

DATE: June 10, 2022
TO: SAA Board of Directors
FROM: Tim Rogers and Shelli Swanson
SUBJECT: **June 15, 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.

- MRO business development at the Salina Regional Airport
- Air service development
- 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 May 31, 2022. (Rogers)

Airport Activity – Air Traffic (Rogers)

The Salina air traffic control tower (ATCT) recorded 5,965 operations during May 2022 which was a 9% decrease as compared to the May 2021 total of 6,570. For the year-to-date, a total of 27,804 operations have occurred at the Salina Airport which is 16% less than the May 2021 YTD total of 32,982.

Airport Activity – Fuel Flowage (Rogers)

The May 2022 fuel flowage came in at 132,882 gallons which was 22% less than the May 2021 total of 171,290 gallons. For the year to date a total of 1,036,868 gallons have been delivered which is 34% more than the May 2021 YTD total of 771,768 gallons.

Airport Activity – Passenger Enplanements (Rogers)

During May 2022 SkyWest enplaned 1,813 passengers, which was a 9% increase over the May 2021 total of 1,674 passengers. The May 2022 total passenger count was 3,594 which was a 10% increase over the May 2021 YTD total of 3,260.

Financial Reports – Comments and Notes (Rogers)

Highlights from the May 2022 financials include:

- Unrestricted cash in bank at \$2,118,173 exceeding our 2022 goal of \$1,800,000.
- Other current assets include \$1,194,490 in grants receivable representing the request for reimbursement from KDOT for the progress payment to APAC for the rehabilitation of the north 4,800' of Rwy. 17/35 that occurred this spring. The disbursement from KDOT is expected the week of June 13.
- The notable increase month/month in accounts payable is attributable to the APAC progress payment mentioned above in the amount of \$1,493,112. The local match of \$298,622 will be paid from the SAA's mill levy matching funds on deposit.
- Total YTD income came in \$143,583 ahead of 2021 YTD (12.75%) and is tracking over (5%, \$57,668) the 2022 budget projections.
- Total operating expenses came in 2% under budget and is running 4.29% less than 2021 or \$52,480.
- Net operating income before depreciation equaled \$97,562 YTD at the end of May.

On June 23, 2021, the SAA received a multi-year grant for the design and construction of the rehabilitation of the south 7,500' of Runway 17/35. This grant is using the SAA's \$1,000,000 in annual entitlement funds as a primary commercial service airport. The 2021 federal fiscal year obligation was \$3,116,021 that included banked entitlement dollars for the federal 90% portion and ARPA funding for the traditional 10% local match. On June 2, 2022, the FAA committed to the 2022 \$1,000,000 entitlement funding for this project and \$111,111 in ARPA grant dollars to fund the local share. At the time of grant application, it was unknown if ARPA funds would be available for the location match in FFY 2022. Enclosed you'll find the updated 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.

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

Cash		Show Filters							
Salina Airport Authority									
Transactions by Account									
As of May 31, 2022									
Type	Date	Num	Adj	Name		Memo	Debit	Credit	Balance
Cash in Bank-Bond Funds									2,013,920.28
BSB 2021-1 GO Temp Note (8146)									2,013,920.28
Bill Pmt - Check	05/11/2022	1029		Brian's Paint & Body Repair Shop, Inc.		Term. Bldg. Concourse Improvements - Paint Outdoor Seating Area Furniture		815.00	2,013,105.28
Bill Pmt - Check	05/11/2022	1030		Cheney Construction Inc.		B595 Improvements - Progress pymnt no. 2		152,250.92	1,860,854.36
Bill Pmt - Check	05/11/2022	1031		Hutton Corporation		Bldg. 595 Design Fee - progress pymnt no. 5		4,250.00	1,856,604.36
Bill Pmt - Check	05/11/2022	1032		Midwest Concrete Materials, Inc. (V)		Term. bldg. landscaping		437.50	1,856,166.86
Deposit	05/31/2022					Interest	329.25		1,856,496.11
Total BSB 2021-1 GO Temp Note (8146)							329.25	157,753.42	1,856,496.11
Total Cash in Bank-Bond Funds							329.25	157,753.42	1,856,496.11
TOTAL							329.25	157,753.42	1,856,496.11

Financial Reports – Accounts Receivable Past Due 31 days or more as of June 10,2022 (Rogers)

Account	Amount	Days	Comments
AGCO Corporation	\$577	31-90	Utilities & late fees
Delta Airlines	\$1,840	31-60	Landing Fees & ARFF coverage
Eastern Airlines	\$15,116	31-90	Landing Fees & ARFF coverage
Federal Aviation Administration	\$175	31-60	Level 2 Cleaning Fee
Hale, Max Alan	\$126	31-60	T-hangar rent
Swift Air	\$1,192	31-60	Landing Fees & ARFF coverage

Short-term Leasing Activity

On May 25, 2022, the SAA entered in to a one-year lease renewal with Waste Connections for a 1-acre tract at the Airport Road storage yard. This agreement will generate \$4,145 in land rental per year. Waste Connections has been a tenant in the storage yard since 2019.

Agenda Item #6 – EAS Program Air Carrier Selection Process Update and Discussion. (Rogers and Foss)

Gary Foss will join the meeting to assist me with an update on the status of SkyWest Airlines' plans for continued scheduled air service at Salina. The date for submittal of community comments concerning the SkyWest notice of termination and selection of a replacement air carrier has been extended to Friday, June 24.

Agenda Item #7 – Consideration of SAA Resolution No. 22-05 Declaring the Salina Airport Authority's Intent to Levy a One Mill Tax to Provide Funds to Match Federal or State Grants Relating to the Development, Improvement, Operation, or Maintenance of the Salina Regional Airport. (Rogers)

Enclosed is a copy of SAA Resolution No. 22-05. A declaration of intent to levy up to a 1-mill 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 our September 21, 2022, board meeting

Recommendation: Approval of SAA Resolution No. 22-05 and authorize Chair Buer to sign the resolution.

Agenda Item #8 – Review and Consideration of Bids Received for the Sale of Salina Airport Authority taxable, General Obligation, Temporary Notes, Series 2022-1, in the Amount of \$1,000,000. (Rogers)

Enclosed is a tabulation of bids received for the sale of SAA taxable, general obligation temporary notes. The \$1,000,000 in temporary note funding will be used to design aircraft paint booth improvements at hangar H626, complete H626 asbestos abatement and remove H626 boiler room equipment and associated piping.

Bennington State Bank submitted the low interest rate bid of 2.25% which results in a total interest cost of \$22,125 for the \$1,000,000 temp note issue.

Recommendation: 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 2022-1 to Bennington State Bank.

Agenda Item #9 – Consideration of SAA Resolution No. 22-06 Directing the Issuance, Sale and Delivery of Taxable, General Obligation Temporary Notes, Series 2022-1, in the Amount of \$1,000,000 to Bennington State Bank. (Rogers)

Enclosed is a copy of SAA Resolution No. 22-06 that 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.

A review of the bid submitted by the Bennington State Bank, Salina, KS has been determined to be the best bid received for the sale of the Series 2022-1 general obligation, temporary notes.

Recommendation: Adopt SAA Resolution No. 22-06 using the following motion:

I move that 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.

Please contact us if you have any questions or comments.

DATE: June 10, 2022
TO: Tim Rogers, SAA Board of Directors
FROM: Maynard Cunningham
SUBJECT: **June 15, 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, has begun staging materials and has completed the pre-construction survey of the first phase of runway construction. A pre-construction meeting was held June 8, 2022. The project is scheduled to begin July 5, 2022, with the runway closure scheduled through September 7, 2022.
- **B412 (Century Business Systems), B520 (Salina Development Center)** – SAA maintenance personnel are in-process of demolition and repairs at B420 room 118, and B520 unit A to improve useability of the spaces for prospective tenants.

Current Projects

- **SLN Fuel Facility (PH305)** – SAA entered into an agreement with Jviation for design of a new aviation fuel facility. A Pre-Design Coordination meeting was held May 11, 2022, with personnel from Jviation, SAA, and FAA attending to discuss project design.
- **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, SAA, and 1 Vision personnel met June 9, 2022 for a pre-design meeting to discuss the scope of work for the aircraft paint facility at Hangar 626.
- **H600, Room 100 Conference Room** – Work on HVAC improvements in the H600 conference room began June 3, 2022. Planned improvements include new registers, relocating thermostats, and rerouting duct.
- **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.
- **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. Interior demolition is near completion in the north unit. Building renovations are scheduled to be completed by October.

- **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. Destratification fans have been installed in three of the six planned zones.
- **Terminal Building** –
 - Exterior cameras arrived and have been installed around the SLN Terminal Building.

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), B517(Scientific Engineering, storage), B939 (KHP Training)** – Purchase orders have been issued to Webcon Inc., for roofing repairs at B412 and B939, and to Geisler Roofing for B517.
 - **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 personnel are working with FEMA for possible funding.
 - **Multiple Locations** – FEMA’s team is working on reports from their 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

- **Fire Alarm Systems** - Johnson Controls completed annual inspections of the fire alarm systems in multiple SAA buildings. SAA maintenance personnel completed replacement of fire alarm control panel batteries.
- **PAPI Lights (Precision Approach Path Indicator)** – A FAA flight check was scheduled June 2, 2022. Following adjustments, the flight check was successful and the PAPI lights are operational.
- **B412 (Century Business Systems), B520 (Salina Development Center), B700 (AVFlight)** – Luke Kush’s Painting completed painting the exterior of SAA buildings 412, 520 and 700.





BUSINESS AND COMMUNICATIONS MANAGER

3237 Arnold Ave.
Salina, Kansas 67401

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

DATE: June 10, 2022
TO: Salina Airport Authority Board of Directors
FROM: Kasey L. Windhorst
SUBJECT: June Board Meeting Update

SAA/SLN FCT Letter of Agreement (LOA) and Memorandum of Agreement (MOA)

Salina Airport Authority and SLN Federal Contract Tower (SLN FCT) staff have updated the following Memorandum of Agreement (MOA) and Letter of Agreements (LOA).

1. SAA, SLN FCT, and SFD Interoperability Communications – This MOA between the Salina Airport Authority (SAA), Salina Federal Contract Tower (FCT), and City of Salina Fire Department (SFD) establishes interoperability communication procedures for emergency responders and for all emergency aircraft using direct first-hand information from emergency aircraft.
2. Emergency Services/Aircraft Response Procedures – This LOA established responsibilities and procedures for responding to aircraft emergencies at Salina Regional Airport and Airport Industrial Center properties within the immediate vicinity of the airport.
3. Procedures for Opening and Closings Runways – This LOA establishes responsibilities and procedures for opening and closing runways at Salina Regional Airport.

Additional LOAs will be updated throughout the remainder of the year including but not limited to requirements for operating in runway safety areas, movement and nonmovement areas, surface condition codes, and operation of airport lighting systems.

2022 Operating Budget

Due to inflation resulting in the increasing cost of fuel, supplies, and materials, SAA staff is closely monitoring and taking measures to reduce operating cost and expenses wherever appropriate. Staff is taking a pro-active approach and continuing to closely scrutinize and carefully monitor items such as overtime, fuel cost, office supplies, utilities, and travel expenses.

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

June 15, 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 May 18, 2022, regular board meeting. (Buer)
5. Review of airport activity and financial reports for the month ending May 31, 2022. (Rogers)
6. Review and update of the EAS Program air carrier selection process. (Rogers and Foss)
7. Consideration of SAA Resolution No. 22-05 declaring the Salina Airport Authority's intent to levy a one mill tax to provide funds to match federal or state grants relating to the development, improvement, operation, or maintenance of the Salina Regional Airport. (Rogers)
8. Review and consideration of bids received for the sale of Salina Airport Authority taxable general obligation temporary notes, Series 2022-1. (Rogers)
9. Consideration of SAA Resolution No. 22-06 directing the issuance, sale and delivery of taxable, general obligation temporary notes, Series 2022-1, in the amount of \$1,000,000 of the Salina Airport Authority. (Rogers)

Directors' Forum: (Buer)

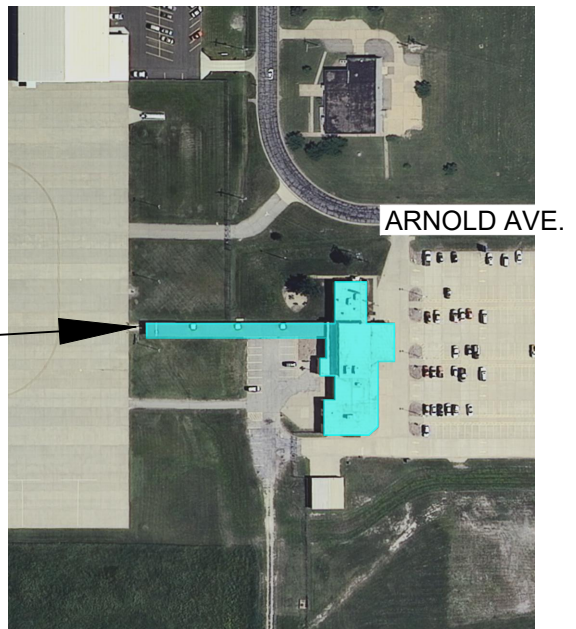
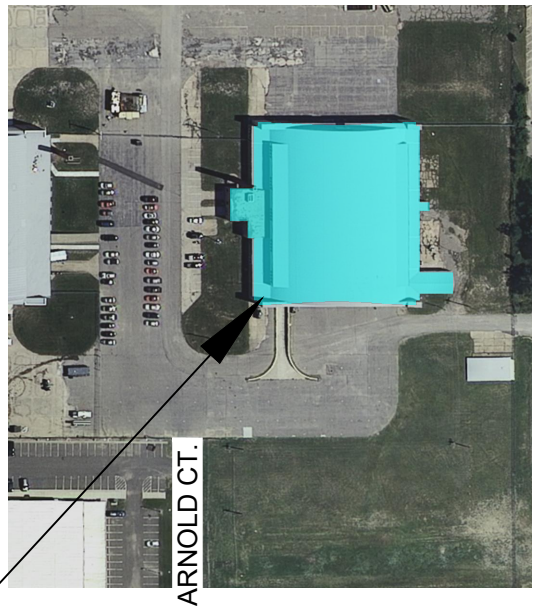
Visitor's Questions and Comments: (Roberg)

Staff Reports: (Rogers)

Announcements: (Windhorst)

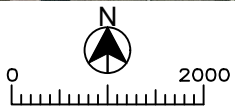
Adjournment: (Buer)





Hangar 626

Terminal Building



Drawing Number 3064-06-22



3237 ARNOLD, SALINA, KS 67401
 (785-827-3914 FAX: 785-827-2221)
 None : REVISIONS
 MWC : DESIGNED BY
 MWC : DRAWN BY
 1" = 2000' : SCALE
 06/10/22, 10:30 : DATE

**MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY
MAY 18, 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 that the board meeting notice was published on Friday, May 13, 2022, and the board packet was published and distributed on Monday, May 16, 2022.

