BNA® Nashville International Airport®

ANNUAL COMPREHENSIVE FINANCIAL REPORT
JULY 1, 2021 - JUNE 30, 2022

A Component Unit of the Metropolitan Government of Nashville and Davidson County
Nashville, Tennessee

Metropolitan Nashville Airport Authority

A Component Unit of The Metropolitan Government of Nashville and Davidson County

Nashville, Tennessee

Annual Comprehensive Financial Report

For the Year Ended June 30, 2022

Prepared by:

The Finance Department

This section contains the following subsections:

October 19, 2022

To the Board of Commissioners of the Metropolitan Nashville Airport Authority,

The Annual Comprehensive Financial Report ("ACFR") of the Metropolitan Nashville Airport Authority ("the Authority" or "MNAA") as of and for the fiscal year ended June 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, results of operations, and cash flows in accordance with generally accepted accounting principles ("GAAP"). It includes disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities included within the ACFR. The report of the independent auditors on the financial statements is included on pages 1-3 of the ACFR.

The ACFR was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially to the high standards of public financial reporting, including GAAP promulgated by the Governmental Accounting Standards Board (GASB).

The management of the Authority is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Authority is responsible to make certain that an adequate internal control structure is in place to ensure compliance with general and specific laws and regulations related to the Airport Improvement Program and the Aviation Safety and Capacity Expansion Act.

The objectives of an internal control structure are to provide management with reasonable assurance that the resources are safeguarded against waste, loss and misuse, and reliable data are recorded, maintained and fairly disclosed in reports. The current internal controls provide the Authority with a solid base of reliable records from which the financial statements are prepared. These accounting controls ensure that accounting data are reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system of internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the benefits derived and that the evaluation of those factors requires estimates and judgment by management.

The Authority's financial statements for the year ended June 30, 2022, have received an "unmodified opinion" from Plante & Moran, PLLC, the Authority's independent certified public accountants. An unmodified opinion is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe that the financial statements are not fairly presented in all material respects.

An independent audit was also performed by Plante & Moran, PLLC, in accordance with the requirements of the Uniform Grant Guidance (2 CFR Part 200), i.e., Single Audit. The auditor's reports related specifically to the Single Audit are immediately following the ACFR in the Compliance Section.

A third audit was performed by Plante & Moran, PLLC, as required under Federal Aviation Regulation, Part 158 (Passenger Facility Charges). The auditor's reports related to the schedule of Passenger Facility Charges are immediately following the ACFR in the Compliance Section.

This ACFR was prepared to meet the needs of a broad spectrum of financial statements readers and is divided into the following sections:

Introductory Section – In addition to serving as a transmittal letter, this section provides the reader an introduction to the ACFR and the Authority. The introductory section includes background information on the reporting entity, its operations and services, accounting systems and budgetary controls, overview of the local economic conditions, its long-term financial planning and certain other pertinent information. It is complementary to financial and analytical data offered in the Management Discussion and Analysis (MD&A) and the Statistical Section of the ACFR discussed below. The information contained in this section is prepared by the Authority and is not part of the independent auditor's report.

Financial Section – The independent auditor's report, MD&A, financial statements, notes to the financial statements, required supplementary information, and other information are included here. These are the Authority's basic financial statements and provide an overview of the Authority's financial position. The MD&A immediately follows the independent auditor's report and complements this letter of transmittal and should be read in conjunction with it.

Statistical Section – The supplementary information presented in this section is designed to provide additional historical perspective, context, and detail to assist a reader to understand and assess the Authority's economic condition beyond what is provided in the financial statements and notes to the financial statements. The information contained in this section is prepared by the Authority and is not part of the independent auditor's report.

Continuing Disclosure Section – The continuing disclosure schedules reflect information in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission and as set forth in the Continuing Disclosure Undertaking for issued debt. The information contained in this section is prepared by the Authority and is not part of the independent auditor's report.

Compliance Section – This section presents schedules and footnotes prepared to meet the requirements of the U.S. Office of Management and Budget 2 CFR Part 200 as well as Federal Aviation Administration requirements applicable to the Passenger Facility Charge Program and in accordance with 14 CFR Part 158.

REPORTING ENTITY BACKGROUND

The Authority is a metropolitan airport authority created on February 9, 1970, pursuant to state statute and is an independent political subdivision of the State of Tennessee. The major purposes of the Authority are the operation, financing, and development of Nashville International Airport® ("BNA®") and John C. Tune Airport® ("JWN®"), a general aviation reliever airport.

The Authority also owns MNAA Properties Corporation ("MPC"), a Tennessee nonprofit corporation, whose purpose is to support and facilitate the operations of the Authority and to help the economic development of the surrounding area. The Authority has all the powers of a governmental entity necessary to accomplish its purpose, such as acquiring land and constructing airport facilities; issuing revenue bonds and other tax-exempt indebtedness; maintaining its own police and aircraft rescue and firefighting (ARFF); setting rates and charges for airlines; and setting rates for all activities on airport properties. Although the Authority has an independent governing body, based upon the criteria set forth by the Governmental Accounting Standards Board, it has been determined the Authority is a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee.

The Authority's Board of Commissioners consists of seven members who serve without compensation, all of whom are appointed by the Metropolitan Government Mayor and approved by the Metropolitan Government Council. Board members appointed before August 2021 serve a four-year term and can be reappointed. Board members appointed after August 2021 serve a seven-year term and can be reappointed. The terms are staggered to provide for continuity of Authority development and management. By state law, the commissioners represent different professional and management disciplines, including engineering, aviation, law, commerce, finance, and industry. The Board appoints the Authority's President and CEO, who is the chief executive and administrative officer responsible for day-to-day operations and planning for both airports and MPC. The President and CEO leads a full-time staff of professional and technical personnel, with a headcount of 319 positions for fiscal year 2022. Authority staff is actively engaged with many trade and community organizations, often receiving awards, and serving in leadership positions.

AUTHORITY OPERATIONS AND SERVICES

The Authority is self-supporting, using aircraft landing fees, fees from terminal and other rentals and revenue from parking, concessions, and various additional sources to fund operating expenses. The Authority is not taxpayer funded. The Capital Improvement Program is funded by bonds issued by the Authority, federal and state grants, passenger facility charges (PFCs) and other discretionary funds.

Airline Use and Lease Agreement

Leases. Revenues received from the airlines are derived from rentals, fees and charges imposed upon airlines operating at BNA under the MNAA Signatory Airline Use and Lease Agreement (the "Airline Agreement"). The following airlines are parties to such agreements: Alaska Airlines, Allegiant Air, American Airlines, Delta Air Lines, Frontier Airlines, Federal Express, JetBlue Airways, Southwest Airlines, Spirit Airlines and United Airlines (collectively the "Signatory Airlines"). The Airline Agreement was originally effective July 1, 2015 – June 30, 2022, and was extended through June 30, 2023.

Rates and Charges. The Airline Agreement establishes three cost centers for purpose of determining rates and charges payable by the Signatory Airlines and other users of Airport facilities: Airfield, Terminal, and Terminal Ramp Area. Baggage and passenger loading bridges fees are also assessed. The Airline Agreement has a "hybrid" airline rate-setting methodology with the Landing Fees being calculated on a residual basis, the Terminal Rental Rates being fixed rates specified in the Agreement that were initially derived based upon a compensatory basis using rental space in the calculation, and Terminal Ramp Area rates generally established through a compensatory methodology. Other than the Airfield, the Signatory Airlines are not required to provide for break-even financial operations of BNA under the Airline Agreement.

Majority-in-Interest Approvals Relating to Authority's Capital Projects. The Signatory Airlines agreed in the Airline Agreement to a Majority-in-Interest ("MII") approval process for each new capital improvement project (with a net cost exceeding $50,000) in the Airfield that the Authority seeks to fund through airline rates and charges. The Authority must obtain approval in writing from Signatory Airlines representing a MII after providing written notice to all Signatory Airlines containing: (a) a description of the project; (b) drawing showing its location, to the extent available; (c) estimates of its total capital costs; (d) an explanation of the benefits it will provide; (e) a schedule for its implementation; (f) a summary of how the project will be funded; and (g) an estimate of the impact the project will have on the Landing Fees or other airlines rates and charges to be paid by the Signatory Airlines. A capital improvement project in the Airfield shall only be deemed to be approved by a MII when Signatory Airlines representing a MII have provided their written approval of the capital improvement project. In the event of MII disapproval, the Authority may only proceed with the capital improvement project if it is not funded through rates and charges paid by the Signatory Airlines.

The Airline Industry

In calendar year 2020, a new strain of coronavirus ("COVID-19") spread throughout the world. The outbreak of COVID-19 was characterized as a global pandemic by the World Health Organization. The pandemic and the resulting travel restrictions disrupted the aviation activity and passenger traffic for all Airlines around the world. In April 2020, the number of people traveling by plane hit a 10-year low with passenger counts down by about 92%. Aircraft operations in July 2021 exceeded its pre-pandemic levels for the first time with 1.3% more aircraft operations than July 2019. Since then, there have only been two months (January and February 2022) where aircraft operations dropped below pre-pandemic levels. In June 2022, aircraft operations were 7.3% higher than June 2019. For the entire fiscal year 2022, aircraft operations were 8.3% higher than in fiscal year 2019.

Airport Activity

In the spring of 2021, the COVID-19 vaccine became widely available, and BNA began to experience higher levels of traffic as tourism returned in full force. During fiscal year 2022, BNA experienced record levels of activity and ended the year with an increase in enplanements of 78.9%, an increase in landed weights of 40.3%, an increase in aircraft operations of 35.4%, and an increase in load factors of 34.0%.

	2022	2021	2020
Enplanements	9,217,710	5,151,658	6,858,395
% (decrease) increase	78.9	(24.9)	(20.2)
Aircraft landed weight (all–000)	11,043,361	7,869,238	8,995,415
% (decrease) increase	40.3	(12.5)	-9.6
Aircraft operations (all)	244,622	180,653	198,722
% (decrease) increase	35.4	(9.1)	-12.6
Load factors	78.9%	58.9%	68.3%
% (decrease) increase	34.0	(13.8)	(13.8)

In addition to the pandemic, on March 3, 2020, a tornado touched down in the Nashville area and continued its path across Middle Tennessee. JWN, located in west Nashville, sustained significant damage from the storm, including infrastructure damage to the terminal and other buildings (including 17 hangars), airfield, pavement, navigational aids, signage, lighting, fencing, utilities and more. Since then, JWN has begun a major transformation, including the completion of an air traffic control tower and a major redevelopment plan, which includes expanded ramp areas, a new access point, and new hangars. During fiscal year 2022 the reconstruction of 100 hangars was completed.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Authority's Budget

Prior to the commencement of each fiscal year, the Authority prepares operating and capital budgets which are reviewed by various committees of the Board of Commissioners and legally adopted by the full Board of Commissioners.

The budget contains an estimate of current operational and capital expenses, including for the operation and development of Airports under the jurisdiction of the Authority and the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing fiscal year. The budget also contains an estimate of revenue of the Authority from all sources for the next fiscal year.

Budgeting serves as an important management tool to plan, control, and evaluate the operations and capital needs of the Authority. BNA, JWN, and MPC's operating budgets are the Authority's annual financial plan for operating and maintaining the airport and other properties. The operating expense and revenue budgets must be sufficient to cover the operating and maintenance expenses of the Airports and the debt service payable on bonds and other known financial requirements for the ensuing fiscal year. The Capital Improvement Program budget is the Authority's plan for the design and construction of major improvements and new facilities at the Airports and MPC with a five-year horizon. The Authority's basis of budgeting is in accordance with GAAP, which is the same as the Authority's accounting basis.

Budgetary control is required to ensure that expenditures do not exceed appropriations. The Authority maintains this control with an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved with encumbrances to prevent overspending. Amendments to the budget are subject to approval by the Board in accordance with the terms outlined in the Board resolution adopted with the budget. The independent monitoring of the budget continues throughout the fiscal year for management control purposes. Each month, Finance reviews and analyzes all revenue and expense accounts to compare actual to prior year actual and to budget. The findings are reported to the Board in the monthly board packet.

AUTHORITY'S ECONOMIC CONDITION

Population and Air Trade Area

BNA resides in a region which the United States Office of Management and Budget (OMB) defines as the Nashville-Davidson-Murfreesboro-Franklin Metropolitan Statistical Area (MSA) and is composed of 14 counties of Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Maury, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson Counties. The Nashville-Davidson-Murfreesboro-Franklin MSA is the 36th most populated MSA in the United States with approximately 2.1 million people and serves as the airport "air service area".

BNA is the primary commercial air service facility serving the Nashville metropolitan area and is the largest airport in the state of Tennessee and the only large hub in the region. BNA serves as the primary commercial service airport for the air service area. This area is generally isolated from competing airport facilities and, hence, the Airport has limited competition of air service. Huntsville International Airport (HSV) is the closest airport, about 125 (driving) miles from the Airport. The next closest airport is Chattanooga Metropolitan Airport (CHA) which is about 145 (driving) miles away. Louisville International Airport (SDF) and Knoxville McGee Tyson Airport (TYS) are about 175 (driving) miles from the Airport. Paducah Barkley Regional Airport (PAH) is a non-hub airport about 150 (driving) miles from the Airport with only Essential Air Service. Memphis International Airport (MEM) is a small hub airport about 220 (driving) miles from the Airport. Other commercial service airports in the region are small facilities and the more comparable small hub airports are over 175 miles away. Other medium and large hub airports are over 250 miles from the Airport, with Hartfield-Jackson Atlanta International Airport (ATL) the nearest at approximately 255 (driving) miles.

In calendar year 2021, BNA ranked 27th nationwide in enplaned passengers with 7,594,049 enplanements, making BNA a large hub airport as classified by the FAA.

Economy

The Nashville population continues to grow, with more ability to work from anywhere, people from higher cost-of-living markets such as New York and Los Angeles are moving to Nashville, citing low property taxes and no state income taxes. In addition, companies such as Oracle, Facebook, and Amazon are expanding to Nashville in search of lower overhead and taxes and the talent produced by local universities.

Unemployment rates in the Nashville-Davidson-Murfreesboro-Franklin MSA have stabilized from the pandemic high of 10.20 percent, experienced in 2020, dropping to 3.4 percent as of July 2022.

The Nashville Chamber of Commerce predicted that the leisure and hospitality industries will return to normal levels by the summer of calendar year 2022. This prediction has come true, in the summer of 2022, the Airport set records for passengers, and the Nashville Convention and Visitors Corporation noted in their fiscal year 21-22 annual report that the Nashville hospitality industry was once again breaking performance records.

Nashville continues to receive high praise, receiving many honors and rankings within the travel industry. Nashville's culturally diverse and friendly environment made it a favorite place for conventioneers and tourists alike, as well as a great place to work, live and raise a family. A few of Nashville recent accolades are as follows:

Nashville's High Notes

http://www.visitmusiccity.com/accolades-honors

- **Nashville** was voted as "Best Up-and-Coming City" in **Hemispheres Readers' Choice Awards 2022**. *(September 2022)*
- **Nashville** ranked **#15** in **Travel + Leisure**'s **The 15 Best Cities in the United States**. *(July 2022)*
- **Robb Report** placed **Nashville** as **#5** in **Our 12 Favorite Cities to Visit in the U.S**. *(May 2022)*
- **Nashville** landed as **#4** for the **South's Best Cities Overall** on **Southern Living**'s **South's Best 2022**. *(March 2022)*
- **Nashville** ranked **#5** in **Best Destinations for City Lovers in the United States** by **Trip Advisor**. *(March 2022)*
- **Nashville** placed **#1** for **The Best Music Cities in the U.S.** (2022 Data) by **Clever**. *(February 2022)*
- **Nashville** is named one of the **Top 10 Friendliest Cities in the U.S.** by **Conde Nast Traveler**. *(February 2022)*
- **Nashville** is one of **Thrillist**'s **Great American Cities for Creative**. *(January 2022)*
- **Nashville** ranked multiple times in **Trip Advisor**'s **2022 Travelers Choice Awards**. *(January 2022)*
  - **#9** – **Best of the Best: Popular Destinations — United States**
  - **#7** – **Top Destinations for Food Lovers — United States**
  - **#5** – **Top Destinations for City Lovers — United States**

- **Nashville** is a **Top 10 Trending Travel Destination for January** according to **USA Today**. *(January 2022)*

- **Nashville** made **Travel Pulse**'s list of **Every State's Top Travel Destination for 2022**. *(January 2022)*

- **Nashville** made **Travel + Leisure**'s list of **The 18 Cheapest Places to Travel in 2022**. *(January 2022)*

Fiscal Year 2022 Awards & Recognitions

Doug Kreulen is the president and Chief Executive Officer (CEO) for the Metropolitan Nashville Airport Authority responsible for both Nashville International Airport (BNA) and John C. Tune Airport (JWN). An Accredited Airport Executive (A.A.E.), Kreulen is active in a variety of civic organizations. In 2022, several accolades were bestowed to BNA for its outstanding operations and leadership including: The 2022 Award of Excellence and Airport of the Year award by the Tennessee Aeronautics Commission; Kreulen received the Inaugural Veterans Leader Award by Charlie & Hazel Daniels Veterans and Military Family Center at Middle Tennessee State University and has been named one of Nashville Business Journal's Most Admired CEOs.

Throughout the fiscal year, BNA also received the following recognition and accolades:

- Named the first Better Cities for Pets Certified Airport® by Mars Petcare
- Presented with the following awards:
    - Parksmart Silver Certification awarded to Garage 1 for its sustainable design, construction, and operation
    - Earned the Award of Excellence and named the Airport of the Year by the Tennessee Aeronautics Commission
    - Selected as Inclusion Champion for Medium Hub Airports by Airports Council International-North America
    - Design-Build Institute of America named BNA's Concourse D and Terminal Wings one of the nation's "Best Design-Build Projects"
    - Nashville International Airport recognized with "Condé Nast Traveler's" Readers' Choice Award: "9th Best Airport in the U.S."
    - Terminal Garage 1 and BNA's Airport Administrative Building received the Prestigious Award of Excellence from Associated General Contractors of Tennessee
    - Named the 7th Best Airport in the US by Best Life Magazine
- Opened 49 new food, beverage, and retail concepts as a part of our reimagined concessions program
- Commemorated 85 years at BNA (June 12, 1937 – June 12, 2022) as the gateway to Music City

As fiscal year 2022 activity outpaced pre-pandemic highs recorded during fiscal year 2019, the Authority started to plan for life after COVID-19. The fiscal year 2023 budget included a nominal 5% increase in enplanements and landed weights. This conservative approach should enable the Authority to meet or exceed the budgeted performance in fiscal year 2022.

LONG-TERM FINANCIAL PLANNING

The Authority's long-term financial planning includes the completion of certain approved capital projects and the accumulation of sufficient resources required to service the debt issued to finance these projects, as well as to operate and maintain the Airports. Under the terms of the Airline Agreement, certain fees and charges paid by the Airlines are used along with other non-airline income from BNA to service the debt issued to finance the construction program.

Capital Improvement Program

The Authority maintains an ongoing Capital Improvement Program (CIP) to expand, modernize, and maintain BNA, JWN, and MPC. In addition to renovations and modernization of certain existing facilities, the CIP includes construction of the principal elements of the Master Plan for each Airport. The master plans establish the framework for the CIP that is necessary for the development of the Authority.

The capital program currently in process is *BNA Vision*, which is an extensive, multi-phased capital improvement program. *BNA Vision* is a major renovation and expansion project intended to enable BNA to meet future needs.

Specific elements of *BNA Vision 1.0* and 2.0 expected to total $1.5 billion – include the following:

Terminal Garage 2
A six-story structure to the south of the terminal with approximately 2,200 spaces. Terminal garage 2 opened in December 2018.

Terminal Lobby Renovation and International Arrival Facility (IAF)
The project will provide travelers an expanded and visually engaging central terminal as well as a state-of-the-art international arrivals facility that will replace the existing interim international arrivals facility. Completion of this project is slated for late 2023.

Concourse D, Terminal Wings, Ticketing and Baggage Claim Expansion
The project will revive and expand BNA's fourth concourse, Concourse D; and enlarge the existing ticketing lobby and baggage claim. The north and south terminal wing expansion, expanded baggage claim, and Concourse D are now open.

Terminal Garage 1
The project includes a six-level parking garage near the terminal, a new administrative office building and pedestrian plaza. The garage, administrative offices, and pedestrian plaza are now open.

Donelson Pike Relocation and Terminal Access Roadway Improvements – Phase 1
With traffic and airport utilization continuing to rise, the Donelson Pike Relocation and Terminal Access Roadway Improvements projects are vital to improving access and circulation around BNA. Completion of phase 1 of this project is scheduled for late 2023.

Satellite Concourse
The project will produce an eight-gate, free-standing satellite concourse near the main terminal and provide more gates to meet the increasing air travel demand in Middle Tennessee. The satellite concourse will be the airport's fifth major concourse. It is slated to open in late 2023.

Runway 2L/20R Extension – EA/Preliminary Design and Property Acquisition
The project will allow BNA to accommodate larger aircraft. This is imperative as BNA seeks to expand to more international markets in Asia and Europe.

Concourse A Site Preparation, Fill, and Ramp Paving
The project will prepare and area adjacent to the existing Concourse A to allow for future expansion.

In June 2022, The Authority announced a new capital initiative, New Horizon, which includes additional expansion projects to accommodate future demand beyond what was contemplated with BNA vision program was developed. The New Horizons design phase began in August 2022 with construction of Concourse D scheduled to begin in late 2023 with completing of all projects by late 2028. Specific elements of *BNA New Horizon* – expected to total approximately $1.5 billion – include the following:

Concourse A and D improvements
Concourse A and D will see extensions and improvements including additional gates, moving walkways, and additional concessions in both concourses. The Concourse D extension is anticipated to add 5 additional gates and to provide operational flexibility during the construction of a new Concourse A as the existing 6 gates on Concourse A will be demolished. New Concourse A is anticipated to add an additional 16 gates upon completion.

New air freight building
A new air freight facility will be constructed to better support airline cargo requirements.

Terminal roadway improvements
Phase 2 and 3 – capacity will increase and ease traffic flow into and out of the airport terminal and parking garages.

Baggage handling system improvements
Upgrades to the baggage handling system will sort bags by flight, speed security inspections, and deliver passenger luggage to and from the aircraft faster.

As a result of the rapid growth which the Airport has been experiencing, the Authority will continue to actively assess and manage its capital needs to determine any necessary modifications to the CIP as necessary to accommodate evolving priorities with respect to demand-driven traffic activity, operational needs of the Airport, and other factors. The Authority's CIP is subject to frequent review and modification based on expected funding priorities of the Airport System.

Airport Improvement Program

The Authority participates in the Airport Improvement Program (AIP), the Federal government's airport grant program. The AIP provides funding for airport development, airport planning and noise compatibility program from the Airport and Airway Trust Fund. The AIP also provides both entitlement and discretionary grant for eligible projects. The Authority also receives grants from the State of Tennessee.

Passenger Facility Charges

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorizes domestic airport to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and report of PFCs. PFCs may be used for projects which meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system, reduce noise or mitigate noise impacts resulting from an airport, or furnish opportunities for enhanced competition between or among air carriers.

The FAA has approved twenty-three PFC applications and amendments submitted by the Authority. The Authority is currently authorized to impose and use a PFC of $4.50 per enplaned passenger up to $947 million, which includes amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC eligible costs on approved projects.

As of June 30, 2022, the Authority received approximately $462 million of PFC revenue, and interest earnings of approximately $29 million. The Authority expended approximately $371 million on approved projects. The current PFC expiration date is estimated at March 1, 2036.

OTHER INFORMATION

Awards and Achievement

The GFOA awarded the Authority's a "Certificate of Achievement" for Excellence in Financial Reporting for its ACFR for the year ended June 30, 2021. This was the twenty-first consecutive year that the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues for conform to the Certificate of Achievement program requirements and are submitting this 2022 ACFR to the GFOA for consideration.

Acknowledgements

The preparation of this report would not be possible without the cooperation of the Authority's Board of Commissioners and senior management and their desire to maintain the Authority as a model of excellence in the management of Nashville International Airport, John C. Tune Airport, and MNAA Properties Corporation, all in an effort to meet the air service needs to the surrounding communities.

Respectfully submitted,

Margaret Basrai

Margaret Basrai, CPA, CGMA, C.M.
Executive Vice President and Chief Financial Officer

BOARD OF COMMISSIONERS

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Board officers are members of the Management Committee, which is responsible for Audit.

