

**SALINA AIRPORT AUTHORITY  
SAA RESOLUTION NO. 16-05**

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

WHEREAS, the Salina Airport Authority has prepared a general obligation bond debt service budget for calendar year 2017 relating to general obligation bonds (the "Bonds") issued by the Salina Airport Authority and approved by the governing body of the City of Salina, Kansas, all pursuant to K.S.A. (2008 Supp.) 27-323(a); and

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

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

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

1. The Salina Airport Authority levies a tax of 4.396 mills on each dollar of the assessed valuation of the taxable tangible property within the City of Salina, Kansas, for the year 2016 for the purpose of paying general obligation bond debt service in 2017 as detailed below:

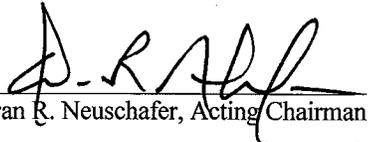
<u>General Obligation Bond Description</u>	<u>Debt Service Amount</u>
a. 2009-A (AIP matching funds airfield improvements, equipment, airport perimeter road, and water main relocation)	\$85,647
b. 2009-B (Economic development, SLN Aviation Service Center facility improvements and SAFB environmental restoration project)	\$545,262
c. 2011-A (Hangar 600, Hangar 606 rehabilitation, Bldg. 620, museum/terminal concept design)	\$750,665
d. 2011-B (ARFF Station construction)	\$103,331
e. 2015-A (Refunded 2005-A & 2007-A, Fund terminal bldg. and H959 improvements)	\$306,485
f. G.O. Bond Debt Service Fund	\$78,500
TOTAL DEBT SERVICE	\$1,869,890
TOTAL MILLS (Rounded to nearest thousandth and calculated on \$425,319,904 in City of Salina assessed valuation)	4.396



2. This levy shall be certified to the County Clerk of Saline County, Kansas, by the delivery of a signed copy of this Resolution to the office of the County Clerk of Saline County, Kansas, on or before August 25, 2016.

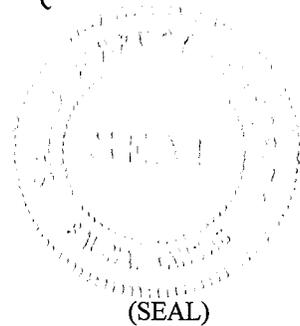
ADOPTED by the Board of Directors of the Salina Airport Authority this 17<sup>th</sup> day of August, 2016.

SALINA AIRPORT AUTHORITY

By:   
Daran R. Neuschafer, Acting Chairman

ATTEST:

By:   
Jeff E. Maes, Secretary



Hand delivered to  
Don  
week of 8/15/16

**THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED ONLY (1) TO AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 OF REGULATION D OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND (2) IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS SET FORTH IN THE NOTE RESOLUTION.**

**REGISTERED  
NUMBER R-1**

**REGISTERED  
\$657,000.00**

**UNITED STATES OF AMERICA  
STATE OF KANSAS  
COUNTY OF SALINE  
SALINA AIRPORT AUTHORITY  
GENERAL OBLIGATION TEMPORARY NOTE  
SERIES 2016-1**

**Interest  
Rate: 0.900%**

**Maturity  
Date: September 1, 2019**

**Dated  
Date: September 8, 2016**

**REGISTERED OWNER: FIRST BANK KANSAS**

**PRINCIPAL AMOUNT: SIX HUNDRED FIFTY-SEVEN THOUSAND DOLLARS**

**KNOW ALL PERSONS BY THESE PRESENTS:** That Salina Airport Authority, in the County of Saline, State of Kansas (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on March 1 and September 1 of each year, commencing March 1, 2017 (the "Interest Payment Dates"), at maturity or earlier redemption until the Principal Amount has been paid.

**Method and Place of Payment.** The principal or redemption price 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"). The interest payable on this Note on any Interest Payment Date shall be paid to the person in whose name this Note is registered on the registration books maintained by the Note Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. ~~Such interest shall be payable 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.~~

**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 "General Obligation Temporary Notes, Series 2016-1," aggregating the principal amount of \$657,000 (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. 10-123 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. 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.

