, such as the Bald Eagle.</p> <p><i>According to an official species list for this project from the United States Fish and Wildlife Service (USFWS) via its Information for Planning, and Consultation (IPaC) website, there are three proposed, candidate, threatened, or endangered species under the Endangered Species Act that should be considered as part of an effect analysis for the project (Attachment 3): Northern Long-eared Bat (Threatened), Whooping Crane (Endangered), and Monarch Butterfly (Candidate). There is no habitat to support these species located within the proposed project site.</i></p> <p>Source: IPaC Information and Planning Consultation: Explore Location https://ipac.ecosphere.fws.gov/location/5PZ3NXK37NHYZQXYHRQPZRFSSI/resources</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the project affect or have the potential to affect, directly or indirectly, any federal or state-listed, threatened, endangered or candidate species, or designated habitat under the Endangered Species Act? If yes, Section 7 consultation between the FAA and the US Fish & Wildlife Service, National Marine Fisheries Service, and/or the appropriate state agency will be necessary. Provide a description of the impacts and how impacts will be avoided, minimized, or mitigated. Provide the Biological Assessment and Biological Opinion, if required.</p> <p><i>See previous response</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to take birds protected by the Migratory Bird Treaty Act? Describe steps to avoid, minimize, or mitigate impacts (such as timing windows determined in consultation with the US Fish & Wildlife Service).</p> <p><i>The project area is devoid of natural vegetation, developed with pavement, and is used regularly for airport-related activities. There is no habitat for migratory birds.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(4) Other Resources

Items to consider include:

a. Fish and Wildlife Coordination Act	YES	NO
Does the project area contain resources protected by the Fish and Wildlife Coordination Act? If yes, describe any impacts and steps taken to avoid, minimize or mitigate impacts.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Wetlands and Other Waters of the U.S.	YES	NO
Are there any wetlands or other waters of the U.S. in or near the project area?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>There are no wetlands located within the proposed project area.</i>		

Has wetland delineation been completed within the proposed project area? If yes, please provide U.S. Army Corp of Engineers (USACE) correspondence and jurisdictional determination. If delineation was not completed, was a field check done to confirm the presence/absence of wetlands or other waters of the U.S.? If no to both, please explain what methods were used to determine the presence/absence of wetlands. <i>The entire project area is currently paved. Based on a review of aerial photography, there are no wetlands or potential wetlands in the project area.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If wetlands are present, will the project result in impacts, directly or indirectly (including tree clearing)? Describe any steps taken to avoid, minimize, or mitigate the impact.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is a USACE Clean Water Act Section 404 permit required? If yes, does the project fall within the parameters of a general permit? If so, which general permit?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c. Floodplains	YES	NO
Will the project be located in, encroach upon, or otherwise impact a floodplain? If yes, describe impacts and any agency coordination or public review completed including coordination with the local floodplain administrator. Attach the FEMA map if applicable and any documentation. <i>The airport, including the project area, is mapped by Federal Emergency Management Agency (FEMA). The airport is mapped as Zone – X, Area outside of the 100- and 500-year floodplain (FIRM Panels 20169C0216C, 20169C0236C, 20169C0218C, 20169C0219C eff. 4/18/2018) (Attachment 4).</i> Source: FEMA's National Flood Hazard Layer (NFHL) https://hazards-fema.maps.arcgis.com/apps/webappviewer/index.html?id=8b0adb51996444d4879338b5529aa9cd&extent=-97.65006877372056,38.774506944651236,-97.62931920478078,38.78287083382963	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d. Coastal Resources	YES	NO
Will the project occur in or impact a coastal zone as defined by the State's Coastal Zone Management Plan? If yes, discuss the project's consistency with the State's CZMP. Attach the consistency determination if applicable? <i>This project is in the State of Kansas, which is not located in a coastal zone. The airport is located 660 miles northwest from the Gulf of Mexico.</i> Source: Google Earth Aerial Imagery (May 2022)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Will the project occur in or impact the Coastal Barrier Resource System as defined by the US Fish & Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e. National Marine Sanctuaries	YES	NO
Is a National Marine Sanctuary located in the project area? If yes, discuss the potential for the project to impact that resource. <i>The closest National Marine Sanctuary is named Flower Garden Bank National Marine Sanctuary, located 760 miles away.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Google Earth Aerial Imagery (May 2022)		
f. Wilderness Areas	YES	NO
<p>Is a Wilderness Area located in the project area? If yes, discuss the potential for the project to impact that resource.</p> <p><i>The nearest wilderness area is named Wichita Mountains Wilderness, located 279 miles from the airport.</i></p> <p>Source: Google Earth Aerial Imagery (May 2022)</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g. Farmland	YES	NO
<p>Is there prime, unique, state, or locally important farmland in/near the project area? Describe any significant impacts from the project.</p> <p><i>Soils at the proposed project site are designated as prime farmland, by the U.S. Department of Agriculture, Natural Conservation service (USDA-NRCS) Web Soil Survey (Attachment 5). However, the project area is already covered with pavement.</i></p> <p>Source: NRCS Web Soil Survey (https://websoilsurvey.sc.egov.usda.gov/App/WebSoilSurvey.aspx)</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Does the project include the acquisition and conversion of farmland? If farmland will be converted, describe coordination with the US National Resources Conservation and attach the completed Form AD-1006.</p> <p><i>See previous response</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h. Energy Supply and Natural Resources	YES	NO
<p>Will the project change energy requirements or use consumable natural resources either during construction or during operations?</p> <p><i>Implementation of the proposed project will use consumable natural resources (e.g., fossil fuel) during the construction process. In the long-term, energy requirements and the use of consumable natural resources is likely to increase following completion of the proposed improvements. Impacts to this resource will be minor. Resources are readily available and will not result in any shortage. Impacts will not be significant.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<p>Will the project change aircraft/vehicle traffic patterns that could alter fuel usage either during construction or operations?</p> <p><i>Vehicle traffic will increase at the site due to the addition of employees working at the proposed facilities. Temporary increases in traffic will also occur during construction. Aircraft traffic patterns will not change as a result of the proposed project.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i. Wild and Scenic Rivers	YES	NO
<p>Is there a river on the Nationwide Rivers Inventory, a designated river in the National System, or river under State jurisdiction (including study or eligible segments) near the project?</p> <p><i>The nearest wild and scenic river is named Niobrara River 260 miles from the airport. The nearest National Inventory feature is named Lyon Creek, located 37 miles from the airport.</i></p> <p>Source: Google Earth Aerial Imagery (May 2022)</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project directly or indirectly affect the river or an area within ¼ mile of its ordinary high-water mark?</p> <p><i>See previous response</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j. Solid Waste Management	YES	NO
<p>Does the project (either the construction activity or the completed, operational facility) have the potential to generate significant levels of solid waste? If so, discuss how these will be managed.</p> <p><i>Temporary construction waste will be generated and disposed of using a local landfill facility that accepts construction waste.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(5) Disruption of an Established Community**YES****NO**

<p>Will the project disrupt a community, planned development or be inconsistent with plans or goals of the community?</p> <p><i>The proposed project is within the boundaries of the airport and will not change the overall existing land uses of the airport/or project site. No changes to off-site land use or planned development within the surrounding community will occur as a result of the proposed project. The project is consistent with State and local economic development strategic plans.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Are residents or businesses being relocated as part of the project?</p> <p><i>No residences or businesses will be relocated as part of the proposed improvements.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(6) Environmental Justice**YES****NO**

<p>Are there minority and/or low-income populations in/near the project area?</p> <p><i>There are minority populations located within one mile of the airport. SLN is within Federal Opportunity Zone #20169000600. Opportunity Zones are economically distressed communities defined by individual census tract. The proposed improvements will spur private and public investment in this underserved community.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will the project cause any disproportionately high and adverse impacts to minority and/or low-income populations? Attach census data if warranted.</p> <p><i>No disproportionately high or adverse impacts to minority and/or low-income populations will occur as a result of the proposed project. Within a one-mile radius, including the airport, 37 percent of the population is considered minority and 38 percent below the poverty line (Attachment 6). However, since the proposed project does not involve construction or new activity outside of the existing airport, existing communities would not be adversely impacted by the Proposed Project. The closest residential neighborhood is located 0.6 miles east of the proposed project site.</i></p> <p>Source: EPA EJSCREEN ACS Summary Report (2015-2019) https://ejscreen.epa.gov/mapper/demogreportpdf.aspx?report=acs2019</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(7) Surface Transportation**YES****NO**