Executive Staff

Douglas E. Kreulen
President & Chief Executive Officer

Robert L. Ramsey
Executive Vice President & Chief Operation Officer

Margaret M. Basrai
Executive Vice President & Chief Financial Officer

Neale R. Bedrock
Executive Vice President, General Counsel & Chief Compliance Officer

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AVP, Operations

Chief W. David Griswold
AVP, Public Safety

Benjamin "KC" Hampton
AVP, Information Technology

Carrie R. Logan
Associate General Counsel

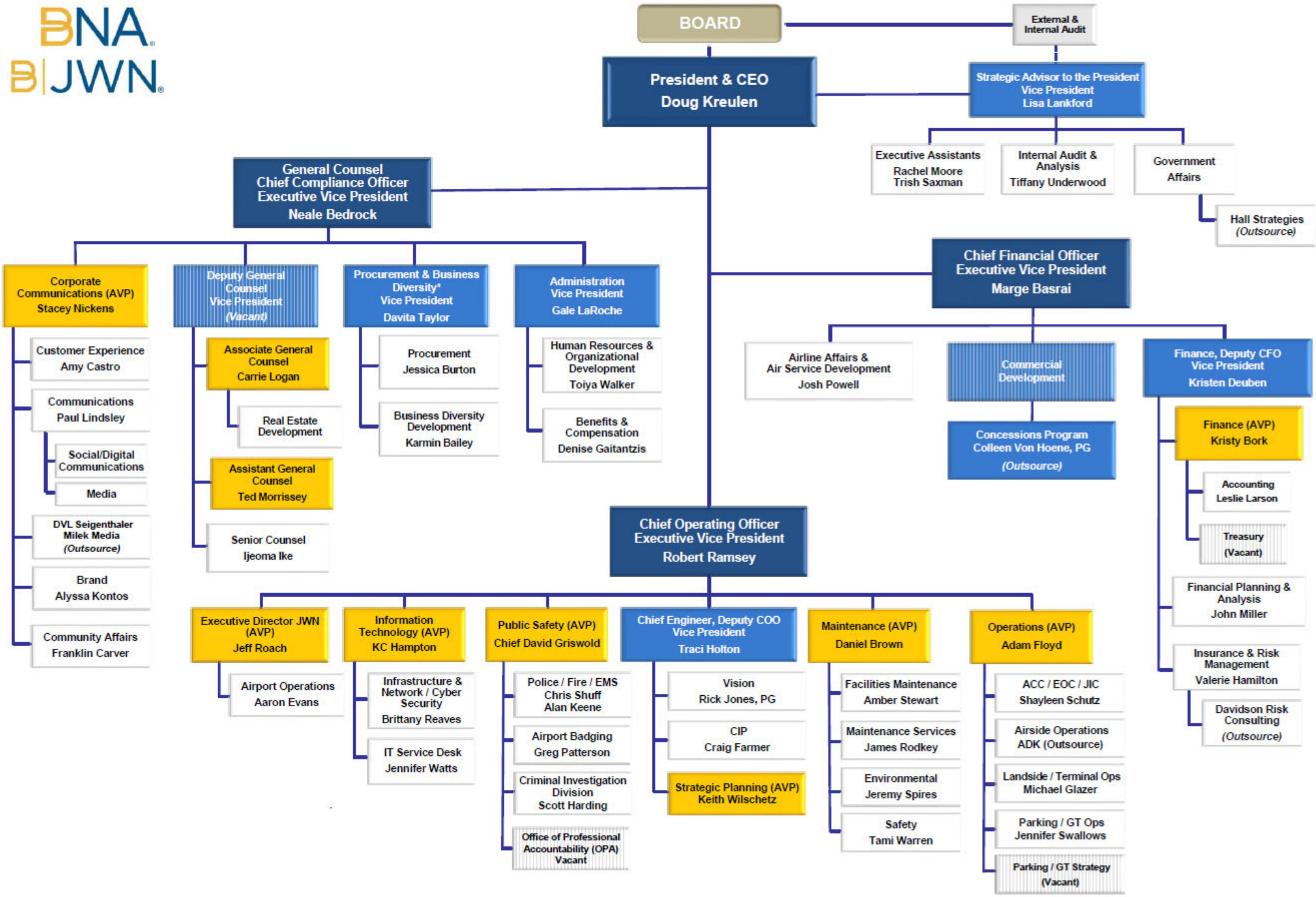
Theodore G. Morrissey
Assistant General Counsel

Stacey H. Nickens
AVP, Corporate Communications

Jeffery "Jeff" A. Roach
AVP, Executive Director, JWN

Keith B. Wilschetz
AVP, Strategic Planning

Metropolitan Nashville Airport Authority
Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Metropolitan Nashville Airport Authority
Tennessee

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morrill

Executive Director/CEO

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This section contains the following subsections:

plante moran

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Independent Auditor's Report

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate remaining funds of the Metropolitan Nashville Airport Authority (the "Authority"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining funds of the Authority as of June 30, 2022 and the changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 15 to the financial statements, during the year ended June 30, 2022, the Authority adopted the provisions of GASB Statement No. 87, *Leases*. This statement requires recognition of lease receivables and deferred inflows, as well as enhanced footnote disclosures, for leases that meet certain criteria based on the provisions of the contract. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplemental Information

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

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplemental information, as identified in the table of contents; the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"); and the schedule of passenger facility charge revenues and expenditures required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration and the requirements in 14 CFR 158.63 (collectively, the "Guide") are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information, the schedule of expenditures of federal awards, and schedule of passenger facility charge revenues and expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section, statistical section schedules, and annual disclosure report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 19, 2022

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The following discussion and analysis provide an overview of the financial performance and activities of the Metropolitan Nashville Airport Authority (the "Authority") as of and for the year ended June 30, 2022. It has been prepared by the Authority's management and should be read in conjunction with the basic financial statements and notes thereto, which follow this section.

The Authority is a business-type entity and, as such, the basic financial statements consist of three statements and notes to the basic financial statements. The three basic statements are: (a) Statement of Net Position, which presents the assets, liabilities, deferred inflows and outflows of resources and net position of the Authority as of the end of the fiscal period; (b) Statement of Revenues, Expenses, and Changes in Net Position, which reflects revenues and expense recognized during the fiscal period; and (c) Statement of Cash Flows, which provides information on all the cash inflows and outflows for the Authority by major category during the fiscal period. The Authority includes Fiduciary Funds to account for other postemployment benefit and pension trust funds as well as unadjudicated custodial funds.

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the Governmental Accounting Standards Board (GASB).

The financial statements include the operations of Nashville International Airport ("BNA"), John C. Tune Airport ("JWN") and MNAA Properties Corporation ("MPC").

The Airport Funding Methodology

Funding for BNA's operations is predicated upon the stipulations in the Authority's Signatory Airline Use and Lease Agreement (the "Airline Agreement") between the Authority and the airlines. When an airline signs an agreement, it is designated a "Signatory Airline". The agreements also determine the budget and financing methodology that the Authority and airlines agree to follow. Airport budget methodologies throughout the United States are usually characterized as either compensatory or residual, although some airports have a hybrid methodology, which combines both features.

The Authority operates under a hybrid methodology. Airport revenues are retained by the Authority to be applied in accordance with the provisions in the Senior Bond Resolution and the Subordinate Bond Resolution, to fund capital improvements, establish certain reserve funds, and provide funds for other discretionary purposes. Any excess net revenues remaining after making all required deposits to the funds and accounts established under the Senior Bond Resolution and the Subordinate Bond Resolution are accumulated in the Nashville Airport Experience (NAE) fund and may be applied to any lawful purpose of the Authority, including funding of capital improvements.

The Airline Agreement established three cost centers for purpose of determining rates and charges payable by the Signatory Airlines and other users of the airport facilities: airfield, terminal, and terminal ramp area. Baggage and passenger loading bridges fees are also assessed. The Airline Agreement has a "hybrid" airline rate-setting methodology with the landing fees being calculated on a residual basis, the terminal rental rates being fixed rates (initially derived based upon a compensatory basis), and terminal ramp area rates generally established through a compensatory methodology. Other than the Airfield, the Signatory Airlines are not required to provide for break-even financial operations of BNA under the Airline Agreement.

More detailed information on the Airline Agreement can be found in Note 9, included in the Notes to the Financial Statements.

Airport Activity Highlights

Nashville International Airport completed its recovery from the coronavirus (COVID-19) pandemic during fiscal year 2022 with a record-breaking 9.2 million enplanements, a 79% increase from the previous year's 5.2 million enplanements. The previous record was set in pre-pandemic fiscal year 2019 with 8.6 million enplanements. Nashville International Airport averages 261 daily airline departures to 97 nonstop destinations.

Nashville International Airport was pleased to welcome new airlines Avelo, Breeze, Cape Air, Swoop, and Flair, as well as new international routes to Montreal and Edmonton, and the return of the British Airways direct flight to London.

Construction on the Authority's extensive, multi-phased capital improvement program known as the *BNA Vision*, continued throughout fiscal year 2022. *BNA Vision* includes two components: *BNA Vision 1.0* and *BNA Vision 2.0. BNA Vision 1.0* is a major renovation and expansion program ($1.3 billion) intended to enable the airport to meet future needs. Projects include expanded parking, concourse and lobby areas, adding new gates, developing a state-of-the-art International Arrivals Building, an on-site hotel, and increasing federal security lanes, among other projects. *BNA Vision 2.0* is also underway and is expected to total $229.5 million. Projects include a free-standing satellite concourse, runway expansion and more. For additional details, please visit www.bnavisionnashville.com.

New Horizon is the newest construction phase and will include expansion of concourses A and D including additional gates, moving walkways, and new concessions; a new air freight building to better support airline cargo requirements; terminal roadway improvements to ease traffic flow into and out of the airport terminal and parking garages; and upgrades to the baggage handling system which will ultimately deliver passenger luggage to and from the aircraft faster. The *New Horizon* design phase began in August 2022, and all projects are expected to be complete in late 2028. The program is expected to cost and additional $1.5 billion.

BNA re-opened Runway 2R/20L for air traffic in August 2021, which had been closed for reconstruction for 14 months. The closure had no impact on the level of air travel service at BNA.

During fiscal year 2022, BNA opened 49 new food, beverage, and retail concepts in the terminal.

John C. Tune Airport celebrated the opening of its new Air Traffic Control Tower, which enhances its safety and operational efficiency. Later in the fiscal year and just over two years after sustaining significant tornado damage, JWN marked the completion of 100 new aircraft hangars as well as other restoration efforts.

The business development organization of the Authority, MPC, continued in 2022 with an occupancy level near 100%.

Statement of Net Position

The Statement of Net Position depicts the Authority's financial position as of June 30 and includes all assets, liabilities, deferred inflows and outflows of resources, and the resulting net position. Assets and liabilities are generally measured using current values. One exception is capital assets, which are stated at historical cost less an allowance for depreciation. The condensed summary of the Authority's financial position as of June 30, 2022 and 2021 is as follows:

	2022 (000s)	2021 (000s)
ASSETS		
Current unrestricted assets	$ 500,010	$ 362,397
Restricted assets	335,374	494,001
Capital assets, net	1,612,428	1,421,053
Other assets	104,593	30,727
Total assets	2,552,405	2,308,178
DEFERRED OUTFLOWS	10,636	2,648
LIABILITIES		
Current liabilities	$ 86,722	$ 59,447
Noncurrent liabilities	1,470,738	1,403,987
Total liabilities	1,557,460	1,463,434
DEFERRED INFLOWS	107,154	18,822
NET POSITION		
Net investment in capital assets	363,710	376,713
Restricted	342,088	315,174
Unrestricted	192,629	136,683
Total net position	$ 898,427	$ 828,570

Current unrestricted assets primarily consist of cash and investments, accounts receivable, lease receivable, and amounts due from other governmental agencies. Between 2021 and 2022, current unrestricted assets increased $137.6 million. This is attributed to an increase in unrestricted cash and investments ($122.0 million), the addition of $10.8 million in lease receivables, and an increase in accounts receivable ($3.3 million). The increase of $122.0 million in unrestricted cash and investments is primarily the result of net cash provided by operating activities of $112.7 million. The increase in accounts receivable of approximately $3.3 million is due to the increase in operations (i.e., landed weights, concessions, etc.) at the end of fiscal year 2022 as tourism rebounded from the effects of COVID-19. The addition of $10.8 million in lease revenue is due to the effects of implementing GASB Statement No. 87, *Leases*; see Note 15 for additional information.

Restricted assets consist of cash and investments and accounts receivable which are mainly restricted for debt service and bonded construction. Restricted assets decreased approximately $158.6 million between 2021 and 2022 due to spending airport revenue bond proceeds on *BNA Vision* capital projects.

Net capital assets have increased by $191.3 million in 2022 from 2021. The increase in 2022 is due to the ongoing construction of the terminal lobby, international arrivals building, satellite concourse, and terminal garage, which are scheduled to open in 2023. For more detailed capital asset information, see Note 4 in the Notes to the Financial Statements.

Other assets consist primarily of long-term accounts receivable, lease receivable, prepaid expenses and deposits, net other post-employment benefits (OPEB) assets and net pension assets. In fiscal year 2022, other assets increased by $73.9 million due to a combination of factors. In fiscal year 2022, a long-term lease receivable of $99 million was recorded due to the implementation of GASB Statement No. 87, *Leases* (see Note 15 for more information). The increase in lease receivable was offset by a $12.2 million decrease in the net OPEB asset, as well as the prior year's $13 million net pension asset presenting as a liability in 2022. The changes in net OPEB and pension assets were due to unfavorable market conditions affecting the value of investments.

Deferred outflows of resources represent the consumption of net position in one period that is applicable to future periods. They are reported separately from assets and consist of deferred amounts on debt refunding and deferred outflow related to pensions and OPEB.

Current liabilities consist mainly of accounts payable, payroll-related liabilities, accrued paid time off, and security/performance deposits. Current liabilities increased by $27.3 million during fiscal year, primarily due to an increase in accounts payable of $27.1 million. The increase in accounts payable is attributed to the increase in overall activity at the airport resulting in more payments to vendors, as well as construction activity related to the various *BNA Vision* projects such as the terminal lobby, international arrivals building, satellite concourse, and terminal garage.

Noncurrent liabilities consist primarily of long-term debt and the net pension liability. Long-term liabilities increased by approximately $66.8 million in 2022, due to an overall increase in long-term debt of $61.3 million, and the addition of a net pension liability of $5.6 million. Long-term debt increased due to new borrowings on the BNA Credit Facility, totaling $76 million, less principal repayments of $8.5 million, and bond premium amortization of $6.4 million. For more detailed long-term debt information, see Note 5 in the Notes to the Financial Statements. The net pension asset recorded in fiscal year 2021 became a net pension liability of $5.6 million in fiscal year 2022 due to unfavorable market conditions affecting the value of investments.

Deferred inflows of resources represent an acquisition of net position that is applicable to future periods. They are recorded separately from liabilities and consist of deferred inflows related to long-term leases.

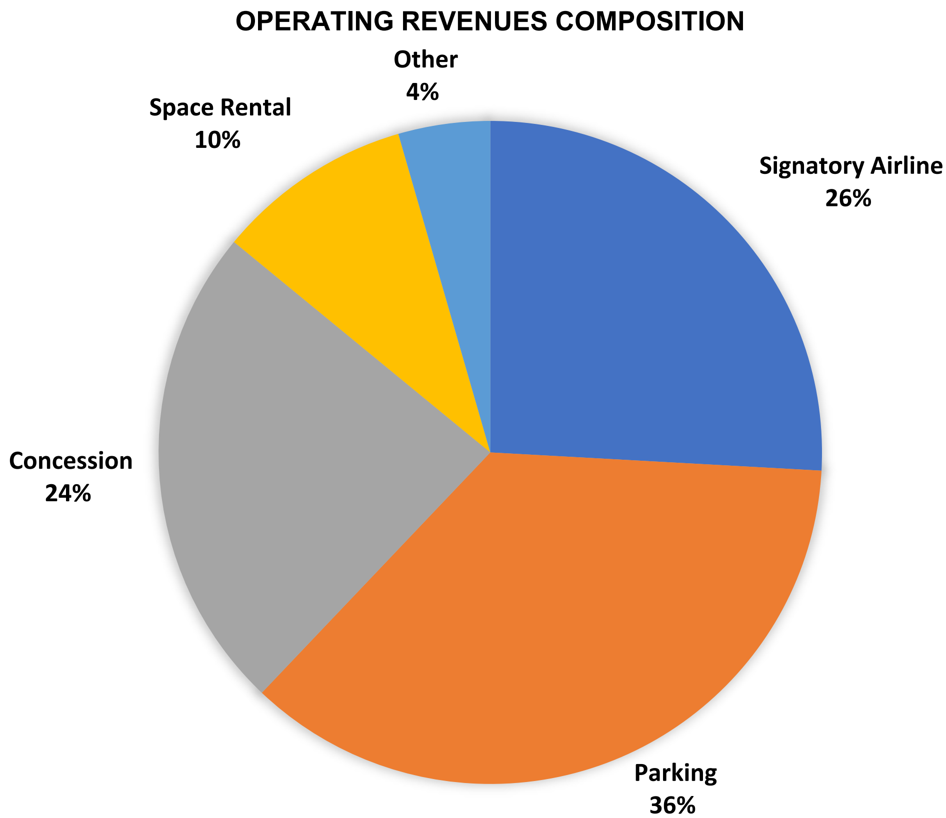
Summary of Operations and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the operating results of the Authority, as well as the nonoperating revenue and expenses. Operating revenues include both airline and non-airline revenues and consist primarily of landing and related fees, terminal building rentals and fees, parking fees, concession fees, and car rental revenues. Nonoperating revenues consist primarily of passenger facility charges (PFC), federal and state grants, customer facility charges (CFC) and interest income. Interest expense is the most significant nonoperating expense. A summarized comparison of the Authority's revenues, expenses, and changes in net position for the years ended June 30, 2022 and 2021 follows:

	2022 (000s)	2021 (000s)
Operating revenues:		
Signatory airline	$ 54,396	$ 47,495
Parking	76,135	27,117
Concession	50,156	27,025
Space rental	20,142	15,470
Other	9,400	11,513
Operating revenues	210,229	128,620
Operating expenses:		
Salaries, wages, and fringe benefits	37,663	25,134
Contractual services	51,660	35,012
Materials and supplies	4,858	3,674
Utilities	7,002	5,762
Insurance	2,148	1,913
Other	9,634	3,040
Depreciation	79,274	53,384
Operating expenses	192,239	127,919
Operating income (loss)	17,990	701
Nonoperating revenues (expenses):		
Investment income	(4,756)	1,648
Passenger facility charges	35,678	20,253
Customer facility charges	12,939	8,365
Federal and state grants	26,494	31,482
Insurance reimbursement	1,851	5,099
Loss on disposal of property and equipment	67	(2,161)
Interest expense	(50,107)	(49,323)
Bond issuance costs	(62)	-
Other nonoperating, net	-	-
	22,104	15,363
Income before capital contributions	40,094	16,064
Capital contributions	29,763	31,357
Increase in net position	69,857	47,421
Total net position - beginning of year	828,570	781,149
Total net position - end of year	$ 898,427	$ 828,570

Operating Revenues

The chart below illustrates the sources of total operating revenue for the year ended June 30, 2022:



Operating revenues increased in fiscal year 2022 from 2021 by approximately $81.6 million.

Signatory airline revenue consists of ramp rent, terminal rent, baggage fees, landing fees; offset by in-terminal concession credit. Signatory airline revenue increased in 2022 from 2021 by $6.9 million as terminal rental rates, baggage fees were raised. The increase was offset by a reduction in landing fees. In accordance with the signatory use and lease agreement, the terminal rental rate for each signatory airline was $108.29 in 2021 and $111.00 in 2022. The landing fees decreased by $1.8 million due to a decrease in the landing fee from $2.23 in fiscal year 2021 to $2.04 in fiscal year 2022.

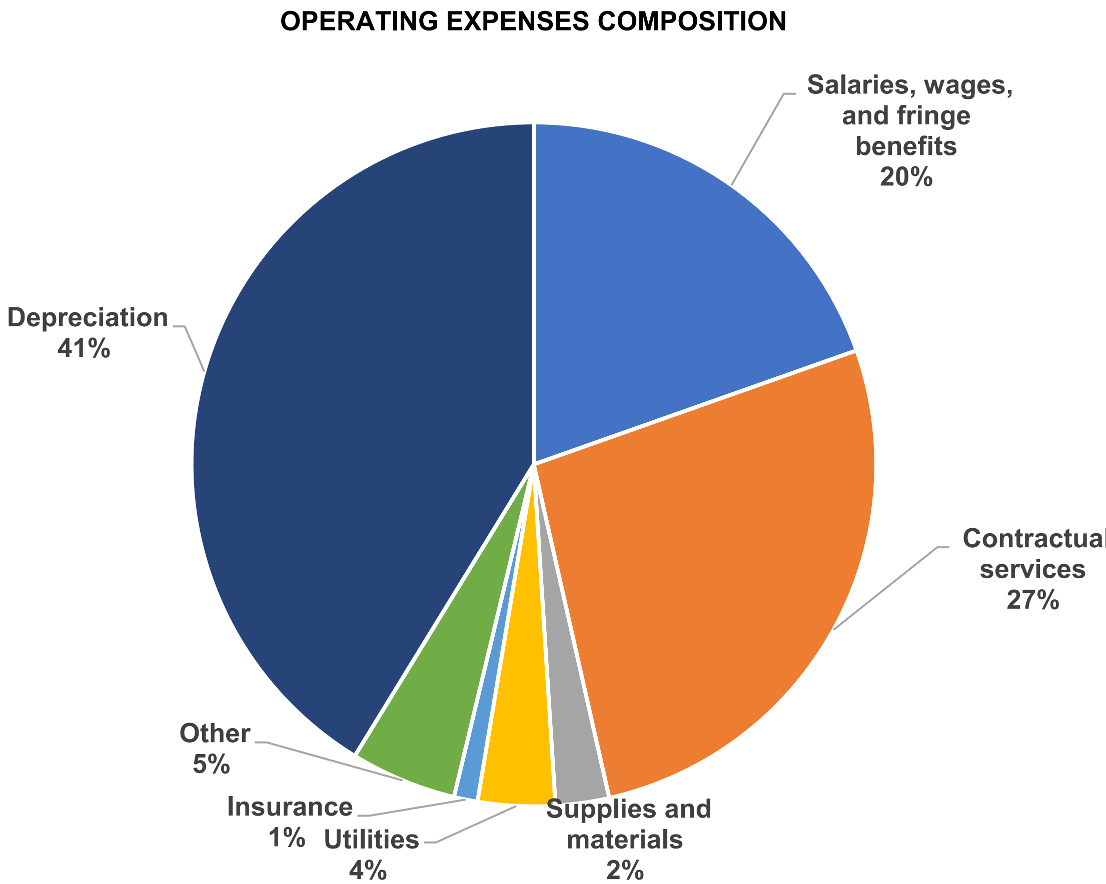
Parking revenue increased in 2022 from 2021 by approximately $49.0 million due to the large increase in passenger volume at BNA. Parking rates were also raised to keep up with the growing demand.

Concessions revenue, which consist of the food/beverage concessions, retail concession, rental car revenue and ground transportation (including Transportation Network Companies), increased from 2021 to 2022 by $23.1 million, due to the increase in passenger volume, as well as the addition of 49 new retail concepts. For 2022 as compared to 2021, in-terminal concessions increased by approximately $6.5 million, rental car revenues by $7.8 million, and ground transportation revenue by $6.8 million.

Space rental increased from 2021 to 2022 by $4.7 million. Other operating income such as non-signatory landing fees decreased by $2.1 million from 2021 to 2022.

Operating Expenses

The chart below illustrates the sources of total operating expenses for the year ended June 30, 2022:



Total operating expenses increased by $64.3 million from 2021 to 2022. Operating expenses in fiscal year 2021 were low due to the Authority's response to the COVID-19 pandemic. Cost cutting measures included closing all surface parking lots (which reduced parking lot fees and corresponding shuttle service expenses), reducing the number of security guard hours, freezing all open positions, eliminating all travel and training expenses, and eliminating raises and bonuses. In the final quarter of 2021, air travel increased, and the Authority saw signs of recovery. Increased passenger volume led to higher expenses. Salaries and benefits increased by $12.5 million, and contractual services by $16.6 million. Salaries increased as positions which had previously been frozen were re-opened, and the Authority was able to grant raises and bonuses as it had in prior years. Contract services increased as more staff was needed to manage the terminal and parking structures, and contractor wages increased as a result of post-pandemic labor shortages.

Nonoperating, Revenues, Expense and Contributed Capital

Nonoperating revenue increased by $6.7 million from fiscal year 2021 to fiscal year 2022. Passenger facility charges increased by $15.4 million, and customer facility charges increased by $4.6 million, both a direct result of more passengers traveling in fiscal year 2022. These increases were offset by decreases in insurance settlement income of $3.2 million, federal non-capital grant income of $5.0 million, and investment losses of $6.4 million. Insurance settlement income will vary depending on unforeseen incidents which happen during a given year; in fiscal year 2021, the Authority received a settlement of $3.7 million for the tornado which occurred at John C. Tune Airport in late fiscal year 2020. No settlements of that size were received in fiscal year 2022. Federal non-capital grant income decreased as the Authority drew $30.1 million in federal COVID-19 relief funds in fiscal year 2021, and $25.1 million was drawn in fiscal year 2022. Investment losses were recorded in fiscal year 2022 due to unfavorable market conditions.

Capital contributions decreased between 2021 to 2022 by $1.6 million due to completing the majority of the Runway 2R/20L and JWN Air Traffic Control Tower projects in fiscal year 2021, and offset by ramping up construction on the JWN Redevelopment project in fiscal year 2022. Capital contributions include funding from the FAA for AIP grants, and grants from the State of Tennessee.

Metropolitan Nashville Airport Authority
Statement of Net Position
June 30, 2022

ASSETS	
Current assets:	
Unrestricted assets:	
Cash, cash equivalents, and investments	$ 468,997,743
Accounts receivable (net of allowance for doubtful accounts of $185,186)	13,386,384
Lease receivable	10,841,469
Due from governmental agencies	5,036,705
Prepaid expenses and other	1,747,957
Total current unrestricted assets	500,010,258
Restricted assets:	
Cash and investments	334,637,897
Accounts receivable	736,388
Non-current assets:	
Capital assets:	
Capital assets not being depreciated	
Land and nondepreciable assets	108,112,921
Construction in progress	448,196,055
Capital assets being depreciated	
Buildings and building improvements	764,568,968
Equipment, furniture, and fixtures	393,141,964
Infrastructure	693,670,381
Total capital assets	2,407,690,289
Less accumulated depreciation	(795,262,079)
Total capital assets, net	1,612,428,210
Other assets	
Accounts receivable, net	1,110,000
Lease receivable	99,139,433
Prepaid and deposits	85,566
Net OPEB asset	4,257,108
Total noncurrent assets	2,052,394,602
Total assets	$ 2,552,404,860
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows from OPEB	$ 1,999,656
Deferred outflows from pension	6,473,537
Deferred amount on refunding	2,162,686
Total deferred outflows of resources	$ 10,635,879

See accompanying notes to basic financial statements.