THIS NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED ONLY (1) TO AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 OF REGULATION D OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND (2) IN ACCORDANCE WITH THE TRANSFER RESTRICTIONS SET FORTH IN THE NOTE RESOLUTION.

**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.

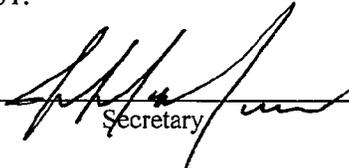
IN WITNESS WHEREOF, the Issuer has caused this Note to be executed by the manual or facsimile signature of its Chairman, and attested by the manual or facsimile signature of its Secretary, and its seal to be affixed hereto or imprinted hereon.

SALINA AIRPORT AUTHORITY (SALINA, KANSAS)

(Seal)

By:   
Acting Chairman

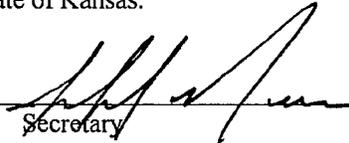
ATTEST:

By:   
Secretary



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

(Seal)

  
Secretary

**CERTIFICATE OF AUTHENTICATION AND REGISTRATION**

This Note is one of a series of General Obligation Temporary Notes, Series 2016-1, of 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: 5349-085-091516-884

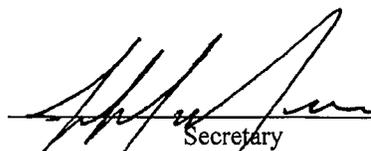
**CERTIFICATE OF SECRETARY**

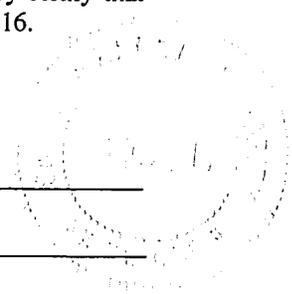
STATE OF KANSAS )  
 ) SS.  
COUNTY OF SALINE )

The undersigned, Secretary of Salina Airport Authority (Salina, Kansas), does hereby certify that the within Note has been duly registered in my office according to law as of September 8, 2016.

WITNESS my hand and official seal.

(Seal)

  
Secretary



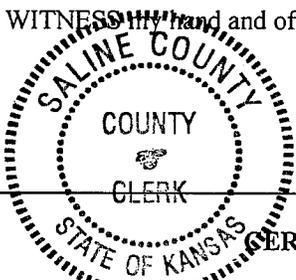
**CERTIFICATE OF COUNTY CLERK**

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 ~~September~~ <sup>August</sup> 17, 2016.

WITNESS my hand and official seal.

(Seal)



  
County Clerk

**CERTIFICATE OF STATE TREASURER**

OFFICE OF THE TREASURER, STATE OF KANSAS

RON ESTES, 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.

(Seal)

By: \_\_\_\_\_  
Treasurer of the State of Kansas

---

**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 \_\_\_\_\_

---

---

**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  
2405 Grand Boulevard  
Suite 1100  
Kansas City, Missouri 64108

Governing Body  
Salina Airport Authority (Salina, Kansas)

First Bank Kansas  
Salina, Kansas

Re: \$657,000 General Obligation Temporary Notes, Series 2016-1, of Salina Airport Authority (Salina, Kansas), Dated September 15, 2016

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 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: (a) excludable from gross income for federal income tax purposes; and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be satisfied subsequent to the issuance of the Notes in order that interest thereon be, or continue to be, excludable

from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause interest on the Notes to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Notes. The Notes have **not** been designated as “qualified tax-exempt obligations” within the meaning of Code § 265(b)(3). We express no opinion regarding other federal tax consequences arising with respect to the Notes.

4. The interest on the Notes is exempt from income taxation by the State of Kansas.

We express no opinion regarding the accuracy, completeness or sufficiency of any offering materials 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.**