<p>Will the project cause a significant increase in surface traffic congestion or cause a degradation of level of service provided?</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project require a permanent road relocation or closure? If yes, describe the nature and extent of the relocation or closure and indicate if coordination with the agency responsible for the road and emergency services has occurred.</p> <p><i>No permanent road relocations or closures will occur as a result of the proposed project.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(8) Noise**YES****NO**

<p>Will the project result in an increase in aircraft operations, nighttime operations, or change in aircraft fleet mix?</p> <p><i>As previously discussed, the proposed facility will be used to convert Boeing 777-ER passenger jets to freight aircraft. It is expected that additional 777-ER operations will occur at the airport and consist of arrival and departure of jets in and out of the MRO hangars and post conversion flight test. The SLN conversion facility will accommodate up to four production lines (4 aircraft per year). The estimate for total 777-ER operations per year is 60.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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<p>Will the project cause a change in airfield configuration, runway use, or flight patterns either during construction or after the project is implemented?</p> <p><i>The proposed project will not require either a short-term or long-term closure of the runway. No changes will occur to airfield configuration or flight patterns.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the forecast exceed 90,000 annual propeller operations, 700 annual jet operations or 10 daily helicopter operations or a combination of the above? If yes, a noise analysis may be required if the project would result in a change in operations.</p> <p><i>The airport enplanes approximately 20,000 passengers annually and averages over 70,000 aircraft operations each year of which more than 700 are by jet aircraft. (Source: 2014 SLN Airport Master Plan)</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Has a noise analysis been conducted, including but not limited to generated noise contours, a specific point analysis, area equivalent method analysis, or other screening method? If yes, provide the documentation.</p> <p><i>Noise contours were prepared for the master plan which was approved in 2014. The existing condition (2013) and long-range (2033) noise exposure contours extend off airport property. In both the existing and long-range condition, the 65 DNL noise exposure contours extend over three residences located west of the airport. In both scenarios, the same three houses are located within the noise exposure contours. As outlined in the master plan update for Salina Regional Airport, operations at the airport are anticipated to increase during the next twenty years. This growth will occur with or without the proposed terminal improvements. See Attachment 7.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Could the project have a significant impact (DNL 1.5 dB or greater increase) on noise levels over noise sensitive areas within the 65+ DNL noise contour?</p> <p><i>See previous response</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(9) Air Quality**YES****NO**

<p>Is the project located in a Clean Air Act non-attainment or maintenance area?</p> <p><i>The airport is located in Saline County. Saline County is in attainment for all criteria pollutants.</i></p> <p>Sources: Kansas Nonattainment/Maintenance Status for Each County by Year for All Criteria Pollutants Green Book US EPA https://www3.epa.gov/airquality/greenbook/anayo_ks.html,</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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<p>If yes, is it listed as exempt, presumed to conform or will emissions (including construction emissions) from the project be below <i>de minimis</i> levels (provide the paragraph citation for the exemption or presumed to conform list below, if applicable). Is the project accounted for in the State Implementation Plan or specifically exempted? Attach documentation.</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Does the project have the potential to increase landside or airside capacity, including an increase of surface vehicles?</p> <p><i>Vehicle traffic will increase at the site due to the addition of employees working at the proposed facilities. Temporary increases in traffic will also occur during construction. Aircraft traffic patterns will not change as a result of the proposed project.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Could the project impact air quality or violate local, state, Tribal or Federal air quality standards under the Clean Air Act Amendments of 1990 either during construction or operations?</p> <p><i>Both the State of Kansas and Saline County have regulations regarding lead in soil, water, air, and waste and cleanup. Implementation of the proposed project will comply with these regulations, as well as FAA Advisory Circular (AC) 150/5371-10G, Standards for Specifying Construction of Airports, Item P-156, Temporary Air and Water Pollution, Soil Erosion and Siltation Control.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(10) Water Quality**YES NO**

<p>Are there water resources within or near the project area? These include ground water, surface water (lakes, rivers, etc.) sole source aquifers, and public water supply. If yes, provide a description of the resource, including the location (distance from project site, etc.).</p> <p><i>The proposed project area is within Dry Creek-Mulberry Creek watershed. There are no water resources including lakes, rivers, or aquifers within the project area.</i></p> <p>Source: EPA How's My Waterway – Community https://mywaterway.epa.gov/community/3237%20Arnold%20Ave,%20Salina,%20KS%2067401/overview</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will the project impact any of the identified water resources either during construction or operations? Describe any steps that will be taken to protect water resources during and after construction.</p> <p><i>The airport is separated from surrounding water bodies including Dry Creek. The City of Salina, Kansas' Stormwater Management Program (SWMP/SMP), dated February 2021 outlines the city's Water Pollution Prevention Plan (SWPPP) including stormwater drainage collection facilities and procedures. The SWMP outlines the measures it will take to reduce the discharge of pollutants from the Municipal Separate Storm Sewer System (MS4) to the maximum extent practicable (MEP), to protect water quality, and to satisfy the appropriate water quality requirements and goals of the Clean Water Act, and the City's National Pollutant Discharge Elimination System (NPDES) Permit.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Stormwater Management Program 2021-2024 City of Salina, Kansas February 2021 http://www.salina-ks.gov/filestorage/18394/18540/20977/Stormwater_Management_Plan_2021-2024..pdf		
Will the project increase the amount or rate of stormwater runoff either during construction or during operations? Describe any steps that will be taken to ensure it will not impact water quality. <i>As previously noted, the site is currently paved. Changes in the stormwater runoff would be negligible.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Does the project have the potential to violate federal, state, tribal or local water quality standards established under the Clean Water and Safe Drinking Water Acts?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Are any water quality related permits required? If yes, list the appropriate permits.	<input type="checkbox"/>	<input checked="" type="checkbox"/>

5-2.b(11) Highly Controversial on Environmental Grounds**YES****NO**

Is the project highly controversial? The term “highly controversial” means a substantial dispute exists as to the size, nature, or effect of a proposed federal action. The effects of an action are considered highly controversial when reasonable disagreement exists over the project’s risk of causing environmental harm. Mere opposition to a project is not sufficient to be considered highly controversial on environmental grounds. Opposition on environmental grounds by a federal, state, or local government agency or by a tribe or a substantial number of the persons affected by the action should be considered in determining whether or not reasonable disagreement exists regarding the effects of a proposed action. <i>There has been no indication that the proposed project is controversial.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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5-2.b(12) Inconsistent with Federal, State, Tribal or local Law**YES****NO**

Will the project be inconsistent with plans, goals, policy, zoning, or local controls that have been adopted for the area in which the airport is located? <i>The proposed project is entirely on airport property and will not disrupt any existing land uses off airport property.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Is the project incompatible with surrounding land uses? <i>The project is on airport property and surrounded with compatible land uses. The project area is surrounded by other airport facilities, an airport business park, and off-airport light industrial, office, and commercial land uses.</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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5-2.b(13) Light Emissions, Visual Effects, and Hazardous Materials

a. Light Emissions and Visual Effects	YES	NO
<p>Will the proposed project produce light emission impacts?</p> <p><i>Building security and streetlights will be similar to what currently exist at the airport.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>Will there be visual or aesthetic impacts as a result of the proposed project and/or have there been concerns expressed about visual/aesthetic impacts?</p> <p><i>The proposed structures are steel hangars and warehouse buildings. They will be located on the airfield and have a similar height and mass to the other airport-related structures on the airfield.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Hazardous Materials	YES	NO
<p>Does the project involve or affect hazardous materials?</p> <p><i>Construction of the proposed project will involve common hazardous materials such as fossil fuels for construction equipment and vehicles. All construction activity will be subject to existing permit procedures for the handling, transporting, and disposal of such materials. The contractor will follow standard hazardous materials containment procedures and BMPs should an inadvertent spill occur. If previously unknown contaminants are discovered during construction, or a spill occurs during construction, work will be halted, and the National Response Center notified.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>Will construction take place in an area that contains or previously contained hazardous materials?</p> <p><i>Based on U.S. Environmental Protection Agency's (EPA) EJScreen online environmental review tool, the project site does not have locations reporting the use of hazardous materials or toxic releases, nor are there Superfund sites or Brownfields in the area (Attachment 8).</i></p> <p><i>The closest superfund site is located in Hutchinson, Kansas, 45 miles southwest of the proposed project site. The closest Hazardous waste facility is located in Solomon, Kansas, 16.5 miles northeast of the proposed project site.</i></p> <p>Source: EPA's Environmental Justice Screening and Mapping Tool https://ejscreen.epa.gov/mapper/</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>If the project involves land acquisition, is there a potential for this land to contain hazardous materials or containments?</p> <p><i>This project does not require land acquisition.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<p>Will the proposed project produce hazardous and/or solid waste either during construction or after? If yes, how will the additional waste be handled?</p> <p><i>The proposed project would involve the use of fossil fuel to power construction vehicles. All construction activities for the project at the airport are subject to existing permit procedures for the handling, transporting, and disposal of such materials. The contractors shall follow standard hazardous materials containment procedures and best management practices (BMPs) should an inadvertent spill occur. If previously unknown contaminants are discovered during construction, or a spill occurs during construction, work would be halted, and the National Response Center notified.</i></p> <p>Source:</p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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5-2.b(14) Public Involvement**YES****NO**