LIABILITIES		
Current liabilities:		
Payable from unrestricted assets:		
Accounts payable	$	76,143,572
Accrued payroll and related items		6,065,683
Advanced billings and payments received in advance		3,922,813
Current maturities of notes payable		453,087
Accrued interest payable		136,710
Total current liabilities		86,721,865
Noncurrent liabilities:		
Payable from restricted assets:		
Accrued interest payable		27,404,329
Current maturities of airport revenue bonds		8,212,780
Notes payable, less current maturities		99,555,535
Net pension liability		5,633,292
Airport revenue bonds, less current maturities		1,329,931,889
Total noncurrent liabilities		1,470,737,825
Total liabilities	$	1,557,459,690
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows from leases	$	107,153,559
Total deferred inflows of resources	$	107,153,559
NET POSITION		
Net investment in capital assets	$	363,709,605
Restricted for:		
Capital projects		53,034,524
Debt service		241,070,683
Operations		40,886,755
Pension		840,245
OPEB		6,256,764
Unrestricted net position		192,628,914
Total net position	$	898,427,490

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statement of Revenues, Expenses and Change in Net Position
Year Ended June 30, 2022

Operating revenues:	
Signatory airline	$ 54,395,946
Parking	76,135,079
Concession	50,155,481
Space rental	20,142,385
Other	9,399,973
Operating revenues	210,228,864
Operating expenses:	
Salaries, wages, and fringe benefits	37,663,363
Contractual services	51,659,702
Materials and supplies	4,857,819
Utilities	7,002,019
Insurance	2,148,338
Other	9,634,384
Depreciation	79,273,711
Operating expenses	192,239,336
Operating income	17,989,528
Nonoperating revenues (expenses):	
Investment loss	(4,756,436)
Passenger facility charges	35,678,032
Customer facility charges	12,939,489
Federal and state grants	26,493,859
Insurance reimbursement	1,851,584
Gain on disposal of property and equipment	67,615
Interest expense	(50,107,131)
Bond issuance costs	(61,588)
	22,105,424
Income before capital contributions	40,094,952
Capital contributions	29,762,836
Increase in net position	69,857,788
Total net position - beginning of year	828,569,702
Total net position - end of year	$ 898,427,490

See accompanying notes to basic financial statements.

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Metropolitan Nashville Airport Authority
Statement of Cash Flows
Year Ended June 30, 2022

Cash flows from operating activities:	
Cash received from customers	$ 204,207,029
Cash paid to employees	(34,194,529)
Cash paid to suppliers	(60,341,230)
Cash received for lease deposits	3,143,196
Cash reimbursed for lease deposits	(72,824)
Net cash provided by operating activities	112,741,642
Cash flows from noncapital financing activities:	
Grants from federal/state governments	26,363,092
Interest paid on long-term debt	(337,889)
Net insurance recoveries	1,468,371
Net cash provided by noncapital financing activities	27,493,574
Cash flows from capital and related financial activities:	
Receipt of passenger facility charges	36,182,360
Receipt of customer facility charges	12,848,302
Purchases and construction of property and equipment	(260,751,180)
Interest paid on long-term debt	(55,846,780)
Payments on long-term debt	(8,523,417)
Proceeds from issuance of long-term debt	75,954,829
Payment for bond issuance cost	(61,588)
Interest received from leases	2,205,271
Contributions from governmental agencies	27,730,052
Net insurance recoveries	383,214
Net cash used in capital and related financing activities	(169,878,937)
Cash flows from investing activities:	
Purchase of investments	(1,162,460,801)
Proceeds from the sale and maturities of investments	976,964,976
Realized losses on investments	(6,409,264)
Net cash used in investing activities	(191,905,089)
Net decrease in cash and cash equivalents	(221,548,810)
Cash and cash equivalents:	
Beginning of year	468,707,870
End of year	$ 247,159,060

See accompanying notes to basic financial statements.

Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 17,989,528
Adjustments to reconcile operating income to net cash provided by operating activities:	
Provision for depreciation	79,273,711
Changes in operating assets and liabilities:	
Accounts receivable	(3,764,757)
Lease receivable and related deferred inflows of resources	(2,776,716)
Inventories	970,257
Prepaid expenses	(216,357)
Accounts payable	14,167,547
Accrued payroll and related items	(223,558)
Advanced billings and payments received in advance	559,223
Lease deposits	3,070,372
Net pension liability/asset and related deferred inflows/outflows of resources	10,824,811
Net OPEB liability/asset and related deferred inflows/outflows of resources	(7,132,419)
Net cash provided by operating activities	$ 112,741,642
Cash and investments - end of year consist of:	
Cash and cash equivalents	$ 247,159,060
Investments	556,476,580
	$ 803,635,640
Unrestricted cash and investments	$ 468,997,743
Restricted cash and investments	334,637,897
	$ 803,635,640
Noncash investing and financing activities:	
Deferred bond refundings	$ 355,510
Interest expense, net of bond premium amortization	6,350,912
Net noncash financing activities	$ 6,706,422

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statement of Fiduciary Net Position
June 30, 2022

		Other Post-Employment and Pension Trust Funds
ASSETS		
Cash and cash equivalents	$	3,457,723
Investments, at fair value		
Pooled, common, and collective funds		59,556,334
Mutual funds		50,042,700
Total assets		113,056,757
NET POSITION		
Restricted for:		
OPEB		36,642,513
Pension		76,414,244
Total net position	$	113,056,757

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statement of Fiduciary Net Position
June 30, 2022

		Unadjudicated Funds - Custodial Fund
ASSETS		
Cash and cash equivalents	$	1,244,669
Total assets		1,244,669
NET POSITION		
Restricted for:		
Unadjudicated funds		1,244,669
Total net position	$	1,244,669

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2022

	Other Post-Employment and Pension Trust Funds
Additions:	
Employer contributions	$ 250,000
Investment income	
Net depreciation in fair value	(17,830,505)
Interest and dividends	259,524
Investment expenses	(181,955)
Investment loss, net	(17,752,936)
Total additions	(17,502,936)
Deductions:	
Benefits paid to participants	6,180,156
Administrative expenses	85,711
Total deductions	6,265,867
Change in net position	(23,768,803)
Net position - beginning of year	136,825,560
Net position - end of year	$ 113,056,757

See accompanying notes to basic financial statements.

		Unadjudicated Funds - Custodial Fund
Additions:		
Collection of unadjudicated funds	$	712,738
Interest and dividends		93
Total additions		712,831
Deductions:		
Payout of unadjudicated funds		184,564
Total deductions		184,564
Change in net position		528,267
Net position - beginning of year		716,402
Net position - end of year	$	1,244,669

See accompanying notes to basic financial statements.

1. Metropolitan Nashville Airport Authority

The creation of the Metropolitan Nashville Airport Authority (the "Authority") was authorized by Public Chapter 174 of the Public Acts of the 86th General Assembly of the State of Tennessee, 1969 Session. The Metropolitan Council of the Metropolitan Government of Nashville and Davidson County, Tennessee ("Metropolitan Government") created the Authority to operate as a separate enterprise. The Authority owns and operates Nashville International Airport and John C. Tune Airport, a general aviation reliever airport. Based upon the criteria set forth by the Governmental Accounting Standards Board ("GASB"), it has been determined that the Authority is a component unit of the Metropolitan Government.

The Authority's Board of Commissioners consists of seven members who serve without compensation and are appointed by the Metropolitan Government Mayor and approved by the Metropolitan Government Council. There are provisions whereby commissioners may be removed by vote of the Metropolitan Government Council. Board members appointed before August 2021 serve a four-year term and can be reappointed. Board members appointed after August 2021 serve a seven-year term and can be reappointed. The terms are staggered to provide for continuity of Authority development and management. The Board of Commissioners appoints a President and charges him with the responsibility for day-to-day operations.

The Authority formed the MNAA Properties Corporation ("MPC"), a Tennessee non-profit corporation, for the purpose of supporting and facilitating the operations of the Authority and to help the economic development of the surrounding area. The Commissioners of the Authority constitute the Board of Directors of MPC. During fiscal year 2008, MPC Holdings, LLC, a limited liability company in which MPC is the sole member, purchased two separate multi-tenant buildings and commenced operation. Both facilities are on Nashville International Airport property. In July 2012, MPC Holdings, LLC purchased a small commercial building adjoining Nashville International Airport.

During November 2009, the Board of Commissioners approved the formation of a Tennessee nonprofit limited liability company, MPC CONRAC, LLC. This entity was created in connection with the special facilities financing for the Authority's consolidated rental car facility. MPC CONRAC, LLC is a single-member LLC, wholly owned by MPC. The formation of MPC CONRAC, LLC created an appropriate entity to execute various agreements and secure financing and services for the consolidated rental car ("CONRAC") facility, which was completed in November 2011, and is located at Nashville International Airport.

MPC, including its subsidiaries MPC Holdings, LLC and MPC CONRAC, LLC, is considered to be a blended component unit for financial reporting purposes based on the following: (i) the Authority's Board of Commissioners constitutes the Board of Directors of MPC; (ii) management of the Authority has operational responsibility for MPC; (iii) the Authority is financially accountable for MPC, including MPC's fiscal dependence on the Authority and MPC's potential to provide specific financial benefits or burden to the Authority; and (iv) MPC was created for the benefit of the Authority. The Authority does not issue separate financial statements for the blended component unit (see Note 17).

The accompanying financial statements also include the accounts of the Arts at the Airport Foundation, a nonprofit organization that facilitates the display and performance of artists within the Nashville International Airport terminal. The Arts at the Airport Foundation qualifies as a blended component unit of the Authority due to it being fiscally dependent on the Authority and due to the Authority's appointment of the voting majority of its governing board. The financial operations of the Arts at the Airport Foundation are generally immaterial to the Authority's financial statements and; thus, not shown separately in the financial statements.

Fiduciary Activities

As defined by the GASB, the Authority reports the operations of the pension and other post-employment benefits ("OPEB"), as blended component units in the Fiduciary Fund Financial Statements. The pension and OPEB trust funds provide retirement and health benefits for qualified Authority retired employees. The pension a OPEB trust funds are legally separate entities, and the resources of the trust funds cannot be used

1. Metropolitan Nashville Airport Authority (continued)

to finance the Authority's operations. The assets of the trust funds are held and administered in trust arrangements which are governed by a Retirement Committee (see Notes 12 and 13). The Authority is committed to making contributions to the trusts, and therefore assumes a financial burden for the trust funds and thus has financial accountability. As a result, the activity of the of the fiduciary funds is presented as a blended component unit. The assets in each trust are held for only for the Authority retirees' benefit.

The Authority also reports unadjudicated funds as fiduciary activity. The unadjudicated funds are comprised of cash that was seized from individuals suspected of committing a crime. These funds are deposited into a separate bank account in the Authority's name. The funds are held by the Authority until the court issues a verdict. Once a judgment is rendered, the funds are distributed to the individuals, agencies, and/or the Authority in accordance with the judgment.

2. Summary of Significant Accounting Policies

Measurement focus, basis of accounting, and basis of presentation

The financial statements of the Authority are presented using the economic resources measurement focus and the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred. The financial statements include the operations of Nashville International Airport, John C. Tune Airport, and MPC, including MPC CONRAC, LLC, as noted earlier. The Authority's pension and other post-employment benefits trust funds are reported as component units in the Fiduciary Fund Financial Statements.

Use of estimates in the preparation of financial statements

The preparation of financial statements in conformity with U.S. GAAP requires management to make assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the useful lives of capital assets, the allowance for doubtful accounts, valuation of net pension and OPEB liabilities or assets and the related deferred inflows and/or outflows, valuation of certain leases receivable and related deferred inflows, and certain self-insured liabilities. Actual results could differ from those estimates.

Budgets

The Authority prepares an annual operating budget and capital improvement budget and submits for approval to the Board of Commissioners. A five-year capital improvement program, including modifications and reasons therefore, is also submitted each year.

The Authority is not required to demonstrate statutory compliance with its annual operating budget. Accordingly, budgetary data is not included in the basic financial statements. All budgets are prepared in accordance with bond covenants and airport lease and use agreements. Unexpended operating appropriations lapse at year-end.

Employer contributions to the pension and OPEB trust funds are recognized when the employer has made formal commitments to provide the contribution. The contributions for each year are based on an actuarial valuation performed as of the year prior to the year for which the contribution relates. The contribution amount for any given year incorporates (1) the current and projected funded status of the funds; (2) recent investment performance, and the advice of the investment consultant; and (3) anticipated changes to the Plans' demographics to the extent reflected in the actuarial assumptions used by the actuary in their most recent actuarial valuation or projections.

2. Summary of Significant Accounting Policies (continued)

Operating and nonoperating revenues and expenses

The Authority distinguishes operating revenues and operating expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the principal, ongoing operations such as space rental and fees, landing fees, parking and other miscellaneous income. Transactions that are capital, financing, or investing related are reported as nonoperating revenues. Such nonoperating revenues include, Passenger Facility Charges (“PFCs”) as described in Note 6, Customer Facility Charges (“CFCs”) as described in Note 7, and lease-related interest income as described in Note 15.

Expenses from employee wages and benefits, purchases of services, materials and supplies, and other miscellaneous expenses are reported as operating expenses. Interest expense and financing costs are reported as nonoperating expenses.

Revenues are reported net of discounts and allowances. Bad debts are expensed using the allowance method. Bad debt expense was $54,148 for the year ended June 30, 2022. The allowance for doubtful accounts was $185,186 at June 30, 2022.

The Authority’s operating revenues are presented in five components as follows:

Signatory airline

Signatory Airline revenue consists of the revenues earned from the signatory airlines operating at Nashville International Airport primarily for terminal space rentals and landing fees. The Airline Agreements have a “hybrid” airline rate-setting methodology with the landing fees being calculated on a residual basis and the terminal rental rates and terminal ramp area rates being compensatory. Other than the airfield, the signatory airlines are not required to provide for break-even financial operation of the airport per the Airline Agreements (See Note 9).

Parking

Parking revenue is generated primarily from the operation of Authority-owned parking facilities at Nashville International Airport. This amount is presented net of ‘frequent parker’ and other incentive programs.

Concession

Concession revenue is generated through concessionaires and tenants who pay monthly fees for using airport facilities to offer their goods and services to the public. Payments to the Authority are based on negotiated agreements with concessionaires to remit amounts usually based either on a minimum guarantee or on a percentage of gross receipts.

Space rental

Space rental revenue includes non-signatory airline terminal space rental, car rental companies’ space rental, and certain other income received from leases of Authority-owned property.

Other

Other revenue consists primarily of non-signatory airline landing fees, cargo airline landing fees, and the Authority’s portion of fixed-based operators’ fuel sales.

2. Summary of Significant Accounting Policies (continued)

Cash and cash equivalents

Cash and cash equivalents include cash on hand and short-term investments with original maturities of three months or less. Certain cash and cash equivalents are reported as noncurrent as these amounts are restricted to the withdrawal or use.

Investments

Investments are accounted for in accordance with GASB Statement No. 72, *Fair Value Measurement and Application,* which requires that certain investments be recorded at fair value (e.g., quoted market prices).

Amounts due from governmental agencies

The Authority has grants for aid in construction and equipment from the Federal Airport Improvement Program ("AIP") of the Federal Aviation Administration ("FAA"), the U.S. Department of Homeland Security ("DHS"), and the Tennessee Department of Transportation ("TDOT"). Amounts due from governmental agencies under the terms of grant agreements are accrued as the related reimbursable costs are incurred which is the point when the criteria for revenue recognition has been satisfied for these arrangements under GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Restricted assets and payables from restricted assets

Restricted assets consist of cash and cash equivalents, investments, and other resources which are restricted legally or by enabling legislation. The Authority's restricted assets are to be used for purposes specified in the respective bond indentures or other authoritative or legal documents as is the case with the collection of CFCs for the consolidated rental car facility or for purposes specified by the PFC program, as administered by the FAA.

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed. A summary of the restricted assets at June 30, 2022 is as follows:

Debt Service:	
Cash and investments	$ 148,964,303
Accounts receivable	736,388
Total	149,700,691
Construction:	
Cash and investments	179,209,567
Total	179,209,567
Operations:	
Cash and investments	6,464,027
Total	6,464,027
Total restricted assets	$ 335,374,285

Routine maintenance and repairs are expensed as incurred. Provision for depreciation of property and equipment is made on a basis considered adequate to depreciate the cost of depreciable assets over their estimated useful lives and is computed on the straight-line method.

2. Summary of Significant Accounting Policies (continued)

Capital assets

Capital assets are stated at cost, except for contributions of property received from governmental agencies, which are recorded at estimated acquisition value at the time of contribution. The Authority's policy is to capitalize assets with a cost of $25,000 or more at Nashville International Airport and $10,000 at John C. Tune Airport and MPC.

Asset lives used in the calculation of depreciation are generally as follows:

Infrastructure	10 to 30 years
Buildings and building improvements	10 to 40 years
Equipment, furniture and fixtures	3 to 15 years

Postemployment benefits

Postemployment pension benefits are accounted for under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment to GASB Statement No. 27* ("GASB No. 68"), which establishes standards for the measurement, recognition, and display of pension expense and related liabilities, deferred inflows/outflows of resources, note disclosures, and required supplemental information. See additional information regarding the Authority's pension benefits in Note 12.

Postemployment benefits other than pension benefits are accounted for under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions,* which establishes standards for the measurement, recognition, and display of postemployment benefits expense and related liabilities, assets, deferred inflows/outflows of resources, note disclosures, and required supplemental information. See additional information regarding the Authority's OPEB in Note 13.

Compensated absences

Compensated absences are accrued as payable when earned by employees and are cumulative from one fiscal year to the next. The compensated absences liability is reported with accrued payroll and related items in the accompanying statements of net position.

Self-insurance

The Authority is self-insured, up to certain limits, for employee group health insurance claims. The Authority has purchased reinsurance to limit its exposure. The cost of claims reported and an estimate of claims incurred but not reported are charged to operating expenses. Liabilities for unpaid claims are accrued based on management's estimate using historical experience and current trends and are included in accrued payroll and related items on the statements of net position. The appropriateness of the self-insurance accrued liabilities is continually reviewed and updated by management.

Deferred outflows/Inflows of resources

The statement of net position will report a separate section for deferred outflows of resources and/or deferred inflows of resources. *Deferred outflows of resources* represent a consumption of net position that applies to a future period and, therefore, not recognized as an outflow of resources (expense) until then. *Deferred inflows of resources* represent an acquisition of net position that applies to a future period and, therefore, not recognized as an inflow of resources (revenue) until then.

The Authority has several items that qualify for reporting as deferred outflows/inflows of resources. These items may include gains or losses on bond refundings; GASB No. 87 deferred inflow of resources related to leasing activities; GASB No. 68 deferred inflows and outflows from earnings on investments, changes in assumptions,

2. Summary of Significant Accounting Policies (continued)

changes in benefit terms, and other experience gains or losses related to the Authority's pension plan, and GASB No. 75 deferred inflows and outflows earnings on investments, changes in assumptions, changes in benefit terms, and other experience gains or losses relating to the Authority's OPEB plan.

A deferred loss on refunding results from the difference between the net carrying amount of the original debt and the reacquisition price, shown as a deferred outflow of resources in the accompanying statements of net position. This amount is deferred and amortized over the term of the new bonds or old bonds, whichever is shorter, using the effective interest method or the straight-line method, when not materially different.

GASB No. 87 establishes a deferred inflow, representing the present value of long-term lease payments expected to be received during a lease payment term, net of any prepayments received from lessees and lease incentives paid to lessees.

GASB No. 68 and GASB No. 75 variances can occur due to actuarial assumptions that differ between the actual plan experience and the original actuarial assumed rates. Differences can result from, among others, earnings on investments, changes in assumptions, changes in benefit terms, and other experience gains or losses. A variance represents a gain or a loss, shown as deferred inflows of resources or deferred outflows of resources, respectively, in the accompanying statements of net position. These deferred outflows/inflows are amortized in accordance with the provisions of GASB No. 68 and GASB No. 75. Additional items are determined annually based on each subsequent year's variances from actuarial assumptions.

Advanced billings and payments received in advance

Advanced billings and payments received in advance represents incremental amounts due to airlines under the signatory airline agreements (Note 9). Incremental amounts due from airlines are reflected in accounts receivable. Incremental amounts due to the airlines arise when amounts assessed, based on the estimated rates used during the year, exceed actual expenses for the year. Incremental amounts due from the airlines arise when amounts assessed, based on the estimated rates used during the year, are less than actual expenses for the year. Amounts due from or to airlines are typically settled in one to three months after period end and are therefore recorded as a current asset or liability.

Long-term leases

Regulated leases

The Authority leases certain assets to various third parties as regulated leases. These leases are for assets related directly and substantially to the movement of passengers, baggage, mail, and cargo at the airport. Regulated lease revenue is recorded as operating revenue as it is earned over the life of the regulated leases.

Non-regulated leases

The Authority leases certain assets to various third parties as non-regulated leases. As a lessor, the Authority is required to recognize a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is equal to the lease receivable, less prepayments received from lessees, or lease incentives paid to lessees. As lease payments are received, the Authority recognizes interest revenue and a reduction to the lease receivable. The Authority also recognizes operating lease revenue calculated as the amortization of the deferred inflow of resources over the lease term.

Additional information regarding lease accounting is provided in Note 15.

2. Summary of Significant Accounting Policies (continued)

Components of net position

The Authority's net position classifications are defined as follows:

Net investment in capital assets

This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, capital lease obligations or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted net position

This component of net position represents restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law or through constitutional provisions or enabling legislation.

Unrestricted net position

This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

Taxes

The Authority is exempt from payment of federal and state income, property, and certain other taxes.

Fair value measurements

Assets and liabilities recorded at fair value in the statements of net position are categorized based on the level of judgment associated with the inputs used to measure their fair value. Level inputs are as follows:

Level 1 - Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.

Level 2 - Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.

Level 3 - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Authority's best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Upcoming accounting pronouncements

In March 2020, the GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources, and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements, in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or

2. Summary of Significant Accounting Policies (continued)

operating an underlying asset for a period of time in an exchange of exchange-like transaction. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2023.

In April 2022, the GASB issued Statement No. 99, Omnibus 2022. This statement addresses eleven unrelated practice issues and technical matters related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in GASB Statement No. 34, as amended, terminology updates related to GASB Statement No. 53 and GASB Statement No. 63, leases, public-private and public-public partnerships, subscription-based IT arrangements, financial guarantees and the classification and reporting of derivative instruments within the scope of GASB Statement No. 53. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In June 2022, the GASB issued Statement No. 100, Accounting Changes and Error Corrections, to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Further, the standard addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplemental information and supplemental information. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2024.

In June 2022, the GASB issued Statement No. 101, Compensated Absences, to update the recognition and measurement guidance for compensated absences by aligning the guidance under a unified model and by amending certain previously required disclosures. The provisions of this statement are effective for the Authority's financial statements for the year ending June 30, 2025.

3. Cash and Cash Equivalents and Investments

The Authority's deposit and investment policy is governed by the laws of the State of Tennessee and bond trust indentures and supplemental resolutions, which govern the investment of bond proceeds. Permissible investments generally include direct obligations of, or obligations guaranteed by, the U.S. Government, obligations issued or guaranteed by specific agencies of the U.S. Government, secured certificates of deposit, secured repurchase agreements, and specifically rated obligations of state governments, commercial paper, and money market funds.

Cash and cash equivalents

The Authority's unrestricted and restricted cash and cash equivalent bank balances totaled $317,863,585 on June 30, 2022.

Cash deposits, maintained at four financial institutions, are carried at cost plus interest, which approximates fair value. Cash deposits totaled $34,615,807 at June 30, 2022. Cash deposits are required by State statute to be secured and collateralized by such institutions.

The amount of collateral required to secure public deposits for Collateral Pool participants ranges between 90% and 115% of the average daily balance of public deposits held, depending on the participant's status and compliance with certain benchmarks established by the Collateral Pool. Collateral securities pledged by the participating banks are pledged to the State Treasurer on behalf of the Collateral Pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each individual account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency.

3. Cash and Cash Equivalents and Investments (continued)

Under this additional assessment agreement, public fund accounts covered by the pool are considered insured for purposes of credit risk disclosure in accordance with GASB Statement No. 40, Deposit, and Investment Risk Disclosures.

Cash equivalents are held at another financial institution and consist of money market and other short-term investments with original maturities of three months or less. Investment risk for such cash equivalent funds is governed by the Authority's investment policy.

Investments

Interest rate risk

The Authority's investment policy states that the investment portfolio may be allocated among U.S. Treasury Obligations (0 - 100%), Government National Mortgage Association Securities (0 – 40%), U.S. Government Guaranteed AID and GTC (0 – 10%), Federal Agency Instruments (0 - 75%, 40% per agency cap for FMNA, FHLMC, FHLB, FFCB and 10% cap for all other Government Sponsored Enterprises), Non-Negotiable Collateralized Bank Deposits or Savings Accounts (0 – 50%), Commercial Paper (0 - 35%, 10% cap per issuer), Repurchase Agreements (0 - 20%), Money Market Mutual Funds (0 - 50%, 25% per fund), Tennessee Local Government Investment Pool (0 - 50%), and Cash Equivalents (0 - 100%). In addition, the maximum maturity of investments is 270 days for commercial paper, one year for repurchase agreements, two years for certificates of deposit, time deposits and bankers' acceptances, no time restriction on money market mutual funds or Tennessee Local Government Investment Pool, and 4 years for all other permitted investments. No more than 50% of the portfolio can have a maturity date greater than two (2.0) years. To control the volatility of the portfolio and limit exposure to interest rate risk, the Authority's Chief Financial Officer ("CFO") determines a duration target for the portfolio, which typically does not exceed 3 years.

3. Cash and Cash Equivalents and Investments (continued)

On June 30, 2022, the average maturities of cash and investments subject to interest rate risk are as follows:

	Fair Value	Average Maturity
Primary Government:		
Investments subject to risk:		
U.S. agencies	$ 333,106,146	1.19 years
Commercial paper	113,528,682	5.6 months
Certificate of deposit	1,002,996	10 months
Investments subject to risk	447,637,824	
Deposits/investments not subject to risk:		
Investment pool	132,050,389	
Deposits	33,368,033	
Money market funds	190,579,394	
Deposits/investments not subject to risk	355,997,816	
Total Primary Government	$ 803,635,640	
Fiduciary Funds:		
Investments subject to risk:		
Pooled, common and collective funds	$ 2,180,451	5.98 years
Mutual funds	823,690	5.98 years
Investments subject to risk	3,004,141	
Deposits/investments not subject to risk:		
Deposits	1,247,774	
Money market funds	3,454,618	
Pooled, common and collective funds	57,375,883	
Mutual funds	49,219,010	
Deposits/investments not subject to risk	111,297,285	
Total Fiduciary Funds	$ 114,301,426	

3. Cash and Cash Equivalents and Investments (continued)

Credit risk

The investment policy specifies acceptable credit ratings by instrument type; however, the investment policy requires all investments must be ranked in the Highest Fund Quality or Rating for its individual investment category.