Attendance

Attendance was taken. Chair Buer, Directors Gunn, Roberg, Carlin, and Eichelberger were present. Executive Director Tim Rogers; Director of Administration and Finance Shelli Swanson; Director of Facilities and Construction Maynard Cunningham; Business and Communications Manager Kasey Windhorst; Airport Administration Specialist Michelle Moon; and Attorney Greg Bengtson attended. Guests included Julie Yager-Zuker, Avflight; Michael Bunn, based pilot; Hannah McCune, Clark, Mize and Linville and Tim Unruh. Attending via GTM were guests Gary Foss, ArkStar; Salina Chamber of Commerce Director of Economic and Workforce Development Renee Duxler; David Arteberry, Stiefel; and Mitch Walter, Gilmore & Bell.

Additions to the Agenda

Chair Buer asked if there were any additions to the agenda. There were none. Executive Director 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 April 20, 2022, regular board meeting and the May 5, 2022, special board meeting. Director Eichelberger seconded the motion. Motion carried 5-0.

Airport Activity

Executive Director Rogers reviewed statistics for air traffic, fuel flowage and enplanements for the month of April 2022. SLN ATCT recorded 4,258 operations during April 2022 which was a 51% decrease as compared to the same period last year. The decrease is a result of the 25-day closure of Runway 17/35 for the resurfacing of the north 4,800 feet. Fuel flowage however was up by 4.5% over 2021 due primarily to Dynamic Aviation activity which was not impacted by the runway closure. SkyWest enplaned 1,634 passengers, which was a 81% increase over the April 2021 total of 904 passengers. Passenger enplanements continue to trend ahead of 2020 and 2019.

Financial Reports

Director of Administration and Finance Swanson provided the financial reports for the month ending April 30, 2022. Unrestricted cash in the bank is \$2,090,743. Total year-to-date income is at \$129,801 over the first quarter of 2021 and tracking at 4% over the 2022 budget projections. Total operating expenses are 1% over budget, with seasonal expenses such as regulatory vegetation control, and significant expenses for the terminal building landscaping accounting for the overage.

Operating expenses overall are running 5.2% less than 2021. Net operating income before depreciation equaled \$45,989 year to date at the end of April 2022.

Swanson commented on disbursements from the 2021-1 GO Temporary Note project fund account during April 2022 and reviewed fixed asset addition.

Short-term leasing resulted in five new short-term leases for 2022 which include Gunslinger, 54th Helicopter Squadron, International Aerobatics Club, Sierra Nevada Corp and Bombardier Flight Test Center. The additional short-term leases will generate approximately \$121,775 in revenue.

Review of replacement air carrier proposals submitted to the USDOT for scheduled EAS Program air service.

Executive Director Rogers provided an overview of the proposal submitted by Denver Air Connection, a Key Lime company. Rogers presented the proposal to Saline County and City of Salina officials, gathering responses to the proposal. The USDOT has set a May 20th deadline for community comments. Rogers recommends requesting an extension of the community comments deadline to June 10th.

Gary Foss noted that SkyWest is working on the SLN flight schedules. SkyWest is scheduling 12 weekly flights, tagged with Hays, for Salina. Most of the other served communities are going to 1 flight per week. Foss added details regarding the United Code Share program as compared to the interline agreement.

Rogers briefed the board on current EAS subsidies and compared them to the proposed subsidies required by Denver Air Connection. The board then discussed their concerns and questions regarding Denver Air's proposal, concluding that the best outcome for SLN was to maintain current EAS with SkyWest.

Consideration of SAA Resolution No. 22-04 authorizing the offering for sale taxable general obligation temporary notes, Series 2022-1, in an amount not to exceed \$1,000,000

Executive Director Rogers provided an overview of projects (H606, H626 and pavement improvements). Rogers reviewed the summary of project costs to finance the hangar H626 paint booth design, asbestos abatement and boiler room equipment removal as follows:

Issuance cost:	\$10,730
H626 design:	\$600,000
H626 asbestos abatement:	\$275,000
H626 boiler room equipment demo:	\$114,270
Total:	\$1,000,000

Director of Administration and Finance Swanson reviewed the proposed calendar of events as well as sources and uses of funds. Swanson said that the cost of issuance is estimated at \$10,730 with 3% interest. David Arteberry stated that, by taking a smaller note size, the process is more streamlined and less expensive. Director Gunn moved to approve SAA Resolution No. 22-04 authorizing the offering for sale of taxable General Obligation Temporary Notes, Series 2022-1,

of the Salina Airport Authority and the Financial Advisory Services engagement with Stifel, Nicolaus & Company and authorize Chair Buer to sign both documents. Director Carlin seconded the motion. The motion carried unanimously.

Review and update of December 15, 2021, windstorm damage assessments, repairs completed to date, and FEMA recover assistance

Rogers provided an overview of the storm damage due to the December 15, 2021 windstorm. Swanson discussed FEMA funding for completing windstorm repairs, reimbursement for clean-up costs, and work that can be done to mitigate future and reoccurring windstorm damage. FEMA is completing their damage assessment and will categorize the types of damages and the types of repairs or upgrades that are needed.

Consideration of bids received to repair windstorm damaged roofs at buildings B412, B517, and B939

Director of Administration and Finance Swanson presented the bids received for repairing the wind damaged building roofs as well as the available funding through FEMA. It is anticipated that FEMA will reimburse the SAA in an amount of \$142,584 (85%) of the total repair cost. The summary of bids received is as follows:

Project: Bldg. 412 & 939 TPO Roofing			
December 15, 2021 Storm Damage Repair			
Sponsor: Salina Airport Authority			
Contractor:	WebCon Inc.	Ryan Roofing	Geisler Roofing
Bldg 412	\$ 85,886.00	\$ 80,480.00	\$ 85,417.00
Bldg 939	\$ 62,886.00	\$ 70,658.00	\$ 109,590.91
Total	\$ 148,772.00	\$ 151,138.00	\$ 195,007.91
Labor Warranty (years)	5	15	15
Material Warranty (years)	20	15	15
Material Availability	2 weeks	90 days	30 days

Project: Bldg. 517 Asphalt Shingle Roofing			
December 15, 2021 Storm Damage Repair			
Sponsor: Salina Airport Authority			
Contractor:	Geisler Roofing	Bill's Roofing	Hall Contracting
Bldg 517 Roofing	\$ 14,874.88	\$ 15,354.00	Bid Not Rec'd
Bldg 517 West Addition Demo	\$ 4,100.00	\$ 7,100.00	Bid Not Rec'd
Total	\$ 18,974.88	\$ 22,454.00	\$ -
Labor Warranty (years)	-	10	-
Material Warranty (years)	30	30	-
Material Availability	2 weeks	2 weeks	-
Recommendation	X		

Director Eichelberger moved, seconded by Director Gunn to accept the low bid submitted by WebCon, Inc. for B412 and B939 roof repairs at a cost not to exceed \$148,772 and accept the low bid submitted by Geisler Roofing for B517 roof repairs at a cost not to exceed \$18,975 and authorize executive director Tim Rogers to sign the roofing contracts. Motion carried unanimously.

Visitor's Questions/Comments

Michael Bunn, based pilot and t-hangar tenant at SLN asked for an update on the new hangar construction project. Executive Director Rogers commented that the hangar project is moving forward but the Notice to Proceed is pending the outcome of the FEMA reports. The amount of funds available to direct to the new hangars is inversely linked to the amount necessary to achieve wind damage repairs and achieve the best results for current and future tenants.

Salina Regional Airport Site Visit

SAA board members and guest toured Hangar 626 and Hangar 959. The board reconvened at hangar 600, room 100.

Upon a motion duly made, the meeting adjourned at 10:40 A.M.

Minutes approved at the June 15, 2022, board meeting.

Alan Eichelberger, Secretary

(SEAL)

SALINA AIRPORT AUTHORITY
AIRPORT ACTIVITY REPORT
2022

AIR TRAFFIC/ATCT

May, 2022	5,965 Operations 745 Instrument Operations 445 Peak Day
May, 2021	6,570 Operations 734 Instrument Operations 500 Peak Day
January 2022 - May 2022	27,804 Operations
January 2021 - May 2021	32,982 Operations
January 2020 - May 2020	16,456 Operations

FUEL FLOWAGE

May, 2022	132,882 Gallons
May, 2021	171,290 Gallons
January 2022 - May 2022	1,036,868 Gallons
January 2021 - May 2021	771,768 Gallons
January 2020 - May 2020	731,622 Gallons

		Avflight	
KSU-S	Avflight Salina	Military/Gov't Portion	Self-fuel Station Portion
8,523	124,359	18,661	213
11,658	159,632	610	298
52,787	984,081	305,877	1,352
53,188	718,580	137,154	1,561
20,754	710,868	126,006	606

SkyWest Airlines

	ENPLANEMENTS	DEPLANEMENTS	TOTAL
May, 2022	1,813 Passengers	1,781 Passengers	3,594
May, 2021	1,674 Passengers	1,586 Passengers	3,260
January 2022 - May 2022	7,845 Passengers		
January 2021 - May 2021	4,288 Passengers		
January 2020 - May 2020	4,375 Passengers		

ENPLANEMENTS - Charter Flights

May, 2022	0 Passengers
May, 2021	477 Passengers
January 2022 - May 2022	2,065 Passengers
January 2021 - May 2021	862 Passengers
January 2020 - May 2020	3,949 Passengers

TOTAL ENPLANEMENTS - Scheduled Flights & Charter Flights

May, 2022	1,813 Passengers
May, 2021	2,151 Passengers
January 2022 - May 2022	9,910 Passengers
January 2021 - May 2021	5,150 Passengers
January 2020 - May 2020	8,324 Passengers

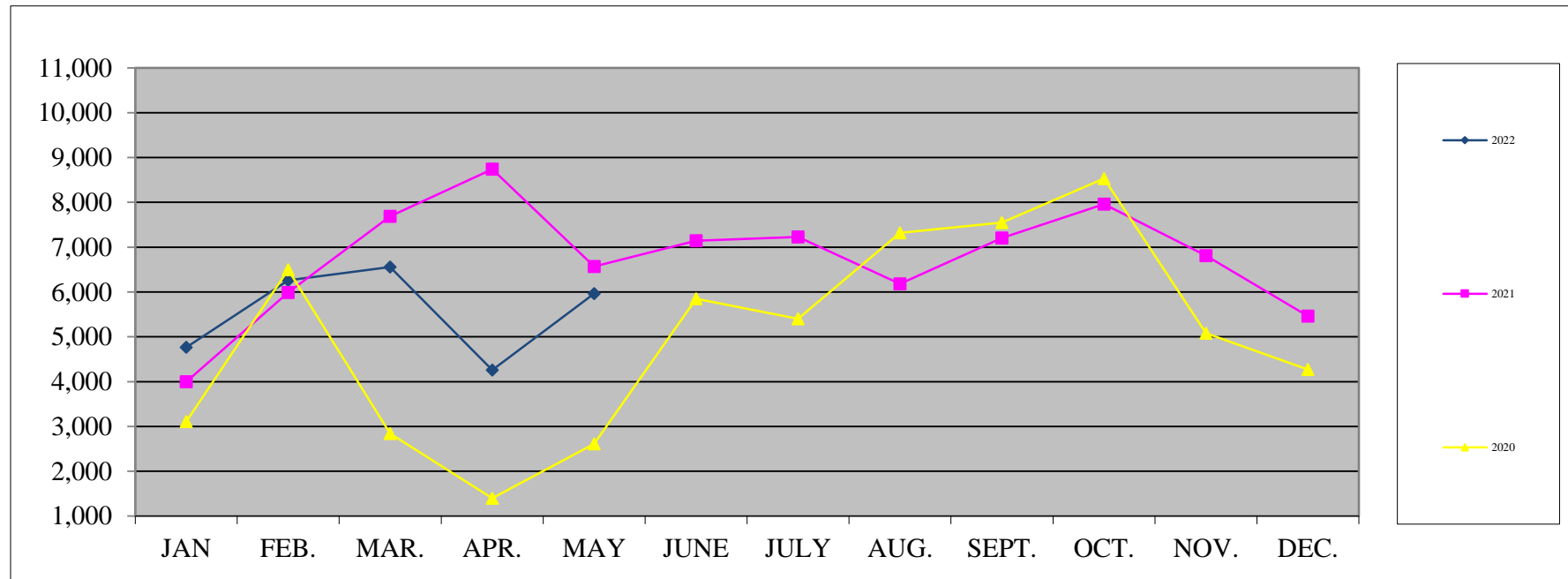
AIRPORT TRAFFIC RECORD

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									
July, 22									
August, 22									
September, 22									
October, 22									
November, 22									
December, 22									
Totals January - May	745	9,389	3,339	963	14,436	12,698	670	13,368	27,804
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									
July, 21									
August, 21									
September, 21									
October, 21									
November, 21									
December, 21									
Totals January - May	605	9,627	3,406	1,187	14,825	16,875	1,282	18,157	32,982
Difference	140	-238	-67	-224	-389	-4,177	-612	-4,789	-5,178
YTD % Change	23%	-2%	-2%	-19%	-3%	-25%	-48%	-26%	-16%
Legend:	AC: Air Carrier		AT: Air Taxi						
	GA: General Aviation		MI: Military						