<p>Was there any public notification or involvement? If yes, provide documentation.</p> <p><i>As a priority for Salina Regional Airport, MRO development has been discussed regularly during the course of Board Meeting business. All Salina Airport Authority meetings are open to the public, and agendas are published. Meeting notices are delivered to local elected officials and news media. Salina Airport Authority board meetings can be attended in person or online. Meeting documents are available to the public as public information via the airport website. The project's CATEX application was reviewed and discussed during a Salina Airport Authority board meeting (open to the public involvement) on July 20, 2022.</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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5-2.b(15) Indirect/Secondary/Induced Impacts**YES****NO**

<p>Will the project result in indirect/secondary/induced impacts?</p> <p><i>The proposed project will not induce growth or changes in land use, population density, or growth rate. The Salina Area Technical College (SATC) at SLN provides training for construction trades. The project provides new high wage job opportunities for SATC students.</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>When considered with other past, present, and reasonably foreseeable future projects, on or off airport property and regardless of funding source, would the proposed project result in a significant cumulative impact?</p> <p><u>Projects Completed in the Past Three Years</u></p> <ul style="list-style-type: none"> • Taxiway Echo rehabilitation – FAA AIP • Taxiway Bravo reconstruction – FAA AIP • Runway 17/35, south 1,100 feet mill and overlay – KDOT KAIP • Runway 17/35 rehabilitation, north 4,800 feet – KDOT KAIP • Runway 17/35 rehabilitation, south 7,500 feet – FAA AIP (current) 	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<p><u>Projects Planned in the Next Three Years</u></p> <ul style="list-style-type: none">• Fuel farm construction – FAA MAP• Runway 12/30 rehabilitation – FAA BIL• Taxiway Alpha rehabilitation – FAA AIP and BIL• H626 rehabilitation – SLN leasehold revenue bonds• SLN terminal building parking lot rehabilitation – FAA MAP <p><i>The proposed improvements, when considered with the improvements listed above, will not cause significant cumulative impacts. All project activities would be contained on airport property, and cumulative impacts in conjunction with other projects will not occur.</i></p> <p><i>With regards to cumulative climate change, the proposed project will not result in a substantial increase in greenhouse gases (GHGs).</i></p>		
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Permits

List any permits required for the proposed project that have not been previously discussed. Provide details on the status of the permits.

Coverage under a NPDES General Construction permit is required. This includes preparation of a SWPPP and filing a Notice of Intent.

Environmental Commitments

List all measures and commitments made to avoid, minimize, mitigate, and compensate for impacts on the environment, which are needed for this project to qualify for a CATEx.

If, during construction, cultural resources are unearthed, all activities in the vicinity of the find will cease until a determination can be made as to its/their significance, in accordance with federal law and FAA policy. If further on-site investigation is required, all subsequent recommendations shall conform to Section 106 of the National Historic Preservation Act.

The Sponsor will ensure that the project contractor follows BMPs during construction including those identified in FAA AC 150/5370-10G, Item P-156 and measures contained in the airport and project-specific SWPPPs.

The contractor will follow standard hazardous materials containment procedures and BMPs should an inadvertent spill occur. If previously unknown contaminants are discovered during construction, or a spill occurs during construction, work will be halted, and the National Response Center notified.

Preparer Information

Point of Contact: Kory Lewis		
Address: 12920 Metcalf Avenue, Suite 200		
City: Overland Park	State: KS	Zip Code: 66213
Phone: 816-524-3500	Email Address: klewis@coffmanassociates.com	

Signature: _____ Date: 6/30/2022

Airport Sponsor Information and Certification (may not be delegated to consultant)

Provide contact information for the designated sponsor point of contact and any other individuals requiring notification of the FAA decision.

Point of Contact: Timothy F. Rogers, A.A.E.		
Address: Salina Regional Airport, 3237 Arnold Avenue		
City: Salina	State: KS	Zip Code: 67401
Phone Number: (785) 827-3914	Email Address: trogers@salair.org	
Additional Names:	Additional Email Address(es):	

I certify that the information I have provided above is, to the best of my knowledge, correct. I also recognize and agree that no construction activity, including but not limited to site preparation, demolition, or land disturbance, shall proceed for the above proposed project(s) until FAA issues a final environmental decision for the proposed project(s) and until compliance with all other applicable FAA approval actions (e.g., ALP Approval, airspace approval, grant approval) has occurred.

Signature: _____ Date: 6/30/2022

FAA Decision

Having reviewed the above information, it is the FAA's decision that the proposed project(s) or development warrants environmental processing as indicated below.

Name of Airport, LOC ID, and Location:

Salina Regional Airport (SLN)
3237 Arnold Avenue
Salina, KS 67401

Project Title: ***Salina Regional Airport North Ramp Development***

- ☐ No further NEPA review required. Project is categorically excluded per (cite applicable 1050.1.F CATEX that applies): *5-6.4(h)*
- ☐ An Environmental Assessment (EA) is required.
- ☐ An Environmental Impact Statement (EIS) is required.
- ☐ The following additional documentation is necessary for FAA to perform a complete Environmental evaluation of the proposed project.

Name: _____ Title: _____

Signature: _____ Date: _____

KSR&C # 22-06-032
June 30, 2022

Kory Lewis
Principal
Coffman Associates
Via Email

Re: Salina Regional Airport, North Ramp MRO Hangar Construction, 3237 Arnold Ave, Salina – Saline County

The Kansas State Historic Preservation Office (SHPO) has reviewed the materials received June 1, 2022 regarding the above-referenced project in accordance with 36 CFR Part 800. In reviews of this nature, the SHPO determines whether a federally funded, licensed, or permitted project will adversely affect properties that are listed or determined eligible for listing in the National Register of Historic Places. The SHPO has determined that the proposed project will not adversely affect any property listed or determined eligible for listing in the National Register. As far as this office is concerned, the project may proceed.

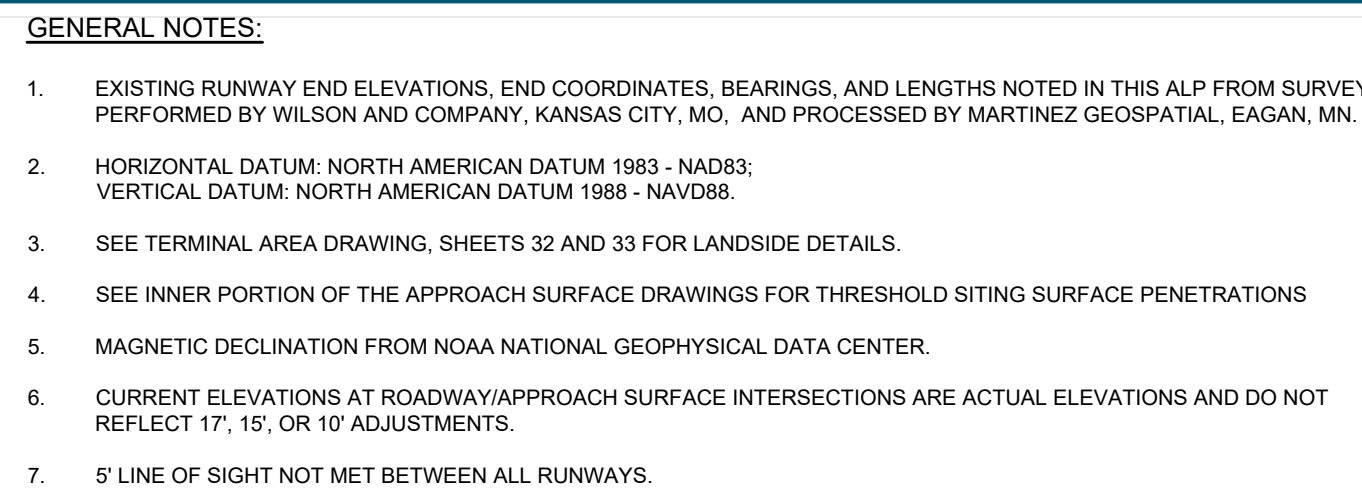
Thank you for giving us the opportunity to comment on this proposal. Please refer to the Kansas State Review & Compliance number (KSR&C#) listed above on any future correspondence. Please submit any comments or questions regarding this review to Lauren Jones at lauren.jones@ks.gov.