On June 30, 2022, the credit quality ratings of investments (other than the U.S. agency issues) are as follows:

Investment	Fair Value	Rating	Organization
Primary Government:			
Commercial Paper	$ 113,528,682	A1, P1	S&P, Moody
Fiduciary Funds:			
Pooled, common and collective funds	$ 12,514,899	AA	S&P, Moody, Fitch
Pooled, common and collective funds	12,496,082	A+	S&P, Moody, Fitch
Pooled, common and collective funds	12,644,757	AA	S&P, Moody, Fitch
Mutual funds	13,930,310	AA-	S&P, Moody, Fitch
Unrated investments	62,715,378		
Total Fiduciary Fund investments	$ 114,301,426		

Custodial credit risk

All investment securities purchased by the Authority are held in third-party safekeeping at a financial institution, acting solely as agent of the Authority and qualified to act in this capacity. To limit custodial credit risk, all trades of marketable securities are executed based on delivery versus payment and avoid the physical delivery of securities (bearer form) to ensure that securities are deposited with a custodian prior to the release of Authority funds. The Authority's investments on June 30,2022, are collateralized by securities held by the Authority's agent in the Authority's name.

Financial Instruments Reported at Fair Value

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of June 30, 2022:

- U.S agency issues of $333,106,146 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of $50,042,700 are valued using quoted market prices (Level 1 inputs).
- Money market funds of $190,579,394 are valued using quoted market prices (Level 1 inputs).
- Commercial paper of $113,528,682 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).
- Pooled, common and collective funds of $59,556,334 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).

3. Cash and Cash Equivalents and Investments (continued)

- Cash and cash equivalents include $3,454,618 of money market funds valued using quoted market prices and various market and industry inputs (Level 2 inputs).

A total of $132,050,389 is invested in the Tennessee Local Government Investment Pool on June 30, 2022, respectively. The amounts are recorded at amortized cost in accordance with GASB Statement No. 79 and are not included in the fair value disclosures above.

4. Capital Assets

Capital assets and related accumulated depreciation activity for year end June 30, 2022, were as follows:

	Balance July 1, 2021	Additions	Retirements	Transfers and Adjustments*	Balance June 30, 2022
Capital assets not being depreciated:					
Land & nondepreciable assets	$ 107,554,524	$ -	$ -	$ 558,397	$ 108,112,921
Construction in progress	301,079,238	269,721,982	-	(122,605,165)	448,196,055
Total capital assets not being depreciated	408,633,762	269,721,982		(122,046,768)	556,308,976
Capital assets being depreciated:					
Infrastructure	618,570,710	-	-	75,099,671	693,670,381
Buildings and building improvements	718,298,100	-	-	46,270,868	764,568,968
Equipment, furniture, and fixtures	393,243,815	956,391	(1,734,471)	676,229	393,141,964
Total capital assets being depreciated	1,730,112,625	956,391	(1,734,471)	122,046,768	1,851,381,313
Less accumulated depreciation:					
Infrastructure	(407,116,238)	(20,919,860)	-	-	(428,036,098)
Buildings and building improvements	(209,623,401)	(27,741,809)	-	-	(237,365,210)
Equipment, furniture and fixtures	(100,953,863)	(30,612,042)	1,705,134	-	(129,860,771)
Total accumulated depreciation	(717,693,502)	(79,273,711)	1,705,134	-	(795,262,079)
Net capital assets being depreciated	1,012,419,123	(78,317,320)	(29,337)	122,046,768	1,056,119,234
Net capital assets	$ 1,421,052,885	$ 191,404,662	$ (29,337)	$ -	$ 1,612,428,210

*Transfers and adjustments include reclassifications amongst fixed asset classes.

The amount of construction in progress at June 30, 2022 is attributable to the following:

Terminal Lobby IAF	$ 280,120,558
Terminal Garage B	50,728,583
Terminal Area Roadway Improvements (TARI)	29,666,882
Terminal and Taxilane Expansion	23,763,323
Satellite Concourse	18,751,771
Other Projects	45,164,938
Total construction in progress	$ 448,196,055

4. Capital Assets (continued)

During fiscal year 2022, $122,605,165 of construction in progress was substantially completed and transferred to capital assets as follows:

Reconstruct Runway 2R/20L	$ 58,070,536
JWN Hangar Redevelopment	32,468,638
Mobile Equipment Maintenance Building	11,046,044
Delta Sky Club	10,556,695
Other Projects	10,463,252
Total transferred to capital assets	$ 122,605,165

Uncompleted construction contracts

Estimated costs of completion of construction in progress at June 30, 2022 total $341,291,843 and relate to various projects that are committed under construction contracts. The estimated costs to complete construction progress are anticipated to be received from the following sources:

Reimbursed by government agencies and grant contracts	$ 5,105,000
Funded by the Authority	336,186,843
	$ 341,291,843

5. Long-term Debt

The following is a detail of long-term debt at June 30, 2022:

Airport Revenue Bonds - Direct Borrowing:	
Senior lien, CONRAC Series 2018, 3.40%, due 7/1/2028	$ 24,329,910
Total Direct Borrowing Airport Revenue Bonds	24,329,910
Airport Revenue Bonds - Other:	
Senior lien, Series 2003B, 5.49% to 5.94%, due 7/1/2033	11,405,000
Senior lien, Series 2015A, 4.00% to 5.00%, due 7/1/2045	84,745,000
Senior lien, Series 2015B, 4.00% to 5.00%, due 7/1/2045	100,085,000
Subordinate lien, Series 2019A, 4.00% to 5.00%, due 7/1/2054	254,435,000
Subordinate lien, Series 2019B, 4.00% to 5.00%, due 7/1/2054	665,150,000
Total Other Airport Revenue Bonds	1,115,820,000
Notes Payable - Direct Borrowing:	
Energy Loan Phase II	155,172
Geothermal Loan	2,890,300
Total Direct Borrowing Notes Payable	3,045,472
Other Long-term Debt - Other:	
BNA Credit Facility 2	96,963,150
Total Other Long-term Debt - Other	96,963,150
Total Authority bonds payable and other debt	1,240,158,532
Add:	
Unamortized bond premiums	197,994,759
Total Authority bonds payable and other debt, net	1,438,153,291
Less current portion	8,665,867
Total Authority bonds payable and other debt, noncurrent	$ 1,429,487,424

5. Long-term Debt (continued)

The annual requirements to pay principal and interest on the Authority's debt outstanding at June 30, 2022 are summarized as follows:

	Principal				
	Direct Placement Airport Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Notes Payable	Other Long-term Debt	Total
2023	3,132,780	5,080,000	453,087	-	8,665,867
2024	3,240,774	5,320,000	303,474	96,963,150	105,827,398
2025	3,350,795	16,455,000	309,136	-	20,114,931
2026	3,468,000	17,270,000	314,904		21,052,904
2027	3,587,550	18,095,000	320,779		22,003,329
2028-2032	7,550,011	104,840,000	1,344,092	-	113,734,103
2033-2037	-	128,060,000	-	-	128,060,000
2038-2042	-	90,700,000	-	-	90,700,000
2043-2047	-	194,460,000	-	-	194,460,000
2048-2052	-	230,370,000	-	-	230,370,000
2053-2054	-	305,170,000	-	-	305,170,000
Total	$ 24,329,910	$ 1,115,820,000	$ 3,045,472	$ 96,963,150	$ 1,240,158,532

	Interest			
	Direct Placement Airport Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Notes Payable	Total
2023	784,265	53,972,977	76,928	54,834,170
2024	674,395	53,674,434	67,850	54,416,679
2025	562,462	53,366,466	59,335	53,988,263
2026	443,220	52,612,216	50,661	53,106,097
2027	321,593	51,820,741	41,825	52,184,159
2028-2032	261,758	245,373,127	75,595	245,710,480
2033-2037	-	215,314,413	-	215,314,413
2038-2042	-	181,099,720	-	181,099,720
2043-2047	-	132,741,341	-	132,741,341
2048-2052	-	71,262,800	-	71,262,800
2053-2054	-	9,298,200	-	9,298,200
Total	$ 3,047,693	$ 1,120,536,435	$ 372,194	$ 1,123,956,322

5. Long-term Debt (continued)

The Revenue Bonds contain default provisions as defined in the agreements. In each case of default, unless cured by the Authority within 30 days after written notice, the trustee may declare all outstanding bonds and accrued interest immediately due and payable. Upon the event of default, the trustee may demand the Authority net revenues and all funds and accounts established under the General Resolution be transferred to and administered by the trustee. The trustee may exercise any of the following remedies to the extent they are legally available:

(i) the trustee may protect and enforce its rights and the rights of the holders of the bonds by suit or suits of equity.

(ii) the trustee may obtain the appointment of receiver, where the receiver may enter upon and take possession of the airport and fix rates and charges and collect all airport revenues. The receiver will collect and dispose of airport revenues in accordance with the terms and conditions of the General Resolution or as the court directs.

Net revenues (as defined in the various bond ordinances) of the Authority in the operation of the Airport System have been pledged toward the repayment of the Airport Revenue Bonds. Net revenues consist of operating revenues reduced by operating expenses, not including depreciation.

All Authority bonds were issued under the Airport Improvement Revenue Bond Resolution adopted by the Board of Commissioners of the Authority on August 15, 1991, (as amended and supplemented, the "General Resolution") and a nineteenth Supplemental Resolution adopted by the Board on October 21, 2015. In 2019, the Board approved the 2019 Master Subordinate Resolution and the First Supplemental Resolution. Bonds issued under the First Supplemental Resolution payable from net revenues are subordinate to bonds issued under the General Resolution. The Authority anticipates using PFC funds for approximately $4,400,000, and $8,400,000 of the Series 2015A and Series 2015B bonds, respectively (Note 6). A portion of the Series 2019A and 2015B bonds are also eligible to be reimbursed with PFC funds. Although the CONRAC Series 2010 and 2018 Bonds were issued under the General Resolution, the CFCs are not in and of themselves a part of airport revenues or net revenues as defined in the General Resolution. Therefore, airport revenues derived by the Authority from the operation of the Airport are not pledged for payment of and do not constitute security for the CONRAC Series 2010 and 2018 Bonds. All other bonds are secured by a pledge of and lien on net revenues derived by the Authority from the operation of the airports.

Operating revenues (as defined in the various bond ordinances) of the Authority in the operation of the Airport System have been pledged toward the repayment of the Airport Revenue Bonds. For the year ended June 30, 2022, operating revenues were $210,228,864, compared to the net debt service (principal and interest) for senior and subordinate revenue bonds of $62,931,561. In addition, a portion of the Airport Revenue Bonds has been approved by the FAA to be funded by Passenger Facility Charges. For the year ended June 30, 2022, the PFC revenues were $35,678,032, compared to the net debt service (principal and interest) of $688,478.

5. Long-term Debt (continued)

Direct Placement Debt:

Special facility revenue bond (MPC CONRAC LLC Project) Refunding Series 2018 bonds

During May 2018, the Authority issued CONRAC Refunding Series 2018 bonds in the principal amount of $27,358,295. The bonds, together with $23,334,428 available Customer Facility Charge ("CFC") revenues were placed in an irrevocable trust to advance refund the Series 2010 Bonds maturing in the years 2021 through 2029 and pay the costs of issuance of the bond of $150,858. Accordingly, the trust account assets and the liability on the defeased bonds are not included in the Authority's financial statements. At June 30, 2022, $39,140,000 of defeased bonds remain outstanding. The difference between the reacquisition price and the net carrying amount of the refunded debt was $3,614,352. This difference is reported as a deferred outflow of resources and is being amortized through fiscal year 2029. The refunding resulted in an economic gain of approximately $6,400,000.

The CONRAC Refunding Series 2018 bonds are payable from and secured by a pledge of certain rental payments derived from CFCs under leases with rental car agencies (Note 7). The remaining CONRAC Refunding Series 2018 bonds contain serial bonds at an interest rate of 3.4%, maturing in progressive annual amounts ranging from $3,132,780 on July 1, 2022, to $3,838,790 on July 1, 2028.

Energy savings performance contract

The Authority has entered into an energy savings performance contract with an energy service company (ESCO) that conducted a comprehensive energy audit and identified improvements to save energy. The ESCO worked with the Authority to design and construct the approved projects, as well as to assist it with project financing. The ESCO guarantees that the improvements will generate energy cost savings sufficient to pay for the project over the term of the contract. After the contract ends, the Authority continues to benefit with additional energy cost savings as a result of the contract.

The Authority agreed to an energy saving project known as "Comprehensive Energy and Operational Services", Phases I and II. The project primarily included lighting retrofits and replacement of a chiller, but also a conceptual design for a quarry geothermal system.

In December 2012, the Authority entered into another financing agreement in the amount of $2,777,500 with a financial institution for phase II of the energy enhancement project. The annual interest rate is 1.85%. Principal and interest payments are due in progressive monthly installments between $23,700 and $31,178 from January 2014 through November 2022. The principal balance outstanding was $155,172 at June 30, 2022.

In July 2015, the Authority entered into an equipment lease purchase agreement in the amount of $4,300,000 with a financial institution providing for the equipment to be installed in the geothermal project. The annual interest rate is 2.78%. Principal payments are due annually beginning July 2017; interest payments are due semi-annually beginning January 2016. The final principal and interest payment are due in July 2030. The principal balance outstanding was $2,890,300 at June 30, 2022.

Other Debt:

Airport improvement revenue bonds, Series 2003B

During November 2003, the Authority issued Series 2003B taxable bonds in the principal amount of $19,585,000. These bonds were issued to provide funding for a portion of the projected unfunded liability of the Metropolitan Nashville Airport Authority Retirement Plan for Employees (See Note 12).

5. Long-term Debt (continued)

The remaining Series 2003B bonds contain serial bonds at interest rates ranging from 5.49% to 5.94%, with annual sinking fund requirements in progressive annual amounts ranging from $680,000 on July 1, 2022, to $1,280,000 on July 1, 2033. The annual amounts accumulated in the sinking fund will be used to pay bond holders on July 1, 2023, and 2033. The 2003B bonds are subject to an extraordinary optional redemption, in whole at any time, at a redemption price equal to the principal amount plus accrued interest to the date of redemption only in the event of the destruction or damage to all or substantially all of the Nashville International Airport or the condemnation of the airport facility.

Airport improvement revenue bonds, Series 2015A&B

During December 2015, the Authority issued Series 2015A bonds in the principal amount of $91,855,000 and Series 2015B in the principal amount of $108,145,000, collectively the “Series 2015A&B bonds”. The Series 2015A&B bonds were issued to finance certain capital improvement at Nashville International Airport and John C. Tune Airport, fund capitalized interest on the Series 2015A&B bonds, make deposits to the reserve accounts in the Airport Improvement Bond Reserve Fund, and pay certain costs of their issuance. The bonds were issued at a premium of $13,825,131 and $13,078,625 for 2015A and 2015B, respectively. This amount is being amortized through 2045.

Interest on the Series 2015A&B bonds is payable on each January 1 and July 1, commencing July 1, 2016.

The Series 2015A bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from $2,005,000 on July 1, 2022, to $3,575,000 on July 1, 2035. $20,730,000 of term bonds at 5% are due on July 1, 2040, and $26,460,000 of term bonds at 5% are due on July 1, 2045.

The Series 2015B bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from $2,395,000 on July 1, 2022, to $4,475,000 on July 1, 2035. $23,525,000 of term bonds at 5% are due on July 1, 2040, $17,130,000 of term bonds at 5% are due on July 1, 2043, and $12,825,000 of term bonds at 3.875% are due on July 1, 2045.

The Series 2015A&B bonds maturing on and after July 1, 2026, are subject to redemption prior to maturity, at the option of the Authority, at a redemption price equal to the principal amount plus interest to the date of redemption. The first optional call date is July 1, 2025.

Subordinate Airport improvement revenue bonds, Series 2019A&B

During December 2019, the Authority issued, under the First Supplemental Resolution, Series 2019A bonds in the principal amount of $254,435,000 and Series 2019B in the principal amount of $665,150,000, collectively the “Series 2019A&B bonds”. The Series 2019A&B bonds were issued to finance certain capital improvement at Nashville International Airport, fund capitalized interest on the Series 2019A&B Bonds, make deposits to the reserve accounts in the Airport Improvement Bond Reserve Fund, and pay certain costs of their issuance. The bonds were issued at a premium of $56,925,475 and $134,372,678 for 2019A and 2019B, respectively. This amount is being amortized through 2054.

Interest on the Series 2019A&B bonds is payable on July 1, commencing July 1, 2020.

The Series 2019A bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from $2,965,000 on July 1, 2025, to $6,530,000 on July 1, 2039. $37,870,000 of term bonds at 5% are due on July 1, 2044, $25,000,000 and $39,200,000 of term bonds at 4% and 5%, respectively, are due on July 1, 2049, and $25,000,000 and $60,120,000 of term bonds at 4% and 5%, respectively, are due on July 1, 2054.

5. Long-term Debt (continued)

The Series 2019B bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from $7,920,000 on July 1, 2025, to $17,260,000 on July 1, 2039. $100,175,000 of term bonds at 5% are due on July 1, 2044, $50,000,000 and $116,170,000 of term bonds at 4% and 5%, respectively, are due on July 1, 2049, and $62,500,000 and $157,550,000 of term bonds at 4% and 5%, respectively, are due on July 1, 2054.

The Series 2019A&B bonds maturing on and after July 1, 2031, are subject to redemption prior to maturity, at the option of the Authority, on or after July 1, 2030, in whole or in part at any time, at a redemption price equal to the principal amount plus interest to the date of redemption.

BNA credit facility loan agreement

On December 5, 2016, the Authority entered into a Credit Facility Loan Agreement (BNA Credit Facility 1) with a financial institution. The lender made available to the Authority a non-revolving line of credit in the maximum principal of $100,000,000, the proceeds of which were to be used to finance a portion of the cost of the Authority's capital improvement program, including land acquisition and the acquisition, construction, rehabilitation, replacement, repair, renovation, improvement and reconstruction of terminal, airfield, parking, hangar, roadway, hotel, multi-modal transit facilities and the acquisition of airport equipment and other facilities and improvements as necessary and appropriate for the operation of such airport facilities at the Nashville International Airport or John C. Tune Airport. The note was payable from, but not secured by, available revenues of the Authority, including, without limitation, various grant funds to be received by the Authority for these projects. The loan carried interest at a variable rate equal to LIBOR (as adjusted by lender on the first calendar day of each month) plus 75 basis points per annum.

On January 7, 2019, the Authority entered into a new Credit Facility Loan Agreement (BNA Credit Facility 2) with a financial institution, which repaid the draws on BNA Credit Facility 1 in full. The lender made available to the Authority a non-revolving line of credit in the maximum principal amount of $300,000,000, the proceeds of which were to be used to finance a portion of the cost of the Authority's capital improvement program, including land acquisition and the acquisition, construction, rehabilitation, replacement, repair, renovation, improvement and reconstruction of terminal, airfield, parking, hangar, roadway, hotel, multi-modal transit facilities and the acquisition of airport equipment and other facilities and improvements as necessary and appropriate for the operation of such airport facilities at the Nashville International Airport or John C. Tune Airport. The Credit Facility was amended in December 2019 to increase the maximum principal amount to $400,000,000. Principal and interest on this line of credit are payable from the net revenues subject and subordinate, and secured by a lien and pledge on the net revenues junior and inferior, to the lien and pledge on the net revenues created under the General Resolution including the Master Subordinate Resolution for the payment and security of the bonds but on a parity with the Parity Other Obligations. In January 2022, the note was amended to carry a maximum principal amount of $300,000,000. The note matures on January 7, 2024. The taxable portion of the Credit Facility bears interest at a variable interest rate equal to BSBY plus 52 basis points. The nontaxable portion of the Credit Facility bears interest at a variable interest rate equal to 80% BSBY plus 42 basis points. The rates at June 30, 2022 were 2.13313% for the taxable Credit Facility, and 1.810504% for the nontaxable Credit Facility. Interest on this Credit Facility totaled $357,906 during fiscal year 2022. Accrued interest on this line of credit was $96,535 at June 30, 2022.

5. Long-term Debt (continued)

The Credit Facility contains default provisions as defined in the agreements. In the event of default, the obligations shall bear interest at the default rate – PRIME plus 3%. In the event of default, the lender may make one of more of the following actions at any time and from time to time (the actions may be taken at the same time or at different times):

(i) The lender may terminate the available commitment and declare the outstanding amount due under the obligations immediately due and payable.

(ii) The lender may sell or otherwise transfer all or a portion of the notes.

(iii) At the expense of the Authority, the lender may cure any default, event of default, or event of nonperformance, bringing all delinquent balances current and adding the delinquent balances to the total outstanding owed by the Authority.

Long-term debt activity for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	New Borrowings	Principal Repayment	Amortization	Balance June 30, 2022	Due within one year
Direct Placement - airport revenue bonds	$ 27,358,295	$ -	$ (3,028,385)	$ -	$ 24,329,910	$ 3,132,780
Other - airport revenue bonds	1,120,655,000	-	(4,835,000)	-	1,115,820,000	5,080,000
Direct Placement - notes payable	3,705,504	-	(660,032)	-	3,045,472	453,087
Other - long-term debt	21,008,321	75,954,829	-	-	96,963,150	-
Add:						
Unamortized bond premiums	204,345,671	-	-	(6,350,912)	197,994,759	-
Total long-term debt	$ 1,377,072,791	$ 75,954,829	$ (8,523,417)	$ (6,350,912)	$ 1,438,153,291	$ 8,665,867

6. Passenger Facility Charges

On January 1, 1993, the airlines began collecting a Passenger Facility Charge (“PFC”) on qualifying enplaning passengers at Nashville International Airport on behalf of the Authority. PFCs are fees imposed on enplaning passengers by airports to finance eligible airport-related projects that preserve or enhance safety, capacity, or security of the national air transportation system, reduce noise from an airport that is part of such system, or furnish opportunities for enhanced competition between or among air carriers. Both the fee and intended projects must be reviewed and approved by the FAA. Federal guidance on the PFC program has been updated from time to time since 1993, and the current maximum fee that can be authorized through federal regulation is $4.50 per enplaning passenger. PFCs are recorded as nonoperating revenue. PFC revenue during fiscal year 2022 totaled $35,678,032.

Effective September 2010, the Authority could collect a $3.00 PFC per enplaning passenger. In May 2015, the Authority began collecting a $4.50 PFC per enplaning passenger. The Authority anticipates remaining at this $4.50 collection level. The following project summary has been approved by the FAA as of June 30, 2022:

Airfield development	$ 220,910,934
Terminal development	704,766,710
Land acquisition	21,260,411
	$ 946,938,055

As of June 30, 2022, cumulative expenditures to date on approved PFC projects totaled $371,010,420.

7. Customer Facility Charges

On January 1, 2008, the Authority began requiring the car rental companies at Nashville International Airport to charge a Customer Facility Charge (“CFC”) to be used to pay, or to reimburse the Authority, for costs, fees and expenses associated with the planning, design, construction, financing, maintenance and operation of the Consolidated Rental Car (“CONRAC”) Facility, and other costs, fees, and expenses that may be paid from CFC proceeds. The CFC is a $4.50 per transaction day fee and is collected by on-airport car rental companies from each of their customers and subsequently remitted to the Authority. The Authority has pledged the CFC proceeds as collateral security for the payment of the CONRAC Series 2018 bonds May 2018. Additionally, in accordance with the terms of the CONRAC Series 2018 bond agreement, CFCs must be used to establish bond principal, interest, and reserve funds, as well as various other funds for the operation and maintenance of the CONRAC facility (See Note 5). The Authority can use CFCs collected in excess of the various refunded funds for any lawful purpose. CFC revenue during fiscal year 2022 totaled $12,939,489. CFC revenue is reported as non-operating revenues.

The Authority is leasing the facility to MPC CONRAC LLC under a lease agreement and is leasing-back the facility from MPC CONRAC LLC under a sublease agreement. In turn, the Authority will lease the CONRAC facility to on-airport rental car companies under the consolidated rental car lease agreements. Under these lease agreements, on-airport rental car companies have agreed to collect the CFC on all vehicle rental transactions as specifically set forth in the CFC enabling resolution and the related lease agreements.

Net position relating to CFCs totaled $30,050,839 at June 30, 2022, and is included in net investment in capital assets and restricted net position in the statements of net position.

8. Special Facility Revenue Bonds

Special facility revenue bonds, series 2005

During April 2005, the Authority issued $9,500,000 of Special Facility Revenue Bonds, Series 2005, on behalf of Embraer Aircraft Maintenance Services, Inc. The bonds were issued to finance the development and construction of an aircraft maintenance facility at Nashville International Airport.

The outstanding Special Facility Revenue Bonds, Series 2005, are special obligations of the Authority, and the debt service thereon shall be payable solely from revenues provided by Embraer Aircraft Maintenance Services, Inc., pursuant to a special facility sublease agreement or from letter of credit drawings made by the trustee. These bonds mature in April 2030. The principal balance outstanding as of June 30, 2022 was $9,500,000. Since these bonds do not represent a claim on the Authority’s assets or require the Authority to incur future obligations, they represent conduit debt and have not been recorded in the Authority’s financial statements.

Special facility revenue bonds, series 2006/refunding series 2010

During July 2006, the Authority approved an amendment to the ground lease with Aero Nashville, LLC, whereby the Authority agreed to issue $6,515,000 of Special Facility Revenue Bonds, Series 2006, on behalf of Aero Nashville, LLC. Aero Nashville is an affiliate of Aeroterm US, Inc., the firm selected by Federal Express Corporation to be the developer of a 69,000-square-foot cargo and support facility on approximately 15 acres of land at Nashville International Airport in 2005.

During November 2010, the Authority issued $6,200,000 in Special Facility Revenue Bonds, Refunding Series 2010, the proceeds of which were used to currently refund the outstanding Series 2006 bonds. The Refunding Series 2010 bonds are term bonds with mandatory sinking fund requirements annually through July 2026.

8. Special Facility Revenue Bonds (continued)

The Special Facility Revenue Bonds, Series 2006, and outstanding Refunding Series 2010 bonds are special obligations of the Authority and the debt service thereon shall be payable solely from revenues provided by Aero Nashville, LLC pursuant to a special facility sublease agreement or from letter of credit drawings made by the trustee. The principal balance outstanding as of June 30, 2022 was $2,355,000. Since these bonds do not represent a claim on the Authority's assets or require the Authority to incur future obligations, they represent conduit debt and have not been recorded in the Authority's financial statements.

9. Airline Use and Lease Agreement

During fiscal year 2015, the Authority entered into a Signatory Airline Use and Lease Agreement with a term from July 1, 2015 to June 30, 2022 (the "Airline Agreement") with American Airlines, Delta Air Lines, Southwest Airlines and United Airlines. The Airline Agreement was subsequently extended to June 30, 2023.