AIR TRAFFIC

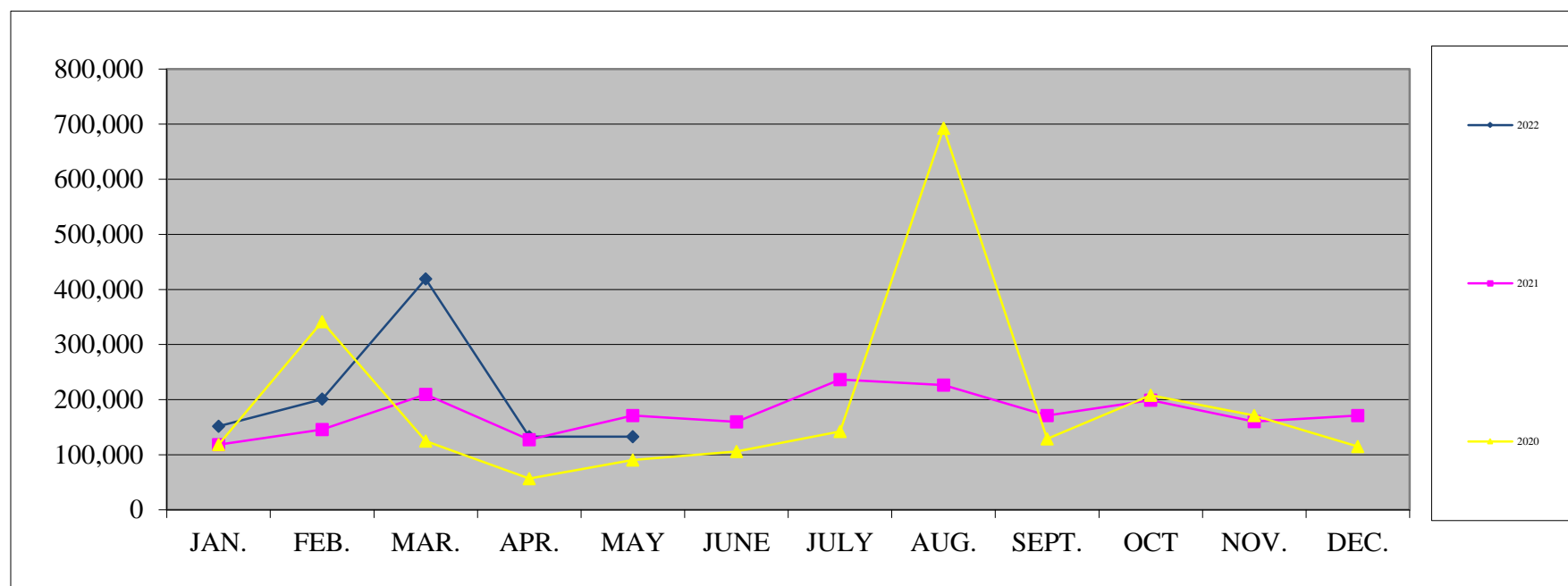
	<u>JAN</u>	<u>FEB.</u>	<u>MAR.</u>	<u>APR.</u>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUG.</u>	<u>SEPT.</u>	<u>OCT.</u>	<u>NOV.</u>	<u>DEC.</u>	<u>TOTAL</u>
2022	4,764	6,260	6,557	4,258	5,965								27,804
2021	3,996	5,989	7,688	8,739	6,570	7,142	7,230	6,181	7,206	7,958	6,808	5,463	80,970
2020	3,109	6,494	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

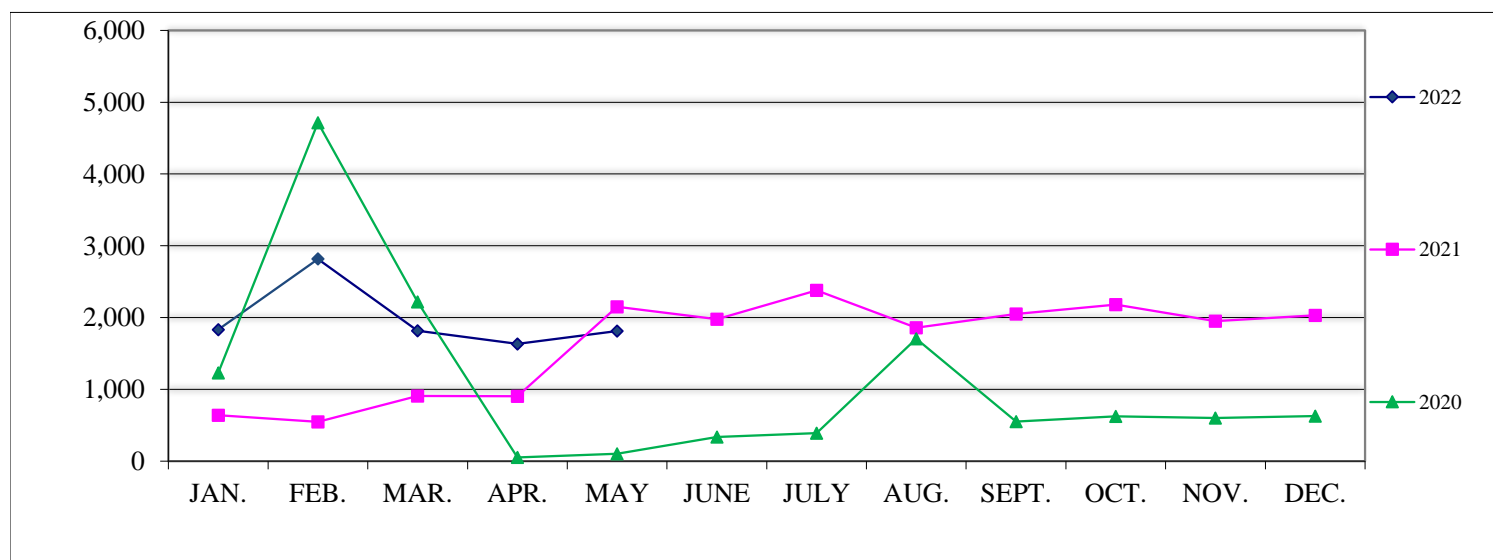
Gallons of Fuel Sold at SLN

	<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	<u>132,882</u>								1,036,868
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								9,910
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
Statement of Net Position Prev Year Comparison
As of May 31, 2022

06/09/2022

	May 31, 22	Apr 30, 22	\$ Change	May 31, 21	\$ Change	% Change
ASSETS						
Current Assets						
Checking/Savings						
Cash in Bank-Bond Funds	1,856,496	2,013,920	-157,424	52,173	1,804,323	3,458%
Cash in bank-Operating Funds	2,118,173	2,090,743	27,430	1,797,242	320,931	18%
Cash in Bank - Mill Levy	2,210,399	2,240,825	-30,426	2,344,243	-133,844	-6%
Total Checking/Savings	6,185,068	6,345,488	-160,420	4,193,658	1,991,410	47%
Accounts Receivable						
Accounts Receivable	54,419	114,603	-60,184	87,427	-33,008	-38%
Total Accounts Receivable	54,419	114,603	-60,184	87,427	-33,008	-38%
Other Current Assets						
Agri Land Receivable	66,760	66,760	0	66,760	0	0%
Mill Levy receivable	1,100,648	1,100,648	0	196,494	904,154	460%
Other current assets	1,384,765	208,548	1,176,217	179,778	1,204,987	670%
Undeposited Funds	10,773	10,870	-97	10,325	448	4%
Total Other Current Assets	2,562,946	1,386,826	1,176,120	453,357	2,109,589	465%
Total Current Assets	8,802,433	7,846,917	955,516	4,734,442	4,067,991	86%
Fixed Assets						
Fixed assets at cost	95,102,569	93,408,592	1,693,977	93,822,350	1,280,219	1%
Less accumulated depreciation	-51,212,665	-50,970,578	-242,087	-51,631,003	418,338	1%
Total Fixed Assets	43,889,904	42,438,014	1,451,890	42,191,347	1,698,557	4%
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	53,777,991	51,370,585	2,407,406	48,158,501	5,619,490	12%
LIABILITIES & EQUITY						
Liabilities						
Current Liabilities						
Accounts Payable						
Accounts payable	1,729,858	240,857	1,489,001	146,644	1,583,214	1,080%
Total Accounts Payable	1,729,858	240,857	1,489,001	146,644	1,583,214	1,080%
Total Credit Cards	0	4,398	-4,398	1,264	-1,264	-100%
Other Current Liabilities						
Accrued debt interest payable	140,368	93,324	47,044	164,184	-23,816	-15%
Debt, current portion	1,710,800	1,710,800	0	3,772,397	-2,061,597	-55%
Deferred Agri Land Revenue	38,943	44,507	-5,564	38,943	0	0%
Deferred Mill Levy revenue	1,432,699	1,637,370	-204,671	1,478,557	-45,858	-3%
Other current liabilities	181,662	270,422	-88,760	176,366	5,296	3%
Total Other Current Liabilities	3,504,472	3,756,423	-251,951	5,630,447	-2,125,975	-38%
Total Current Liabilities	5,234,330	4,001,678	1,232,652	5,778,355	-544,025	-9%
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	29,988,571	28,755,919	1,232,652	26,416,852	3,571,719	14%
Equity						
Invested in Capital Assets net	18,272,130	17,076,869	1,195,261	18,615,064	-342,934	-2%
Net assets, Designated	90,000	90,000	0	90,000	0	0%
Net assets, Unrestricted	4,472,501	5,667,763	-1,195,262	2,492,119	1,980,382	79%
Net Income	954,789	-219,965	1,174,754	544,467	410,322	75%
Total Equity	23,789,420	22,614,667	1,174,753	21,741,650	2,047,770	9%
TOTAL LIABILITIES & EQUITY	53,777,991	51,370,586	2,407,405	48,158,502	5,619,489	12%

Salina Airport Authority
Profit & Loss Budget Performance
May 2022

4:53 PM
06/09/2022
Accrual Basis

	May 22	Jan - May 22	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Ordinary Income/Expense						
Income						
Airfield revenue						
Fuel Flowage Fees	11,508	92,590	75,000	17,590	123%	180,000
Hangar rent	79,854	356,834	339,583	17,251	105%	815,000
Landing fees	2,891	21,196	12,688	8,508	167%	30,450
Ramp rent	5,435	28,275	27,083	1,192	104%	65,000
Total Airfield revenue	99,688	498,895	454,354	44,541	110%	1,090,450
Building and land rent						
Agri land rent	6,063	28,317	27,917	400	101%	67,000
Building rents - Long Term						
Short-term leasing	37,969	189,605	221,854	-32,249	85%	532,450
Building rents - Long Term - Other	77,279	386,875	340,646	46,229	114%	817,550
Total Building rents - Long Term	115,248	576,480	562,500	13,980	102%	1,350,000
Land rent						
Basic Land Rent	17,452	68,023	67,739	284	100%	162,573
Property tax - tenant share	8,952	44,761	44,761	0	100%	107,427
Total Land rent	26,404	112,784	112,500	284	100%	270,000
Tank rent	1,220	6,100	5,850	250	104%	14,040
Total Building and land rent	148,935	723,681	708,767	14,914	102%	1,701,040
Other revenue						
Airport Marketing	0	0	10,417	-10,417	0%	25,000
ARFF Training	0	0	0	0	0%	0
Commissions	1,386	8,960	7,917	1,043	113%	19,000
Other income	6,288	38,420	30,833	7,587	125%	74,000
Total Other revenue	7,674	47,380	49,167	-1,787	96%	118,000
Total Income	256,297	1,269,956	1,212,288	57,668	105%	2,909,490
Gross Revenue	256,297	1,269,956	1,212,288	57,668	105%	2,909,490
Expense						
Administrative expenses						
A/E, consultants, brokers	0	3,035	14,167	-11,132	21%	34,000
Airport promotion	9,944	82,500	102,083	-19,583	81%	245,000
Bad Debt Expense	0	0	2,083	-2,083	0%	5,000
Computer/Network Admin.	3,859	14,596	11,875	2,721	123%	28,500
Dues and subscriptions	1,813	10,599	11,458	-859	93%	27,500
Employee retirement	6,503	35,431	33,370	2,061	106%	80,088
FICA and medicare tax expense	5,568	30,029	27,982	2,047	107%	67,157
Industrial development	4,792	23,958	25,000	-1,042	96%	60,000
Insurance , property	19,167	96,748	95,833	915	101%	230,000
Insurance, medical	319	65,367	91,667	-26,300	71%	220,000
Kansas unemployment tax	0	209	417	-208	50%	1,000
Legal and accounting	0	8,516	19,125	-10,609	45%	45,900
Office salaries	40,080	225,019	229,167	-4,148	98%	550,000
Office Supplies	439	4,035	3,398	637	119%	8,155
Other administrative expense	1,276	5,387	7,500	-2,113	72%	18,000
Postage	76	640	850	-210	75%	2,040
Property tax expense	12,047	60,235	60,235	0	100%	144,565
Special Events	378	378	625	-247	60%	1,500
Telephone	1,247	7,409	10,417	-3,008	71%	25,000
Training	0	1,000	4,167	-3,167	24%	10,000
Travel and meetings	0	6,814	4,167	2,647	164%	10,000
Total Administrative expenses	107,508	681,905	755,586	-73,681	90%	1,813,405

	May 22	Jan - May 22	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Maintenance expenses						
Airfield maintenance	787	19,116	20,833	-1,717	92%	50,000
Airport Security	0	43	3,333	-3,290	1%	8,000
Building maintenance	26,449	103,876	62,500	41,376	166%	150,000
Equipment fuel and repairs	4,169	36,219	37,500	-1,281	97%	90,000
Fire Services	0	4,518	13,229	-8,711	34%	31,750
Grounds maintenance	7,897	15,912	6,250	9,662	255%	15,000
Maintenance salaries	33,464	171,428	159,218	12,210	108%	382,124
Other maintenance expenses	778	5,744	8,333	-2,589	69%	20,000
Snow removal expense	0	8,740	8,333	407	105%	20,000
Utilities	19,132	124,893	125,000	-107	100%	300,000
Total Maintenance expenses	92,676	490,489	444,529	45,960	110%	1,066,874
Total Expense	200,184	1,172,394	1,200,115	-27,721	98%	2,880,279
Net Ordinary Income	56,113	97,562	12,173	85,389	801%	29,211
Other Income/Expense						
Other Income						
Capital contributed	1,202,740	1,278,012	2,576,513	-1,298,501	50%	6,183,632
Gain on sale of assets	0	0	10,000	-10,000	0%	20,000
Interest income						
Interest income on deposits	360	1,940	625	1,315	310%	1,500
Total Interest income	360	1,940	625	1,315	310%	1,500
Mill levy income	204,671	1,023,356	1,023,356	0	100%	2,456,055
Total Other Income	1,407,771	2,303,308	3,610,494	-1,307,186	64%	8,661,187
Other Expense						
Debt interest expense net						
Bond issue cost	0	426	45,000	-44,574	1%	45,000
Interest Expense on Debt	47,044	235,221	235,221	0	100%	564,530
Total Debt interest expense net	47,044	235,647	280,221	-44,574	84%	609,530
Depreciation expense	242,087	1,210,435	1,210,435	0	100%	2,905,044
Total Other Expense	289,131	1,446,082	1,490,656	-44,574	97%	3,514,574
Net Other Income	1,118,640	857,226	2,119,838	-1,262,612	40%	5,146,613
Net Income	1,174,753	954,788	2,132,011	-1,177,223	45%	5,175,824