Sincerely,



Patrick Zollner
Director, Cultural Resources Division
State Historic Preservation Officer







SLN A SETTING: SET IN A RETAINING WALL OR CONCRETE LEDGE
SLN B SETTING: SET IN STAINLESS STEEL ROD IN SLEEVE
SLN C SETTING: SET IN FOOTING OF STRUCTURE

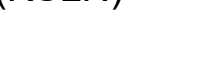
LEGEND		
EXISTING	ULTIMATE	DESCRIPTION
		AIRPORT PROPERTY LINE
		SECTION CORNERS
		AIRPORT REFERENCE POINT (ARP)
		AIRPORT ROTATING BEACON
		AVIGATION EASEMENT
		BUILDING RESTRICTION LINE
		STRUCTURES ON AIRPORT
		ABANDON BUILDING
		STRUCTURE OFF AIRPORT
		CRITICAL AREA
		AIRPORT PAVEMENT
		ABANDON/REMOVE PAVEMENT
		FENCE LINE
		HOLD MARKING
		SURVEY MONUMENT WITH IDENTIFIER
		OBJECT FREE AREA
		RUNWAY SAFETY AREA
		OBSTACLE FREE ZONE
		PRECISION OBSTACLE FREE ZONE
		RUNWAY PROTECTION ZONE
		RUNWAY VISIBILITY ZONE
		TIE-DOWNS
		NO-TAXI ISLAND AREA
		RUNWAY END IDENTIFIER LIGHTS (REILS)
		WINDSOCK
		LOCALIZER
		TOPOGRAPHIC CONTOURS
		NO-TAXI ISLAND AREA

Magnetic Declination
06° 04' 10" East (September 2013)
Annual Rate of Change
00° 05.5' West (September 2013)



SCALE IN FEET

<h2 style="margin: 0;">Salina Regional Airport (KSLN)</h2> <h1 style="margin: 10px 0 0 0;">AIRPORT LAYOUT DRAWING</h1> <h3 style="margin: 10px 0 0 0;">Salina, KS</h3>	
PLANNED BY:	Mike W. Dmyterko
DETAILED BY:	Diana L. Hopkins
APPROVED BY:	Mike W. Dmyterko
<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: left;"> <p>February 2022</p> </div> <div style="text-align: center;"> <p>SHEET</p> <h1 style="margin: 0;">3</h1> <p>OF</p> <h1 style="margin: 0;">35</h1> </div> </div>	



Coffman Associates
 Airport Consultants
www.coffmanassociates.com

State and Federal Grant Funding Summary

Calendar Year	FAA ACIP Years 1-5	Project	Estimated Total Project Cost	Grant \$	Agency	Grant Program	Grant Status	SAA Local Share
2022	1-5	Runway 17/35, South 7,500 ft (design and construction)	\$ 4,321,531	\$ 4,227,132	FAA	AIP Entitlement	Awarded 6-23-2021	\$ 94,399
2022		Runway 17/35, North 4,800 ft (construction)	1,782,887	1,298,279	KDOT	KDOT Economic Development	Award notification received 2-14-2022	484,608
2023	1-5	Fuel Farm (design and construction)	2,800,750	2,520,675	FAA	AIP MAP	ACIP update submitted on 3-8-2022 Grant application for design submitted on 4-15-2022	280,075
2023	1-5	Rehabilitate Runway 12/30 (design and construction)	5,877,499	5,289,749	FAA	BIL AIG	ACIP update submitted on 3-8-2022	587,750
2024	1-5	Construct or improve Terminal Bldg. parking lot (design and construction)	2,989,000	2,690,100	FAA	AIP MAP	ACIP update submitted on 3-8-2022	298,900
2025	1-5	Terminal Bldg. Expansion (design and construction)	8,559,000	8,131,050	FAA	BIL ATP	ACIP update submitted on 3-8-2022	427,950
2025-2026	1-5	Rehabilitate T/W's A, B, C, D, E & from Rwy 35 to T/W G (design and construction)	4,889,750	4,400,775	FAA	AIP Entitlement	ACIP update submitted on 3-8-2022	488,975
2027	1-5	Acquire snow removal equipment (design and construction)	1,430,000	1,287,000	FAA	AIP MAP	ACIP update submitted on 3-8-2022	143,000
2027	6-11	Upgrade Runways 17-35 lighting systems (design and construction)	715,951	644,356	FAA	AIP Entitlement	ACIP update submitted on 3-8-2022	71,595
2027	6-11	Upgrade Runways 12-30 lighting systems (design and construction)	435,000	391,500	FAA	AIP Entitlement	ACIP update submitted on 3-8-2022	43,500
			\$ 33,801,368	\$ 30,880,616				\$ 2,920,752

Mill Levy / Matching Grant Funds

Local Funds

Balance as of 1-1-2022		\$ 354,608		
Grant receipts / reimbursement for prev year expenditures		388,415	Expected \$84,958 in AIP entitlements (FFY 2023)	
Anticipated tax receipts through 12-31-2022		420,000		
		1,163,023		
Expenditures				
2022		Runway 17/35, South 7,500 ft (design and construction)	(94,399)	
2022		Runway 17/35, North 4,800 ft construction	(484,608)	
		Terminal Bldg. Expansion (environmental planning -FAA 163 Determination / NEPA / SHPO)	(7,768)	Non participating costs
2022		Terminal Bldg. Parking south overflow (design)	(18,500)	Non participating costs
2022		Terminal Bldg. Parking south overflow (construction)	(141,650)	Non participating costs
2022		North Ramp MRO study (alternatives assessment and updated ALP)	(7,500)	Non participating costs
		North Ramp MRO environmental planning services (NEPA categorical exclusion and Section 106 consultation)	(6,064)	Non participating costs
2022		Runways 17/35 and 12/30 LED lighting	(128,595)	Non participating costs
2022		12-15-2022 Storm Damage (FEMA match)	(150,000)	
2022		Pre-Tank Removal Environmental Site Assessment Work Plan	(11,200)	Non participating costs
2022		Rwy 12/30 pavement investigation	(75,000)	Non participating costs
		2022 Total Anticipated Match Required	(1,125,284)	
Projected Balance at 12-31-2022			37,739	
Anticipated 2023 tax receipts			485,340	
Anticipated entitlement (reimbursement for AIP 42 - 2021 entitlements)			84,958	
2023		Fuel Farm (design/construction)	(280,075)	
2023		Rehabilitate Runway 12/30 (design)	(35,165)	
		2023 Total Anticipated Match Required	(315,240)	
Projected Balance at 12-31-2023			292,797	
Anticipated 2024 tax receipts			492,620	
2024		Construct or improve Terminal Bldg. parking lot (design & construction)	(298,900)	
2024		Rehabilitate Runway 12/30 (construction)	(552,585)	
		2024 Total Anticipated Match Required	(851,485)	
Projected Balance at 12-31-2024			(66,068)	
Anticipated 2025 tax receipts			500,009	
2025		Terminal Bldg. Expansion (design and construction)	(427,950)	
2025		Rehabilitate T/W's A, B, C, D, E & from Rwy 35 to T/W G (Phase 1)	(244,488)	
		2025 Total Anticipated Match Required	(672,438)	
Projected Balance at 12-31-2025			(238,496)	

Terms Legend

Bipartisan Infrastructure Law (BIL)

Airports Terminal Program (ATP)

Airports Infrastructure Grants (AIG)

Federal Aviation Administration (FAA)

