

BOARD OF DIRECTORS MEETING AGENDA
SALINA AREA CHAMBER OF COMMERCE - VISIT SALINA ANNEX
JUNE 15, 2023 AT 9:30 AM

- 1. CALL TO ORDER AND ROLL CALL @ 9:30 AM**
 - (1.1) Confirmation of Meeting Notice/ Visitor Introductions
 - (1.2) Public Comments

- 2. APPROVAL OF MINUTES**
 - (2.1) May 18, 2023 Minutes

- 3. APPROVAL OF FINANCIAL STATEMENT & ACCOUNTS PAYABLE**
 - (3.1) May Financial Reports
 - (3.2) 2022 Annual Review - CPA Hillary Richards

- 4. DIRECTOR'S REPORT**
 - (5.1) Casino Project Report
 - (5.2) Beck's Hybrids Status
 - (5.3) Tyrell Corporation Status
 - (5.4) Prospect Updates - See Attached Chart
 - (5.5) Closed Session

- 5. BOARD MEMBER DISCUSSION/QUESTIONS**

- 6. ADJOURNMENT**



**CITY OF SALINA, KANSAS
REGULAR MEETING OF THE SALINA COMMUNITY ECONOMIC DEVELOPMENT
ORGANIZATION, INC.**

May 18, 2023 --Via in person and Zoom Link

CALL TO ORDER AND ROLL CALL

The Regular Meeting of the Salina Community Economic Development Organization, Inc. was called to order at 9:30 AM by Brian Richardson, Board President.

(1.1) Confirmation of Meeting Notice

Robinson confirmed that the meeting notice was made public via email, news release, and social media.

Those present and comprising a quorum:

In person:

Brian Richardson
Frank Hampton
Tom Dill
Brian Schwarz
Jim Maes
Max Wellbrock-Talley
Rob Exline
Brian Weisel
Daran Neuschafer
Paula Fried, Ex-Officio

Zoom (Z):

Also present:

Mitch Robinson, Salina Community Economic Dev. Organization, Executive Director
Robin VanAtta, Salina Community Economic Dev. Organization Administrative Assistant
Tim Rogers, Executive Director, Salina Airport Authority
Bill Longbine, City Commissioner, City of Salina
Mike Schrage, City Manager, City of Salina
Dr. Alysia Starkey, CEO/President, Kansas State University Aerospace and Technology Campus
Phillip Smith-Hanes, County Administrator, Saline County
Tim Zimmerman, In-state Business Development Project Manager, North Central Region, Kansas
Department of Commerce
Renee Duxler, CEO/President, Salina Area Chamber of Commerce

Absent:

N/A

(1.2) Public Comment

No Public Comment

APPROVAL OF MINUTES

(2.1) Moved by Weisel, seconded by Neuschafer to approve the April 20, 2023 minutes.
Aye: (9). Nay: (0). Motion carried.

APPROVAL OF FINANCIAL STATEMENT AND ACCOUNTS PAYABLE

(3.1) April Financial Reports

Moved by Maes, seconded by Hampton to approve the April 2023 financial reports.

Aye: (9). Nay: (0). Motion carried.

Robinson said that the organization is working with Hillary Richards at Woods & Durham to complete the 2022 Annual Review. A full report should be available at the June or July meeting.

4. TIM ZIMMERMAN - KANSAS DEPARTMENT OF COMMERCE - AND - DR. ALYSIA STARKEY - KANSAS STATE UNIVERSITY AEROSPACE AND TECHNOLOGY CAMPUS

Dr. Starkey walked the board through some of the potential updates at the college.

Tim Zimmerman, KDOC, reviewed a few of the KDOC incentive programs available to businesses in Kansas.

DIRECTOR'S REPORT

(5.1) Possible Project Considering Salina

(5.2) Prospect Updates - See Chart
Robinson reviewed the prospect table.

Robinson asked if any new board members would be interested in taking a tour of Salina to see the available buildings and sites that are available in Salina. Just let Robinson know and the office can get a few dates and times scheduled.

(5.3) Beck's Hybrids Project Update

The board received the updated impact study. The updated investment number is \$22.27 million. Moved by Neuschafer, seconded by Hampton to recommend to the City of Salina City Commission approval for Beck's Hybrids revised project. Aye: (9). Nay: (0). Motion carried.