The Airline Agreements establish three cost centers for the purpose of determining rates and charges payable by the signatory airlines and other users of airport facilities: airfield, terminal, and terminal ramp area. Baggage and passenger loading bridge fees are also assessed. The Airline Agreements have a "hybrid" airline rate-setting methodology with landing fees calculated on a residual basis (as described below); whereas, terminal rental rates (as described below) and terminal ramp area rates are compensatory. Other than the airfield, the signatory airlines are not required to provide for break-even financial operation of the Nashville International Airport ("Airport") per the Airline Agreements.

Landing fees under the Airline Agreements are calculated on a primarily residual basis. Capital cost allocable to the airfield, including debt service on bonds, may be included in the calculation of the landing fees with Majority-in-Interest ("MII") approval. While debt service on bonds allocable to the airfield may be included in the landing fees, the Airline Agreements do not permit inclusion in the landing fees of coverage on bonds allocable to the airfield or any amount required for replenishing the Airport Improvement Bond Reserve Fund requirement allocable to such bonds.

The terminal rental rate under the Airline Agreements is calculated on a compensatory basis with fixed rates. There is no provision in the new Airline Agreements for increasing the terminal rental rate to provide for the payment of debt service on outstanding or additional bonds, as defined, allocable to the terminal or coverage on such bonds or any amount required to replenish the Airport Improvement Bond Reserve Fund requirement allocable to such bonds. However, it should be noted that when the fixed terminal rental rates were established, the Authority assumed allowances for outstanding bonds, the funding of its approximately $150.3 million capital improvement program for the terminal from various sources including the debt service on additional bonds required to support approximately $66.5 million of projects costs, and typical operations and maintenance expense escalations. With limited exceptions, there is no provision in the Airline Agreements for increasing the terminal rental rates for payment of debt service on additional bonds or increases in operations and maintenance expenses, greater than modeled and assumed. Additionally, other than revenues allocable to the airfield and the sharing with airlines a portion of revenues from in-terminal concessions and rental car concessions, the Authority is permitted to retain all other revenues.

Except as provided in the next succeeding paragraph, there is no provision in the Airline Agreements for including debt service on outstanding or additional bonds in airline rates and charges for bonds issued for other airport improvements not included in the airfield or terminal cost centers with or without MII approval.

Debt service on bonds allocable to the acquisition of passenger loading bridges or for baggage claim equipment, baggage make-up equipment and the baggage claim areas may be included in the passenger loading bridge fees or baggage fees that may be imposed under the Airline Agreements without MII

9. Airline Use and Lease Agreement (continued)

approval. There is no provision in the Airline Agreements for increasing the passenger loading bridge fees or baggage fees to provide for coverage on such bonds or any amount required to replenish the Airport Improvement Bond Reserve Fund requirement allocable to such bonds. Debt service on bonds allocable to capital improvements in the terminal ramp area may be included in the terminal ramp area rate without MII approval. There is no provision in the Airline Agreements for increasing the terminal ramp area rate to provide for coverage on such bonds or any amount required to replenish the Airport Improvement Bond Reserve Fund requirement allocable to such bonds.

Debt service on bonds that are not allocated to airfield improvements or the acquisition of passenger loading bridges, as well as coverage or amounts required to replenish the Airport Improvement Bond Reserve Fund requirement allocable to any bonds, must be paid from sources other than signatory airlines rates and charges, which would principally be the Authority's share of in-terminal concession revenues, rental car concessions, parking fees, and other non-airline lease revenues. Under the Airline Agreement, the Authority shares a portion of in-terminal concession and rental car concession revenue with the signatory airlines by means of revenue sharing credits. The Authority does not share parking fees with the signatory airlines.

The Authority is obligated under the Airline Agreements to undertake $259,013,000 of capital improvement projects that may not be funded through rates and charges to be paid by signatory airlines. It is anticipated that a large portion of the capital improvement project costs will be funded from sources other than rates and charges to be paid by signatory airlines (e.g. federal and state grants, Passenger Facility Charges (PFCs), Authority net revenues, and new, additional non-airline revenues). Principal amount of bonds allocable to the funding of capitalized interest are not counted toward these requirements.

The Airline Agreements provide signatory airline support for John C. Tune Airport, including certain reliever airport support costs in the landing fees and the use of amounts in the Operations and Maintenance Reserve Fund to pay operating expenses at John C. Tune Airport.

The Authority also owns MPC, a Tennessee nonprofit corporation, whose purpose is to support and facilitate the operations of the Authority and to help the economic development of the surrounding area. The Airline Agreements do not provide any signatory airline support for MPC. MPC financial obligations are not included within the Master Resolution, and any MPC shortfalls or deficits must be paid from other available Authority funds.

10. Risk Management and Insurance Arrangements

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; illnesses or injuries to employees; and natural disasters.

Self-insured employee medical benefit claims are accrued as incurred. The liability for reported claims and claims incurred but not reported, an estimate of which is based on historical experience and management projections, is reported with accrued payroll and related items in the financial statements. This liability does not include non-incremental claims adjustment expenses.

10. Risk Management and Insurance Arrangements (continued)

The following summarizes the changes in the estimated claims liability at June 30, 2022:

Balance - Beginning of year	$	928,102
Provision for incurred claims		2,640,676
Claim payments		(3,138,770)
Balance - End of year	$	430,008

The Authority carries commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Environmental remediation

On October 9, 2012, the Authority entered into a Consent Order with the Tennessee Department of Environment and Conservation in response to a routine inspection which identified that a local area stream had been contaminated by untreated de-icing chemicals. In the Consent Order, the Authority was assessed a penalty of $22,500, and it was determined that Natural Resource Damages in the amount of $218,520 exist. In lieu of payment, the Authority proposed to upgrade its de-icing fluid collection and treatment system. Multiple projects, worth over $8,000,000, were undertaken. The upgrades diverted uncontaminated storm water away from the treatment system so that only storm water containing deicer fluid is collected for treatment. This allows for additional fluid storage and improves the treatment system process by systematically feeding the fluids to the biological treatment lagoon. The Authority continues to perform monitoring and reporting to the Tennessee Department of Environment and Conservation in compliance with NPDES Permit TN0064041.

The Authority is a defendant to various legal proceedings incidental to its operations. In the opinion of management and the Authority’s legal counsel, while the ultimate outcome of these matters, including an estimate of potential loss, cannot presently be determined, any losses sustained would not be material to the Authority’s financial position or operations. Additionally, losses sustained would be recoverable through the Authority’s leases with certain airlines discussed in Note 9.

11. Compensated Absences

Compensated absences are another component of the Authority's employee benefits program. Based on years of service, employees earn annual leave and may accumulate earned hours to certain limits for future use. In 2022, employees sold back $208,728 of their annual leave balances to the Authority in exchange for cash. Additional payments of $499,077 were made to employees who left employment with the Authority during the year ended June 30, 2022. The change in accrued compensated absences balance is charged to salaries and wages expense.

11. Compensated Absences (continued)

The following summarizes the changes in the compensated absences liability at June 30, 2022, which is included in accrued payroll and related items on the statements of net position:

Balance - Beginning of year	$	2,817,555
Provision for compensated absences		2,837,424
Annual leave used		(2,248,341)
Annual leave buy-back and other		(707,805)
Balance - End of year	$	2,698,833

The compensated absence liability balance is due within one year.

12. Retirement Benefit Plan

General information about the pension plan

Plan description

Effective September 1, 1989, the Metropolitan Nashville Airport Authority (the "Authority") adopted a single-employer public employee retirement system ("PERS") for its employees, whereby the net position restricted for benefits relative to the Authority's employees were transferred from the retirement system of the Metropolitan Government of Nashville and Davidson County (the "Metropolitan Government") to the Metropolitan Nashville Airport Authority Retirement Plan for Employees. Those net assets transferred from the Metropolitan Government's retirement system to the Plan included accumulated employee contributions and allocated investment income. The Plan is a defined benefit pension plan.

The Plan is administered by management of the Authority and is governed by a Retirement Committee (the "Committee"). The Committee members are appointed by the Authority. On June 30, 2022, the Committee consists of 7 voting members, five of whom are active Authority senior management, two of whom are active Authority employees and members of the Plan. Non-voting members of the Committee consist of an Advisor Member (retiree in the plan), and the Authority's paralegal and Director of Treasury.

Benefits provided

Eligible employees become 100% vested in their accrued pension benefit after 5 years of credited service and may elect to retire at any time after age 65 (or after age 55 for safety and security employees with completion of 10 years of service).

The employees who retire at or after age 65 (55 for safety and security employees) are entitled to a retirement benefit, payable monthly for life, equal to one-twelfth of the product of 2% of average earnings multiplied by years of credited service. Average earnings are the average of annual earnings for the five full consecutive calendar years in which earnings were the highest or for such lesser number of full calendar years of service as have been completed. Credited service is the total number of years and completed one-half months of service from the date of hire to date of termination, adjusted for some certain periods of unpaid absence. Certain supplemental benefits have been provided for in the Plan as incentives for certain prior officers of the Authority.

Early retirement under the Plan is retirement from service prior to the participant's normal retirement date and on or after the date as of which the participant has attained both the age of 55 years and completed 5

12. Retirement Benefit Plan (continued)

years of vesting service. A participant classified as a safety and security employee is eligible for early retirement on or after the date as of which such employee has attained both the age of 50 years and completed 5 years of vesting service. Participants electing early retirement, as defined above, receive reduced benefits immediately or may defer and receive full benefits at normal retirement age. There are also certain benefit provisions upon death or disability.

Changes to the Plan, including benefits provided thereunder can be made only by formal resolutions of the Authority's Board of Commissioners. Additionally, cost-of-living adjustments are made only as approved by the Board of Commissioners. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Authority. Benefit provisions are established and may be amended by the Authority.

Employees covered by benefit terms

On June 30, 2022, the following employees were covered by the benefit terms:

Retired	191
Deferred vested	53
Active vested	46
	290

Effective June 27, 2003, the Plan was closed to new participants; therefore, employees hired after June 27, 2003, are not eligible to participate in the Plan.

Contributions

The Plan is non-contributory for employees; accordingly, no contributions shall be required or permitted to be made by plan participants. The Authority's Board of Commissioners has approved a funding plan which establishes the expected employer contributions to the Plan through fiscal year 2022. In determining the funding plan, the Authority considers the actuarially determined contribution, as recommended by an independent actuary. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by plan participants, with an additional amount to finance the net pension liability.

Pension Net Position

The investments of the Plan are governed by an investment policy approved by the Authority's Retirement Committee. The investment policy establishes the Plan's investment objectives, portfolio benchmarks, and asset allocation parameters. The investment policy also requires certain qualifications of investment managers, review of investment returns, and reporting requirements. Generally, the investment policy specifies a long-term investment horizon with investment returns to be achieved without undue investment risk. Changes to the investment policy can be made only by formal resolution of the Board of Commissioners. The investment policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefit Plans was updated and became effective August 2019.

The Plan's investment assets are held in trust by the Plan's trustee for the benefit of plan participants. Investments in equity and bond mutual funds are stated at fair value using quoted market prices in active markets (level 1) and various market and industry inputs (level 2). Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The Plan's investment assets are held in trust by the Plan's trustee, Principal.

12. Retirement Benefit Plan (continued)

The Plan's investments which represented 5% or more of net position as of June 30, 2022:

Description of Investment		
Principal	Federated Total Return Bond	$ 9,202,252
Principal	Dodge and Cox Intermediate Bond	9,076,186
Principal	Allspring Core Bond	9,067,473
Principal	Blackrock S&P 500 Index	7,985,278
Principal	Blackrock S&P Midcap Index	5,193,827
	Other funds representing less than 5%	35,889,228
	Total investment and net position	$ 76,414,244

Net pension liability

The Authority's net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0%, compounded annually
Salary increases	4.0% per annum, compounded annually
Investment rate of return	5.5% per annum, compounded annually, net of pension plan investment expense and inflation

The mortality table was changed from the RP-2014 Generational Mortality Table for Males and Females, as applicable, with adjustments for mortality improvements based on Scale MP-2020 to the RP-2014 Generational Mortality table for Males and Females with Improvement Scale MP-2021. The discount rate remains the same at 5.5%.

The annual money-weighted rate of return on pension assets was -12.88% in fiscal year 2022.

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation are summarized in the following table:

12. Retirement Benefit Plan (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity - Small Cap	4.00%	6.00%
Domestic Equity - Large Cap	26.50%	5.10%
Domestic Equity - Mid Cap	7.00%	5.80%
International Equity	12.50%	5.00%
Fixed Income	47.00%	1.10%
Cash	3.00%	-0.50%

Discount rate

The discount rate used to measure total pension liability is 5.5%, compounded annually. The Authority's Board of Commissioners has approved the funding policy, as described in the contributions section above.

The Authority intends to make contributions under the funding plan, as required to keep the Plan solvent, and to meet the minimum funding requirements of the State of Tennessee. Having a formal funding policy and statutory contributions in the future supports the position that the Plan's fiduciary net position will remain positive in the future. Accordingly, the long-term rate of return-on-investment assets has been used as the discount rate for all future periods.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at July 1, 2021	$ 79,475,842	$ 92,526,143	$ (13,050,301)
Changes for the year:			
Service cost	528,437	-	528,437
Interest	4,371,171	-	4,371,171
Difference between expected and actual experience	2,075,869	-	2,075,869
Change in assumptions	137,652	-	137,652
Contributions - Employer	-	250,000	(250,000)
Net investment loss	-	(11,820,464)	11,820,464
Benefits paid	(4,541,435)	(4,541,435)	-
Net changes	2,571,694	(16,111,899)	18,683,593
Balance as June 30, 2022	$ 82,047,536	$ 76,414,244	$ 5,633,292

The pension fiduciary net position is equal to 93% of the total pension liability.

12. Retirement Benefit Plan (continued)

Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions

Sensitivity of the net pension liability to changes in the discount rate

The following represents the net pension liability calculated using the stated discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease 4.50%	Current Rate 5.50%	1% Increase 6.50%
Net pension liability (asset)	$14,740,111	$ 5,633,292	$ (2,057,784)

Pension plan fiduciary net position

For the year ending June 30, 2022, the Authority recognized pension expense of 3,219,544. On June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gains or losses	$ -	$ -
Change of assumptions	-	-
Net difference between projected and actual earnings on investment	6,473,537	-
Total	$ 6,473,537	$ -

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2022, will be recognized in pension expense as follows:

Year ended June 30,	
2022	$ 1,144,264
2023	$ 1,009,064
2024	$ 961,929
2025	$ 3,358,280

13. Other Postemployment Benefits (OPEB)

General information about the OPEB plan

Plan description

On April 22, 2009, the Board of Commissioners approved MNAA Resolution 2009-07 establishing an investment trust for the purpose of funding OPEB as provided in Tennessee Code Annotated, Title 8, Chapter 50, Part 12. The Tennessee State Funding Board approved the formation of the trust on June 17, 2009. There is no obligation to fund the trust; however, management has a plan whereby cash contributions are intended to be made to help offset the anticipated increased outflows in future years to cover retiree benefits.

The Plan is a single-employer plan administered by management of the Authority and is governed by a Retirement Committee (the "Committee"). The Committee members are appointed by the Authority. At June 30, 2021, the Committee consists of 7 voting members, five of whom are active Authority senior management, and two of whom are active Authority employees and members of the Plan. Non-voting members of the Committee consist of an advisor Member (retiree in the plan), and the Authority's paralegal and Director of Treasury.

The Authority voluntarily provides postemployment healthcare benefits to certain eligible employees who retire under either the Authority's PERS or the Metropolitan Government's PERS.

Benefits provided/Contributions

As part of the OPEB actuarial evaluation on July 1, 2013, which was effective for the Authority's 2014 fiscal year, certain changes to the OPEB Trust were considered, including the following: The Authority adopted an Employer Group Waiver Plan (EGWP) for post-65 retiree pharmacy benefits effective January 1, 2014. Additionally, the Authority adopted certain post-65 stop loss coverage.

Effective January 1, 2017, MNAA offered a Medicare Supplement Plan. Retirees and spouses (post 65) had the option to enroll in the Medicare Supplement Core or Core Plus plans through AmWINS Group Benefits if they desired to continue coverage through MNAA. If they desired not to enroll in MNAA supplemental plans, they have the option to enroll in the individual Market Medicare Plans.

MNAA makes a monthly contribution of $250 for each participant (retiree and spouse) in a Health Reimbursement Account (HRA). These contributions are to be used toward the monthly premiums of those who have elected MNAA plans or an individual market plan.

The account reimburses the participant for their individual medical, dental, or vision premiums along with out-of-pocket health care expenses such as copays, deductibles, coinsurance, etc.

For retirees under 65, the Authority pays approximately 75% of the medical, dental, vision, and prescription coverage cost, with retirees paying the remaining 25%. The Authority also pays 100% of the premium cost of a $14,000 life insurance policy on each retiree. In addition, the retirees have the option to pay 100% of the cost of supplemental life insurance coverage. Currently, 117 Pre-65 are receiving OPEB benefits. The monthly contribution requirements for participants in the Authority's medical plan range from $103.02 (single "Core Wellness" premium) to $436.62 (family "HDHP" non-well premium). The Authority decided it would not provide postemployment benefits to any new entrants on January 1, 2009. Therefore, any employee hired on or after this date is not eligible for any postemployment benefits through the Authority.

Under the Metropolitan Government's PERS, the Authority pays 75% of the cost of medical and dental coverage, while the retirees pay the remaining 25%. The Authority also pays 100% of the premium cost of a $14,000 life insurance policy on each retiree. As of June 30, 2022, there were 10, receiving benefits under

13. Other Postemployment Benefits (OPEB) (continued)

the PERS. During the year ended June 30, 2022, payments of $78,676 were made to the Metropolitan Government for postemployment benefits under this PERS.

Employees covered by benefit terms

On June 30, 2022, the following employees were covered by the benefit terms:

Actives (with medical coverage)	77
Actives (without medical coverage)	1
Retirees (with medical coverage)	159
Covered spouses of retirees	106
Retirees (without medical coverage)	17
Deferred vested employees	54
	414

OPEB Net Position

The Authority does not issue separate financial statements for postemployment benefits. The OPEB's net position consists solely of the Plan's investments at fair value as there are no significant related liabilities or deferred inflows or outflows.

The investments of the Plan are governed by an investment policy approved by the Authority's Retirement Committee. The investment policy establishes the Plan's investment objectives, portfolio benchmarks, and asset allocation parameters. The investment policy also requires certain qualifications of investment managers, review of investment returns, and reporting requirements. Generally, the investment policy specifies a long-term investment horizon with investment returns to be achieved without undue investment risk. Changes to the investment policy can be made only by formal resolution of the Board of Commissioners. The investment policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefit Plans was updated and became effective August 2019.

The Plan's investment assets are held in trust by the Plan's trustee for the benefit of plan participants. Investments in equity and bond mutual funds are stated at fair value using quoted market prices in active markets (level 1). Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The Plan's investment assets are held in trust by the Plan's trustee, Principal.

13. Other Postemployment Benefits (OPEB) (continued)

The Plan's investments which represented 5% or more of net position as of June 30, 2022 are as follows:

Description of Investment		
Principal	Allspring Core Bond Fund	$ 3,447,426
Principal	Metropolitan West Total Return Bond Fund Class I	3,475,459
Principal	Federated Total Return Fund Class I	3,442,505
Principal	Northern Mid Cap Index Fund	3,013,636
Principal	Dodge & Cox Income Fund	3,419,896
Principal	Vanguard 500 Index Fund	4,625,517
	Other funds representing less than 5%	15,218,074
	Total investment and net position	$ 36,642,513

Net OPEB asset

The Authority's net OPEB asset was measured as of June 30, 2022, and the total OPEB asset was determined by an actuarial valuation as of that date.

Actuarial assumptions

Actuarial valuations of an ongoing postemployment benefits plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplemental information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of Trust assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive postemployment benefits (the plan as understood by the employer and retirees) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and retirees to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The total OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation method	Entry age normal rate
Discount rate	6%
Expected long-term rate of return on plan assets	6%
Health care cost trend rate	6% graded down using the Getzen model
Dental and vision rate	5%
Retirement rates	Varying rates beginning with 5% at age 50 to 100% retirement at age 65

13. Other Postemployment Benefits (OPEB) (continued)

The mortality was changed from mortality table RP-2014 with improvement scale MP-2020 to mortality table RP-2014 mortality table with improvement scale MP- 2021. The Medical trend was changed from 6.25% graded to 5.75% over 2 years and following the Getzen model thereafter to 6 % grading to 5.5% over 2 years and following the Getzen model thereafter.

Effective January 1, 2017, Medicare-eligible retirees, retiree spouses, and disabled participants will receive $3,000 per year to purchase health coverage on an exchange.

Claims were adjusted for aging based on the Yamamoto aging table for Non-Medicare participants, normalized at age 65.

The annual money-weighted rate of return on OPEB assets was -13.64% in fiscal year 2022.

The long-term expected rate of return on plan assets was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity - Small Cap	4.80%	6.00%
Domestic Equity - Large Cap	31.80%	5.10%
Domestic Equity - Mid Cap	8.40%	5.80%
International Equity	15.00%	5.05%
Fixed Income	37.00%	1.10%
Cash	3.00%	-0.30%

Due to the Plan's asset allocation, the long-term rate of return of 6.0% was selected. Plan assets, together with projected future contributions based on historic experience, are expected to cover benefits payments for the duration of the plan.

13. Other Postemployment Benefits (OPEB) (continued)

Changes in the net OPEB liability

	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at July 1, 2021	27,867,732	44,299,417	(16,431,685)
Change for the year:			
Service cost	505,251	-	505,251
Interest	1,604,056	-	1,604,056
Difference between expected and actual experience	4,284,326	-	4,284,326
Changes of assumptions	(237,239)	-	(237,239)
Net investment loss	-	(5,932,472)	5,932,472
Contributions - Employer	-	-	-
Benefits paid	(1,638,721)	(1,638,721)	-
Administrative expenses	-	(85,711)	85,711
Net changes	4,517,673	(7,656,904)	12,174,577
Balance at June 30, 2022	32,385,405	36,642,513	(4,257,108)

The OPEB fiduciary net position is equal to 113% of the total OPEB liability.

The Authority made no contributions to the OPEB Trust during fiscal year 2022. This was considered in the June 30, 2022, actuarial valuations.

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate

The following represents the net OPEB liability/(asset) calculated using the stated health care cost trend assumption, as well as what the OPEB liability/(asset) would be if it were calculated using the healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the assumed trend rate:

Net OPEB Liability (Asset)	5.00% Decreasing using the Getzen model	6.00% Decreasing using the Getzen model	7.00% Decreasing using the Getzen model
June 30, 2022	$ (6,759,414)	$ (4,257,108)	$ (1,377,639)

Sensitivity of the net OPEB liability to changes in the discount rate

The following represents the net OPEB liability/(asset) calculated using the stated discount rate, as well as what the net OPEB liability/(asset) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

Net OPEB Liability (Asset)	1% Decrease 5.00%	Current Rate 6.00%	1% Increase 7.00%
June 30, 2022	$ (1,657,605)	$ (4,257,108)	$ (6,535,588)

13. Other Postemployment Benefits (OPEB) (continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB

For the year ending June 30, 2022, the Authority recognized OPEB expense of ($722,846). On June 30, 2022, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Ouflows of Resources	Deferred Inflows of Resources
Experience gains or losses	$ -	$ -
Change of assumption	-	-
Net difference between projected and actual earnings on investments	1,999,656	-
Total	$ 1,999,656	$ -

Year Ended June 30,	
2022	$ 15,428
2023	$ 124,268
2024	$ 152,072
2025	$ 1,707,888

14. Defined Contribution Plans

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered by a third party, Voya Retirement Services. The plan, available to all Authority employees, permits the deferral of a portion of salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The assets of the plan are held in custodial and annuity accounts for the exclusive benefit of plan participants, and accordingly, the related assets of the plan are not reflected on the Authority's statement of net position. Beginning January 1, 2001, the Authority's matching contributions have been made to a deferred compensation plan created in accordance with Internal Revenue Code Section 401 (a). Employer contributions vest after six months of employment. Any forfeitures are refunded to the Authority. Amounts contributed by the Authority to the deferred compensation plan were $1,127,151 in 2022. Employees contributed through payroll deductions to the plan $1,497,833 in 2022.

During May 2013, the Board of Commissioners approved an additional 401 (a) defined contribution retirement plan, which is administered by a third party, Voya Retirement Services. Under this additional plan, the Authority contributed 10% of an employee's base compensation on an annual basis. This 401 (a) plan is available only to employees hired after June 27, 2003, who do not participate in the Authority's defined benefit pension plan described in Note 12. All contributions by the Authority are discretionary, and vest after one year of employment. Any forfeitures are refunded to the Authority. Amounts contributed by the Authority to the deferred retirement compensation plan are $1,556,331 in 2022.

15. Lease Accounting

Lessor

For the year ended June 30, 2022, the Authority's financial statements include the adoption of GASB Statement No. 87, *Leases* ("GASB No. 87"). The primary objective of GASB No. 87 is to enhance the relevance and consistency of information about governments' leasing activities. GASB No. 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The Authority leases certain assets to various third parties. The assets leased include space, ground and lands leased in the Airfield and Grounds, Terminal Building, John C Tune Airport, Multi-Purpose Building and International Plaza Building. These payments are generally fixed monthly payments with certain variable payments not included in the measurement of the lease receivable. These payments are based on a percentage of lessee's revenue above the Minimum Annual Guarantee.

During the year ended June 30, 2022, the Authority recognized the following related to its lessor agreements:

Lease Revenue	$ 11,539,625
Interest income related to leases	$ 2,354,547
Revenue from variable payments not previously included in the measurement of the lease receivables	$ 1,174,690

Summary of Lease Activities as of June 30, 2022:

Building (55 leases)	
Term	8 to 416 months
Lease receivable	$ 54,379,915
Lease revenue	$ 8,061,724
Termination options	1 to 3 months
Land (13 leases)	
Term	33 to 581 months
Lease receivable	$ 55,600,987
Lease revenue	$ 3,477,901

Included in the Authority's lease receivables at June 30, 2022, are $109,980,902 related to leases whose revenue is pledged to secure certain outstanding debt obligations of the Authority. The leases contain lessee options to terminate the leases or abate payments under certain circumstances. These include passenger volumes dropping to an unsustainable level, failure to perform by lessor, or the assumption of the US Government or authorized agency to control or restrict the use of the lessee's assigned area. Certain leases allow the lessee to cancel for any reason with 1 to 3 months' advance written notice.