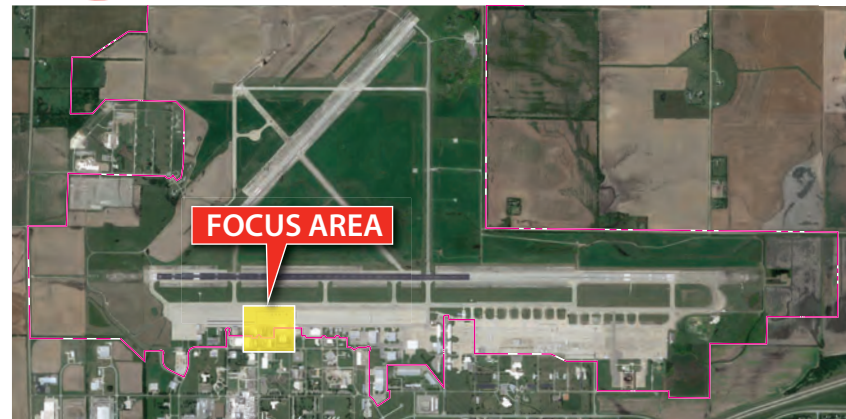
Airport Improvement Program (AIP)

Military Airport Program (MAP)

Airport Capital Improvement Program (ACIP)

Notes:

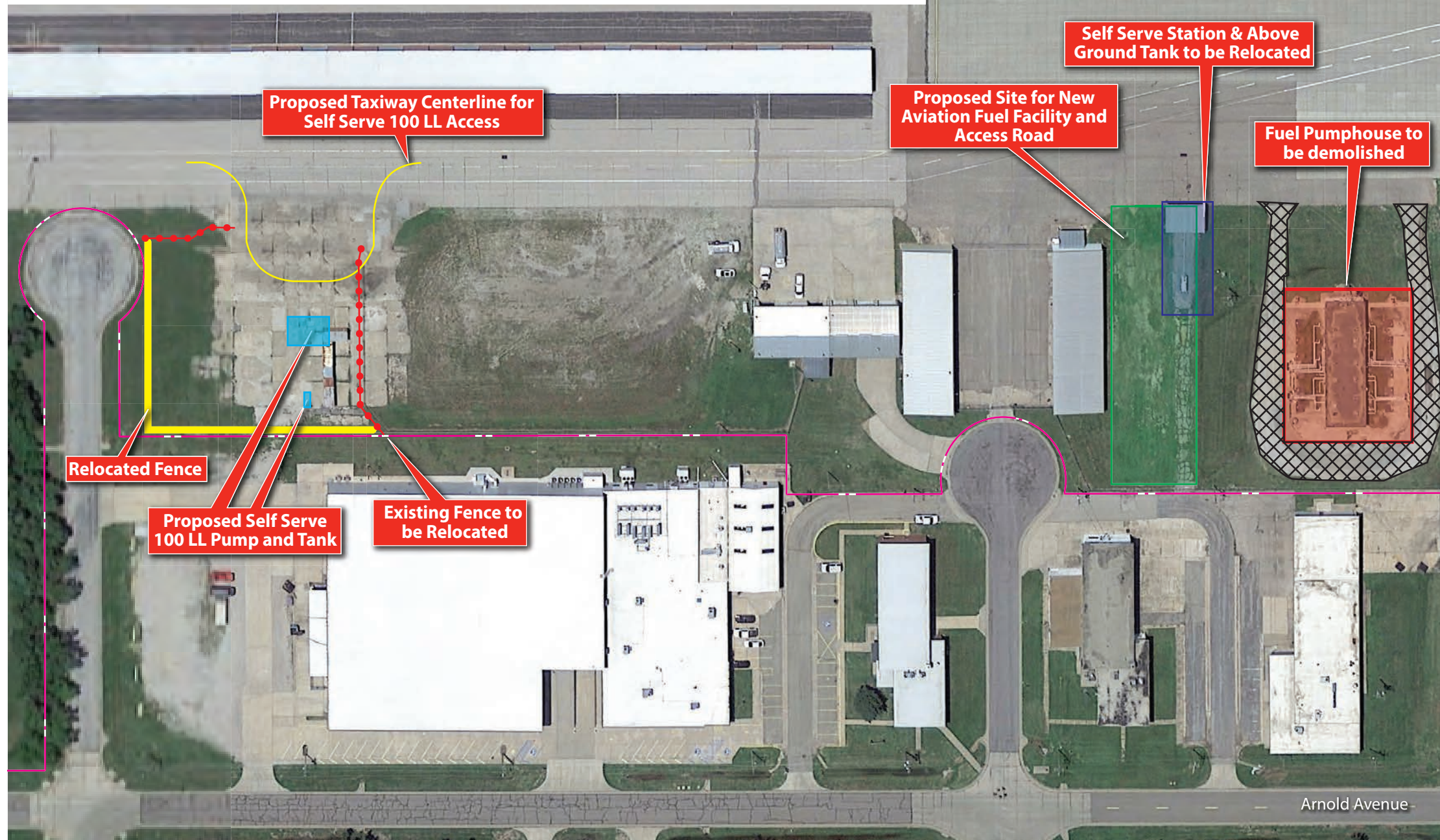
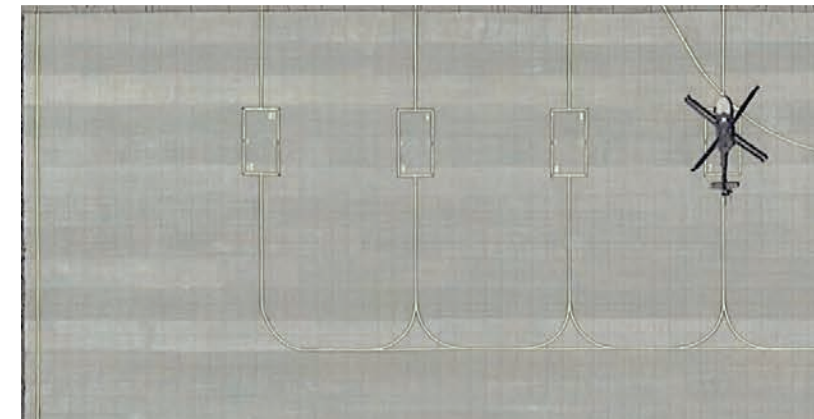
1. All costs are stated in 2022 dollars
2. Non-participating costs are grant ineligible components of the