On November 22, 2023, the EDO board moved/seconded a recommendation 100% abatement for 10 years to present the City of Salina City Commission.

BOARD MEMBER DISCUSSION/QUESTIONS

N/A

ADJOURNMENT

Richardson adjourned the meeting at 10:37 AM

Brian Richardson, Board President

ATTEST:

Daran Neuschafer, Board Member

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

COMPILED FINANCIAL STATEMENTS
May 31, 2023

WOODS & DURHAM, CHARTERED
Certified Public Accountants
Salina, Kansas

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

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ACCOUNTANTS' COMPILATION REPORT

To the Members of
Salina Community Economic Development Organization, Inc.
Salina, Kansas

Management is responsible for the accompanying financial statements of Salina Community Economic Development Organization (a nonprofit organization), which comprise the statement of assets, liabilities, and net assets - tax basis as of May 31, 2023, and the related statement of revenues, expenses, and changes in net assets - tax basis for the one month and five months then ended and determining that the tax basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements

The financial statements are prepared in accordance with the tax basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in the financial statements prepared in accordance with the tax basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's assets, liabilities, net assets, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was not subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to the Salina Community Economic Development Organization, Inc.

Woods & Durham, Chtd.
Woods & Durham, Chartered
Certified Public Accountants
Salina, Kansas

June 12, 2023

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS - TAX BASIS
May 31, 2023

ASSETS	
Current Assets	
Cash	\$ 317,868
Unconditional promises to give:	
Member contributions receivable - current	<u>349,480</u>
Total Current Assets	<u>667,348</u>
Long-term Unconditional Promises to Give	
Member contribution receivable - non-current	<u>173,010</u>
Property and Equipment	
Furniture and equipment	5,568
Less: accumulated depreciation	<u>(4,816)</u>
Net Property and Equipment	<u>752</u>
Total Assets	<u><u>\$ 841,110</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Payroll liabilities	<u>\$ 336</u>
Net Assets	
Without donor restrictions	667,764
With donor restrictions	<u>173,010</u>
Total Net Assets	<u>840,774</u>
Total Liabilities and Net Assets	<u><u>\$ 841,110</u></u>

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - TAX BASIS
For the One Month and Five Months Ended May 31, 2023

	Period Ended May 31, 2023	Year to Date May 31, 2023
Net Assets Without Donor Restrictions		
Revenues and Support Without Donor Restrictions		
Charlie Walker pitch challenge income	\$ -	\$ 16,000
Member contributions	1,765	3,530
Gifts in kind	1,667	8,333
Interest income	409	1,685
Total Revenues and Support Without Donor Restrictions	3,841	29,548
Net Assets Released From Restrictions		
Restrictions satisfied by payments	88,235	509,532
Total Revenues and Support Without Donor Restrictions	92,076	539,080
Expenses		
Business expenses	2,420	11,109
Contract services	3,067	10,373
Facilities and equipment	1,667	8,355
Operations	648	32,111
Other expenses	5,242	5,695
Payroll expenses	16,975	96,324
Travel and meetings	298	2,052
Total Expenses Without Donor Restrictions	30,317	166,019
Change in Net Assets Without Donor Restrictions	61,759	373,061
Net Assets With Donor Restrictions		
Unconditional promises to give - restrictions satisfied by payments	(88,235)	(509,532)
Net Assets - Beginning of Period	867,250	977,245
Net Assets - End of Period	\$ 840,774	\$ 840,774

SUPPLEMENTARY INFORMATION

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS - PRIOR YEAR AND BUDGET COMPARISON - TAX BASIS
For the One Month and Five Months Ended May 31, 2023 and May 31, 2022