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

5:02 PM
06/09/2022
Accrual Basis

	Jan - May 22	Jan - May 21	\$ Change	% Change
Ordinary Income/Expense				
Income				
Airfield revenue				
Fuel Flowage Fees	92,590.10	65,474.51	27,115.59	41.41%
Hangar rent	356,833.65	292,021.79	64,811.86	22.19%
Landing fees	21,196.41	11,430.10	9,766.31	85.44%
Ramp rent	28,275.00	26,545.00	1,730.00	6.52%
Total Airfield revenue	498,895.16	395,471.40	103,423.76	26.15%
Building and land rent				
Agri land rent	28,316.65	27,816.65	500.00	1.8%
Building rents - Long Term				
Short-term leasing	189,605.00	176,526.96	13,078.04	7.41%
Building rents - Long Term - Other	386,875.45	378,627.48	8,247.97	2.18%
Total Building rents - Long Term	576,480.45	555,154.44	21,326.01	3.84%
Land rent				
Basic Land Rent	68,022.50	66,282.44	1,740.06	2.63%
Property tax - tenant share	44,761.05	47,260.00	-2,498.95	-5.29%
Total Land rent	112,783.55	113,542.44	-758.89	-0.67%
Tank rent	6,100.00	5,835.00	265.00	4.54%
Total Building and land rent	723,680.65	702,348.53	21,332.12	3.04%
Other revenue				
Commissions	8,959.89	4,666.08	4,293.81	92.02%
Other income	38,420.19	23,886.76	14,533.43	60.84%
Total Other revenue	47,380.08	28,552.84	18,827.24	65.94%
Total Income	1,269,955.89	1,126,372.77	143,583.12	12.75%
Gross Profit	1,269,955.89	1,126,372.77	143,583.12	12.75%
Expense				
Administrative expenses				
A/E, consultants, brokers	3,035.00	21,402.80	-18,367.80	-85.82%
Airport promotion				
Air Serv. Mktg - SAA	79,768.42	85,981.11	-6,212.69	-7.23%
Airport promotion - Other	2,731.28	1,599.42	1,131.86	70.77%
Total Airport promotion	82,499.70	87,580.53	-5,080.83	-5.8%
Bad Debt Expense	0.00	107.00	-107.00	-100.0%
Computer/Network Admin.	14,595.67	11,409.29	3,186.38	27.93%
Dues and subscriptions	10,598.88	10,075.00	523.88	5.2%
Employee retirement	35,431.27	33,968.18	1,463.09	4.31%
FICA and medicare tax expense	30,029.12	26,077.34	3,951.78	15.15%
Industrial development	23,958.35	11,875.00	12,083.35	101.76%
Insurance , property	96,748.15	85,416.65	11,331.50	13.27%
Insurance, medical	65,367.14	67,858.08	-2,490.94	-3.67%
Kansas unemployment tax	209.44	1,949.92	-1,740.48	-89.26%
Legal and accounting	8,515.70	24,978.10	-16,462.40	-65.91%
Office salaries	225,018.72	207,050.11	17,968.61	8.68%
Office Supplies	4,035.31	3,416.80	618.51	18.1%
Other administrative expense				
Merchant Processing Fees	3,250.15	4,882.73	-1,632.58	-33.44%
Other administrative expense - Other	2,136.58	2,001.25	135.33	6.76%
Total Other administrative expense	5,386.73	6,883.98	-1,497.25	-21.75%
Postage	640.10	664.34	-24.24	-3.65%
Property tax expense	60,235.40	71,189.15	-10,953.75	-15.39%
Special Events	377.50	0.00	377.50	100.0%
Telephone	7,409.32	9,651.87	-2,242.55	-23.23%
Training	1,000.00	289.95	710.05	244.89%
Travel and meetings	6,813.62	1,525.40	5,288.22	346.68%
Total Administrative expenses	681,905.12	683,369.49	-1,464.37	-0.21%

	Jan - May 22	Jan - May 21	\$ Change	% Change
Maintenance expenses				
Airfield maintenance	19,116.29	25,274.11	-6,157.82	-24.36%
Airport Security	42.86	4,071.57	-4,028.71	-98.95%
Building maintenance	103,876.17	67,225.72	36,650.45	54.52%
Equipment fuel and repairs	36,218.93	42,392.50	-6,173.57	-14.56%
Fire Services	4,517.50	473.07	4,044.43	854.93%
Grounds maintenance	15,911.86	4,553.81	11,358.05	249.42%
Maintenance salaries				
COVID-19 Compensation	0.00	343.00	-343.00	-100.0%
Maintenance salaries - Other	171,428.10	141,722.22	29,705.88	20.96%
Total Maintenance salaries	171,428.10	142,065.22	29,362.88	20.67%
Other maintenance expenses	5,743.59	7,405.34	-1,661.75	-22.44%
Snow removal expense	8,740.00	2,684.74	6,055.26	225.54%
Utilities	124,892.72	245,357.43	-120,464.71	-49.1%
Total Maintenance expenses	490,488.02	541,503.51	-51,015.49	-9.42%
Uncategorized Expenses	0.00	0.00	0.00	0.0%
Total Expense	1,172,393.14	1,224,873.00	-52,479.86	-4.29%
Net Ordinary Income	97,562.75	-98,500.23	196,062.98	199.05%
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	1,202,739.72	75,110.27	1,127,629.45	1,501.3%
Total Capital contributed	1,278,011.51	1,041,311.02	236,700.49	22.73%
Gain on sale of assets	0.00	-150.00	150.00	100.0%
Interest income				
Interest income on deposits	1,940.10	419.96	1,520.14	361.97%
Total Interest income	1,940.10	419.96	1,520.14	361.97%
Mill levy income	1,023,356.25	1,056,112.10	-32,755.85	-3.1%
Total Other Income	2,303,307.86	2,097,693.08	205,614.78	9.8%
Other Expense				
Debt interest expense net				
Bond issue cost	425.50	0.00	425.50	100.0%
Interest Expense on Debt	235,221.00	268,025.00	-32,804.00	-12.24%
Total Debt interest expense net	235,646.50	268,025.00	-32,378.50	-12.08%
Depreciation expense	1,210,434.80	1,186,700.85	23,733.95	2.0%
Total Other Expense	1,446,081.30	1,454,725.85	-8,644.55	-0.59%
Net Other Income	857,226.56	642,967.23	214,259.33	33.32%
Net Income	<u>954,789.31</u>	<u>544,467.00</u>	<u>410,322.31</u>	<u>75.36%</u>

Salina Airport Authority
Capital Additions Budget vs. Actual
As of May 31, 2022

5:13 PM
06/09/2022
Accrual Basis

	May 22	Jan - May 22	Annual Budget	+/- Annual Budget	% of Annual Budget
ASSETS					
Fixed Assets					
Fixed assets at cost					
Airfield					
AIP-42 Rwy 17/35 Rehab	2,860	8,250	3,872,315	-3,864,065	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	1,305	8,900	1,393,302	-1,384,402	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.	1,554,615	1,561,448	1,691,185	-129,737	92%
North Ramp Development	3,032	10,532	7,500	3,032	140%
Rwys 17/35 - 12/30 LED Lighting		0	175,000	-175,000	0%
Total Airfield	1,561,812	1,675,282	9,278,875	-7,603,593	18%
Buildings & Improvements					
Bldg. 120 Terminal building					
Concourse Imps.	16,755	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	1,251	155,170	-153,919	1%
Terminal Bldg. Other		0	15,000	-15,000	0%
Total Bldg. 120 Terminal building	18,006	321,534	581,777	-260,243	55%
Building improvements					
2021-12-15 Storm Damage	342	32,523	1,000,000	-967,477	3%
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.		0	35,000	-35,000	0%
Bldg. 520 Imps.	11,147	26,836	50,000	-23,164	54%
Bldg. 595 Improvements Const.	84,861	237,112	1,664,000	-1,426,888	14%
Bldg. 595 Improvements Design		76,450	80,700	-4,250	95%
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	9,975	15,095	16,490	-1,395	92%
Hangar 959 Rehabilitation	6,398	36,059	32,725	3,334	110%
Total Building improvements	112,723	584,048	3,185,806	-2,601,758	18%
FBO Improvements					
Bldg. 700 Imps. Avflight North	0	0	45,000	-45,000	0%
Hangar 409-1 Imps Avflight So.	0	0	10,000	-10,000	0%
Total FBO Improvements	0	0	55,000	-55,000	0%
Total Buildings & Improvements	130,729	905,582	3,822,583	-2,917,001	24%
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	1,437	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	1,437	-8,045	167,500	-175,545	-5%
Land					
Airport Indust. Cent. Imps.					
AIC-City-Wide Storage Tract Imp	0	0	15,000	-15,000	0%
Airport Indust. Cent. Imps. - Other	0	0	3,000	-3,000	0%
Total Airport Indust. Cent. Imps.	0	0	18,000	-18,000	0%
Rail Spur Imps.	0	0	20,000	-20,000	0%
Total Land	0	0	38,000	-38,000	0%
Total Fixed assets at cost	1,693,978	2,572,819	13,306,958	-10,734,139	19%
Total Fixed Assets	1,693,978	2,572,819	13,306,958	-10,734,139	19%
TOTAL ASSETS	1,693,978	2,572,819	13,306,958	-10,734,139	19%