LEGEND

- FAA Obligated Property Line
- ▨ Pavement to be Removed

0 N 100
SCALE IN FEET
Photo: Google Earth 6-27-19



SALINA AIRPORT AUTHORITY
Mill Levy Projections For GO Bond Debt Service

2022-2032

Actual Debt Service Schedule as of 8/03/2020				2015-A GO DEBT SERVICE		2017-A GO DEBT SERVICE		2017-B GO DEBT SERVICE		2019-A GO DEBT SERVICE		2019-B GO DEBT SERVICE		2021-A GO BOND DEBT SERVICE		2020-1 GO TEMP NOTE INTEREST ⁽²⁾		2021-GO TEMP NOTE INTEREST		2022-1 GO TEMP NOTE INTEREST ⁽²⁾		2022-2 GO TEMP NOTE INTEREST ⁽⁴⁾		TOTAL GO DEBT SERVICE PAYMENTS		GO BOND DEBT SERVICE FUND		LESS BALANCE ALLOCATED FROM DEBT SERVICE FUNDS		LESS ESTIMATED MV TAX REVENUE		TOTAL MILL LEVY REQUIRED	
YEAR BUDGET PREPARED	FISCAL YEAR	ASSESSED VALUATION (1)	% +/-	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	Mills	\$	\$	Mills	\$	\$	Mills	\$	\$	Mills	\$	
2021	2022	\$ 452,126,522	0.414%	0.417	\$ 188,693	1.781	\$ 805,307	0.369	\$ 166,800	0.177	\$ 80,163	1.753	\$ 792,705	0.392	\$ 177,387	0.022	\$ 10,080	\$ --		\$ --		\$ --		\$ 2,221,135	0.000	\$ --	-0.409	\$ (185,080)	-0.595	\$ (268,800)	3.909	\$ 1,767,255	
2022	2023	\$ 485,340,163	7.346%	0.182	\$ 88,443	1.655	\$ 803,463	0.343	\$ 166,300	0.162	\$ 78,635	1.846	\$ 896,100	0.362	\$ 175,813	0.010	\$ 5,040	0.016	\$ 7,976	0.000	\$ --	0.881	\$ 427,400	\$ 2,649,170			-0.010	\$ (5,040)	-0.547	\$ (265,500)	4.901	\$ 2,378,630	
2023	2024	\$ 485,412,964	0.015%	0.188	\$ 91,043	3.514	\$ 1,705,600	0.341	\$ 165,550	0.159	\$ 77,043			0.361	\$ 175,305						0.880	\$ 427,400	\$ 2,641,940					-0.550	\$ (266,828)	4.893	\$ 2,375,113		
2024	2025	\$ 485,485,776	0.015%	0.192	\$ 93,195	3.508	\$ 1,703,160	0.339	\$ 164,800	0.166	\$ 80,385			0.370	\$ 179,580								\$ 2,221,120					-0.552	\$ (268,162)	4.023	\$ 1,952,958		
2025	2026	\$ 485,558,599	0.015%			3.136	\$ 1,522,598	0.925	\$ 449,050	0.162	\$ 78,530			0.368	\$ 178,455								\$ 2,228,633					-0.555	\$ (269,502)	4.035	\$ 1,959,130		
2026	2027	\$ 485,631,433	0.015%			2.572	\$ 1,248,883	1.472	\$ 714,750	0.158	\$ 76,605			0.364	\$ 176,955								\$ 2,217,193					-0.558	\$ (270,850)	4.008	\$ 1,946,343		
2027	2028	\$ 485,704,277	0.015%			2.564	\$ 1,245,333	1.477	\$ 717,200	0.164	\$ 79,575			0.361	\$ 175,305								\$ 2,217,413					-0.560	\$ (272,204)	4.005	\$ 1,945,208		
2028	2029	\$ 485,777,133	0.015%			2.562	\$ 1,244,738	1.480	\$ 719,050	0.159	\$ 77,325			0.367	\$ 178,355								\$ 2,219,468					-0.563	\$ (273,565)	4.006	\$ 1,945,902		
2029	2030	\$ 486,505,799	0.150%			2.655	\$ 1,291,875	1.388	\$ 675,300	0.000	\$ --			0.362	\$ 176,030								\$ 2,143,205					-0.565	\$ (274,933)	3.840	\$ 1,868,272		
2030	2031	\$ 487,235,557	0.150%					4.038	\$ 1,967,300					0.367	\$ 178,705								\$ 2,146,005					-0.567	\$ (276,308)	3.837	\$ 1,869,697		
2031	2032	\$ 487,966,411	0.150%											0.361	\$ 175,985								\$ 175,985					-0.569	\$ (277,689)	-0.208	\$ (101,704)		

NOTES:

1. Final assessed valuation (Less TIF) for 2021
Estimated Assessed Valuation at July 1, 2022 as provided by the Saline County Clerk's Office less TIF and pending exemptions (For 2023 Budget)
Future Assessed Valuation assumed to grow annually at a rate of .015% (For 2024-2032 Budget Years)
2. 2020-1 Temp Notes interest paid from the debt service fund
3. 2022-1 GO Temp Note Interest (Paint Hangar design) will be paid with 2022-2 GOTN proceeds
4. 2022-2 GO Temp Note (Paint Hangar construction) interest estimated

2022 Mill Levy Analysis for Calculation
(Funding 2023 Budget)

		2022		2021	+/-	
Revised - 07/12/2022		Mill Levy \$	Mills	Mills Certified	Mill	%
July 1, 2022 Estimated Assessed Valuation	\$ 485,340,163					
(Less TIF & Pending Exemptions)						
2022 GO Bond P&I Payments	2,649,170					
Less Debt Service Funds	(5,040)					
Less MV Tax Est. Collections	(265,500)					
Total Mill Levy \$ for 2022 Debt Service Fund		2,378,630	4.9010	3.9090	0.9920	25.38%
Federal / State Grant Match		485,340	1.0000	0.9290	0.0710	7.64%
TOTAL Estimated Mill Levy		\$ 2,863,970				
Plus estimated MV Tax Collections		265,500.00				
Total anticipated mill levy receipts		\$ 3,129,470				
Total Mills			5.9010	4.838	1.06	33.02%
Total Mills - Final Certified			-			

Saline County Clerk/Election Office



Jamie R Doss – County Clerk/Election Officer

Phone: (785) 309-5820

300 W Ash St, Rm 215

FAX: (785) 309-5826

P.O. Box 5040

E-mail: Jamie.Doss@saline.org

Salina, KS 67402-5040

www.saline.org

Notice of Revenue Neutral Rate Intent

PURSUANT TO K.S.A 79-1460, 79-1801, 79-2024, 79-2925c

THE GOVERNING BODY OF Salina Airport Authority, HEREBY NOTIFIES THE
SALINE COUNTY CLERK THE REVENUE NEUTRAL RATE INTENT;

X Yes, we intend to exceed the Revenue Neutral Rate and our proposed mill levy rate is
5.901. The date of our hearing is Aug. 31, 2022 at 4:00 AM/PM and will be held
at Room 100, Hangar 600, 2720 Arnold Ct. address in Salina, Kansas.

 No, we do not plan to exceed the Revenue Neutral Rate and will submit our budget to the
County Clerk on or before August 25, 2022.

WITNESS my hand and official seal on _____, 20____.

(Seal)

Clerk or Officer of Governing Body

Kent Buer, Chairman

NOTE: Notice required to be sent to County Clerk on or before 5 p.m. on July 20, otherwise Revenue Neutral Rate cannot be exceeded. Signed notice may be scanned and sent electronically.

SALINA AIRPORT AUTHORITY

2023 Budget Timeline

CALENDAR OF EVENTS

June 15 8:00 AM **SAA Regular Board Meeting**
Resolution declaring intent to levy up to 1 mill for grant matching funds

May 2022						
No.	Su	Mo	Tu	We	Th	Fr
18	1	2	3	4	5	6
19	8	9	10	11	12	13
20	15	16	17	18	19	20
21	22	23	24	25	26	27
22	29	30	31			

JUN 17 SAA publishes notice of intent to levy up to one mill (KSA 27-322 (b)) - *1st Publication*
26 SAA publishes notice of intent to levy up to one mill (KSA 27-322 (b)) - *2nd Publication*

June 2022						
No.	Su	Mo	Tu	We	Th	Fr
22				1	2	3
23	5	6	7	8	9	10
24	12	13	14	15	16	17
25	19	20	21	22	23	24
26	26	27	28	29	30	

JUL 20 8:00 AM **SAA Regular Board Meeting**
Mill Levy Projections / Review 2023 GO Bond Debt Service Schedule and Intent to levy above RNR
20 Notify County Clerk of proposed tax rate and RNR and Budget Hearing dates
26 End of petition period to levy one mill for grant matching funds

July 2022						
No.	Su	Mo	Tu	We	Th	Fr
26						1
27	3	4	5	6	7	8
28	10	11	12	13	14	15
29	17	18	19	20	21	22
30	24	25	26	27	28	29
31	31					

AUG 17 & 21 Publish notice of Budget Hearing
17 **SAA Regular Board Meeting**
2022 Capital Budget
31 4:00 p.m. **SAA Special Board Meeting - RNR Hearing and Budget Hearing (Mill Levy Budget)**
Consider Resolution to Exceed RNR

August 2022						
No.	Su	Mo	Tu	We	Th	Fr
31		1	2	3	4	5
32	7	8	9	10	11	12
33	14	15	16	17	18	19
34	21	22	23	24	25	26
35	28	29	30	31		

SEP 7 4:00 PM **SAA Special Board Meeting**
2023 Operating Plan & Goals
Review Mission Statement
Mill Levy Budget Resolution
SAA certifies mill levy with County Clerk
20
21 8:00 AM **SAA Regular Board Meeting**
2021 Operating Revenue Projections

September 2022						
No.	Su	Mo	Tu	We	Th	Fr
35					1	2
36	4	5	6	7	8	9
37	11	12	13	14	15	16
38	18	19	20	21	22	23
39	25	26	27	28	29	30

OCT 19 8:00 AM **SAA Regular Board Meeting**
2023 Operating Revenue & Expense Projections
Review of updated Rates & Charges

October 2022						
No.	Su	Mo	Tu	We	Th	Fr
39						1
40	2	3	4	5	6	7
41	9	10	11	12	13	14
42	16	17	18	19	20	21
43	23	24	25	26	27	28
44	30	31				

NOV 2 4:00 PM **SAA Special Board Meeting**
Review Draft Budget Report
16 8:00 AM **SAA Regular Board Meeting**
Final Budget Approval

November 2022						
No.	Su	Mo	Tu	We	Th	Fr
44			1	2	3	4
45	6	7	8	9	10	11
46	13	14	15	16	17	18
47	20	21	22	23	24	25
48	27	28	29	30		

SALINA AIRPORT AUTHORITY
RESOLUTION 22-07

**A RESOLUTION DESIGNATING THE DEPOSITORY FOR FUNDS
OF THE SALINA AIRPORT AUTHORITY AND DESIGNATING THE INDIVIDUALS
AUTHORIZED TO SIGN CHECKS ON SAID ACCOUNT AND
DIRECTING HOW SAID CHECKS ARE TO BE SIGNED:**

BE IT RESOLVED, that Bennington State Bank, of Salina, Kansas, is hereby the designated depository of the Salina Airport Authority for the proceeds of the 2022-1 General Obligation Bond Temporary Notes and that funds so deposited may be withdrawn upon a check, draft, note or other order of the Authority.