	Period Ended May 31, 2023	Period Ended May 31, 2022	Year to Date May 31, 2023	Year to Date May 31, 2022	Budget YTD May 31, 2023	Budget 2023 Approved
Revenues						
Charlie Walker Pitch Challenge Income	\$ -	\$ -	\$ 16,000	\$ 16,000	\$ 1,667	\$ 4,000
Member Contributions	1,765	-	3,530	-	180,000	360,000
Investments - Interest	409	52	1,685	202	625	1,500
Gifts in Kind	1,667	-	8,333	-	-	-
Total Revenues	<u>3,841</u>	<u>52</u>	<u>29,548</u>	<u>16,202</u>	<u>182,292</u>	<u>365,500</u>
Expenses						
Business Expenses						
Memberships	-	-	455	300	469	1,125
Marketing Events	2,380	1,971	10,134	8,411	2,500	6,000
Miscellaneous Expense	-	-	(20)	15	208	500
Business Registration Fees	40	-	540	-	17	40
Total Business Expenses	<u>2,420</u>	<u>1,971</u>	<u>11,109</u>	<u>8,726</u>	<u>3,194</u>	<u>7,665</u>
Contract Services						
Accounting fees	775	217	3,590	1,612	5,000	12,000
Outside Contract Services	2,292	-	6,783	9,000	5,542	13,300
Total Contract Services	<u>3,067</u>	<u>217</u>	<u>10,373</u>	<u>10,612</u>	<u>10,542</u>	<u>25,300</u>
Facilities & Equipment						
Computer Replacement	-	-	-	-	625	1,500
Donated Facilities	1,667	-	8,333	-	-	-
Office Equipment	-	-	22	-	333	800
Total Facilities & Equipment	<u>1,667</u>	<u>-</u>	<u>8,355</u>	<u>-</u>	<u>958</u>	<u>2,300</u>
Operations						
Charlie Walker Pitch Challenge Expenses	-	-	18,000	16,693	1,667	4,000
Donations (Outgoing Board Recognition)	-	-	100	100	42	100
Dues & Subscriptions	15	495	345	690	417	1,000
Training Fees	-	-	-	-	625	1,500
Advertising/Promotion	-	-	8,015	9,399	12,500	30,000
Repairs & Maintenance	-	-	-	-	208	500
Books, Subscriptions, Reference	35	19	3,591	3,338	2,292	5,500
Postage, Mailing Service	63	-	63	-	56	135
Printing and Copying	10	-	170	273	146	350
Supplies	338	47	779	859	1,042	2,500
Telephone, Telecommunications	187	180	1,048	1,201	1,333	3,200
Total Operations	<u>648</u>	<u>741</u>	<u>32,111</u>	<u>32,553</u>	<u>20,328</u>	<u>48,785</u>
Other Expenses						
Depreciation	88	122	442	259	417	1,000
Other Costs	-	-	-	-	104	250
Insurance - Liability, D and O	5,154	-	5,253	5,269	2,500	6,000
Total Other Expenses	<u>5,242</u>	<u>122</u>	<u>5,695</u>	<u>5,528</u>	<u>3,021</u>	<u>7,250</u>
Payroll Expenses						
Retirement Contribution	-	-	2,790	2,774	4,792	11,500
Employee Health Ins	675	520	3,321	5,967	3,208	7,700
Director Health & List Ins	675	844	4,003	9,648	4,583	11,000
Car Allowance	500	500	2,500	2,500	2,500	6,000
Payroll Taxes	1,113	1,081	6,711	6,096	6,250	15,000
Wages & Salaries	14,012	13,628	76,999	74,690	77,083	185,000
Total Payroll Expenses	<u>16,975</u>	<u>16,573</u>	<u>96,324</u>	<u>101,675</u>	<u>98,416</u>	<u>236,200</u>
Travel and Meetings						
Meals	4	171	657	905	833	2,000
Conference, Convention, Meetings	-	50	369	76	417	1,000
Travel	-	144	672	410	1,667	4,000
Travel and Meetings - Other	294	-	354	19	417	1,000
Total Travel and Meetings	<u>298</u>	<u>365</u>	<u>2,052</u>	<u>1,410</u>	<u>3,334</u>	<u>8,000</u>
Total Expenses	<u>30,317</u>	<u>19,989</u>	<u>166,019</u>	<u>160,504</u>	<u>139,793</u>	<u>335,500</u>
Changes in Net Assets without Donor Restriction	<u>(26,476)</u>	<u>(19,937)</u>	<u>(136,471)</u>	<u>(144,302)</u>	<u>42,499</u>	<u>30,000</u>
Board Designation - Reserve Funds	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Changes in Net Assets	<u>\$ (56,476)</u>	<u>\$ (49,937)</u>	<u>\$ (166,471)</u>	<u>\$ (174,302)</u>	<u>\$ 12,499</u>	<u>\$ -</u>

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

REVIEWED FINANCIAL STATEMENTS
December 31, 2022

WOODS & DURHAM, CHARTERED
Certified Public Accountants
Salina, Kansas

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Management and Board of Directors of
Salina Community Economic Development Organization, Inc.