Salina Airport Authority

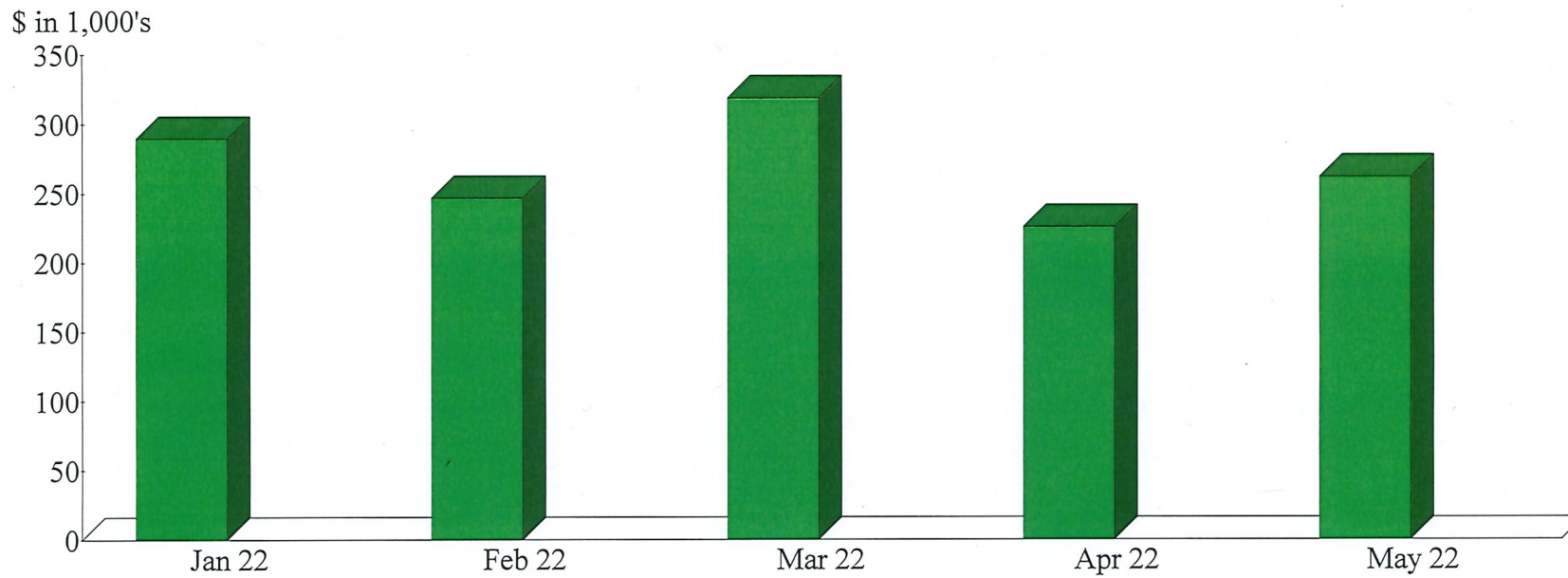
Significant Capital Expenditures Detail

May 2022

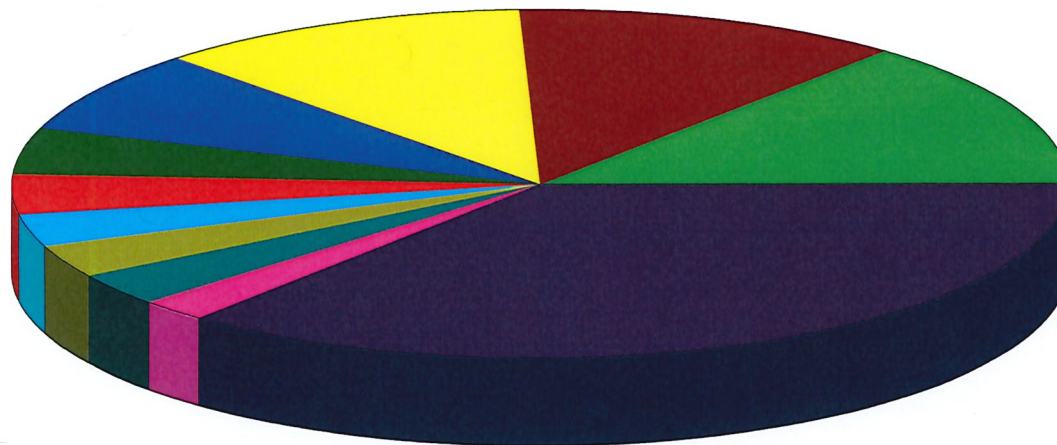
Type	Date	Name	Memo	Amount	Balance
Fixed assets at cost					
Airfield					
AIP-XX Rwy 12/30 Rehab Design					
Bill	05/10/2022	Jviation Inc	Runway 12/30 Rehab Design - pavement investigation	2,860.00	2,860.00
			Total AIP-XX Rwy 12/30 Rehab Design	2,860.00	2,860.00
AIP-XX Terminal Bldg. Expansion					
Bill	05/31/2022	Coffman Associates, Inc.	Term. Bldg. Expansion project - progress pymnt	1,305.00	1,305.00
			Total AIP-XX Terminal Bldg. Expansion	1,305.00	1,305.00
KAIP-2022 Rwy 17/35 N 4,800ft.					
Bill	05/10/2022	Jviation Inc	Construction Administration, On-Site Coordination Final	61,502.40	61,502.40
Bill	05/23/2022	APAC-Kansas, Inc., Shears Div.	Runway 17/35 North 4800 rehab pavement - Progress Payment No. 1	1,493,112.15	1,554,614.55
			Total KAIP-2022 Rwy 17/35 N 4,800ft.	1,554,614.55	1,554,614.55
North Ramp Development					
Bill	05/31/2022	Coffman Associates, Inc.	North Ramp Env. Services	3,032.00	3,032.00
			Total North Ramp Development	3,032.00	3,032.00
			Total Airfield	1,561,811.55	1,561,811.55
Buildings & Improvements					
Bldg. 120 Terminal building					
Concourse Imps.					
Bill	05/03/2022	American Sand & Gravel, LLC	Term. Bldg. landscaping	392.87	392.87
Bill	05/13/2022	Kanza Organics	10.3 TN 2 x 4 rock	1,442.00	1,834.87
Bill	05/31/2022	Glass Services, Inc.	Install glass pane, concourse	595.00	2,429.87
Bill	05/31/2022	Hutton Corporation	Pay estimate #9 for 212204 Concourse Remodel	14,324.90	16,754.77
			Total Concourse Imps.	16,754.77	16,754.77
South overflow parking It const					
Bill	05/31/2022	Evergy - Salina	S. overflow parking - relocate guy wires	1,251.00	1,251.00
			Total South overflow parking It const	1,251.00	1,251.00
			Total Bldg. 120 Terminal building	18,005.77	18,005.77
Building Improvements					
2021-12-15 Storm Damage					
Bill	05/06/2022	Fastenal Company Inc.	Screws and washers, B723 wind damage repairs	72.83	72.83
Bill	05/06/2022	Fastenal Company Inc.	screws and washers, H626 wind damage repair	268.90	341.73
			Total 2021-12-15 Storm Damage	341.73	341.73
Bldg. 520 Imps.					
Bill	05/26/2022	Luminous Neon Inc.	J01530-Final Payment remove/replace double face, internally illuminat...	11,147.05	11,147.05
			Total Bldg. 520 Imps.	11,147.05	11,147.05
Bldg. 595 Improvements Const.					
Bill	05/25/2022	Cheney Construction Inc.	B595 Improvements - Progress pymnt no. 2	84,860.95	84,860.95
			Total Bldg. 595 Improvements Const.	84,860.95	84,860.95
Hangar 600 Improvements					
Bill	05/27/2022	Callabresi Heating & Cooling, Inc.	Furnish and install Trane 4 TN Condensor H600 2nd Floor south class...	9,975.00	9,975.00
			Total Hangar 600 Improvements	9,975.00	9,975.00
Hangar 959 Rehabilitation					
Bill	05/26/2022	Glass Services, Inc.	install 1 white 800 series window, remove existing window	6,398.00	6,398.00
			Total Hangar 959 Rehabilitation	6,398.00	6,398.00
			Total Building improvements	112,722.73	112,722.73
			Total Buildings & Improvements	130,728.50	130,728.50
Equipment					
Shop equipment					
Bill	05/03/2022	Salina Supply Company, Inc.	EZ H2O Cooler, Bottle Filler, installed	1,436.81	1,436.81
			Total Shop equipment	1,436.81	1,436.81
			Total Equipment	1,436.81	1,436.81
			Total Fixed assets at cost	1,693,976.86	1,693,976.86
TOTAL				1,693,976.86	1,693,976.86

Sales by Month
January through May 2022

Dollar Sales



Sales Summary
January through May 2022

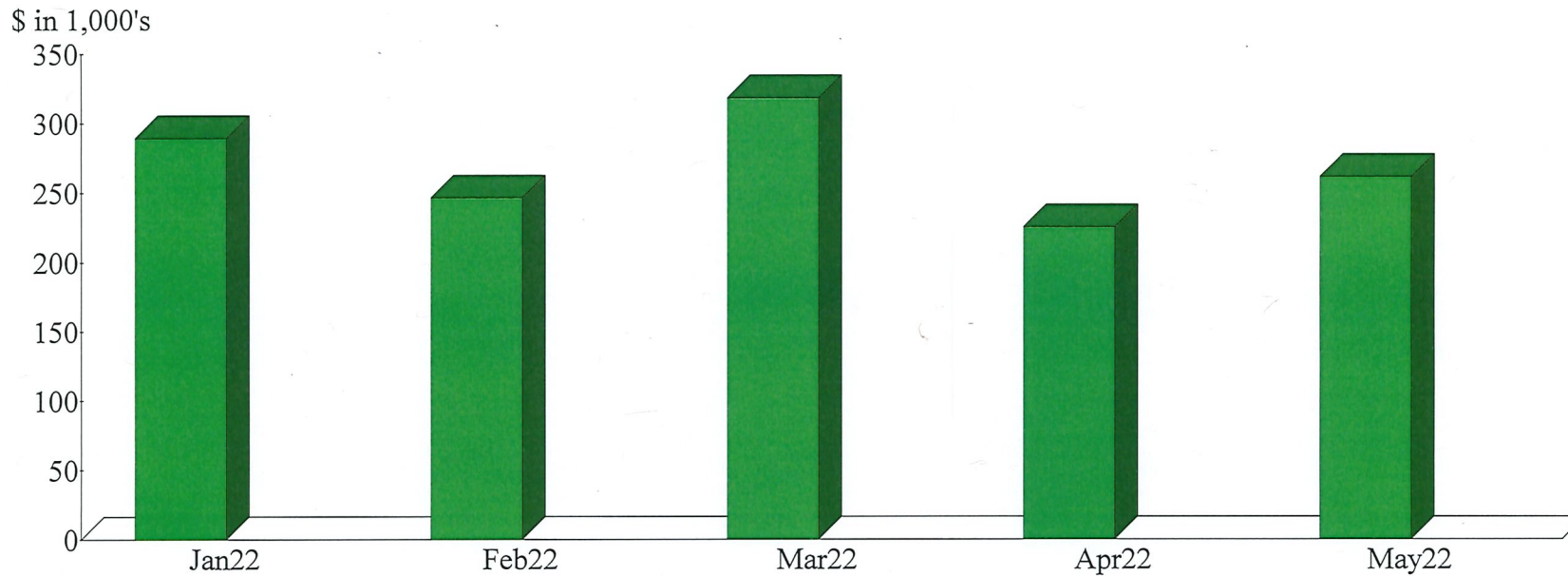


Kansas Erosion Products, LLC.	13.77%
Avflight Salina	12.04
1 Vision Aviation, PLLC	11.49
Stryten Salina, LLC	7.75
SFC Global Supply Chain	4.32
Universal Forest Products (UFP)	3.81
K-State Salina	3.18
Marine Forces Reserve MAG-49	3.10
108th Aviation Regiment	3.07
Nellis AFB	2.11
Other	35.36
Total	\$1,341,169.88

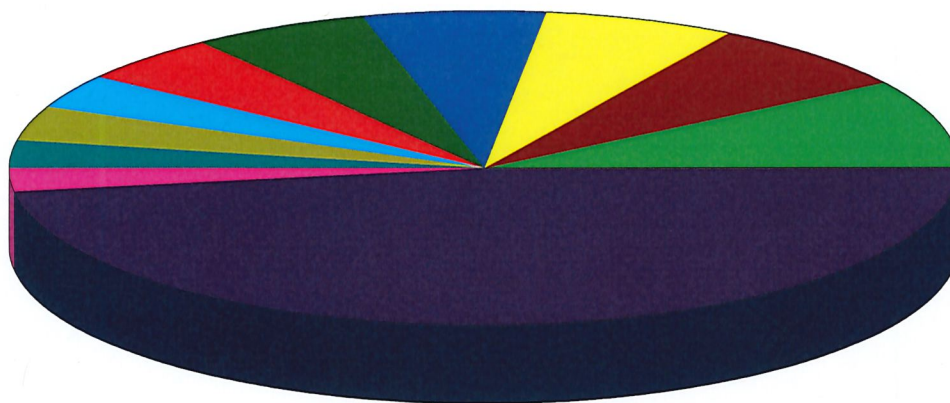
By Customer

Sales by Month
January through May 2022

Dollar Sales



Sales Summary
January through May 2022



H-00959-1 (Hangar Facility H959 - 2044 S	9.14%
B-01021 (Building #1021 located at 3600	7.35
B-00655-3 (Bldg. #655 (96,611 SF) - 2656	6.55
FFF-Avflight Salina (Fuel Flowage Fee @	6.35
Utility Reimbursement (Utility Reimburse	6.05
H-0600-1 (Hangar 600 - 20,217 sq. ft.)	5.02
Insurance(CP) (Insurance Reimbursement)	3.65
B-00620-1 (Building #620 (30,000 SF) an	3.56
B-00626-1 (Manufacturing facility #626 (3.02
H-0509-2 (Hangar 509 Rental - Overnight	2.46
Other	46.84
Total	\$1,341,169.88

By Item

PROJECT BUDGET

SALINA REGIONAL AIRPORT
SALINA AIRPORT AUTHORITY
SALINA, KANSAS
Rehabilitate South 7500' Rwy 17/35
F.A.A. A.I.P. P.N 3-20-0072-42-2021

Updated 6/10/2022

Multi-Year Grant

COSTS:

	Sponsor Funding	FAA Funding	TOTAL
ADVERTISING AND ADMINISTRATION			
Advertisement-Construction	\$ 3.92	\$ 1,791.08	\$ 1,795.00
Legal	0.73	335.69	336.42
Advertising and Adminstration Sub-Total =	\$4.66	\$ 2,126.76	\$2,131.42
ENGINEERING SERVICES			
Basic Services	\$ 781.91	\$ 357,130.67	\$ 357,912.58
Special Services	647.94	295,941.06	296,589.00
Engineering Services Sub-Total =	1,429.85	653,071.73	654,501.58
CONSTRUCTION COST			
Construction Eligible	\$ 8,005.49	\$ 3,656,891.51	\$ 3,664,897.00
Construction Ineligible (SAA Insurance)	1.00	-	1.00
Construction Cost Sub-Total =	\$ 8,006.49	\$ 3,656,891.51	\$ 3,664,898.00
TOTAL PROJECT COST =	\$ 9,441.00	\$ 4,312,090.00	\$ 4,321,531.00
Truncate cents (fed share)			
	\$9,441.00	\$4,312,090.00	\$ 4,321,531.00
In FFY 2021, ARPA grant funded local match	FY 2021 \$ 1.00	\$ 3,116,021.00	\$ 3,116,022.00
In FFY 2022, ARPA grant funded local match	FY 2022 -	1,111,111.00	1,111,111.00
It is unknown if ARPA funds will be available for 2023 for local match	FY 2023 9,440.00	84,958.00	94,398.00
	\$ 9,441.00	\$ 4,312,090.00	\$ 4,321,531.00



U.S. Department
of Transportation
**Federal Aviation
Administration**

Airports Division
Central Region
Iowa, Kansas, Missouri, Nebraska

FAA ACE-621E
901 Locust
Kansas City, MO 64106

June 2, 2022

Mr. Timothy F. Rogers
Executive Director
Salina Regional Airport
M.J. Kennedy Air Terminal
3237 Arnold Avenue
Salina, KS 67401

Dear Mr. Rogers:

Salina Regional Airport
AIP No 3-20-0072-042-2021
UEI No U52XQG5AF6N9
Multi-Year Letter Amendment (Amendment No. 1)

This letter transmits the Federal Aviation Administration's (FAA) fiscal year (FY) 2022 statement of the maximum obligation for the multi-year Grant Agreement for Airport Improvement Project No. 3-20-0072-042-2021.

The above-captioned grant agreement commits the United States to the obligation of additional amounts to this project, as authorized by Title 49, U.S.C., Section 47108(b), as amended. For FY2022, this additional amount is \$1,111,111.

The current maximum obligation, including FY2022 funds, for this agreement is now \$4,227,132. For the purposes of any future grant amendments which may increase the maximum obligation of the United States under the provisions of Title 49, U.S.C., Section 47108(b), as amended, the following amounts are being specified for this purpose.

\$ 0.00 for planning
\$ 4,227,132 for airport development or noise program implementation

All other terms and conditions of the Grant Agreement remain in full force and effect.

Under the terms of the Grant Agreement, this document is incorporated into and constitutes Amendment No. 1 to the above referenced Grant Agreement.

Sincerely,

Jim A. Johnson
Manager, Airports Division

RESOLUTION NUMBER 22-05

A RESOLUTION DECLARING THE INTENT OF THE BOARD OF DIRECTORS OF THE SALINA AIRPORT AUTHORITY TO LEVY A TAX NOT TO EXCEED ONE MILL TO PROVIDE MATCHING FUNDS TO QUALIFY FOR ANY FEDERAL OR STATE GRANT RELATING TO THE DEVELOPMENT, IMPROVEMENT, OPERATION OR MAINTENANCE OF THE PUBLIC AIRPORT NOT OTHERWISE AVAILABLE FROM REVENUES OF THE AIRPORT FACILITY AND DIRECTING THE PUBLICATION OF NOTICE OF THE INTENTION TO MAKE SUCH ADDITIONAL LEVY.

BE IT RESOLVED by the Board of Directors of the Salina Airport Authority (the “Authority”):

1. Pursuant to K.S.A. 27-322(b), if the Authority is required to provide matching funds to qualify for any federal or state grant relating to the development, improvement, operation or maintenance of the public airport, and such funds are not otherwise available from revenues of the airport facility (“Matching Funds”), the Authority may levy a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city.
2. In anticipation of the requirement to provide Matching Funds, the Board of Directors declares its intent to levy for that purpose a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city.
3. As required by K.S.A. 27-322(b), the Board of Directors directs Salina Airport Authority staff to cause the following notice of its intent to be published in the *Salina Journal* once each week for two consecutive weeks:

NOTICE (K.S.A. 27-322(b))

The Board of Directors of the Salina Airport Authority intends pursuant to K.S.A. 27-322(b) to levy a tax not to exceed one mill upon each dollar of the assessed tangible valuation of the property of the city for when the Authority is required to provide matching funds to qualify for any federal or state grant relating to the development, improvement, operation or maintenance of the public airport, and such funds are not otherwise available from revenues of the airport facility.

This notice shall be published once each week for two consecutive weeks. If within 30 days next following the last publication of this notice a petition signed by not less than 5% of the qualified electors of the city requesting an election on the question of levying the additional mill authorized by K.S.A. 27-322(b) is filed with the City Clerk, an election on the question shall be noticed, called and held in the manner prescribed under the general bond law. If a majority of the qualified electors of the city voting at

such election vote “no” on the question of levying the additional mill, no levy shall be made under this subsection.