BE IT FURTHER RESOLVED, that all checks, drafts, notes or orders drawn against said account be signed by either the Chairman, Vice-Chairman, Secretary, Treasurer, or Past Chairman, and either the Executive Director, Director of Administration and Finance, or Director of Facilities and Construction.

Kent D. Buer
Tod Roberg
Alan Eichelberger
Stephanie Klingzell Carlin
Kristin Gunn
Timothy F. Rogers, A.A.E.
Michelle R. Swanson, C.M.
Maynard Cunningham

Chair
Vice Chairman
Secretary
Treasurer
Past Chair
Executive Director
Director of Administration and Finance
Director of Facilities and Construction

BE IT FURTHER RESOLVED, that the above bank is authorized and directed to honor and charge to the account of the Authority all checks drawn against the account of the Authority which bear the actual signature of at least one of the above named persons and may bear the facsimile signatures of two of the other named persons, after specimens of such facsimile signatures have been filed with the above designated bank, unless such bank have been notified of the limitation or qualification upon the use of such specimen facsimile signatures by anyone of the aforesaid officers of the Authority.

BE IT FURTHER RESOLVED, that said bank is hereby authorized and directed to honor and pay all checks, drafts, notes or orders so drawn, whether such checks, drafts, notes or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes or orders are deposited to the individual credit of any of the other officers or not. This resolution shall continue in force and said bank may consider the facts concerning the holders of said office, respectively, and their signatures to be and continue as set forth in the certificate of the Secretary or Treasurer, accompanying a copy of this resolution when delivered to said bank or in any similar subsequent certificate, until written notice to the contrary is duly served on said bank.

Adopted by the Board of Directors of the Salina Airport Authority on this 20th day of June, 2022.

Kent Buer, Chair



CERTIFICATION OF SECRETARY

I, Alan Eichelberger, the duly appointed, qualified, Salina Airport Authority Secretary, Salina, Kansas, do hereby certify that the foregoing Resolution was duly adopted at a meeting of the Salina Airport Authority, Salina, Kansas held on the 20th day of June, 2022, and that said Resolution has been compared by me with the original thereof on file and of record in the office of the Airport Authority, and is a true copy of the whole of said original.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the Salina Airport Authority, Salina, Kansas, this 20th of June, 2022.

Alan Eichelberger, Secretary



Bid Tabulation		
2:00 p.m., June 27, 2022 - Hangar 600		
Project:	Hangar 626, Bldg. 655 and Hangar 606	
	December 15, 2021 Storm Damage Repair	
Sponsor:	Salina Airport Authority	
Contractor:	Cheney	
Bid Bond	Yes	
Proposal Signed	Yes	
Hangar 626 Part 1 Repairs	No bid	
Calendar Days to Complete	No bid	
Hangar 626 Part 2 Repairs	\$169,194.00	
Calendar Days to Complete	45	
Hangar 606 Repairs	\$58,483.00	
Calendar Days to Complete	30	
Hangar 655 Repairs	\$26,441.00	
Calendar Days to Complete	30	

PROPOSAL FORM

TO: Mr. Timothy Rogers, AAE
Executive Director
Salina Airport Authority
Salina, KS

The undersigned, in compliance with the request for bids for construction of the following Project:

Hangar 626, Hangar 606, Building 655 Storm Damage Repairs

hereby proposes to furnish all labor, permits, material, machinery, tools, supplies and equipment to faithfully perform all work required for construction of the Project in accordance with the project manual, project drawings and issued Addenda within the specified time of performance for the following prices:

Item No.	Item Description	Unit	Quantity	Unit Cost	Total Cost
1	Hangar 626 Repairs				NO BID
	Exterior Siding Repairs				
1.1	Remove and replace exposed / damaged gypsum sheathing	Sq Ft	1100		
1.2	Build out wood framing and sheathing over CBU corner wall	Each	4'7"x13'0"		
1.3	Install matching new aluminum panel siding and trim	Sq Ft	1165		
1.4	Remove and replace all fasteners in existing aluminum panel siding	Each			
1.5	Paint Siding to match existing	Sq Ft	1165		
1.6	Contingency	Each			
Construction Costs					
Payment & Performance Bond, Insurance					
Permits					
Architectural/Engineering Fees					
Total Costs					NO BID
Calendar Days to complete project (Target 45 or less)					
1.7	Replace Exterior Siding Option				
1.8	Remove all exterior aluminum panel siding	Sq Ft	4470		24,261
1.9	Remove and replace exposed / damaged gypsum sheathing	Sq Ft	4470		49,475
1.10	Build out wood framing and sheathing over CBU corner wall	Each	4'7"x13'0"		3,468
1.11	Install new metal panel siding and trim	Sq Ft	4470		65,779
1.12	Contingency	Each			22,463
Construction Costs					165,446
Payment & Performance Bond, Insurance					1,998
Permits					750
Architectural/Engineering Fees					1,000
Total Costs					169,194
Calendar Days to complete project (Target 45 or less)					45

Item No.	Item Description	Unit	Quantity	Unit Cost	Total Cost
2	Hangar 606 Repairs				
	Investigation				
2.1	Remove bottom row of metal wall panels (approx. 60 ft.) Salvage for re-installation.	Each		3,620	
2.2	Remove (quantity as needed) gypsum wall board to determine Failure Mode. Salvage for re-installation.	Each		3,857	
2.3	Inspect wall for determination of Failure Mode	Each		3,085	
2.4	Move wall to vertical position	Each		4,358	
	Repair Options				
2.5	Failure Mode (1): Metal stud wall base track anchor failure				
2.5a	Remove bottom row(s) of gypsum wall board to allow access to base track. Salvage for re-installation.	Each		3,857	
2.5b	Install new wall anchors to concrete floor	Each		434	
2.5c	Install reinforcement anchors to wall base track	Each		510	
2.5d	Reinstall gypsum board	Each		4,628	
2.6	Failure Mode (2): Furring hat channels detached from metal stud wall				
2.6a	Remove 1000 sq. ft. gypsum wall board. Salvage for re-installation.	Each		5,356	
2.6b	Install new furring hat channels	Each		918	
2.6c	Reinstall gypsum board	Each		1,095	
2.7	Failure Mode (3): Metal Wall Studs detached from Hangar wall interior				
2.7a	Remove 1100 sq. ft. gypsum wall board. Salvage for re-installation.	Each		5,356	
2.7b	Install new anchors to Hangar wall interior	Each		414	
2.7c	Reinstall gypsum board	Each		5,604	
2.8	Ensure wall insulation is in proper location	Each		1,944	
2.9	Re-install bottom row of metal wall panels (approx. 60 ft.)	Each		2,045	
2.10	Contingency	Each		8,592	
				Construction Costs	55,673
				Payment & Performance Bond, Insurance	1,210
				Permits	600
				Architectural/Engineering Fees	1,000
				Total Costs	58,483
				Calendar Days to complete project (Target 45 or less)	30

Item No.	Item Description	Unit	Quantity	Unit Cost	Total Cost
3	Hangar 655 Repairs				
	Demolition				
3.1	Remove exterior metal wall panels (2)16'x3', (2)22'x3'	Each		1,207	
3.2	Remove damaged downspouts	Each		1,473	
3.3	Remove damaged metal trim	Each		1,426	
3.3	Remove interior 4x8 plywood panels. Salvage for re-installation	Each		1,789	
3.4	Remove damaged 2x6 wood stud wall framing	Each		1,522	
	Framing and Siding				
3.5	Install new 2x6 wood stud wall framing	Each		3,411	
3.6	Install new metal panel siding and trim	Each		4,042	
3.7	Install new downspouts	Each		587	
3.8	Re-install interior 4x8 plywood panels	Each		3,023	
4	Contingency	Each		6,451	
				Construction Costs	24,931
				Payment & Performance Bond, Insurance	510
				Permits	500
				Architectural/Engineering Fees	500
				Total Costs	26,441
				Calendar Days to complete project (Target 45 or less)	30