We have reviewed the accompanying financial statements of Salina Community Economic Development Organization, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statement of activities, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Salina Community Economic Development Organization, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

May 24, 2023

Woods & Durham, Chtd.
WOODS & DURHAM, CHTD.
Certified Public Accountants
Salina, Kansas

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENT OF FINANCIAL POSITION
December 31, 2022

ASSETS	
Current Assets	
Cash	\$ 276,890
Unconditional promises to give:	
Member contributions receivable - current	352,941
Prepaid health insurance	<u>1,413</u>
Total Current Assets	<u>631,244</u>
Long-term Unconditional Promises to Give	
Member contribution receivable - non-current	<u>346,021</u>
Property and Equipment	
Furniture and equipment	5,568
Less: accumulated depreciation	<u>(4,374)</u>
Net Property and Equipment	<u>1,194</u>
TOTAL ASSETS	<u><u>\$ 978,459</u></u>
LIABILITIES AND NET ASSETS	
Current Liabilities	
Accounts payable	\$ 834
Payroll liabilities	<u>380</u>
TOTAL LIABILITIES	<u>1,214</u>
Net Assets	
Without donor restrictions	631,224
With donor restrictions	<u>346,021</u>
TOTAL NET ASSETS	<u>977,245</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 978,459</u></u>

The accompanying notes and accountant's review report should be read in connection with these financial statements.

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS

Private Support

Charlie Walker pitch challenge	\$	16,000
In-kind contributions		20,000
Interest income		1,213
		1,213

Total Support and Revenue Without Donor Restrictions 37,213

Net Assets Released From Restrictions

Restrictions satisfied by time		352,941
		352,941

Total Revenue and Other Support Without Donor Restrictions 390,154

Expenses

Program Services

Economic Development Expenses		
Marketing events		8,411
Travel and meetings		4,130
Payroll and benefits		206,130
Contract services		11,080
Advertising and promotion		15,954
Charlie Walker pitch challenge		17,103
Other program services		1,272
		1,272

Total Program Services 264,080

Supporting Services

Contract services		13,305
Payroll and benefits		24,237
Office expense		15,340
Depreciation		1,470
Insurance		5,913
Occupancy		20,000
		20,000

Total Supporting Services 80,265

Total Expenses Without Donor Restrictions 344,345

Change in Net Assets Without Donor Restrictions 45,809

CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS

Unconditional promises to give - member contributions		(352,941)
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NET ASSETS - BEGINNING OF YEAR 1,284,377

NET ASSETS - END OF YEAR \$ 977,245

The accompanying notes and accountant's review report should be read in connection with these financial statements.

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

STATEMENT OF CASH FLOWS
December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES

Decrease in Net Assets	\$ (307,132)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation	1,470
Decrease in:	
Member contributions receivable	360,000
Increase/(Decrease) in:	
Accounts payable	42
Payroll liabilities	(69)
NET INCREASE IN CASH	<u>54,311</u>

CASH - BEGINNING OF YEAR 222,579

CASH - END OF YEAR \$ 276,890

SUPPLEMENTAL CASH FLOW DISCLOSURES

Cash paid for income taxes \$ -

Cash paid for interest \$ -

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Salina Community Economic Development Organization, Inc. was created by an agreement dated November 17, 2015, between the members: Saline County, Kansas, The Salina Airport Authority, The City of Salina, Kansas, and the Salina Area Chamber of Commerce, to be the community's primary economic development entity. It is funded solely by member contributions on a three-year contractual basis.

Basis of Accounting - The Organization prepares its financial statements on the accrual basis of accounting, which is a basis of accounting in compliance with generally approved accounting principles. Under this basis, revenues are recorded when earned and expenses are recorded when they are incurred.

Basis of Presentation - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions.