15. Lease Accounting (continued)

Future principal and interest payment requirements related to the Authority's lease receivable at June 30, 2022 are as follows:

Principal and Interest Expected to Maturity			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	10,841,469	2,248,186	13,089,655
2024	7,418,693	2,115,809	9,534,502
2025	7,061,597	1,994,256	9,055,853
2026	7,049,968	1,872,907	8,922,875
2027	6,869,364	1,748,593	8,617,957
2028 - 2032	25,752,193	7,113,751	32,865,944
2033 - 2037	13,497,789	5,028,608	18,526,397
2038 - 2042	7,881,627	3,660,904	11,542,531
2043 - 2047	5,393,454	2,788,111	8,181,565
2048 - 2052	3,977,453	2,225,376	6,202,829
2053 - 2057	3,875,788	1,672,612	5,548,400
2058 - 2062	3,401,252	1,197,946	4,599,198
2063 - 2067	4,410,406	667,481	5,077,887
2068 - 2071	2,549,849	88,722	2,638,571

Regulated Leases

The Authority leases certain assets to various third parties as regulated leases, as defined by GASB Statement No. 87. The leased assets include jet bridges, ticket counters, ticket offices, passenger hold rooms, concourse operations space, baggage service areas, hangars, grounds and land, and are regulated under the FAA Rates and Charges Policy and Grant Assurance 22. Certain assets are subject to preferential or exclusive use by the counterparties to these agreements, as follows:

Jet bridges – 40 of 43 total jet bridges are designated preferential use

Passenger hold rooms – 93% of available space is designated preferential use

Baggage service – 83% of available space is designated preferential use

Ticket counter space – 93% of available space is designated preferential use

Ticket office space – 100% of available space is designated exclusive use

Concourse operations space – 72% of available space is designated preferential use

During the year ended June 30, 2022, the Authority recognized the following from regulated leases:

Regulated Lease Revenue	$27,915,285
Revenue from variable payments not included in schedule of expected future minimum payments	$14,077,554

15. Lease Accounting (continued)

Future expected minimum payments related to the Authority's regulated leases at June 30, 2022 are as follows:

Fiscal Year	Future Minimum Expected Receipts
2023	29,585,786
2024	5,283,883
2025	5,141,324
2026	5,213,186
2027	5,283,700
2028 - 2032	26,155,208
2033 - 2037	20,548,356
2038 - 2042	16,015,559
2043 - 2047	17,121,502
2048 - 2052	19,327,535
2053 - 2057	16,585,724
2058 - 2062	1,872,145
2063 - 2067	1,607,396
2068 - 2071	894,122

The Authority has entered into certain regulated leases whereby the related lease revenue is pledged to secure certain outstanding debt obligations of the Authority. These leases contain lessee options to terminate the lease or abate payments under certain circumstances such as: for convenience with 90-180 days' notice, failure of Authority to repair or reconstruct property necessary for aircraft operations, failure of Authority to keep airfield open at all practical times in accordance with its FAA Operating Permit, failure to disclose and conflict or potential conflict of interest, default by Authority, assumption of the United States Government, or any authorized agency, to control airport operations in such a manner that substantially restricts the Lessee's use of its assigned area, and any other breach of terms not remedied within 30 days of notice.

16. Subscription Based Information Technology Arrangements

GASB 96 – Included Subscription Based Information Technology Arrangements

For the year ended June 30, 2022, the Authority's financial statements include the adoption of GASB Statement No. 96, *Subscription Based Information Technology Arrangements* (SBITA). The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement provides one methodology for the accounting and financial reporting for subscription-based information technology arrangements. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. For additional information, refer to the disclosures below.

16. Subscription Based Information Technology Arrangements (continued)

The Authority has entered into SBITAs with various third parties. These arrangements provide access to airline common use systems, accounts receivable software, public warning platforms, and project management software. The leased assets include access to a third party's proprietary software. A subscription asset and related accumulated amortization are included in capital assets on the Statement of Net Position. SBITAs that include maintenance or support services in addition to access to a third party's proprietary software are reported below. A summary at June 30, 2022 is as follows:

Subscription asset	$ 698,216
Accumulated amortization	$ 147,072
Term	3 to 66 months

Future principal and interest payment requirements related to the Authority's lease liability at June 30, 2022 are as follows:

Principal and Interest Expected to Maturity			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2023	87,541	7,290	94,831
2024	89,751	6,088	95,839
2025	77,387	4,869	82,256
2026	80,930	3,732	84,662
2027	84,598	2,542	87,140
2028 - 2032	88,394	1,299	89,693

GASB 96 – Excluded SBITAs

In accordance with GASB Statement No. 96, the Authority does not recognize a lease liability or right-to-use asset for SBITAs that are considered short-term, or a maintenance or support arrangement.

17. Condensed Financial Information by Entity

	Airports		Blended Component Unit	
Condensed statement of net position:	Nashville International Airport	John C. Tune Airport	MNAA Properties Corporation	Total
Assets:				
Current assets	$ 480,185,150	$ 7,551,153	$ 12,273,955	$ 500,010,258
Restricted assets	335,374,285	-	-	335,374,285
Capital assets, net	1,526,001,067	80,881,828	5,545,315	1,612,428,210
Net pension asset	-	-	-	-
Other assets	94,869,397	50,670	9,672,040	104,592,107
Total assets	2,436,429,899	88,483,651	27,491,310	2,552,404,860
Deferred outflows of resources	10,635,879	-	-	10,635,879
Total assets and deferred outflows of resources	$2,447,065,778	$ 88,483,651	$ 27,491,310	$2,563,040,739
Liabilities:				
Current liabilities	$ 82,172,726	$ 4,259,921	$ 289,218	$ 86,721,865
Noncurrent liabilities	1,470,737,825	-	-	1,470,737,825
Total liabilities	1,552,910,551	4,259,921	289,218	1,557,459,690
Deferred inflows of resources	94,760,065	56,478	12,337,016	107,153,559
Net position:				
Net investment in capital assets	277,282,462	80,881,828	5,545,315	363,709,605
Restricted for:				
Capital projects	53,034,524	-	-	53,034,524
Debt service	241,070,683	-	-	241,070,683
Operations	40,886,755	-	-	40,886,755
Pension	840,245	-	-	840,245
OPEB	6,256,764	-	-	6,256,764
Unrestricted net position	180,023,729	3,285,424	9,319,761	192,628,914
Total net position	799,395,162	84,167,252	14,865,076	898,427,490
Total liabilities, deferred inflows of resources, and net position	$2,447,065,778	$ 88,483,651	$ 27,491,310	$2,563,040,739
Condensed statement of revenues expenses, changes in net position:				
Operating revenues	$ 205,401,861	$ 984,467	$ 3,842,536	$ 210,228,864
Operating expenses	185,891,460	4,351,587	1,996,289	192,239,336
Operating income (loss)	19,510,401	(3,367,120)	1,846,247	17,989,528
Nonoperating revenues	20,637,713	1,294,722	172,989	22,105,424
Transfers	(464,004)	464,004	-	-
Capital contributions	317,550	29,445,286	-	29,762,836
Increase in net position	40,001,660	27,836,892	2,019,236	69,857,788
Net position, beginning of year	759,393,503	56,330,360	12,845,839	828,569,702
Net position, end of year	$ 799,395,163	$ 84,167,252	$ 14,865,075	$ 898,427,490
Condensed statement of cash flows:				
Cash flows from operating activities	$ 110,438,923	$ 177,624	$ 2,125,095	$ 112,741,642
Cash flows from noncapital financing activities	26,574,987	918,587	-	27,493,574
Cash flows from capital and related financing activities	(166,953,357)	(2,913,993)	(11,587)	(169,878,937)
Cash flows from investing activities	(180,953,554)	(3,069,827)	(7,881,708)	(191,905,089)
Intercompany	(424,565)	462,063	(37,498)	-
Increase (decrease) in cash and cash equivalents	(211,317,566)	(4,425,546)	(5,805,698)	(221,548,810)
Cash and cash equivalents beginning of year	457,338,971	4,475,254	6,893,645	468,707,870
Cash and cash equivalents, end of year	$ 246,021,405	$ 49,708	$ 1,087,947	$ 247,159,060

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This section contains the following subsections:

Metropolitan Nashville Airport Authority
Schedule of Changes in Net Pension Liability
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability:									
Service cost	$ 528,437	$ 654,045	$ 823,410	$ 685,843	$ 667,297	$ 741,608	$ 679,217	$ 645,437	$ 845,864
Interest	4,371,171	4,590,189	4,622,700	4,604,838	4,218,823	4,482,097	4,342,076	3,987,395	3,521,317
Differences between expected and actual experience	2,075,869	(307,806)	(1,902,545)	2,027,120	745,177	(1,259,978)	537,929	677,000	356,625
Changes of assumptions	137,652	2,223,479	(219,979)	7,451,464	2,942,473	(616,820)	2,516,013	1,676,218	3,581,969
Benefit payments	(4,541,435)	(4,187,216)	(3,865,432)	(3,507,672)	(3,059,272)	(2,839,298)	(2,589,887)	(2,552,544)	(2,479,800)
Net change in total pension liability	2,571,694	2,972,691	(541,846)	11,261,593	5,514,498	507,609	5,485,348	4,433,506	5,825,975
Total pension liability - beginning	79,475,842	76,503,151	77,044,997	65,783,404	60,268,906	59,761,297	54,275,949	49,842,443	44,016,468
Total pension liability - ending (a)	82,047,536	79,475,842	76,503,151	77,044,997	65,783,404	60,268,906	59,761,297	54,275,949	49,842,443
Plan fiduciary net position:									
Contributions - employer	250,000	417,321	3,450,000	8,900,000	2,000,000	5,160,905	11,951,995	8,000,000	8,000,000
Net investment (loss) income	(11,820,464)	16,647,552	4,297,823	4,148,512	4,968,584	6,771,977	205,790	1,428,204	4,574,509
Benefit payments	(4,541,435)	(4,187,216)	(3,865,432)	(3,507,672)	(3,059,272)	(2,839,298)	(2,589,887)	(2,552,544)	(2,479,800)
Net change in plan fiduciary net position	(16,111,899)	12,877,657	3,882,391	9,540,840	3,909,312	9,093,584	9,567,898	6,875,660	10,094,709
Plan fiduciary net position - beginning	92,526,143	79,648,486	75,766,095	66,225,255	62,315,943	53,222,359	43,654,461	36,778,801	26,684,092
Plan fiduciary net position - ending (b)	76,414,244	92,526,143	79,648,486	75,766,095	66,225,255	62,315,943	53,222,359	43,654,461	36,778,801
Authority's net pension liability (asset) - ending (a) - (b)	$ 5,633,292	$ (13,050,301)	$ (3,145,335)	$ 1,278,902	$ (441,851)	$ (2,047,037)	$ 6,538,938	$ 10,621,488	$ 13,063,642
Plan fiduciary net position as a percentage of the total pension liability (asset)	93.1%	116.4%	104.1%	98.3%	100.7%	103.4%	89.1%	80.4%	73.8%
Covered payroll	$ 4,342,597	$ 5,239,192	$ 6,534,870	$ 6,811,701	$ 8,493,682	$ 8,497,486	$ 8,078,834	$ 7,895,716	$ 7,732,080
Net pension liability (asset) as a percentage of covered payroll	129.7%	(249.09%)	(48.13%)	18.8%	(5.20%)	(24.09%)	80.9%	134.5%	169.0%

Metropolitan Nashville Airport Authority
Schedule of Pension Contributions
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	$ 166,598	$ 417,321	$ 945,088	$ 790,495	$ 717,344	$ 1,101,679	$ 1,652,788	$ 2,165,146	$ 2,667,945
Contributions in relation to the actuarially determined contribution	250,000	417,321	3,450,000	8,900,000	2,000,000	5,160,905	11,951,995	8,000,000	8,000,000
Contribution deficiency (excess)	$ (83,402)	$ -	$ (2,504,912)	$ (8,109,505)	$ (1,282,656)	$ (4,059,226)	$ (10,299,207)	$ (5,834,854)	$ (5,332,055)
Covered payroll	$ 4,342,597	$ 5,239,192	$ 6,534,870	$ 6,811,701	$ 7,440,484	$ 8,493,682	$ 8,497,486	$ 8,078,834	$ 7,895,716
Contributions as a percentage covered payroll	5.8%	8.0%	52.8%	130.7%	26.9%	60.8%	140.7%	99.0%	101.3%

Notes to Schedule of Changes in the Net Pension Liability (Asset) and Schedule of Pension Contributions

Actuarially determined contribution rates for each year presented in the Schedule of Pension Contributions are based on an actuarial valuation performed as of the first day of each year for which the contributions relate. Methods and assumptions used to determine the contribution rate for the June 30, 2022 actuarially determined contribution are below. For each year presented in the Schedule of Changes in Net Pension Liability (Asset), assumption changes relate to an annual update of the mortality table, as noted below:

Actuarial valuation method	Entry age normal
Asset valuation method	Fair market value for Statement No. 67 and Statement No. 68 Fair market value is based on quoted market prices
Amortization method	Level Dollar
Amortization period	For Statement No. 68 as of June 30, 2022 Investment gains or losses are amortized over 5 years. Experience gains or losses are amortized over the average working lifetime of all participants which for the current period is 1 year. Plan amendments are recognized immediately. Changes in actuarial assumptions are amortized over the average working lifetime of all participants.
Inflation	2%, per annum, compounded annually
Salary increases	4%, per annum, compounded annually
Investment rate of return	5.5%, per annum, compounded annually
Discount rate	5.5%, per annum, compounded annually
Retirement age	Varying rates beginning with 5% at age 50 and 100% retirement at age 65. Normal retirement age of 55 with 10 years of service, but no later than 65, for public safety employees
Mortality	The 2021 actuarially determined contribution was based on the RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2020. Assumption changes in the Schedule of Changes in Net Pension Liability (Asset) relate to a change in the mortality tables used for each year presented, as follows: June 30, 2022: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 June 30, 2021: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2020 June 30, 2020: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2019 June 30, 2019: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2018 June 30, 2018: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2017 June 30, 2017: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2016 June 30, 2016: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2015 June 30, 2015: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2014 June 30, 2014: RP-2000 Combined Mortality Table (Generational)

Note: Information in this schedule is presented for the year in which information is available. Information will be added each year until a full 10-year trend is presented.

Metropolitan Nashville Airport Authority
Schedule of Investment Returns for Pension
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	-12.88%	21.63%	6.05%	6.20%	8.40%	13.04%	0.76%	4.04%	17.24%

Metropolitan Nashville Airport Authority
Schedule of Changes in Net OPEB Liability
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017
Total OPEB liability:						
Service cost	$ 505,251	$ 729,685	$ 838,087	$ 1,110,421	$ 1,287,152	$ 1,259,595
Interest	1,604,056	1,522,814	1,669,885	1,445,441	1,478,732	1,346,638
Differences between expected and actual experience	4,284,326	(1,243,929)	(2,752,567)	(2,713,939)	(2,340,217)	809,991
Changes of assumptions	(237,239)	(2,867,444)	387,506	(1,225,616)	-	1,205,435
Benefit payments	(1,638,721)	(2,975,921)	(1,082,284)	(1,081,219)	(1,346,874)	(1,191,983)
Net change in total OPEB liability	4,517,673	(4,834,795)	(939,373)	(2,464,912)	(921,207)	3,429,676
Total OPEB liability - beginning	27,867,731	32,702,526	33,641,899	36,106,811	37,028,018	33,598,342
Total OPEB liability - ending (a)	32,385,404	27,867,731	32,702,526	33,641,899	36,106,811	37,028,018
Plan fiduciary net position:						
Contributions - employer	-	3,202,541	5,532,284	3,081,219	10,195,977	$ 7,983,073
Net investment (loss) income	(5,932,472)	9,514,314	1,380,131	1,595,233	1,204,489	1,016,930
Benefit payments	(1,638,721)	(2,975,921)	(1,082,284)	(1,081,219)	(1,346,874)	(1,191,983)
Administrative expenses	(85,711)	(66,595)	(59,148)	(52,660)	(31,165)	(18,854)
Net change in plan fiduciary net position	(7,656,904)	9,674,339	5,770,983	3,542,573	10,022,427	7,789,166
Plan fiduciary net position - beginning	44,299,417	34,625,078	28,854,095	25,311,522	15,289,095	7,499,929
Plan fiduciary net position - ending (b)	36,642,513	44,299,417	34,625,078	28,854,095	25,311,522	15,289,095
Authority's net OPEB liability (asset) - ending (a) - (b)	$ (4,257,109)	$ (16,431,686)	$ (1,922,552)	$ 4,787,804	$ 10,795,289	$ 21,738,923
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	113.1%	159.0%	105.9%	85.8%	70.1%	41.3%
Covered-employee payroll	$ 7,062,037	$ 7,881,945	$ 10,303,336	$ 9,777,169	$ 11,523,443	$ 16,792,985
Net OPEB liability (asset) as a percentage of covered-employee payroll	-60.3%	-208.5%	-18.7%	49.0%	93.7%	129.5%

Metropolitan Nashville Airport Authority
Schedule of OPEB Contributions
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	$ -	$ 605,418	$ 1,200,138	$ 1,911,323	$ 3,167,615	$ -
Contributions in relation to the actuarially determined contribution	-	3,202,542	5,532,284	3,081,219	10,195,977	7,983,073
Contribution deficiency (excess)	$ -	$ (2,597,124)	$ (4,332,146)	$ (1,169,896)	$ (7,028,362)	$ (7,983,073)
Covered-employee payroll	$ 7,062,037	$ 7,881,945	$ 10,303,336	$ 9,777,169	$ 10,678,528	$ 11,523,443
Contributions as a percentage covered-employee payroll	0.0%	40.6%	53.7%	31.5%	95.5%	69.3%

Notes to Schedule of Changes in the Net OPEB Liability (Asset) and Schedule of OPEB Contributions

Actuarially determined contribution rates for each year presented in the Schedule of OPEB Contributions are based on an actuarial valuation performed as of the first day of each year for which the contributions relate. Methods and assumptions used to determine the contribution rate for the June 30, 2021 actuarially determined contribution are below. For each year presented in the Schedule of Changes in Net OPEB Liability (Asset), assumption changes relate to an annual update of the mortality table, as noted below:

Actuarial valuation method	Entry age normal method
Discount rate	6% per annum
Health care cost trend rate	The following health care trends were used for the year presented: June 30, 2022: 6.00% graded down using the Getzen 2022 model June 30, 2021: 6.25% graded down using the Getzen 2021 model June 30, 2020: 7.25% graded down using the Getzen 2020 model June 30, 2019: 7.25% graded down using the Getzen 2019 model June 30, 2018: 7.50% graded down using the Getzen model June 30, 2017: 7.75% graded down using the Getzen model
Dental and vision rate	5%
Retirement rates	Varying rates beginning with 5% at age 50 and 100% retirement at age 65.
Mortality	The 2022 actuarially determined contribution was based on the RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021. Assumption changes in the Schedule of Changes in Net OPEB Liability (Asset) relate to a change in the mortality tables used for each year presented, as follows: June 30, 2022: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 June 30, 2021: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2020 June 30, 2020: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2019 June 30, 2019: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2018 June 30, 2018: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2017 June 30, 2017: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2016

Note: Information in this schedule is presented for the year in which information is available. Information will be added each year until a full 10-year trend is presented.

Metropolitan Nashville Airport Authority
Schedule of Investment Returns for OPEB
Year Ended June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	-13.64%	27.54%	4.79%	6.31%	7.53%	13.02%

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This section contains the following subsections:

Combining Schedule of Net Position Information by Entity

Combining Schedule of Revenues, Expenses and Changes in Net Position Information by Entity

Combining Schedule of Fiduciary Net Position Information by Entity

Combining Schedule of Changes in Fiduciary Net Position Information by Entity

Schedule of Airport Revenue Bonds, Principal, and Interest Requirements by Fiscal Year

Schedule of Changes in Long-term Debt by Individual Issue

Metropolitan Nashville Airport Authority
Combining Schedule of Net Position Information by Entity
June 30, 2022

	Nashville International Airport (1)	John C. Tune Airport	MNAA Properties Corporation (1)	Total
ASSETS				
Current assets:				
Unrestricted assets:				
Cash, cash equivalents, and investments	$ 456,741,178	$ 3,124,429	$ 9,132,136	$ 468,997,743
Accounts receivable, net	13,135,340	13,169	237,875	13,386,384
Lease receivables	7,982,787	6,200	2,852,482	10,841,469
Due from governmental agencies	631,064	4,405,641	-	5,036,705
Inventories	-	-	-	-
Due from (to) other funds	12,434	1,714	(14,148)	-
Prepaid expenses and other	1,682,347	-	65,610	1,747,957
Total current unrestricted assets	480,185,150	7,551,153	12,273,955	500,010,258
Restricted assets:				
Cash and investments	334,637,897	-	-	334,637,897
Accounts receivable	736,388	-	-	736,388
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated				
Land and nondepreciable assets	104,697,800	3,214,304	200,817	108,112,921
Construction in progress	447,525,053	671,002	-	448,196,055
Capital assets being depreciated				
Buildings and building improvements	709,135,053	41,669,012	13,764,903	764,568,968
Equipment, furnitures, and fixtures	387,431,450	4,055,324	1,655,190	393,141,964
Infrastructure	635,844,670	57,825,711	-	693,670,381
Total capital assets	2,284,634,026	107,435,353	15,620,910	2,407,690,289
Less accumulated depreciation	(758,632,959)	(26,553,525)	(10,075,595)	(795,262,079)
Net capital assets	1,526,001,067	80,881,828	5,545,315	1,612,428,210
Other assets:				
Accounts receivable, net	1,110,000	-	-	1,110,000
Lease receivables	89,416,723	50,670	9,672,040	99,139,433
Prepaid and deposits	85,566	-	-	85,566
Net OPEB asset	4,257,108	-	-	4,257,108
Total noncurrent assets	1,956,244,749	80,932,498	15,217,355	2,052,394,602
Total assets	$ 2,436,429,899	$ 88,483,651	$ 27,491,310	$ 2,552,404,860
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows from OPEB	$ 1,999,656	$ -	$ -	$ 1,999,656
Deferred outflows from pension	6,473,537	-	-	$ 6,473,537
Deferred amount on refunding	2,162,686	-	-	2,162,686
Total deferred outflows of resources	$ 10,635,879	$ -	$ -	$ 10,635,879

(1) The financial information of MPC CONRAC LLC is included in Nashville International Airport as the sole purpose of MPC CONRAC LLC relates to the CONRAC facility at Nashville International Airport; therefore, it is integrated with the Airport for reporting purposes.

Metropolitan Nashville Airport Authority
Combining Schedule of Net Position Information by Entity
June 30, 2022

	Nashville International Airport (1)	John C. Tune Airport	MNAA Properties Corporation (1)	Total
LIABILITIES				
Current liabilities:				
Payable from unrestricted assets:				
Accounts payable	$ 71,936,221	$ 4,123,021	$ 84,330	$ 76,143,572
Accrued payroll and related items	5,991,004	74,679	-	6,065,683
Advanced billings and payments received in advance	3,655,704	62,221	204,888	3,922,813
Current maturities of notes payable	453,087	-	-	453,087
Accrued interest payable	136,710	-	-	136,710
Total current liabilities	82,172,726	4,259,921	289,218	86,721,865
Noncurrent liabilities:				
Payable from restricted assets:				
Accrued interest payable	27,404,329	-	-	27,404,329
Current maturities of airport revenue bonds	8,212,780	-	-	8,212,780
Notes payable, less current maturities	99,555,535	-	-	99,555,535
Net pension liability	5,633,292	-	-	5,633,292
Airport revenue bonds, less current maturities	1,329,931,889	-	-	1,329,931,889
Total noncurrent liabilities	1,470,737,825	-	-	1,470,737,825
Total liabilities	$ 1,552,910,551	$ 4,259,921	$ 289,218	$ 1,557,459,690
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows from pensions	$ -	$ -	$ -	$ -
Deferred inflows from leases	94,760,065	56,478	12,337,016	107,153,559
Deferred inflows from OPEB	-	-	-	-
Total deferred inflows of resources	$ 94,760,065	$ 56,478	$ 12,337,016	$ 107,153,559
NET POSITION				
Net investment in capital assets	$ 277,282,462	$ 80,881,828	$ 5,545,315	$ 363,709,605
Restricted for:				
Capital projects	53,034,524	-	-	53,034,524
Debt service	241,070,683	-	-	241,070,683
Operations	40,886,755	-	-	40,886,755
Net pension asset	840,245	-	-	840,245
Net OPEB asset	6,256,764	-	-	6,256,764
Unrestricted net position	180,023,729	3,285,424	9,319,761	192,628,914
Total net position	$ 799,395,162	$ 84,167,252	$ 14,865,076	$ 898,427,490

(1) The financial information of MPC CONRAC LLC is included in Nashville International Airport as the sole purpose of MPC CONRAC LLC relates to the CONRAC facility at Nashville International Airport; therefore, it is integrated with the Airport for reporting purposes.