ACKNOWLEDGEMENTS BY BIDDER

- By submittal of a proposal, the BIDDER acknowledges and accepts that the quantities established by the OWNER are an approximate estimate of the quantities required to fully complete the Project and that the estimated quantities are principally intended to serve as a basis for evaluation of bids. ~~The BIDDER further acknowledges and accepts that payment under this contract will be made only for actual quantities and that quantities will vary in accordance with the General Provisions subsection entitled "Alteration of Work and Quantities".~~
- The BIDDER acknowledges and accepts that the Bid Documents are comprised of the documents identified within the Instructions to Bidders. The BIDDER further acknowledges that each of the individual documents that comprise the Bid Documents are complementary to one another and together establishes the complete terms, conditions and obligations of the successful BIDDER.
- As evidence of good faith in submitting this proposal, the undersigned encloses a bid guaranty in the form of a certified check or bid bond in the amount of 5% of the bid price. The BIDDER acknowledges and accepts that refusal or failure to accept award and execute a contract within

the terms and conditions established herein will result in forfeiture of the bid guaranty to the owner as a liquidated damage.

- d. The BIDDER acknowledges and accepts the OWNER'S right to reject any or all bids and to waive any minor informality in any Bid or solicitation procedure.
- e. The BIDDER acknowledges and accepts the OWNER'S right to hold all Proposals for purposes of review and evaluation and not issue a Notice-of-Award for a period not to exceed sixty (60) calendar days from the stated date for receipt of bids.
- f. The undersigned agrees that upon written notice of award of contract, he or she will execute the contract within ten (10) calendar days of the Notice-of-Award and furthermore will provide executed payment and performance bonds simultaneously with delivery of executed contract. The undersigned accepts that failure to execute the contract and provide the required bonds within the stated timeframe shall result in forfeiture of the bid guaranty to the owner as a liquidated damage.
- g. Time of Performance: By submittal of this proposal, the undersigned acknowledges and agrees to commence work within ten (10) calendar days of the date specified in the written "Notice-to-Proceed" as issued by the OWNER. The undersigned further agrees to complete the Project within forty-five (45) calendar days from the commencement date specified in the Notice-to-Proceed for the Pre-disaster Work items and (45) calendar days for the Mitigation Work items for a total of (90) calendar days.
- h. The undersigned acknowledges and accepts that for each and every Calendar day the project remains incomplete beyond the contract time of performance, the Contractor shall pay the non-penal amount of \$500 per Calendar day as a liquidated damage to the OWNER.
- ~~i. The BIDDER, by submission of a proposal, acknowledges that award of this contract is subject to the provisions of the Davis Bacon Act. The BIDDER accepts the requirement to pay prevailing wages for each classification and type of worker as established in the attached wage rate determination as issued by the United States Department of Labor. The BIDDER further acknowledges and accepts their requirement to incorporate the provision to pay the established prevailing wages in every subcontract agreement entered into by the Bidder under this project.~~
- ~~j. Compliance Reports (41 CFR Part 60-1.7): Within 30 days after award of this contract, the Contractor/Subcontractor shall file a compliance report (Standard Form 100) if s/he has not submitted a complete compliance report within 12 months proceeding the date of award. This report is required if the Contractor/Subcontractor meets all of the following conditions:
 - ~~1. Contractors/Subcontractors are not exempt based on 41 CFR 60-1.5.~~
 - ~~2. Has 50 or more employees.~~
 - ~~3. Is a prime contractor or first tier subcontractor.~~
 - ~~4. There is a contract, subcontract, or purchase order amounting to \$50,000 or more~~~~
- k. The undersigned acknowledges receipt of the following addenda:

Addendum Number _____	dated _____	Received _____
Addendum Number _____	dated _____	Received _____
Addendum Number _____	dated _____	Received _____

REPRESENTATIONS BY BIDDER

By submittal of a proposal (bid), the BIDDER represents the following:

- a. The BIDDER has read and thoroughly examined the bid documents including all authorized addenda.
- b. The BIDDER has a complete understanding of the terms and conditions required for the satisfactory performance of project work.
- c. The BIDDER has fully informed themselves of the project site, the project site conditions and the surrounding area.
- d. ~~The BIDDER has familiarized themselves of the requirements of working on an operating airport and understands the conditions that may in any manner affect cost, progress or performance of the work.~~
- e. The BIDDER has correlated their observations with that of the project documents.
- f. The BIDDER has found no errors, conflicts, ambiguities or omissions in the project documents, except as previously submitted in writing to the owner that would affect cost, progress or performance of the work.
- g. The BIDDER is familiar with all applicable Federal, State and local laws, rules and regulations pertaining to execution of the contract and the project work.
- h. The BIDDER has complied with all requirements of these instructions and the associated project documents.

CERTIFICATIONS BY BIDDER

- a. The undersigned hereby declares and certifies that the only parties interested in this proposal are named herein and that this proposal is made without collusion with any other person, firm or corporation. The undersigned further certifies that no member, officer or agent of OWNERS has direct or indirect financial interest in this proposal.

b. **Certification of Non-Segregated Facilities:** (41 CFR Part 60-1.8)

~~The BIDDER, as a potential federally-assisted construction contractor, certifies that it does not maintain or provide, for its employees, any segregated facilities at any of its establishments and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The BIDDER certifies that it will not maintain or provide, for its employees, segregated facilities at any of its establishments and that it will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The Bidder agrees that a breach of this certification is a violation of the Equal~~

~~Opportunity Clause, which is to be incorporated in the contract.~~

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The Bidder agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that it will retain such certifications in its files.

~~c. Trade Restriction Certification: (49 CFR Part 30)~~

~~The Bidder, by submission of an offer certifies that it:~~

- ~~1. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);~~
- ~~2. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;~~
- ~~3. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.~~

~~d. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion: (49 CFR Part 29)~~

~~The Bidder certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the Bidder or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.~~

~~e. Buy American Certification: (Title 49 U.S.C. Chapter 501)~~

~~By submitting a proposal under this solicitation, except for those items listed by the Bidder below or on a separate and clearly identified attachment to this bid/proposal, the Bidder certifies that steel and each manufactured product, are produced in the United States, as defined in the clause Buy American—Steel and Manufactured Products for Construction Contracts) and that components of unknown origin are considered to have been produced or manufactured outside the United States.~~

~~Bidder may obtain from the owner a listing of articles, materials and supplies excepted from this provision.~~

Product	Country of Origin

ATTACHMENTS TO THIS BID

The following documents are attached to and made a part of this Bid:

1. Bid Guaranty in the form of
Bid Bond _____;
2. Evidence of BIDDER'S qualifications per the requirements of the Instructions to Bidders.

SIGNATURE OF BIDDER

IF AN INDIVIDUAL:

Name: _____

By: _____
(Signature of Individual)

Doing Business as: _____

Business Address: _____

Telephone Number: _____

IF A PARTNERSHIP:

Partnership Name: _____

By: _____
(Authorized Signature)
(Attach Evidence of Authority to sign as a Partnership)


Name and Title: _____

Business Address: _____

Telephone Number: _____

IF A CORPORATION:

Corporation Name: Cheney Construction, Inc.

By: 
(Authorized Signature)
(Attach Evidence of Authority to sign)

Name and Title: Ronald A. Cheney, President

Business Address: 1125 Hayes Drive

(CORPORATE SEAL)

Manhattan KS 66502

Telephone Number: (785) 776-3204

ATTEST:

By: 
(Authorized Signature)

Name and Title: Shelly Vigoren, Administrative Assistant

IF A JOINT VENTURE: *(Attach copy of Joint Venture Agreement)*

Joint Venture Name: _____

By: _____
(Authorized Signature)
(Attach Evidence of Authority to sign)

Name and Title: _____

Business Address: _____

Telephone Number: _____

Joint Venture Name: _____

By: _____
(Authorized Signature)
(Attach Evidence of Authority to sign)

Name and Title: _____

Business Address: _____

Telephone Number: _____