Net Assets - Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-or-grantor-imposed restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Revenue Recognition - Contributions - Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase to net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor restricted support is reported as an increase to net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Promises to Give - Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using a rounded average risk-free rate.

Property and Equipment - The amount recorded as Property and Equipment represents equipment purchased by the Salina Community Economic Development Organization and is recorded at cost. Depreciation has been provided for those assets based upon the straight-line method over the useful life of the assets. It is the policy of the Organization to capitalize equipment in excess of \$2,500. There are no restrictions placed, nor liens against any of these assets.

Cash - Cash includes all monies in the Organization's bank account. Fair market value equals carrying amounts.

Use of Estimates - The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Income Taxes - The Organization is a nonprofit organization that is exempt from income taxes under Code Section 501(c)(6) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation as provided by a determination letter received from the Internal Revenue Service. The Organization has adopted the provisions of FASB ASC 740-10, Accounting for Income Taxes. This standard clarifies the accounting for uncertainty in the income taxes recognized in the Organization's financial statements. The standard prescribed recognition and measurement of tax positions taken or expected to be taken on a tax return that are not certain to be realized. The Organization has not identified any uncertain tax positions. The Organization's income tax returns are subject to review and examination by federal, state, and local authorities. The Organization is not aware of any activities that are subject to tax on unrelated business income or excise or other taxes.

Donor Restrictions - Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors. During the period ending December 31, 2022, \$352,941 were released from restrictions due to satisfying time restrictions. See Note 5 for the funding details.

Advertising Costs - Advertising and promotional costs are charged to expense as incurred. During the year, the Organization spent \$15,954 for advertising and promotional expense.

Fair Value of Financial Instruments - The amounts reported on the Statement of Financial Position for member contributions receivable, accounts payable and payroll and other liabilities, are reported at actual value, which is considered to be fair value, due to the short-term nature of these financial instruments.

Functional Allocation of Expenses - The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses allocated include salaries and benefits, which were allocated on the basis of estimated time and effort.

Contributed Services - No amounts have been reflected in the financial statements for donated services. The Organization generally pays for services requiring specific expertise. Some individuals volunteer their time and perform tasks that assist the Organization; however, these services do not meet the criteria for recognition.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2022, is comprised of the following:

Total financial assets	\$ 276,890
Promises to give, current	352,941
Donor-imposed restrictions	-
Financial assets available within one year for general expenditures within one year	\$ 629,831

As part of the Organization's liquidity management, the account is set up for automatic transfers between the operating bank account and commercial sweep account. The sweep account is set up to monitor the balance of the checking account and will transfer funds as needed.

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3 - CONCENTRATION OF CREDIT RISK

As of December 31, 2022 and for certain periods prior to year-end, the cash balance of the Organization exceeded the FDIC account limits at the banking institution. The Organization believes there is minimal credit risk relative to its cash accounts.

NOTE 4 - CONCENTRATION OF REVENUE RISK

During the year ended December 31, 2022, the Organization's member contributions made up approximately 100% of total receivables. During the same period, no amount of support was recorded as member contributions.

NOTE 5 - SUPPORT - MEMBER CONTRIBUTION/PROMISES TO GIVE

The funding for the Organization is based upon scheduled unconditional member contributions over a three-year funding model.

The current funding schedule is as follows:

	<u>2022</u>	<u>2023</u>	<u>2024</u>
City of Salina	\$ 275,000	\$ 275,000	\$ 275,000
Saline County	35,000	35,000	35,000
Salina Airport Authority	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
	<u>\$ 360,000</u>	<u>\$ 360,000</u>	<u>\$ 360,000</u>

The future funding schedule calculated at net present value with a 2% discount rate is as follows:

	<u>2022</u>	<u>2023</u>	<u>2024</u>
City of Salina	\$ 275,000	\$ 269,608	\$ 264,322
Saline County	35,000	34,313	33,641
Salina Airport Authority	<u>50,000</u>	<u>49,020</u>	<u>48,058</u>
	<u>\$ 360,000</u>	<u>\$ 352,941</u>	<u>\$ 346,021</u>

The Organization considers these contribution receivables as fully collectible in the year which the agreement states, so, accordingly, no allowance for uncollectibility is recorded. These funds comprise the net assets with donor restrictions.