Metropolitan Nashville Airport Authority
Combining Schedule of Revenues, Expenses and Changes in Net Position Information by Entity
For the Year Ended June 30, 2022

	Nashville International Airport (1)	John C. Tune Airport	MNAA Properties Corporation (1)	Total
Operating revenues:				
Signatory airline	$ 54,395,946	$ -	$ -	$ 54,395,946
Parking	76,135,079	-	-	76,135,079
Concession	50,155,481	-	-	50,155,481
Space rental	15,649,849	793,743	3,698,793	20,142,385
Other	9,065,506	190,724	143,743	9,399,973
Total operating revenue	205,401,861	984,467	3,842,536	210,228,864
Operating expenses:				
Salaries, w ages and fringe benefits	37,111,376	551,987	-	37,663,363
Contractual services	50,481,567	710,509	467,626	51,659,702
Materials and supplies	4,774,968	59,156	23,695	4,857,819
Utilities	6,472,434	66,401	463,184	7,002,019
Insurance	2,066,603	58,562	23,173	2,148,338
Other	9,270,581	20,630	343,173	9,634,384
Depreciation	75,713,931	2,884,342	675,438	79,273,711
Total operating expenses	185,891,460	4,351,587	1,996,289	192,239,336
Operating income	19,510,401	(3,367,120)	1,846,247	17,989,528
Nonoperating revenues (expenses):				
Investment loss	(4,934,362)	4,936	172,990	(4,756,436)
Passenger facility charges	35,678,032	-	-	35,678,032
Customer facility charges	12,939,489	-	-	12,939,489
Federal and state grants	25,587,287	906,572	-	26,493,859
Insurance reimbursement	1,468,370	383,214	-	1,851,584
Gain on disposal of assets	67,615	-	-	67,615
Interest expense	(50,107,131)	-	-	(50,107,131)
Bond issuance cost	(61,588)	-	-	(61,588)
	20,637,712	1,294,722	172,990	22,105,424
Income before capital contributions and transfers	40,148,113	(2,072,398)	2,019,237	40,094,952
Transfers	(464,004)	464,004	-	-
Capital contributions	317,550	29,445,286	-	29,762,836
Increase in net position	40,001,659	27,836,892	2,019,237	69,857,788
Net position - beginning of year	759,393,503	56,330,360	12,845,839	828,569,702
Net position - end of year	$ 799,395,162	$ 84,167,252	$ 14,865,076	$ 898,427,490

(1) The financial information of MPC CONRAC LLC is included in Nashville International Airport as the sole purpose of MPC CONRAC LLC relates to the CONRAC facility at Nashville International Airport; therefore, it is integrated w ith the Airport for reporting purposes.

Metropolitan Nashville Airport Authority
Combining Schedule of Fiduciary Net Position Information by Entity
June 30, 2022

	Other Post-Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
ASSETS			
Cash and cash equivalents	$ 1,022,093	$ 2,435,630	$ 3,457,723
Investments, at fair value:			
Pooled, common and collective funds	-	59,556,334	59,556,334
Mutual funds	35,620,420	14,422,280	50,042,700
Total assets	36,642,513	76,414,244	113,056,757
NET POSITION			
Restricted for:			
OPEB	36,642,513	-	36,642,513
Pension	-	76,414,244	76,414,244
Total net position	$ 36,642,513	$ 76,414,244	$ 113,056,757

Metropolitan Nashville Airport Authority
Combining Schedule of Changes in Fiduciary Net Position Information by Entity
For the Year Ended June 30, 2022

	Other Post-Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
Additions:			
Employer contributions	$ -	$ 250,000	$ 250,000
Investment income			
Net depreciation in fair value	(5,932,472)	(11,898,033)	(17,830,505)
Interest and dividends	-	259,524	259,524
Investment expenses	-	(181,955)	(181,955)
Investment loss, net	(5,932,472)	(11,820,464)	(17,752,936)
Total additions	(5,932,472)	(11,570,464)	(17,502,936)
Deductions:			
Benefits paid to participants	1,638,721	4,541,435	6,180,156
Administrative expenses	85,711	-	85,711
Total deductions	1,724,432	4,541,435	6,265,867
Change in net position	(7,656,904)	(16,111,899)	(23,768,803)
Net position - beginning of year	44,299,417	92,526,143	136,825,560
Net position - end of year	$ 36,642,513	$ 76,414,244	$ 113,056,757

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Metropolitan Nashville Airport Authority
Schedule of Airport Revenue Bonds, Principal, and Interest Requirements by Fiscal Year
June 30, 2022

Year Ending June 30,	Series 2003B Revenue Bonds		CONRAC Refunding Revenue Bonds		Series 2015A Revenue Bonds		Series 2015B Revenue Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2023	680,000	782,283	3,132,780	784,265	2,005,000	4,064,100	2,395,000	4,772,344
2024	720,000	688,290	3,240,775	674,395	2,085,000	3,982,300	2,515,000	4,649,594
2025	760,000	594,297	3,350,795	562,462	2,170,000	3,897,200	2,640,000	4,520,719
2026	805,000	594,297	3,468,000	443,220	2,255,000	3,808,700	2,775,000	4,399,219
2027	855,000	594,297	3,587,550	321,593	2,350,000	3,716,600	2,885,000	4,271,594
2028	905,000	594,297	3,711,220	195,773	2,440,000	3,620,800	3,030,000	4,123,716
2029	960,000	594,297	3,838,790	65,985	2,540,000	3,508,500	3,180,000	3,968,469
2030	1,015,000	594,297	-	-	2,665,000	3,378,375	3,340,000	3,805,469
2031	1,075,000	594,297	-	-	2,800,000	3,241,750	3,505,000	3,634,344
2032	1,140,000	594,297	-	-	2,940,000	3,098,250	3,680,000	3,454,719
2033	1,210,000	594,297	-	-	3,085,000	2,947,625	3,865,000	3,266,092
2034	1,280,000	297,148	-	-	3,240,000	2,789,500	4,060,000	3,067,969
2035	-	-	-	-	3,405,000	2,623,375	4,260,000	2,859,969
2036	-	-	-	-	3,575,000	2,448,875	4,475,000	2,641,594
2037	-	-	-	-	3,750,000	2,359,500	4,255,000	2,529,719
2038	-	-	-	-	3,940,000	2,359,500	4,470,000	2,529,719
2039	-	-	-	-	4,135,000	2,359,500	4,695,000	2,529,719
2040	-	-	-	-	4,345,000	2,359,500	4,930,000	2,529,719
2041	-	-	-	-	4,560,000	1,841,250	5,175,000	1,941,593
2042	-	-	-	-	4,790,000	1,323,000	5,435,000	1,353,470
2043	-	-	-	-	5,025,000	1,323,000	5,705,000	1,353,466
2044	-	-	-	-	5,280,000	1,323,000	5,990,000	925,220
2045	-	-	-	-	5,545,000	1,323,000	6,290,000	496,970
2046	-	-	-	-	5,820,000	661,500	6,535,000	248,485
2047	-	-	-	-	-	-	-	-
2048	-	-	-	-	-	-	-	-
2049	-	-	-	-	-	-	-	-
2050	-	-	-	-	-	-	-	-
2051	-	-	-	-	-	-	-	-
2052	-	-	-	-	-	-	-	-
2053	-	-	-	-	-	-	-	-
2054	-	-	-	-	-	-	-	-
	$ 11,405,000	$ 7,116,394	$ 24,329,910	$ 3,047,693	$ 84,745,000	$ 64,358,700	$ 100,085,000	$ 69,873,891
Bond Premium	-	-	-	-	10,602,058	-	9,758,702	-
	$ 11,405,000	$ 7,116,394	$ 24,329,910	$ 3,047,693	$ 95,347,058	$ 64,358,700	$ 109,843,702	$ 69,873,891

Metropolitan Nashville Airport Authority
Schedule of Airport Revenue Bonds, Principal, and Interest Requirements by Fiscal Year
June 30, 2022

Subordinate Series 2019A Revenue Bonds		Subordinate Series 2019B Revenue Bonds		Total Debt Service		
Principal	Interest	Principal	Interest	Principal	Interest	Total
-	12,221,750	-	32,132,500	8,212,780	54,757,242	62,970,022
-	12,221,750	-	32,132,500	8,560,775	54,348,829	62,909,604
2,965,000	12,221,750	7,920,000	32,132,500	19,805,795	53,928,928	73,734,723
3,120,000	12,073,500	8,315,000	31,736,500	20,738,000	53,055,436	73,793,436
3,270,000	11,917,500	8,735,000	31,320,750	21,682,550	52,142,334	73,824,884
3,430,000	11,754,000	9,170,000	30,884,000	22,686,220	51,172,586	73,858,806
3,600,000	11,582,500	9,625,000	30,425,500	23,743,790	50,145,251	73,889,041
3,790,000	11,402,500	10,110,000	29,944,250	20,920,000	49,124,891	70,044,891
3,970,000	11,213,000	10,610,000	29,438,750	21,960,000	48,122,141	70,082,141
4,175,000	11,014,500	11,145,000	28,908,250	23,080,000	47,070,016	70,150,016
4,380,000	10,805,750	11,700,000	28,351,000	24,240,000	45,964,764	70,204,764
5,000,000	10,586,750	13,240,000	27,766,000	26,820,000	44,507,367	71,327,367
5,245,000	10,336,750	13,905,000	27,104,000	26,815,000	42,924,094	69,739,094
5,640,000	10,074,500	14,920,000	26,408,750	28,610,000	41,573,719	70,183,719
5,920,000	9,792,500	15,655,000	25,662,750	29,580,000	40,344,469	69,924,469
6,210,000	9,496,500	16,445,000	24,880,000	31,065,000	39,265,719	70,330,719
6,530,000	9,186,000	17,260,000	24,057,750	32,620,000	38,132,969	70,752,969
6,855,000	8,859,500	18,130,000	23,194,750	34,260,000	36,943,469	71,203,469
7,195,000	8,516,750	19,040,000	22,288,250	35,970,000	34,587,843	70,557,843
7,555,000	8,157,000	19,990,000	21,336,250	37,770,000	32,169,720	69,939,720
7,935,000	7,779,250	20,985,000	20,336,750	39,650,000	30,792,466	70,442,466
8,330,000	7,382,500	22,030,000	19,287,500	41,630,000	28,918,220	70,548,220
8,750,000	6,966,000	23,130,000	18,186,000	43,715,000	26,971,970	70,686,970
12,940,000	6,560,550	33,340,000	17,095,100	58,635,000	24,565,635	83,200,635
13,535,000	5,964,150	34,900,000	15,528,900	48,435,000	21,493,050	69,928,050
14,165,000	5,340,550	36,540,000	13,889,750	50,705,000	19,230,300	69,935,300
14,810,000	4,688,050	38,260,000	12,173,800	53,070,000	16,861,850	69,931,850
15,500,000	4,006,000	40,045,000	10,377,500	55,545,000	14,383,500	69,928,500
16,225,000	3,276,200	41,940,000	8,488,400	58,165,000	11,764,600	69,929,600
16,990,000	2,512,450	43,915,000	6,510,100	60,905,000	9,022,550	69,927,550
17,785,000	1,712,850	45,995,000	4,439,100	63,780,000	6,151,950	69,931,950
18,620,000	875,950	48,155,000	2,270,300	66,775,000	3,146,250	69,921,250
$ 254,435,000	$ 270,499,250	$ 665,150,000	$ 708,688,200	$ 1,140,149,910	$ 1,123,584,128	$ 2,263,734,038
52,859,369	-	124,774,630	-	197,994,759	-	197,994,759
$ 307,294,369	$ 270,499,250	$ 789,924,630	$ 708,688,200	$ 1,338,144,669	$ 1,123,584,128	$ 2,461,728,797

Metropolitan Nashville Airport Authority
Schedule of Changes in Long-term Debt by Individual Issue
June 30, 2022

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding July 1, 2021	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding June 30, 2022
Nashville International Airport									
NOTES PAYABLE									
Payable through General Fund									
Energy Loan Phase II	$ 2,777,500	1.85%	12/1/2012	11/30/2023	$ 522,745	$ -	$ (367,573)	$ -	$ 155,172
Geothermal Loan	4,300,000	2.78%	7/1/2015	6/30/2031	3,182,759	-	(292,459)	-	2,890,300
Total Notes Payable through General Fund					$ 3,705,504	$ -	$ (660,032)	$ -	$ 3,045,472
BONDS PAYABLE									
Payable through General Fund									
General Airport Revenue Bond, Series 2003B	$ 19,585,000	5.49 to 5.94%	11/1/2003	7/1/2033	$ 12,050,000	$ -	$ (645,000)	$ -	$ 11,405,000
General Airport Revenue Bond, Series 2015A	91,855,000	4.0 to 5.0%	12/1/2015	7/1/2045	86,655,000	-	(1,910,000)	-	84,745,000
General Airport Revenue Bond, Series 2015B	108,145,000	4.0 to 5.0%	12/1/2015	7/1/2045	102,365,000	-	(2,280,000)	-	100,085,000
Subordinate, General Airport Revenue Bond, Series 2019A	254,435,000	4.0 to 5.0%	12/17/2019	7/1/2054	254,435,000	-	-	-	254,435,000
Subordinate, General Airport Revenue Bond, Series 2019B	665,150,000	4.0 to 5.0%	12/17/2019	7/1/2054	665,150,000	-	-	-	665,150,000
Total Bonds Payable through General Fund					$ 1,120,655,000	$ -	$ (4,835,000)	$ -	$ 1,115,820,000
Payable through Customer Facility Charges									
CONRAC, Series 2018	$ 27,358,295	3.40%	5/1/2018	7/1/2028	$ 27,358,295	-	(3,028,385)	-	$ 24,329,910
Total Bonds Payable through Customer Facility Charges					$ 27,358,295	$ -	$ (3,028,385)	$ -	$ 24,329,910

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

Financial Trends
These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time (schedules on pages 104, 107, and 108)

Revenue Capacity
These schedules contain information to help the reader assess the Authority's most significant revenue sources (schedules on pages 105, 106, 110, and 111)

Debt Capacity
These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and its ability to issue additional debt in the future (schedules on pages 107 and 109)

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place (schedules on pages 112, 113, and 114)

Operating Information
These schedules contain service data to help the reader understand how the information in the Authority's financial report relates to the services it provides and the activities it performs (schedule on page 113)

Metropolitan Nashville Airport Authority Change in Net Position
As of June 30 for Each of the Years Presented

	2022	2021	2020	2019	2018	(as restated) 2017	(as restated) 2016	2015	(as restated) 2014	(as restated) 2013
Operating Revenues:										
Signatory airline	$ 54,395,946	$ 47,495,370	$ 46,012,326	$ 55,264,548	$ 48,091,521	$ 30,671,634	$ 30,561,053	$ 39,414,175	$ 37,026,998	$ 29,373,222
Parking	76,135,079	27,116,496	41,735,515	53,153,828	50,369,200	43,977,208	41,889,907	38,725,346	36,258,325	34,020,205
Concession	50,155,481	27,024,842	31,730,323	37,203,600	33,498,728	29,338,439	25,453,862	22,873,310	21,520,372	19,490,760
Space rental	20,142,385	15,469,797	14,918,277	16,885,811	16,648,433	15,121,337	12,324,959	11,989,094	11,045,009	10,308,115
Other	9,399,973	11,513,054	9,522,197	7,524,807	5,871,735	8,987,603	5,959,737	5,993,198	6,278,417	6,599,423
Total Operating Revenues	**210,228,864**	**128,619,559**	**143,918,638**	**170,032,594**	**154,479,617**	**128,096,221**	**116,189,518**	**118,995,123**	**112,129,121**	**99,791,725**
Operating Expenses:										
Salaries, wages, and fringe benefits	37,663,363	25,133,488	36,981,912	38,469,934	32,879,302	33,862,254	34,666,038	32,019,144	30,602,436	32,118,328
Contractual services	51,659,702	35,011,863	42,218,732	41,434,039	36,801,980	28,610,678	26,270,995	25,962,137	27,886,714	24,783,144
Materials and supplies	4,857,819	3,674,419	4,544,743	4,046,799	3,840,490	3,509,520	3,374,113	3,987,451	4,132,884	3,436,780
Utilities	7,002,019	5,761,724	5,977,699	6,140,029	5,639,206	5,971,391	5,944,858	6,255,942	5,887,708	5,970,579
Insurance	2,148,338	1,913,299	1,442,491	1,336,036	-	-	-	-	-	-
Other	9,634,384	3,040,336	5,270,166	8,287,094	6,101,266	5,610,734	5,677,177	5,451,870	4,645,047	3,786,262
Total Operating Expenses	**112,965,625**	**74,535,129**	**96,435,743**	**99,713,931**	**85,262,244**	**77,564,577**	**75,933,181**	**73,676,544**	**73,154,789**	**70,095,093**
Provision for Depreciation	**79,273,711**	**53,383,630**	**49,768,473**	**44,497,442**	**39,914,221**	**38,979,958**	**37,223,834**	**36,534,617**	**35,773,468**	**35,648,323**
Nonoperating Revenues:										
Investment (loss) income	(4,756,436)	1,647,674	23,723,090	7,703,826	2,149,362	730,198	333,542	359,790	328,349	426,259
Passenger facility charges	35,678,032	20,253,069	26,384,555	31,416,941	28,300,013	25,982,494	23,735,979	15,703,411	13,502,385	13,262,426
Customer facility charges	12,939,489	8,365,388	11,827,674	15,094,273	14,290,386	13,561,430	12,956,481	11,692,265	10,825,490	10,307,062
Other nonoperating revenues	28,345,443	36,580,521	12,032,061	-	130,025	86,599	614,433	396,880	313,559	553,407
Total Nonoperating Revenues	**72,206,528**	**66,846,652**	**73,967,380**	**54,215,040**	**44,869,786**	**40,360,721**	**37,640,435**	**28,152,346**	**24,969,783**	**24,549,154**
Nonoperating Expenses:										
Debt-related expenses	50,168,719	49,322,732	37,994,910	13,267,265	10,262,472	10,299,910	8,874,244	7,610,829	9,000,146	10,231,288
Other nonoperating expenses	(67,615)	2,160,638	112,570	16,170,808	548,726	(461,510)	1,234,522	302,080	-	-
Total Nonoperating Expenses	**50,101,104**	**51,483,370**	**38,107,480**	**29,438,073**	**10,811,198**	**9,838,400**	**10,108,766**	**7,912,909**	**9,000,146**	**10,231,288**
Capital Contributions	**29,762,836**	**31,356,438**	**21,287,199**	**18,178,942**	**15,010,688**	**14,552,791**	**28,763,278**	**28,056,580**	**12,739,063**	**6,023,925**
Increase in Net Position	**69,857,788**	**47,420,520**	**54,861,521**	**68,777,130**	**78,372,428**	**56,626,798**	**59,327,450**	**57,079,979**	**31,909,564**	**14,390,100**
Total Net Position - End of Year	**$ 898,427,490**	**$ 828,569,702**	**$ 781,149,182**	**$ 726,287,661**	**$ 657,510,531**	**$ 579,138,103**	**$ 522,511,305**	**$ 463,183,855**	**$ 406,103,876**	**$ 374,194,312**

* Fiscal 2013 ending net position was restated in fiscal 2015 for the effects of the retrospective application of GASB Statement No. 68.
**Fiscal 2016 ending net position was restated in fiscal 2018 for the effects of the retrospective application of GASB Statement No. 75.

Source: Audited Financial Statements of the Metropolitan Nashville Airport Authority.

See accompanying independent auditor's report.

Nashville International Airport Cost per Enplaned Passenger (CPEP)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Signatory Airlines:										
Space and ramp fees	$ 33,821	$ 25,162	$ 25,268	$ 34,170	$ 28,288	$ 12,245	$ 11,399	$ 28,886	$ 27,027	$ 21,552
Landing fees	20,575	22,333	20,744	21,094	19,804	18,427	19,162	10,528	10,000	7,821
Total signatory revenue	54,396	47,495	46,012	55,264	48,092	30,672	30,561	39,414	37,027	29,373
Signatory enplaned (000s)	9,106	5,119	6,703	8,306	7,349	6,571	6,021	4,926	4,791	4,425
Cost per Signatory Enplaned	**$ 5.97**	**$ 9.28**	**$ 6.86**	**$ 6.65**	**$ 6.54**	**$ 4.67**	**$ 5.08**	**$ 8.00**	**$ 7.73**	**$ 6.64**
Non-signatory Airlines:										
Space and ramp fees	$ 1,314	$ 606	$ 866	$ 1,674	$ 1,108	$ 1,747	$ 502	$ 986	$ 1,156	$ 1,313
Landing fees	$ 859	$ 351	1,450	2,399	1,203	979	657	1,452	1,380	1,943
Total non-signatory revenue	2,173	957	2,316	4,073	2,311	2,726	1,159	2,438	2,536	3,256
Non-signatory enplaned (000s)	112	33	156	290	117	219	120	678	521	613
Cost per Non-signatory Enplaned	**$ 19.40**	**$ 29.00**	**$ 14.85**	**$ 14.04**	**$ 19.75**	**$ 12.45**	**$ 9.66**	**$ 3.60**	**$ 4.87**	**$ 5.31**
Summary Analysis:										
Total signatory & non-signatory revenue	$ 56,569	$ 48,452	$ 48,328	$ 59,337	$ 50,403	$ 33,398	$ 31,720	$ 41,852	$ 39,563	$ 32,629
Blended Cost per Enplaned	**$ 6.14**	**$ 9.40**	**$ 7.05**	**$ 6.90**	**$ 6.75**	**$ 4.92**	**$ 5.17**	**$ 7.47**	**$ 7.45**	**$ 6.48**
Operating revenues (BNA only)	$ 205,402	$ 124,523	$ 139,513	$ 165,926	$ 150,498	$ 124,093	$ 112,946	$ 115,755	$ 108,918	$ 96,693
Total enplaned (includes charters)	9,218	5,152	6,859	8,596	7,466	6,790	6,141	5,604	5,312	5,038
Operating Revenues per Enplaned	**$ 22.28**	**$ 24.17**	**$ 20.34**	**$ 19.30**	**$ 20.16**	**$ 18.28**	**$ 18.39**	**$ 20.66**	**$ 20.50**	**$ 19.19**

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority Operating Revenues Analysis - Activity Detail (000s)

Signatory & non-signatory rate history effective July 1 of each fiscal year (unless noted below).

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Signatory Rates:										
Landing fee	$ 2.04	$ 2.23	$ 2.52	$ 3.09	$ 3.21	$ 2.99	$ 3.25	$ 1.65	$ 1.69	$ 1.52
Ramp fees (see note below)	1.69	1.82	2.07	2.23	2.34	1.71	1.71	266.99	223.05	133.09
Main terminal	111.00	108.29	105.65	103.07	100.55	90.00	90.00	180.58	164.54	130.84
North concourse	111.00	108.29	105.65	103.07	100.55	90.00	90.00	112.07	79.11	62.55
South concourse	111.00	108.29	105.65	103.07	100.55	90.00	90.00	104.35	113.96	57.62

Per the airline agreement effective July 1, 2015 there is a flat fee for all terminal area rent per square foot. The methodology for ramp fees was previously charged per linear foot and under the agreement has been changed to per square foot. This resulted in the rate looking substantially smaller; the actual billed amount is not materially different.

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Non-signatory Rates:										
Landing fee	3.57	3.69	3.84	4.29	4.23	3.74	4.07	4.23	4.10	3.17
Per use fee (see note below)	5.00	5.44	3.38	4.30	3.55	3.51	3.66	N/A	N/A	N/A
Ramp (see note above)	2.11	2.28	2.59	2.79	2.93	2.14	2.14	397.15	349.31	327.15
Main terminal	138.75	135.36	132.06	128.84	125.69	112.50	112.50	312.16	294.36	271.07
North concourse	138.75	135.36	132.06	128.84	125.69	112.50	112.50	113.74	111.78	107.23
South concourse	138.75	135.36	132.06	128.84	125.69	112.50	112.50	121.36	121.11	114.82

Per the airline agreement effective July 1, 2015, the non-signatory airlines may be charged on a per use fee per departing seat. The per use fee covers the use of the ticket counter, baggage make up, baggage claim and gate usage.

Public Parking Analysis:

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Parking lot revenue (000)	$ 76,135	$ 27,116	$ 41,736	$ 53,154	$ 50,369	$ 43,977	$ 41,890	$ 38,725	$ 36,258	$ 34,020
Spaces available (actual)	13,943	13,968	13,377	11,169	11,172	12,203	14,041	12,811	12,811	12,811
Revenue per Space	**$ 5,460**	**$ 1,941**	**$ 3,120**	**$ 4,759**	**$ 4,509**	**$ 3,604**	**$ 2,983**	**$ 3,023**	**$ 2,830**	**$ 2,656**
Garages	4,789	4,814	4,192	2,201	2,318	2,369	2,369	2,369	2,369	2,369
Terminal Lot A	1,125	1,125	1,125	1,034	830	1,810	2,060	2,060	2,060	2,060
Economy Lot B	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124
Economy Lot C	3,625	3,625	3,625	3,499	3,625	3,625	3,690	3,690	3,690	3,690
BNA Express	1,230	1,230	1,230	1,230	1,230	1,230	1,230	-	-	-
Valet	1,050	1,050	1,081	1,081	1,045	1,045	1,152	1,152	1,152	1,152
Overflow	-	-	-	-	-	-	1,416	1,416	1,416	1,416
Public Parking Spaces	13,943	13,968	13,377	11,169	11,172	12,203	14,041	12,811	12,811	12,811

Econony Lot B was closed for a portion of fiscal years 2020 and 2021.
Economy Lot C was closed for a portion of fiscal years 2020 and 2021.
BNA Express was in the last quarter of fiscal year 2020 and remains closed to incoming traffic. It is now used for Valet/Overflow parking as needed.