Salina Airport Authority
Kent Buer, Chair

4. This resolution shall be in full force and effect following its adoption this 15th day of June 2022.

Kent Buer, Board Chair

ATTEST:

Alan Eichelberger, Board Secretary

\$1,000,000
Salina Airport Authority
Taxable General Obligation Temporary Notes
Series 2022-1

Bid Tabulation Sheet

Bid Date: June 3, 2022
Dated and Delivery: July 7, 2022
Maturity Date: July 1, 2023
First Call Date: December 1, 2022

Bidder	Average Coupon	Total Interest to Maturity
1. Bennington State Bank	2.2500%	\$22,125.00
2. First Bank Kansas	2.3600%	\$23,206.67
3. The Plains State Bank	3.4100%	\$33,531.67

Salina Airport Authority

Taxable General Obligation Temporary Notes

Series 2022-1

(Hangar 626 Paint Facility Design)

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Detail Costs Of Issuance	4

Salina Airport Authority

Taxable General Obligation Temporary Notes

Series 2022-1

(Hangar 626 Paint Facility Design)

Sources & Uses

Dated 07/07/2022 | Delivered 07/07/2022

Sources Of Funds

Par Amount of Bonds	\$1,000,000.00
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Total Sources	\$1,000,000.00
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Uses Of Funds

Costs of Issuance	10,730.00
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Deposit to Project Construction Fund	989,270.00
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Total Uses	\$1,000,000.00
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Salina Airport Authority

Taxable General Obligation Temporary Notes

Series 2022-1

(Hangar 626 Paint Facility Design)

Debt Service To Maturity And Call

Date	Princ. to Call	D/S To Call	Principal	Coupon	Interest	D/S To Maturity
07/07/2022	-	-	-	-	-	-
12/01/2022	1,000,000.00	1,009,000.00	-	-	-	-
07/01/2023	-	-	1,000,000.00	2.250%	22,125.00	1,022,125.00
Total	\$1,000,000.00	\$1,009,000.00	\$1,000,000.00	-	\$22,125.00	\$1,022,125.00

Yield Statistics

Average Life	0.983 Years
Average Coupon	2.2500000%
True Interest Cost (TIC)	2.2378984%
All Inclusive Cost (AIC)	3.3503053%
Bond Yield for Arbitrage Purposes	-

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STIFEL

Public Finance

Page 2

Salina Airport Authority

Taxable General Obligation Temporary Notes

Series 2022-1

(Hangar 626 Paint Facility Design)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
07/01/2023	Serial Coupon	2.250%	2.250%	1,000,000.00	100.000%	1,000,000.00
Total	-	-	-	\$1,000,000.00	-	\$1,000,000.00

Bid Information

Par Amount of Bonds	\$1,000,000.00
Gross Production	\$1,000,000.00
Bid (100.000%)	1,000,000.00
Total Purchase Price	\$1,000,000.00
Bond Year Dollars	\$983.33
Average Life	0.983 Years
Average Coupon	2.2500000%
Net Interest Cost (NIC)	2.2500000%
True Interest Cost (TIC)	2.2378984%

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STIFEL

Public Finance

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Salina Airport Authority

Taxable General Obligation Temporary Notes

Series 2022-1

(Hangar 626 Paint Facility Design)

Detail Costs Of Issuance

Dated 07/07/2022 | Delivered 07/07/2022

COSTS OF ISSUANCE DETAIL

Attorney General Review	\$400.00
Bond Counsel	\$4,750.00
Municipal Advisor	\$5,000.00
Paying Agent	\$580.00
TOTAL	\$10,730.00

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RESOLUTION NO. 22-06

OF

THE SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

ADOPTED

JUNE 15, 2022

**TAXABLE GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2022-1**

RESOLUTION

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RESOLUTION NO. 22-06

A RESOLUTION 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.

WHEREAS, the Salina Airport Authority (Salina, Kansas) (the “Issuer”) is a legally constituted public airport authority duly created, organized and existing under the Constitution and laws of the State of Kansas, including specifically K.S.A. 27-315 *et seq.*; and

WHEREAS, pursuant to the provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the governing body of the Issuer has authorized the following improvements (the “Improvements”) to be made:

<u>Project Description</u>	<u>Resolution No.</u>	<u>Authority (K.S.A.)</u>	<u>Amount</u>
Hangar 606 Paint Facility Project	22-02	K.S.A. 27-315 to 27-326 inclusive	\$12,250,000
Hangar 626 MRO Project			
Hangar 606 & 626 Pavement Project			

WHEREAS, pursuant to Resolution No. 22-04, the governing body of the Issuer since the authorization of the Improvements, the Governing Body has determined that the above-described Hangar 606 Paint Facility Project shall be housed in Hangar 626 (referred to herein as the “Paint Facility Project”); and

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

WHEREAS, it is necessary for the Issuer to provide cash funds (from time to time) to meet its obligations incurred in constructing the Improvements prior to the completion thereof and the issuance of the Issuer’s general obligation bonds, and it is desirable and in the interest of the Issuer that such funds be raised by the issuance of temporary notes of the Issuer pursuant to the Act; and

WHEREAS, none of such general obligation bonds or temporary notes previously authorized have been issued and the Issuer hereby finds and determines that it is necessary to authorize the issuance and delivery of the Notes in the principal amount of \$1,000,000 to pay a portion of the costs of the Improvements (specifically the Paint Facility Project).

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

ARTICLE I

DEFINITIONS

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

“Act” means the Constitution and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, specifically including K.S.A. 10-123, K.S.A. 10-620 *et seq.*, and K.S.A. 27-315 to 27-326, all as amended and supplemented from time to time.

“Authorized Denomination” means \$100,000 or any integral multiples of \$1,000 in excess thereof.

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

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

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

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

“Costs of Issuance” means all costs of issuing the Notes, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, and all expenses incurred in connection with receiving ratings on the Notes.

“Dated Date” means July 7, 2022.

“Debt Service Account” means the Debt Service Account for Taxable General Obligation Temporary Notes, Series 2022-1 (within the Bond and Interest Fund) created pursuant to ***Section 501*** hereof.

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

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

“Defeasance Obligations” means any of the following obligations:

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

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

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

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

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

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

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

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

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

“Director of Administration and Finance” means the duly appointed and acting Director of Administration and Finance of the Issuer or, in the Director’s absence, the duly appointed Deputy, Assistant or Acting Director of Administration and Finance of the Issuer.

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

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

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

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Notes or in this Note Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying

such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Notes then Outstanding.

“Financeable Costs” means the amount of expenditure for an Improvement which has been duly authorized by action of the governing body of the Issuer to be financed by general obligation bonds, less: (a) the amount of any temporary notes or general obligation bonds of the Issuer which are currently Outstanding and available to pay such Financeable Costs; and (b) any amount of Financeable Costs which has been previously paid by the Issuer or by any eligible source of funds unless such amounts are entitled to be reimbursed to the Issuer under State or federal law.

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

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

“Improvement Fund” means the Improvement Fund for Taxable General Obligation Temporary Notes, Series 2022-1 created pursuant to **Section 501** hereof.

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

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

“Interest Payment Date(s)” means the Maturity of the Note.

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

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

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

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

“Note Payment Date” means any date on which principal of or interest on any Note is payable.

“Note Purchase Agreement” means the Note Purchase Agreement dated as of «F_Sale_Date_» between the Issuer and the Purchaser.

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

“Note Registrar” means the State Treasurer and its successors and assigns.

“Note Resolution” means this resolution relating to the Notes.

“Notes” means the Taxable General Obligation Temporary Notes, Series 2022-1, authorized and issued by the Issuer pursuant to this Note Resolution.

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

(a) To the Issuer at:

Salina Airport Authority (Salina, Kansas)
Salina Regional Airport
Attn: Director of Administration and Finance
3237 Arnold Ave.
Salina, KS 67401
Fax: (785) 827-2221

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201
Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

The Bennington State Bank
2130 S. Ohio
Salina, Kansas 67042
Fax: (785) 827-0257

“Notice Representative” means:

- (a) With respect to the Issuer, the Secretary.
- (b) With respect to the Note Registrar and Paying Agent, the Director of Fiscal Services.
- (c) With respect to the Purchaser, its Chief Financial Officer.

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

- (a) Notes theretofore canceled by the Paying Agent or delivered to the Paying Agent for cancellation;
- (b) Notes deemed to be paid in accordance with the provisions of *Article VII* hereof; and
- (c) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered hereunder.

“Owner” when used with respect to any Note means the Person in whose name such Note is registered on the Note Register.

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

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

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

“Purchase Price” means the amount set forth in the Note Purchase Agreement.

“Purchaser” means The Bennington State Bank, Salina, Kansas, the original purchaser of the Notes, and any successors and assigns.

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

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

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

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

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

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

“Standard & Poor’s” or “S&P” means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor’s shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

“State” means the state of Kansas.

“State Treasurer” means the duly elected Treasurer or, in the Treasurer’s absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

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

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

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

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

ARTICLE II

AUTHORIZATION AND DETAILS OF THE NOTES

Section 201. Authorization of the Notes. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Temporary Notes, Series 2022-1, of the Issuer in the principal amount of \$1,000,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay Costs of Issuance.

Section 202. Description of the Notes. The Notes shall consist of fully registered notes in Authorized Denominations, and shall be numbered in such manner as the Note Registrar shall determine. All of the Notes shall be dated as of the Dated Date, shall become due in the amounts on the Stated Maturity, subject to redemption and payment prior to the Stated Maturity as provided in *Article III* hereof, and shall bear interest at the rate per annum as follows:

Stated Maturity	Principal	Annual Rate
<u>July 1</u>	<u>Amount</u>	<u>of Interest</u>
2023	\$1,000,000	2.25%

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

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

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

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

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

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

The principal or Redemption Price of and interest on each Note shall be paid at Maturity to the Person in whose name such Note is registered on the Note Register at the Maturity thereof, upon presentation and surrender of such Note at the principal office of the Paying Agent. Such amounts shall be paid to the Owner of such Note as shown on the Note Register at the close of business on the Record Date for such interest (a) by check or draft mailed by the Paying Agent to the address of such Owner shown on the Note Register or at such other address as is furnished to the Paying Agent in writing by such Owner; or (b) in the case of a payment to any Owner of \$500,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice given to the Note Registrar by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Owner wishes to have such transfer directed.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Note shall cease to be payable to the Owner of such Note on the relevant Record Date and shall be payable to the Owner in whose name such Note is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment (which date shall be at least 45 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the

time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, by first class mail, postage prepaid, to each Owner of a Note entitled to such notice at the address of such Owner as it appears on the Note Register not less than 10 days prior to such Special Record Date.

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

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

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

Notes may be transferred and exchanged only on the Note Register as provided in this Section. An Owner shall only have the authority to transfer and exchange Notes in an aggregate principal amount of \$100,000 or more unless such transfer and exchange is made through a primary offering (as defined in the SEC Rule). Upon surrender of any Note at the principal office of the Note Registrar, the Note Registrar shall transfer or exchange such Note for a new Note or Notes in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Note that was presented for transfer or exchange.

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

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

The Issuer and the Note Registrar shall not be required (a) to register the transfer or exchange of any Note that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to *Article III* hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Note during a period beginning

at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this *Article II*.

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

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

Section 207. Execution, Registration, Authentication and Delivery of Notes. Each of the Notes, including any Notes issued in exchange or as substitutions for the Notes initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Chair, attested by the manual or facsimile signature of the Secretary and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Chair and Secretary are hereby authorized and directed to prepare and execute the Notes in the manner herein specified, and to cause the Notes to be registered in the office of the Secretary, which registration shall be evidenced by the manual or facsimile signature of the Secretary with the seal of the Issuer affixed thereto or imprinted thereon, and registered in the office of the Clerk of Saline, Kansas, which registration shall be evidenced by the manual or facsimile signature of the Clerk of Saline County, Kansas with the seal of Saline County, Kansas affixed thereto or imprinted thereon. The Notes shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. The Notes shall be countersigned by the manual or facsimile signature of the Secretary and the seal of the Issuer shall be affixed or imprinted adjacent thereto following registration of the Notes by the Treasurer of the State of Kansas. In case any officer whose signature appears on any Notes ceases to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Note may be signed by such persons who at the actual time of the execution of such Note are the proper officers to sign such Note although at the date of such Note such persons may not have been such officers.

The Chair and Secretary are hereby authorized and directed to prepare and execute the Notes as herein specified, and when duly executed, to deliver the Notes to the Note Registrar for authentication.

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

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

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

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

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

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

Section 210. [Reserved].

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

Section 212. [Reserved]

Section 213. Sale of the Notes. The Chair is hereby authorized to enter into the Note Purchase Agreement between the Issuer and the Purchaser in substantially the form submitted to the governing body concurrently with the adoption of this Note Resolution, with such changes therein as shall be approved by the Chair, such officer's signature thereon being conclusive evidence of the approval thereof. Pursuant to the Note Purchase Agreement, the Issuer agrees to sell the Notes to the Purchaser for the Purchase Price, upon the terms and conditions set forth therein.

ARTICLE III

REDEMPTION OF NOTES

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, the Notes will be subject to redemption and payment prior to maturity, as a whole or in part (selection of the amount of Notes to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time on or after December 1, 2022, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

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

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

Section 303. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Notes for redemption prior to maturity, written notice of such intent shall be provided to the Note Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Note Registrar shall call Notes for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Note Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Notes to be called for redemption. The Paying Agent may in its discretion waive such notice period so long as the notice requirements set forth in this Section are met.

Unless waived by any Owner of Notes to be redeemed, if the Issuer shall call any Notes for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Notes to the Note Registrar. In addition, the Issuer shall cause the Note Registrar to give written notice of redemption to the Owners of said Notes. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

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

- (a) the Redemption Date;

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

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

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

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

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

- (a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the date of issue of the Notes as originally issued; (2) the rate of interest borne by each Note being redeemed; (3) the maturity date of each Note being redeemed; and (4) any other descriptive information needed to identify accurately the Notes being redeemed.
- (b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Note Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Notes and to one or more national information services that disseminate notices of redemption of obligations such as the Notes.
- (c) Each check or other transfer of funds issued for the payment of the Redemption Price of Notes being redeemed shall bear or have enclosed the CUSIP number of the Notes being redeemed with the proceeds of such check or other transfer.

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

ARTICLE IV

SECURITY FOR NOTES

Section 401. Security for the Notes. The Notes shall be general obligations of the Issuer payable as to both principal and interest from general obligation bonds of the Issuer, and if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Notes as the same become due.

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

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

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

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS DEPOSIT AND APPLICATION OF NOTE PROCEEDS

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

- (a) Improvement Fund for Taxable General Obligation Temporary Notes, Series 2022-1.
- (b) Debt Service Account for Taxable General Obligation Temporary Notes, Series 2022-1.

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

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

(a) All accrued interest and excess proceeds of the Notes, if any, received from the sale of the Notes shall be deposited in the Debt Service Account.