NOTE 6 - COMPENSATED ABSENCES

Employees are not permitted to carry over unused vacation or illness allowances. Accordingly, no accrual for such is included in these financial statements.

NOTE 7 - RETIREMENT EXPENSE

Retirement expense for the year ending December 31, 2022 was \$11,095. The retirement plan is essentially an IRA contribution made on behalf of the employee, recorded as additional compensation to the employee.

NOTE 8 - IN-KIND CONTRIBUTIONS

The Organization utilizes office space, furnishings, and staff support from the Salina Area Chamber of Commerce. The facilities and support are provided at no cost to the Organization, but based on current market rates, the Organization would have paid \$20,000 for the year ended December 31, 2022. Of the total contribution, \$18,500 is comprised of office space and furnishings, and \$1,500 is comprised of staff support. In-kind contributions are not restricted and are utilized within the year.

SALINA COMMUNITY ECONOMIC DEVELOPMENT ORGANIZATION, INC.
Salina, Kansas

NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - RELATED PARTIES

The Organization has a revenue agreement (see Note 5) with three related party organizations. Cash collected from related parties were \$360,000 for the year ending December 31, 2022. Gifts in-kind from related parties were \$20,000 for the year ending December 31, 2022 (see Note 9). Gifts in-kind from related parties made up approximately 54% of total revenues.

NOTE 10 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 24, 2023, the date on which these financial statements were available to be issued. Management concluded that there were no material subsequent events or transactions that required additional disclosure in these financial statements.

June 2023 REPORT

MARKETING / LEGISLATIVE

The legislative session ended and is awaiting the Governor's final actions on several bills whether to sign them or let them die without approval. I was invited to attend the Kansas Chamber of Commerce annual dinner in Topeka on April 26th as a guest of our lobbyist firm. Former Secretary of State Mike Pompeo. Met several state legislators who were also attending the dinner.

Final approval for the \$2.95 million annually for 10 years will go to the Salina Airport Authority as planned to support the California based Tyrell Corporation project if the company decides to relocate to Salina. We are awaiting approval any time. This week the Executive Director took part in several calls concerning this project with Department of Commerce staff, company representatives and Dr. Starkey.

The Executive Director serves on the Team Kansas Board of Directors which serves as a marketing partner of the Kansas Department of Commerce. On the 4th of May the Board meeting to approve a new chairman of the organization and marketing efforts for the upcoming year. There will be some modifications of activities as the year moves forward.

WORKFORCE TALENT / HOUSING / CHILDCARE

We are awaiting final approval of a contract with the selected development firm and the City of Salina which will kick off the development of apartments and duplexes to meet the needs of area individuals and companies.

United Way has started fund raising for funding for the new director for childcare to promote childcare efforts in Salina. Existing grants will pay for over 50% of the salary but additional funds will have to be raised to fund the remaining budget. United Way Director Claire Ludes and Chamber President Renee Duxler met with Jeff Thompson of Schwan on April 26th and with Great Plains outgoing President Linda Salem on May 11th to talk about the plan to raise funds for salary assistance for childcare workers. A meeting with Vortex is set for later this month.

ENTREPRENEURSHIP / SMALL BUSINESS DEVELOPMENT

Start Up Salina met on Wednesday, May 3rd. Area entrepreneur Shannon Luthi, who produces BBQ rubs, smoked salts and other products uses the kitchen in The Temple. He spoke about starting a business and "bootstrapping" a business without a lot of startup debt.

PROSPECT MANAGEMENT

Beck's Hybrids is working on the annexation and rezoning of their future property. On June 26th the property will be annexed and rezoned along with having the first reading of the Industrial Revenue Bonds.

We continue to work with representatives of the Texas-based company interested in establishing a battery storage facility near an Evergy substation in far south Saline County. They met with fire and emergency management representatives, county planning and county road development staff to talk about their plans. On Tuesday, May 16th the company will make a presentation to the Saline County Commission outlining their project. The company will submit plans to the Saline County Planning Commission in early June.

Helped coordinate with Farmer’s Direct groundbreaking ceremony on May 10th. The company will be adding 9000 square feet of warehousing and several packaging machines will be added to meet the needs of future demands of their growing business.

Met with Wichita based individual who is interested in establishing a business here in Salina met with the Executive Director. He outlined the basic framework of the project. Will require the community to work with the project in a different format. Would be a large employer but not a high salary range.

SITES / BUILDINGS / TOOLS:

Continue to monitor sites and available buildings within the community.

MONTHLY WEB/SOCIAL MEDIA STATISTICS

Website – (reported May 2023)

216 users 213 New Users 242 Sessions 3.66 Pgs/Session 1:23 Avg Session
538 Pageviews

Website –5/17/2023 – 6/9/2023

143 users 140 New Users 157 Sessions 3.11 Pgs/Session 0:45 Avg Session
489 Pageviews

Facebook – (reported May 2023)

1,628 Page Reach 1,700 Post Reach 189 Page Visits 823 Followers

Facebook – 5/12/2023 – 6/9/2023

1,452 Page Reach 95 Engagement 1,700 Post Reach 138 Page Visits 832 Followers

Start Up Salina Facebook Group

1/16/2023 – 352 members (--)
2/10/2023 – 356 members (+4)
3/9/2023 – 361 members (+5)
4/16/2023 – 371 members (+10)
6/9/2023 – 373 members (+2)



Prospect Table

This information is strictly CONFIDENTIAL. Discussion of this information outside of this meeting could jeopardize the progress of these pending projects.

Color Key: **ACTIVE** **INACTIVE** **NEW** **OUT** **SUCCESS** **DELAYED** **DEFUNCT**

Code #	Project Name	Client Source	Project Status	Contact Date	Milestone / Decision Date	Project Objective	Business Description	Jobs (New)	Average Salary	Investment	Niche	Acreage Required	Square Footage
21-10	Project Storage	Direct Contact	Active	7/29/2021	P&Z June 27th	Presented to Co. Com. May 14	Energy Storage 3-4 years Construction 2025	3	Above Average	\$330M	Energy	20-40 acres under option	NA
21-18	Project JR/ Beck's Hybrids	KC Realtor	Active	Agreed on deal on 4/4/2023	Working on zoning & annexation then IRB's	Seed distribution and sales center	Warehouse seeking rural location on Interstate	5 Warehouse Positions + 15 Sales	?	\$22.7 Million	Warehouse & Regional Office 96,000 SF	141 acres on Interstate interchange for warehouse and test plots	96,000 SF
22-11	Project Imagination	KSU Salina	Active	7/5/2022	Close to Announcement	CA based co. move operation to Salina	High Tech Imaging	100 estimated by Year3	\$75k-\$100k	\$50 M	High Tech Image	KSU Salina/SAA Property	KS Salina Hanger
22-14	Project DORI	Direct / SAA	Active	12/1/2022	Numerous Meetings	Warehouse Project	Warehouse Space for Local Companies	?	?	\$19M	Local Co.	13 acres	250,000 SF
22-15	Project Celebrate	KDOC - JF	Active	12/8/2022	Submitted 12/12/2022	Metal Fabrication	Nashville, TN Based	100	?	?	Need rail	50 acres	200,000 SF Build
23-01	Project Houston	SAA- Tim Rogers	Active	1/26/2022	Reviewed 1/26/2022	Maintenance Hub	New Hub	6	\$25+/hr	?	MRO	Use Local Company	Use Existing Building
23-02	Project Nita	KDOC - BJ	Active	2/10/2023	Target April	Ag-related project conducting a search in Wichita and KC metro areas for a rail-served greenfield	Rail is required , anticipate 80-85 inbound & 25-30 outbound cars/month; Outside storage of raw materials must be allowed	150	\$20/hour, but will change based on local wages		Ag-related	Greenfield site 35-60 acres rail required	200,000-300,000 SF Build
23-03	Project Grinder	KDOC- TZ	SUCCESS	4/21/2023	Ground Breaking May 10th	Local grain supplier	Specialized Grain	7	\$18	\$1.4 m	Specilized Grain	Existing Propertu	12,000 SF addition
23-04	Casino	Wichita Businessman	Active	5/9/2023	Seeking Future Site	Tribal Casino	Casino, Hotel, Water Park	500-700	\$20/hour + tips	?	I-70/-135	200 acres	undetermined