(b) The remaining balance of the proceeds derived from the sale of the Notes shall be deposited in the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of: (a) paying the costs of the Improvements, in accordance with the plans and specifications therefor approved by the governing body of the Issuer and on file in the office of the Secretary, including any alterations in or amendments to said plans and specifications deemed advisable and approved by the governing body of the Issuer; and (b) paying Costs of Issuance. Upon completion of the Improvements, any surplus remaining in the Improvement Fund shall be deposited in the Debt Service Account.

Section 504. Substitution of Improvements; Reallocation of Proceeds.

(a) The Issuer may elect for any reason to substitute or add other public improvements to be financed with proceeds of the Notes provided the following conditions are met: (1) the Substitute Improvement and the issuance of general obligation bonds to pay the cost of the Substitute Improvement has been duly authorized by the governing body of the Issuer in accordance with the laws of the State; (2) a resolution authorizing the use of the proceeds of the Notes to pay the Financeable Costs of the Substitute Improvement has been duly adopted by the governing body of the Issuer pursuant to this Section, (3) the Attorney General of the State has approved the amendment made by such resolution to the transcript of proceedings for the Notes to include the Substitute Improvements; and (4) the use of the proceeds of the Notes to pay the Financeable Cost of the Substitute Improvement will not adversely affect the tax-exempt status of the Notes under State or federal law.

(b) The Issuer may reallocate expenditure of Note proceeds among all Improvements financed by the Notes; provided the following conditions are met: (1) the reallocation is approved by the governing body of the Issuer; (2) the reallocation shall not cause the proceeds of the Notes allocated to any Improvement to exceed the Financeable Costs of the Improvement; and (3) the reallocation will not adversely affect the tax-exempt status of the Notes under State or federal law.

Section 505. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Notes as and when the same become due and the usual and customary fees and expenses of the Note Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Notes and the fees and expenses of the Note Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent, if other than the Issuer, in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Note Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Notes are no longer entitled to enforce payment of the Notes or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Note Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Notes entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the indebtedness for which the Notes were issued shall be transferred and paid into the Bond and Interest Fund.

Section 506. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the city of the Issuer; or (b) if no such entity has a main or branch office located in the city of the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositories shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account; provided that, during the period of construction of the Improvements, earnings on the investment of such funds may be credited to the Debt Service Account.

ARTICLE VI

DEFAULT AND REMEDIES

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

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

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

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

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

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

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Notes, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Note Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Notes or scheduled interest payments thereon so paid and discharged. Notes, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Note Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Notes or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Notes and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Notes, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Notes, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Note Registrar to give such notice of redemption in compliance with **Article III**. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Notes, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Notes, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Note Resolution.

ARTICLE VIII

CONTINUING DISCLOSURE REQUIREMENTS

Section 801. Exempt from Disclosure. The Issuer has not prepared an official statement or other offering document relating to the Notes and is relying on exemption to provide and disseminate such information contained in Section (d)(1) of the SEC Rule. In furtherance of such exemption, the Issuer certifies that: (a) the Purchaser has certified that the Notes are being issued in denominations of \$100,000 or more; and (b) the Notes are being sold to no more than thirty-five persons, each of whom the Purchaser reasonably believes: (1) has the knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and (2) is not purchasing for more than one account or with a view to distributing the Notes.

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 901. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Secretary. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Notes, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the governing body of the Issuer shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Note Resolution, the Issuer shall promptly cure such deficiency.

Section 902. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Notes or of this Note Resolution, may be amended or modified at any time in any respect by resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Notes then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Secretary, but no such modification or alteration shall:

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

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

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Note Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate

proceeds of the Notes among Improvements, to provide for Substitute Improvements, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

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

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Secretary a copy of the resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Notes then Outstanding. It shall not be necessary to note on any of the Outstanding Notes any reference to such amendment or modification.

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

Section 903. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Notes, if made in the following manner, shall be sufficient for any of the purposes of this Note Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

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

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

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

Section 904. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Note Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic

confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

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

Section 905. Electronic Transactions. The transactions described in this Note Resolution may be conducted, and documents related to the Notes may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 906. Further Authority. The officers and officials of the Issuer, including the Chair, Secretary, Treasurer and Director of Administration and Finance are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Note Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 907. Severability. If any section or other part of this Note Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Note Resolution.

Section 908. Governing Law. This Note Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 909. Effective Date. This Note Resolution shall take effect and be in full force from and after its adoption by the governing body of the Issuer.

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ADOPTED by the governing body of the Issuer on June 15, 2022.

(SEAL)

Kent Buer, Chair

ATTEST:

Alan Eichelberger, Secretary

EXHIBIT A
(FORM OF NOTES)

**REGISTERED
NUMBER _____**

**REGISTERED
\$ _____**

**UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF SALINE
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION TEMPORARY NOTE
SERIES 2022-1**

**Interest
Rate: 2.25%**

**Maturity
Date: July 1, 2023**

**Dated
Date: July 7, 2022**

REGISTERED OWNER:

PRINCIPAL AMOUNT:

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

Method and Place of Payment. The principal or redemption price and interest thereon of this Note shall be paid at maturity or upon earlier redemption to the person in whose name this Note is registered at the maturity or redemption date thereof, upon presentation and surrender of this Note at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the “Paying Agent” and “Note Registrar”). Such amounts shall be payable (a) by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Note Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner; or (b) in the case of payment to any Owner of \$500,000 or more in aggregate principal amount of Notes, by electronic transfer to such Owner upon written notice given to the Note Registrar by such Registered Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank, ABA routing number and account number to which such Registered Owner wishes to have such transfer directed. The principal or redemption price of and interest on the Notes shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Note Resolution.

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

Authorization of Notes. This Note is one of an authorized series of Notes of the Issuer designated “Taxable General Obligation Temporary Notes, Series 2022-1,” aggregating the principal amount of \$1,000,000 (the “Notes”) issued for the purposes set forth in the Resolution of the Issuer authorizing the issuance of the Notes (the “Note Resolution”). The Notes are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and laws of the State of Kansas, including K.S.A. 10-101 to 10-125, inclusive, specifically including K.S.A. 10-123, K.S.A. 10-620 *et seq.*, and K.S.A. 27-315 to 27-326, as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Notes constitute general obligations of the Issuer payable as to both principal and interest from the proceeds of general obligation bonds of the Issuer and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The full faith, credit and resources of the Issuer are hereby pledged for the payment of the principal of and interest on this Note and the issue of which it is a part as the same respectively become due.

Redemption Prior to Maturity. The Notes are subject to redemption prior to maturity as set forth in the Note Resolution.

Transfer and Exchange. This Note may be transferred or exchanged, as provided in the Note Resolution, only on the Note Register kept for that purpose at the principal office of the Note Registrar, upon surrender of this Note together with a written instrument of transfer or authorization for exchange satisfactory to the Note Registrar duly executed by the Registered Owner or the Registered Owner’s duly authorized agent, and thereupon a new Note or Notes in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Note Resolution and upon payment of the charges therein prescribed. A Registered Owner shall only have the authority to transfer and exchange Notes in an aggregate principal amount of \$100,000 or more unless such transfer and exchange is made through a primary offering (as defined in the SEC Rule). The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Notes and the cost of a reasonable supply of note blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Note is registered on the Note Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Notes are issued in fully registered form in Authorized Denominations.

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

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

IN WITNESS WHEREOF, the Issuer has caused this Note to be executed by the manual or facsimile signature of its Chair, and attested by the manual or facsimile signature of its Secretary, and its seal to be affixed hereto or imprinted hereon.

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

(Facsimile Seal)

By: _____ (manual or facsimile)
Chair

ATTEST:

By: _____ (manual or facsimile)
Secretary

This Taxable General Obligation Temporary Note shall not be negotiable unless and until countersigned below following registration by the Treasurer of the State of Kansas.

(Facsimile Seal)

_____ (manual)
Secretary

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is one of a series of General Obligation Temporary Notes, Series 2022-1, of the Salina Airport Authority (Salina, Kansas), described in the within-mentioned Note Resolution.

Registration Date: _____

Office of the State Treasurer,
Topeka, Kansas,
as Note Registrar and Paying Agent

By: _____

Registration Number: _____

LEGAL OPINION

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

GILMORE & BELL, P.C.

Attorneys at Law
100 N. Main Suite 800
Wichita, Kansas 67202

(PRINTED LEGAL OPINION)

NOTE ASSIGNMENT

FOR VALUE RECEIVED, the undersigned does hereby sell, assign and transfer to

(Name and Address)

(Social Security or Taxpayer Identification No.)

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

Dated _____

Name

Social Security or
Taxpayer Identification No.

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

Signature guarantee:

By _____

CERTIFICATE OF SECRETARY

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, Secretary of the Salina Airport Authority (Salina, Kansas), does hereby certify that the within Note has been duly registered in my office according to law as of July 7, 2022.

WITNESS my hand and official seal.

(Facsimile Seal)

(facsimile)
Secretary

CERTIFICATE OF COUNTY CLERK

STATE OF KANSAS)
) SS.
COUNTY OF SALINE)

The undersigned, County Clerk of Saline, Kansas, does hereby certify that the within Note has been duly registered in her office according to law as of _____.

WITNESS my hand and official seal.

(Facsimile Seal)

(facsimile)
County Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

LYNN W. ROGERS, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Note has been filed in the office of the State Treasurer, and that this Note was registered in such office according to law on _____.

WITNESS my hand and official seal.

(Facsimile Seal)

By: _____
(facsimile)
Treasurer of the State of Kansas

NOTE PURCHASE AGREEMENT

BETWEEN

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

AND

**THE BENNINGTON STATE BANK
SALINA, KANSAS**

\$1,000,000

TAXABLE GENERAL OBLIGATION TEMPORARY NOTES

SERIES 2022-1

DATED AS OF JULY 7, 2022

\$1,000,000
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2022-1

June 15, 2022

Chair and
Board of Directors
Salina Airport Authority (Salina, Kansas)

NOTE PURCHASE AGREEMENT

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Note Purchase Agreement, The Bennington State Bank, Salina, Kansas (the “Purchaser”), hereby offers to purchase all (but not less than all) of the above-described notes (the “Notes”), to be issued by the Salina Airport Authority (Salina, Kansas) (the “Issuer”), under and pursuant to a Resolution to be adopted by the Board of Directors of the Issuer (the “Governing Body”) on this date (the “Note Resolution”). All capitalized terms not specifically defined herein shall have the same meaning as defined in the Note Resolution, unless some other meaning is plainly indicated.

This offer is made subject to acceptance of this Note Purchase Agreement by or on behalf of the Governing Body on or before 10:00 p.m., applicable Central time, on this date (the “Sale Date”).

SECTION 1. PURCHASE, SALE AND DELIVERY OF THE NOTES

(a) On the basis of the representations, warranties and covenants contained herein and in the other agreements and documents referred to herein, and subject to the terms and conditions herein set forth, the Purchaser agrees to purchase from the Issuer and the Issuer agrees to sell to the Purchaser the Notes not later than 12:00 Noon, applicable Central time on July 7, 2022, or such other place, time or date as shall be mutually agreed upon by the Issuer and the Purchaser at the purchase price set forth on ***Exhibit A-1*** attached hereto, (the “Purchase Price”). The date of such delivery and payment is herein called the “Closing Date,” the hour and date of such delivery and payment is herein called the “Closing Time” and the transactions to be accomplished for delivery of the Notes on the Closing Date shall be herein called the “Closing.” The Notes shall be issued under and secured as provided in the Note Resolution and the Notes shall have the maturities and interest rates as set forth therein and on ***Exhibit A-1*** attached hereto, which also contains a summary of the redemption provisions of the Notes. The Notes shall contain such other provisions as are described in the Note Resolution.

(b) The Issuer acknowledges and agrees that: (1) the purchase and sale of the Notes pursuant to this Note Purchase Agreement is an arm’s-length commercial transaction between the Issuer and the Purchaser; (2) in connection with such transaction, the Purchaser is acting solely as a principal and not as an agent or a fiduciary of the Issuer; (3) the Purchaser has not assumed (individually or collectively) a fiduciary responsibility in favor of the Issuer with respect to the offering of the Notes or the process leading thereto (whether or not the Purchaser, or any affiliate of the Purchaser, has advised or is currently advising the Issuer on other matters) or any other obligation to the Issuer except with respect to the obligations expressly set forth in this Note Purchase Agreement; and (4) the Issuer has consulted with its own legal and financial advisors to the extent it deemed appropriate in connection with the offering of the Notes.

(c) Payment of the Purchase Price for the Notes shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the order of a financial institution to be designated by the Issuer for the account of the Issuer on or before the Closing Time on the Closing Date. Upon such payment, the Notes shall be delivered and released upon the instructions of the Purchaser.

(d) The delivery of the Notes shall be made in definitive form, as fully registered bonds (in such denominations as the Purchaser shall specify in writing at least 48 hours prior to the Closing Time) duly executed and authenticated. The Notes shall be available for examination and packaging by the Purchaser at least 24 hours prior to the Closing Time.

SECTION 2. ESTABLISHMENT OF ISSUE PRICE

The Purchaser agrees to assist the Issuer in establishing the issue price of the Notes and shall execute and deliver to the Issuer at the Closing Time an “issue price” or similar certificate to accurately reflect, as applicable, the sales price of the Notes. The Purchaser is not acting as an Underwriter with respect to the Notes. The Purchaser has no present intention to sell, reoffer, or otherwise dispose of the Notes (or any portion of the Notes or any interest in the Notes). The Purchaser has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Notes, and the Purchaser has not agreed with the Issuer pursuant to a written agreement to sell the Notes to persons other than the Purchaser or a related party to the Purchaser. The term “Related Party” is defined in U.S. Treasury Regulation § 1.150-1(b) which generally provides that the term related party means any two or more persons who have a greater than 50 percent common ownership, directly or indirectly. The term “Underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Notes to the Public).

SECTION 3. NO OFFICIAL STATEMENT

No official statement or other offering document has been prepared in connection with the sale of the Notes.

SECTION 4. REPRESENTATIONS, WARRANTIES, COVENANTS AND AGREEMENTS OF THE PURCHASER

By the execution hereof the Purchaser hereby represents, warrants and agrees with the Issuer that as of the date hereof and at the Closing Time:

(a) Purchaser is a banking corporation organized and existing under the laws of the State of Kansas with its principal corporate offices located in Salina, Kansas, and, pursuant to all necessary corporate action, is authorized to purchase the Notes and to execute and perform this Note Purchase Agreement.

(b) Purchaser is knowledgeable and experienced in financial and business matters and is capable of evaluating investment merit and risks associated with its purchase of the Notes. The Purchaser has been furnished and has reviewed the provisions of the Note Resolution relating to the authorization of and security for payment of the Notes. Prior to the execution hereof Purchaser also obtained and examined such financial records and information necessary in order to enable itself to fully evaluate the terms and

provisions of the Notes and of the Note Resolution authorizing their issuance and providing for the payment thereof and the financial and investment merits and risks associated with the purchase of the Notes. On the basis of such information materials and Purchaser's investigation, Purchaser has made the decision to purchase the Notes and has not relied upon any representations of the Issuer or any of its officers or employees with respect to the Notes.

(c) Purchaser is purchasing the Notes as an investment for its own account and not with a view to the sale, redistribution or other disposition thereof in the ordinary course of business in a transaction not amounting to a public offering as contemplated by Section 4(2) of the Securities Act of 1933, as amended (the "1933 Act"). Purchaser acknowledges that the Notes will not be registered under the 1933 Act or any applicable state securities law.

SECTION 5. ISSUER'S REPRESENTATIONS AND WARRANTIES

By the Issuer's acceptance hereof the Issuer hereby represents and warrants to, and agrees with, the Purchaser that as of the date hereof and at the Closing Time:

(a) The Issuer is a political subdivision duly organized under the laws of the State of Kansas (the "State").

(b) The Issuer has complied with all provisions of the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by the Note Resolution and this Note Purchase Agreement, and all other agreements relating thereto.

(c) The Issuer has duly authorized by all necessary action to be taken by the Issuer: (1) the adoption and performance of the Note Resolution; (2) the execution, delivery and performance of this Note Purchase Agreement; (3) the execution and performance of any and all such other agreements and documents as may be required to be executed, delivered and performed by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Note Resolution and this Note Purchase Agreement; and (4) the carrying out, giving effect to and consummation of the transactions contemplated by the Note Resolution and this Note Purchase Agreement. Executed counterparts of the Note Resolution and all such other agreements and documents specified herein will be made available to the Purchaser by the Issuer at the Closing Time.

(d) The Note Resolution and this Note Purchase Agreement, when executed and delivered by the Issuer, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies.

(e) The Notes have been duly authorized by the Issuer, and when issued, delivered and paid for as provided for herein and in the Note Resolution, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding general obligations of the Issuer enforceable in accordance with their terms and entitled to the benefits and security of the Note Resolution (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies). The Notes are general obligations of the Issuer, payable as to both principal and interest, if necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer.

(f) The execution and delivery of the Note Resolution, this Note Purchase Agreement, the Notes and compliance with the provisions thereof, will not conflict with or constitute on the part of the Issuer a violation or breach of, or a default under, any existing law, regulation, court or administrative decree or order, or any agreement, resolution, mortgage, lease or other instrument to which it is subject or by which it is or may be bound.

(g) The Issuer is not, or with the giving of notice or lapse of time or both would not be, in violation of or in default under its organizational documents or any indenture, mortgage, deed of trust, loan agreement, notes or other agreement or instrument to which the Issuer is a party or by which it is or may be bound, except for violations and defaults which individually and in the aggregate are not material to the Issuer and will not be material to the beneficial owners of the Notes. As of the Closing Time, no event will have occurred and be continuing which with the lapse of time or the giving of notice, or both, would constitute an event of default under the Note Resolution or the Notes.

(h) The financial statements of the Issuer presented to the Purchaser, except as noted therein, present fairly and accurately the financial condition of the Issuer as of the dates indicated and the results of its operations for the periods specified, and such financial statements are prepared in conformity with generally accepted accounting principles consistently applied in all material respects for the periods involved. The Issuer has not, since the date of such financial statements, incurred any material liabilities and there has been no material adverse change in the condition of the Issuer, financial or otherwise, other than as set forth in such financial statements.

(i) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer (or, to its knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or by the Note Resolution or the validity of the Notes, the Note Resolution, this Note Purchase Agreement or any agreement or instrument to which the Issuer is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Note Resolution.

Any certificate signed by any of the authorized officials of the Issuer and delivered to the Purchaser in connection with the Closing shall be deemed a representation and warranty by the Issuer to the Purchaser as to the statements made therein.

SECTION 6. COVENANTS AND AGREEMENTS OF THE ISSUER

The Issuer covenants and agrees with the Purchaser for the time period specified, and if no period is specified, for so long as any of the Notes remain Outstanding the proceeds of the Notes will be used as provided in the Note Resolution in accordance with the laws of the State.

SECTION 7. CONDITIONS TO THE PURCHASER'S OBLIGATIONS

The Purchaser's obligations hereunder shall be subject to the due performance by the Issuer of the Issuer's obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the Issuer's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) The Note Resolution and the Notes shall have been duly authorized, executed and delivered in the form heretofore approved by the Purchaser with only such changes therein as shall be mutually agreed upon by the Issuer and the Purchaser.

(b) At the Closing Time, the Purchaser shall receive:

(1) An opinion dated as of the Closing Date of Messrs. Gilmore & Bell, P.C. ("Bond Counsel"), substantially in the form attached hereto as **Exhibit B**.

(2) A certificate of the Issuer, satisfactory in form and substance to the Purchaser, dated as of the Closing Date, to the effect that: (A) since the date of the financial statements provided to the Purchaser, there has not been any material adverse change in the business, properties, financial condition or results of operations of the Issuer, whether or not arising from transactions in the ordinary course of business, from that set forth in such financial statements, and except in the ordinary course of business or as set forth in such financial statements, the Issuer has not incurred any material liability; (B) there is no action, suit, proceeding or, to the knowledge of the Issuer, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to the knowledge of the Issuer, threatened against or affecting the Issuer, its officers or its property or, to the best of the knowledge of the Issuer, any basis therefor, wherein an unfavorable decision, ruling or finding would adversely affect the Issuer, the transactions contemplated hereby or by the Note Resolution, the validity or enforceability of the Notes or the Note Purchase Agreement, or the levy and collection of ad valorem taxation in amounts necessary to provide for payment of the principal of and interest on the Notes which are not disclosed herein or in such financial statements; (C) the Issuer has duly authorized, by all necessary action, the execution, delivery and due performance by the Issuer of this Note Purchase Agreement; and (D) the representations and warranties of the Issuer set forth in this Note Purchase Agreement were accurate and complete as of the date hereof and are accurate and complete as of the Closing Time.

(3) Such additional certificates, legal and other documents, listed on a closing agenda to be approved by Bond Counsel and counsel to the Purchaser, as the Purchaser may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Note Resolution, or as Bond Counsel shall require in order to render its opinion, all such certificates and other documents to be satisfactory in form and substance to the Purchaser.

Subsequent to Closing, the Purchaser shall receive a complete Transcript of the Proceedings relating to the issuance of the Notes in electronic format, which shall specifically include each of the forgoing documents.

SECTION 8. CONDITIONS TO THE ISSUER'S OBLIGATIONS

The obligations of the Issuer hereunder are subject to the Purchaser's performance of its obligations hereunder.

SECTION 9. THE PURCHASER'S RIGHT TO CANCEL

The Purchaser shall have the right to cancel the obligation hereunder to purchase the Notes (such cancellation shall not constitute a default for purposes of **Section 1** hereof) by notifying the Issuer in writing or by facsimile of its election to make such cancellation prior to the Closing Time, if at any time after the execution of this Note Purchase Agreement and prior to the Closing Time, the market price or marketability of the Notes, or the ability of the Purchaser to enforce contracts for the sale of the Notes, shall be materially adversely affected by any of the following events:

(a) Any legislation, ordinance, rule or regulation shall be introduced in or be enacted by the Legislature of the State or by any other governmental body, department or agency of the State, or a decision

by any court of competent jurisdiction within the State shall be rendered, or litigation challenging the law under which the Notes are to be issued shall be filed in any court in the State.

(b) A stop order, ruling, regulation or official statement by, or on behalf of, the SEC or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Notes, or the issuance, offering or sale of the Notes, including all underlying obligations, as contemplated hereby, is in violation or would be in violation of any provision of the 1933 Act, the 1934 Act or the Trust Indenture Act of 1939, as amended.

(c) Legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Notes, or the Notes, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act.

(d) A material disruption in securities settlement, payment or clearance services affecting the Notes shall have occurred; or additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.

(e) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to the Notes or obligations of the general character of the Notes, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Purchaser.

(f) Any general banking moratorium shall have been established by federal, New York or Kansas authorities.

(g) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state.

(h) Any proceeding shall be pending or threatened by the SEC against the Issuer.

(i) A war involving the United States shall have been declared, or any conflict involving the armed forces of the United States shall have escalated, or any other national emergency relating to the effective operation of government or the financial community shall have occurred.

SECTION 10. PAYMENT OF EXPENSES

(a) Whether or not the Notes are sold by the Issuer to the Purchaser (unless such sale be prevented at the Closing Time by the Purchaser's default), the Purchaser, unless otherwise contracted for, shall be under no obligation to pay any expenses incident to the performance of the obligations of the Issuer hereunder; nor shall the Issuer, unless otherwise contracted for, be under any obligation to pay any expenses incident to the performance of the obligations of the Purchaser hereunder (unless such sale be prevented at the Closing Time by the Issuer's default).

(b) If the Notes are sold by the Issuer to the Purchaser, except as hereinafter set forth, all expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Notes shall be paid by the Issuer out of the proceeds of the Notes or other Issuer funds. Such expenses and costs shall

include, but not be limited to: (1) the fees and disbursements of Bond Counsel; (2) the fees and disbursements of the Issuer's legal counsel; (3) costs associated with obtaining ratings relating to the Notes, if any; (4) the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Notes, this Note Purchase Agreement and all other agreements and documents contemplated hereby; (5) fees of the Note Registrar and Paying Agent designated by the Issuer pursuant to the Note Resolution; and (6) all costs and expenses of the Issuer relating to the issuance of the Notes. The Purchaser shall be responsible for the fees and disbursements of the Purchaser's legal counsel and all other expenses incurred by the Purchaser in connection with the sale of the Notes.

SECTION 11. NOTICE

Any notice or other communication to be given under this Note Purchase Agreement may be given in the manner set forth in the Note Resolution, as follows:

- (a) If to the Issuer at:

Salina Airport Authority (Salina, Kansas)
Salina Regional Airport
Attn: Director of Administration and Finance
3237 Arnold Ave.
Salina, KS 67401

- (b) If to the Purchaser at:

The Bennington State Bank
2130 S. Ohio
Salina, Kansas 67042
Attention: Chief Financial Officer.

SECTION 12. MISCELLANEOUS

(a) This Note Purchase Agreement shall be binding upon the Purchaser, the Issuer, and their respective successors. This Note Purchase Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements of the Issuer contained in this Note Purchase Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control the Purchaser (within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act). Nothing in this Note Purchase Agreement is intended or shall be construed to give any person, other than the persons referred to in this Paragraph, any legal or equitable right, remedy or claim under or in respect of this Note Purchase Agreement or any provision contained herein. All of the representations, warranties and agreements of the Issuer contained herein shall remain in full force and effect, regardless of: (1) any investigation made by or on behalf of the Purchaser, (2) delivery of and payment for the Notes or (3) any termination of this Note Purchase Agreement.

(b) For purposes of this Note Purchase Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

(c) This Note Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

(d) This Note Purchase Agreement may be executed in one or more counterparts, and if executed in more than one counterpart, the executed counterparts shall together constitute a single instrument.

(e) This Note Purchase Agreement may not be assigned by either party without the express written consent of the other party.

(f) This Note Purchase Agreement and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

SECTION . EFFECTIVE DATE

This Note Purchase Agreement shall become effective upon acceptance hereof by the Issuer.

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Upon your acceptance of the offer, this Note Purchase Agreement will be binding upon the Issuer and the Purchaser. Please acknowledge your agreement with the foregoing by executing the enclosed copy of this Note Purchase Agreement prior to the date and time specified on page 1 hereof and returning it to the undersigned.

**THE BENNINGTON STATE BANK
SALINA, KANSAS**

Date: June 15, 2022

Time: ____:____.m.

By: _____
Chief Financial Officer

Accepted and agreed to as of
the date first above written.

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

Date: June 15, 2022

Time: ____:____.m.

By: _____
Kent Buer, Chair

ATTEST: (Seal)

By: _____
Alan Eichelberger, Secretary

EXHIBIT A-1

\$1,000,000
SALINA AIRPORT AUTHORITY (SALINA, KANSAS)
TAXABLE GENERAL OBLIGATION TEMPORARY NOTES
SERIES 2022-1

CALCULATION OF PURCHASE PRICE

Principal Amount	\$1,000,000
<i>Total Purchase Price</i>	<i>1,000,000</i>

MATURITY SCHEDULE

<u>Stated Maturity</u>	<u>Principal Amount</u>	<u>Annual Rate Of Interest</u>
July 1, 2023	\$1,000,000	2.25%

(Plus accrued interest from July 7, 2022)

REDEMPTION OF NOTES

Redemption by Issuer.

Optional Redemption. At the option of the Issuer, the Notes will be subject to redemption and payment prior to maturity on December 1, 2022, and thereafter, as a whole or in part (selection of the amount of Notes to be redeemed to be determined by the Issuer in such equitable manner as it may determine) at any time, at the redemption price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the date of redemption.

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EXHIBIT B

FORM OF BOND COUNSEL OPINION

July 7, 2022

Governing Body
Salina Airport Authority (Salina, Kansas)

The Bennington State Bank
Salina, Kansas

Re: \$1,000,000 Taxable General Obligation Temporary Notes, Series 2022-1, of Salina
Airport Authority (Salina, Kansas), Dated July 7, 2022

We have acted as Bond Counsel in connection with the issuance by Salina Airport Authority (Salina, Kansas) (the "Issuer"), of the above-captioned notes (the "Notes"). In this capacity, we have examined the law and the certified proceedings, certifications and other documents that we deem necessary to render this opinion. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the resolution adopted by the governing body of the Issuer authorizing the issuance and prescribing to the details of the Notes.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify them by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Notes have been duly authorized, executed and delivered by the Issuer and are valid and legally binding general obligations of the Issuer.
2. The Notes are payable as to both principal and interest from general obligation bonds of the Issuer and, if not so paid, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Notes to the extent that necessary funds are not provided from other sources.
3. The interest on the Notes is exempt from income taxation by the State of Kansas.

We express no opinion regarding federal tax consequences arising with respect to the Notes.

We express no opinion regarding the accuracy, completeness or sufficiency of any offering material relating to the Notes. Further, we express no opinion regarding tax consequences arising with respect to the Notes other than as expressly set forth in this opinion.

The rights of the owners of the Notes and the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

GILMORE & BELL, P.C