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority Schedule of Capital Assets
At June 30 for Each Year Presented

	2022	%	2021	2020	2019	2018	2017	2016	2015	2014	2013
Land and nondepreciable assets	$ 108,112,921	19.4%	$ 107,554,524	$ 105,115,818	$ 97,169,587	$ 97,169,587	$ 96,968,771	$ 96,968,770	$ 96,968,770	$ 96,992,465	$ 96,992,465
Construction in progress	448,196,055	80.6%	301,079,238	139,067,964	233,273,255	153,579,003	72,814,778	42,890,290	62,125,107	36,845,372	20,469,818
Total capital assets not being depreciated	556,308,976	100.0%	408,633,762	244,183,782	330,442,842	250,748,590	169,783,549	139,859,060	159,093,877	133,837,837	117,462,283
Infrastructure	693,670,381	37.5%	618,570,710	613,663,559	588,779,486	576,918,742	561,704,513	541,464,084	487,401,089	476,885,301	474,449,844
Buildings and building improvements	764,568,968	41.3%	718,298,100	841,349,251	422,874,974	315,970,461	298,911,276	264,629,088	258,305,083	255,460,891	254,508,281
Equipment, furniture and fixtures	393,141,964	21.2%	393,243,815	194,396,606	183,211,887	182,051,284	165,348,939	129,795,510	114,296,965	108,530,594	103,981,903
Total capital assets being depreciated	1,851,381,313	100.0%	1,730,112,625	1,649,409,416	1,194,866,347	1,074,940,487	1,025,964,728	935,888,682	860,003,137	840,876,786	832,940,028
Less accumulated depreciation	(795,262,079)	43.0%	(717,693,502)	(668,885,544)	(627,078,709)	(615,032,739)	(578,686,474)	(539,922,435)	(503,403,886)	(466,909,686)	(431,262,318)
Net Capital Assets	**$ 1,612,428,210**	**N/A**	**$ 1,421,052,885**	**$ 1,224,707,654**	**$ 898,230,480**	**$ 710,656,338**	**$ 617,061,803**	**$ 535,825,307**	**$ 515,693,128**	**$ 507,804,937**	**$ 519,139,993**

Ratios of Outstanding Revenue Bond Debt as a Percentage of Total Revenue Bond Debt
At June 30 for Each Year Presented

	2022	%	2021	2020	2019	2018	2017	2016	2015	2014	2013
Series 2003 PFC Revenue Bonds	-	N/A	-	-	-	-	-	-	-	-	-
Series 2003B Revenue Bonds	11,405,000	1.0%	12,050,000	13,235,000	13,235,000	14,785,000	14,785,000	14,785,000	15,250,000	15,695,000	16,115,000
Series 2008A Revenue Bonds	-	N/A	-	-	3,800,000	7,400,000	10,800,000	12,000,000	12,200,000	12,400,000	12,500,000
Series 2009A Revenue Bonds	-	N/A	-	-	7,970,000	12,160,000	16,180,000	20,040,000	23,755,000	27,310,000	30,765,000
Series 2010A Revenue Bonds	-	N/A	-	-	-	-	3,835,000	7,525,000	11,085,000	14,520,000	17,855,000
Series 2010 CONRAC Revenue Bonds	-	N/A	-	3,000,000	5,840,000	8,535,000	56,695,000	58,980,000	61,070,000	62,975,000	64,720,000
Series 2018 CONRAC Revenue Bonds	24,329,910	2.1%	27,358,295	27,358,295	27,358,295	27,358,295	-	-	-	-	-
Series 2010B Revenue Bonds	-	N/A	-	-	-	-	-	-	16,475,000	31,965,000	46,545,000
Series 2010C Revenue Bonds	-	N/A	-	-	-	-	-	1,740,000	4,340,000	7,145,000	10,155,000
Series 2015A Revenue Bonds	84,745,000	7.4%	86,655,000	88,475,000	90,205,000	91,855,000	91,855,000	91,855,000	-	-	-
Series 2015B Revenue Bonds	100,085,000	8.8%	102,365,000	104,535,000	106,615,000	108,145,000	108,145,000	108,145,000	-	-	-
Series 2019A Revenue Bonds	254,435,000	22.3%	254,435,000	254,435,000	-	-	-	-	-	-	-
Series 2019B Revenue Bonds	665,150,000	58.0%	665,150,000	665,150,000	-	-	-	-	-	-	-
Total Revenue Bonds	1,140,149,910	100.0%	1,148,013,295	1,156,188,295	255,023,295	270,238,295	302,295,000	315,070,000	144,175,000	172,010,000	198,655,000
Plus unamortized premium	197,994,759	N/A	204,345,671	210,686,583	23,016,511	24,158,916	25,296,995	26,648,869	787,902	2,207,486	3,627,071
Net Outstanding Debt	**$ 1,338,144,669**	**N/A**	**$ 1,352,358,966**	**$ 1,366,874,878**	**$ 278,039,806**	**$ 294,397,211**	**$ 327,591,995**	**$ 341,718,869**	**$ 144,962,902**	**$ 174,217,486**	**$ 202,282,071**
Enplanements	**9,217,710**	**N/A**	**5,151,658**	**6,858,395**	**8,596,307**	**7,466,332**	**6,790,099**	**6,141,092**	**5,604,148**	**5,312,021**	**5,037,975**
Net Outstanding Debt per Enplanement	**$ 145.17**	**N/A**	**$ 262.51**	**$ 199.30**	**$ 32.34**	**$ 39.43**	**$ 48.25**	**$ 55.65**	**$ 25.87**	**$ 32.80**	**$ 40.16**

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority Net Position Analysis (000s)
At June 30 for Each Year Presented

	2022	2021	2020	2019	2018	(as restated) 2017	(as restated) 2016	2015	(as restated) 2014	(as restated) 2013
Net Position:										
Net investment in capital assets	$ 363,710	$ 376,713	$ 397,961	$ 507,479	$ 502,945	$ 441,690	$ 419,177	$ 387,595	$ 342,148	$ 329,877
Restricted	342,088	315,174	307,948	154,036	80,172	80,759	70,955	56,559	65,801	60,319
Unrestricted net position (deficit)	192,629	136,683	75,240	64,772	74,394	56,689	32,379	19,030	(1,845)	10,581
Total	**$ 898,427**	**$ 828,570**	**$ 781,149**	**$ 726,287**	**$ 657,511**	**$ 579,138**	**$ 522,511**	**$ 463,184**	**$ 406,104**	**$ 400,777**

Source: Audited Financial Statements of the Metropolitan Nashville Airport Authority.

See accompanying independent auditor's report.

Nashville International Airport (Senior Debt)
Revenue Coverage (000s)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenue	$ 205,402	$ 124,523	$ 139,513	$ 165,926	$ 150,498	$ 124,093	$ 112,946	$ 115,755	$ 108,918	$ 96,693
Less Operating Expenses (excludes depreciation)	(108,151)	(68,010)	(88,803)	(97,743)	(83,088)	(74,999)	(74,207)	(70,914)	(71,472)	(67,936)
Add Investment (Loss) Income	(4,934)	1,635	23,640	7,677	2,148	728	331	357	326	309
COVERAGE CASH FLOW	**$ 92,317**	**$ 58,148**	**$ 74,350**	**$ 75,860**	**$ 69,558**	**$ 49,822**	**$ 39,070**	**$ 45,198**	**$ 37,772**	**$ 29,066**
INTEREST	3,941	3,859	8,830	11,920	6,787	3,420	6,672	2,246	3,527	4,033
PRINCIPAL	2,204	1,900	3,513	6,072	7,325	3,915	3,430	19,740	18,940	18,110
TOTAL NET DEBT SERVICE	6,145	5,759	12,343	17,992	14,112	7,335	10,102	21,986	22,467	22,143
DEBT SERVICE COVERAGE	**1502.3%**	**1009.7%**	**602.4%**	**421.6%**	**492.9%**	**679.2%**	**386.8%**	**205.6%**	**168.1%**	**131.3%**

Nashville International Airport (Senior Subordinate Debt)
Revenue Coverage (000s)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Operating Revenue	$ 205,402	$ 124,523	$ 139,513	$ 165,926	$ 150,498	$ 124,093	$ 112,946	$ 115,755	$ 108,918	$ 96,693
Less Operating Expenses (excludes depreciation)	(108,151)	(68,010)	(88,803)	(97,743)	(83,088)	(74,999)	(74,207)	(70,914)	(71,472)	(67,936)
Add Investment Income	(4,934)	1,635	23,640	7,677	2,148	728	331	357	326	309
COVERAGE CASH FLOW	**$ 92,317**	**$ 58,148**	**$ 74,350**	**$ 75,860**	**$ 69,558**	**$ 49,822**	**$ 39,070**	**$ 45,198**	**$ 37,772**	**$ 29,066**
INTEREST	15,597	9,449	10,420	11,920	6,787	3,420	6,672	2,246	3,527	4,033
PRINCIPAL	2,204	1,900	4,026	6,072	7,325	3,915	3,430	19,740	18,940	18,110
TOTAL NET DEBT SERVICE	17,801	11,349	14,446	17,992	14,112	7,335	10,102	21,986	22,467	22,143
DEBT SERVICE COVERAGE	**518.6%**	**512.4%**	**514.7%**	**421.6%**	**492.9%**	**679.2%**	**386.8%**	**205.6%**	**168.1%**	**131.3%**

CFC - 2010 & 2018 CONRAC Revenue Coverage (000s)

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Customer Facility Charges	$ 12,939	$ 8,365	$ 11,828	$ 15,094	$ 14,290	$ 13,561	$ 12,956	$ 11,692	$ 10,825	$ 10,307
Less Operating Expenses (excludes depreciation)	(3,045)	(1,715)	(1,607)	(1,681)	(1,537)	(1,585)	(1,500)	(1,475)	(138)	(692)
Add Investment Income	70	152	289	261	45	34	21	12	8	15
COVERAGE CASH FLOW	**$ 9,964**	**$ 6,802**	**$ 10,510**	**$ 13,674**	**$ 12,798**	**$ 12,010**	**$ 11,477**	**$ 10,229**	**$ 10,695**	**$ 9,630**
INTEREST	784	1,029	1,186	944	3,282	3,571	3,673	3,759	3,830	3,903
PRINCIPAL	3,133	3,000	2,840	2,695	20,802	2,480	2,285	2,090	1,905	1,745
TOTAL NET DEBT SERVICE	3,917	4,029	4,026	3,639	24,084	6,051	5,958	5,849	5,735	5,648
DEBT SERVICE COVERAGE	**254.4%**	**168.8%**	**261.1%**	**375.8%**	**53.1%**	**198.5%**	**192.6%**	**174.9%**	**186.5%**	**170.5%**

Net debt service is total debt service less PFC- and CARES-funded debt service, and Capitalized Interest.

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Nashville International Airport Passenger Enplanements Market Share

	% of Total	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Signatory Airlines:											
Alaska Airlines	1.1%	102,762	64,928	87,807	115,960	87,309	58,533	41,233	-	-	-
Allegiant Air	2.7%	252,591	136,565	115,305	-	-	-	-	-	-	-
American Airlines (A)	16.0%	1,471,530	725,481	1,070,173	1,348,801	1,235,501	1,176,043	1,156,141	454,897	460,153	430,900
American Eagle (A)	0.0%	-	-	-	-	-	-	-	218,520	280,860	282,113
Continental Express d/b/a ExpressJet	0.0%	-	-	-	-	-	-	-	223,995	324,175	285,903
Delta Air Lines Inc. (B)	12.0%	1,105,082	503,867	971,443	1,278,183	1,138,922	988,137	926,454	623,480	552,169	444,584
Frontier Airlines	1.3%	118,912	73,885	126,000	177,341	146,184	9,979		81,596	94,385	89,549
JetBlue	1.6%	149,302	44,914	99,316	138,189	130,541	138,985	22,570	-	-	-
Southwest Airlines	53.7%	4,945,583	3,091,692	3,571,632	4,517,284	4,009,180	3,655,441	3,426,391	3,114,815	2,879,200	2,723,295
Spirit Airlines	2.9%	268,835	171,669	122,176	-	-	-	-	-	-	-
United Airlines (C)	7.5%	691,107	306,115	539,013	730,243	600,988	543,704	448,396	6,400	115	2,994
US Airways (A)	0.0%	-	-	-	-	-	-	-	202,656	200,169	165,577
Subtotal	98.8%	9,105,704	5,119,116	6,702,865	8,306,001	7,348,625	6,570,822	6,021,185	4,926,359	4,791,226	4,424,915

MNAA entered into a new agreement with the airlines beginning July 1, 2015. Only major carriers are Signatory and subsidiary carrier activity will be consolidated under the Signatory carrier beginning FY 2016. Some previously Non-Signatory carriers now fly consolidated under multiple Signatory carriers. American Affiliates (A); Delta Affiliates (B); United Affiliates (C).

	% of Total	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Non-signatory Airlines:											
Air Canada	0.1%	5,854	-	-	-	-	-	-	-	-	-
Air Canada d/b/a Jazz Air	0.2%	16,356	-	24,745	292	174	1,034	371	229	18,558	19,234
Air Georgian dba Air Canada	0.0%	-	-	8,549	45,204	44,229	42,739	29,589	26,056	4,542	-
Air Wisconsin (A)	0.0%	-	-	-	-	-	-	-	75,888	49,802	64,339
Allegiant Air	0.0%	-	-	-	80,170	6,136	-	-	-	-	-
British Airways	0.1%	11,577	-	32,684	43,289	8,671	-	-	-	-	-
Contour Airlines	0.2%	20,091	9,741	12,303	14,290	10,432	8,038	-	-	-	-
Delta/Chautauqua	0.0%	-	-	-	-	-	-	-	-	546	168
Frontier Airlines	0.0%	-	-	-	-	-	130,449	71,840	-	-	-
Mesa Airlines (A)	0.0%	-	-	-	-	-	-	-	43,348	47,608	70,822
Republic	0.0%	-	-	-	-	-	-	-	77,117	69,823	41,761
Sun Country	0.3%	25,007	16,868	-	-	-	-	-	-	-	-
Various/Trans State Airlines (A)	0.0%	-	-	-	-	-	-	-	26,324	-	25,962
United/Skywest (C)	0.0%	-	-	-	-	-	-	-	37,261	-	433
Westjet Airlines	0.2%	16,487	-	8,848	23,559	11,591	2,252	-	-	-	-
Westjet /Encore	0.0%	-	-	19,673	22,339	22,210	20,479	1,115	-	-	-
All others (includes Charters)	0.2%	16,634	5,933	48,728	61,163	14,264	14,286	16,992	391,566	329,916	390,341
Subtotal	1.2%	112,006	32,542	155,530	290,306	117,707	219,277	119,907	677,789	520,795	613,060
Total	**100.0%**	**9,217,710**	**5,151,658**	**6,858,395**	**8,596,307**	**7,466,332**	**6,790,099**	**6,141,092**	**5,604,148**	**5,312,021**	**5,037,975**

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Nashville International Airport Passenger Airline Landed Weights (000's)

	% of Total	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Signatory Airline:											
Alaska Airlines	1.0%	100,654	93,408	104,358	129,001	99,354	55,390	43,248	-	-	-
Allegiant Air	3.0%	317,469	248,448	145,579	-	-	-	-	-	-	-
American Airlines (A)	16.2%	1,693,950	945,038	1,356,238	1,549,447	1,415,662	1,352,169	1,332,377	523,970	518,096	516,356
American Eagle (A)	0.0%	-	-	-	-	-	-	-	261,251	334,087	359,788
Continental Express d/b/a ExpressJet (B)	0.0%	-	-	-	-	-	-	-	219,248	325,905	295,511
Delta Air Lines Inc. (B)	12.1%	1,260,848	871,462	1,147,250	1,427,507	1,287,034	1,148,263	1,051,357	693,222	650,841	538,467
Frontier Airlines	1.1%	118,797	82,863	130,207	166,271	140,496	8,784	-	85,862	98,132	96,648
JetBlue	1.8%	183,497	71,669	126,152	156,958	147,967	152,321	23,986	-	-	-
Southwest Airlines	52.2%	5,456,214	4,463,892	4,564,368	4,947,577	4,391,669	4,065,313	3,807,965	3,600,935	3,468,480	3,343,472
Spirit Airlines	2.8%	288,542	201,041	167,604	-	-	-	-	-	-	-
United Airlines (C)	7.8%	813,331	442,277	707,738	859,945	683,646	614,443	485,586	15,306	1,887	4,976
US Airways (A)	0.0%	-	-	-	-	-	-	-	230,945	251,464	202,766
Subtotal	97.8%	10,233,302	7,420,098	8,449,494	9,236,706	8,165,828	7,396,683	6,744,519	5,630,739	5,648,892	5,357,984

MNAA entered into a new agreement with the airlines beginning July 1, 2015. Only major carriers are Signatory and subsidiary carrier activity will be consolidated under the Signatory carrier beginning FY 2016. Some previously Non-Signatory carriers now fly consolidated under multiple Signatory carriers. American Affiliates (A); Delta Affiliates (B); United Affiliates (C).

	% of Total	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Non-signatory Airlines:											
Air Canada	0.1%	9,204	-	-	-	-	-	-	-	-	-
Air Canada d/b/a Jazz Air	0.2%	20,752	-	32,799	1,840	2,752	2,987	2,583	2,111	25,304	33,760
Air Georgian dba Air Canada	0.0%	-	-	8,997	48,594	47,422	47,610	33,506	30,759	4,740	-
Air Wisconsin (A)	0.0%	-	-	-	-	-	-	-	85,865	55,225	72,662
Express Jet/Delta (B)	0.0%	-	-	-	-	-	-	-	57,364	83,788	88,227
British Airways	0.2%	25,200	-	85,225	101,865	15,960	-	-	-	-	-
Compass Airlines (B)	0.0%	-	-	-	-	-	-	-	2,296	24,437	47,283
Contour Airlines	0.5%	52,296	31,201	-	-	-	-	-	-	-	-
Delta, Midwest Connect	0.0%	-	-	-	-	-	-	-	85	4,617	3,077
Frontier Airlines	0.0%	-	-	-	-	-	126,550	70,424	-	-	-
Mesa Airlines	0.0%	-	-	-	-	-	-	-	45,879	48,918	75,699
Pinnacle/Endeavor Airlines	0.0%	-	-	-	-	-	-	-	107,398	117,366	116,432
Republic	0.0%	-	-	-	-	-	-	-	183,157	92,102	55,122
Trans States Airlines	0.0%	-	-	-	-	-	-	-	25,662	84	25,572
Sun Country	0.5%	51,273	34,377	-	-	-	-	-	-	-	-
SkyWest	0.0%	-	-	-	-	-	-	-	157,259	129,226	149,781
WestJet/Encore	0.2%	19,363	405	-	-	-	-	-	-	-	-
All Others (includes charters)	0.5%	49,861	29,048	175,116	262,979	102,944	94,068	46,700	124,323	82,701	114,095
Subtotal	2.2%	227,949	95,031	302,137	415,278	169,078	271,215	153,213	822,158	668,508	781,710
Total Passenger Carrier Weight (000s)	**100.0%**	**10,461,251**	**7,515,129**	**8,751,631**	**9,651,984**	**8,334,906**	**7,667,898**	**6,897,732**	**6,452,897**	**6,317,400**	**6,139,694**
Cargo & misc. carrier weight (000s)		582,109	354,109	276,583	300,413	305,994	285,758	305,642	304,279	300,986	261,389
Total Weight All Aircraft (000s)		**11,043,360**	**7,869,238**	**9,028,214**	**9,952,397**	**8,640,900**	**7,953,656**	**7,203,374**	**6,757,176**	**6,618,386**	**6,401,083**
% Passenger Carrier Weight		**95%**	**96%**	**97%**	**97%**	**96%**	**96%**	**96%**	**95%**	**95%**	**96%**

Differences between total gross landed weight summarized here and carrier-specific activity are attributable to adjustments made during the year. There continues to be charter activity at BNA. However, much of the supporting services are reported by airlines with their scheduled operating activity.

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report

Major Tenants at Nashville International Airport and John C. Tune Airport

Signatory Carriers:
Alaska Airlines
Allegiant Air
American Airlines (A)
Delta Air Lines (B)
Frontier Airlines
JetBlue
Southwest Airlines
Spirit Airlines
United Airlines (C)

Signatory Affiliate Carriers:*
Air Wisconsin (C)
Commutair (Multiple)
Endeavor Air (B)
Envoy (A)
ExpressJet (B)
GoJet Airlines (Multiple)
Mesa Airlines (A)
Republic Airways (Multiple)
SkyWest Airlines (Multiple)

Non-signatory Carriers:
Air Canada / Jazz Aviation
Air Georgian
Avelo Airlines
Boutique Air
Breeze Airways
British Airways
Cape Air
Contour Airlines
Flair Airlines
Sun Country
Swift Air
VivaAerobus
WestJet
WestJet Encore

Signatory Cargo Carriers:
Federal Express

Non-signatory Cargo Carriers:
Air Transport Int'l.
Airborne Express
Amazon Prime
Atlas Air
DHL
Kalitta Air
Mountain Air Cargo
Silkway West
Southern Air

Fixed-base Operators:
Atlantic Aviation
Signature Flight Support

Other Airport Tenants:
121 @ BNA
Above and Beyond
Aeronautical Radio / Rockwell Collins
Aircraft Services International
Airline Maint. Svcs
AMD Freight (terminated 12/2018)
Embraer Aircraft Maintenance
Federal Aviation Administration
Genesco, Inc
Graphic Ticket & Systems
Marisol
Metro Air Services
Metro Government of Nashville and Davidson County
Miller Transfer
Monell's at the Manor
Simino Electric
State of Tennessee
Swissport
TN Aeronautics Commission
TN Dept of Transportation
US Customs Border Patrol
US DEA
US Govt Weather Service
US Postal Service
Wilson Tire & Auto

Other Terminal Tenants:
In-Ter-Space Services dba Clear Channel Airports
Concourse Communications Nashville (Boingo Wireless)
Fraport Tennessee
Ready Credit Corporation
Smarte Carte
Van Vending Service
A&M Group
Air Ventures
Dalmation Creative Agency
Delaware North Companies Travel Hospitality Services
Fifth Third Bank
Heartland Hospitality
Hissho International dba Hissho Sushi
Hudson-Nash-F&B JV dba Hudson Nonstop
InMotion BNA-C
Lily Palmer Floral Design
Minute Suites BNA
MRG Nashville
Music City Benchmark Concessions
Music City Retailers (Hudson)
Nash Nails MRG
Nashville Gourmet Brands BNA Group dba Green Beans Coffee
NewZoom
Pyramids of Nashville, dba Pyramids Cafe
Smokey Mountain Provisions (Hudson)
Stellar DCA SLA Nashville
Time for a Shine
Transfare II LLC
Travelers Post USA LLC
Tricopian dba Fuel Rod
ASG Nashville
DNC BNA Partners
Host TRA Nashville FB III
Newslink of Nashville LLC
Ole Red Nashville Airport dba The Opry Shop
Ole Red Nashville Airport dba Ole Red
Tennessee F&B
TRNA Nashville

Vehicle Parking:
ABM Parking
LAZ Parking

Private Hangar Rentals:
Nashville Hangar
Owl Hill Holdings
SATA, Inc.
Skywest
The Martin Companies

Rental Car:
Avis
Advantage Car Rental
Budget
Dollar
Enterprise
Hertz
Thrifty
Payless
Vanguard (Alamo/National)
ZipCar
EZ Rent A Car

Ground Transportation:
Hotel Shuttles
Taxicab Companies
Limousine Companies
TNCs (Uber, Lyft)

Ground Handlers:
Airport Terminal Services (ATS)
Delta Global Services (DGS)
dnata
Dynair/Swissport
Menzies Aviation
PrimeFlight Aviation
Trego Dugan
United Ground Express (GSE)

Tenants at John C. Tune Airport:
Contour Flight Support dba/Corporate Flight Management
Helistar
Plane Hangar
Mid America Jet

** MNAA entered into a new agreement with the airlines beginning July 1, 2015. Only major carriers are Signatory and subsidiary carrier activity will be consolidated under the Signatory carrier beginning FY 2016. Some previously Non-Signatory carriers now fly consolidated under multiple Signatory carriers. American Affiliates (A); Delta Affiliates (B), United Affiliates (C).*

Metropolitan Nashville Airport Authority Staffing - Full-time Equivalents

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Administration	107.0	91.0	109.0	100.0	89.5	87.5	89.5	89.5	96.5	90.5
Engineering & Maintenance	105.0	107.0	113.0	98.5	72.0	75.0	72.0	72.0	76	72.5
Operations, Safety, Security	107.0	108.0	110.0	112.5	134	126.5	125.5	127.0	129	117.5
Total Authority Full-time Equivalents	**319.0**	**306.0**	**332.0**	**311.0**	**295.5**	**289.0**	**287.0**	**288.5**	**301.5**	**280.5**

Note: Staffing levels represent fulltime equivalents as of the last pay cycle of each fiscal year. MPC has no employees.

Nashville - Davidson - Murfreesboro Metropolitan Statistical Area Population

Year	Nashville MSA*	Tennessee	United States
1970	699,144	3,923,687	203,211,926
1980	850,505	4,591,120	226,545,805
1990	985,026	4,877,185	248,709,873
2000	1,231,311	5,689,283	281,421,906
2010	1,589,934	6,346,105	308,745,538
2020	2,118,223	6,910,840	331,449,281

* The Nashville MSA consists of Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson and Wilson Counties.

Nashville Metropolitan Statistical Area* Average Unemployment Rate

Year	Nashville MSA	Tennessee	United States
2022	3.4%	3.3%	3.6%
2021	4.60%	4.9%	5.9%
2020	10.20%	9.60%	11.10%
2019	2.60%	3.40%	3.70%
2018	2.71%	3.45%	3.93%
2017	3.30%	4.20%	4.52%
2016	3.94%	5.07%	4.90%
2015	4.96%	6.17%	5.30%
2014	5.51%	6.97%	7.50%
2013	6.35%	7.85%	7.80%

*Nashville Metropolitan Statistical Area consists of Davidson, Murfreesboro and Franklin Tennessee.

Source: U.S Bureau of Labor Statistics (http://data.bls.gov)

Nashville Area Top 25 Employers* (Ranked by Number of Local Employees)

2022	Staff	Employer	Headquarters	2021	Staff
1	26,531	State of Tennessee	Nashville	2	26,733
2	25,095	Vanderbilt University Medical Center and Monroe Carroll Jr.	Nashville	1	28,300
3	14,700	HCA Healthcare, Inc.	Nashville	4	10,600
4	13,452	U.S. Government	Washington, DC	3	13,707
5	11,030	Metropolitan Nashville-Davidson County Public Schools	Nashville	6	10,281
6	11,000	Nissan North America, Inc.	Franklin	5	10,500
7	8,700	Metropolitan Government of Nashville and Davidson County	Nashville	8	8,700
8	8,335	Ascension Saint Thomas	Nashville	9	8,335
9	8,091	The Kroger Co.	Cincinnati, OH	10	7,813
10	7,047	Rutherford County Government and Board of Education	Murfreesboro	12	5,500
11	7,032	Williamson County Public Schools and County Government	Franklin	11	7,299
12	7,000	Amazon.com	Seattle, WA	13	5,000
13	5,774	Vanderbilt University	Nashville	7	8,822
14	5,000	Clarksville - Montgomery County School System	Clarksville	13	5,000
15	4,744	Community Health Systems, Inc.	Franklin	16	4,537
16	4,675	Sumner County Government and Public Schools	Gallatin	15	4,675
17	4,455	Western Express	Nashville	22	3,000
18	4,024	Asurion	Nashville	17	4,260
19	3,347	Belmont University	Nashville	N/A	N/A
20	3,028	National HealthCare Corporation	Murfreesboro	21	3,028
21	2,966	Bridgestone Americas Inc.	Nashville	18	4,110
22	2,845	Dollar General Corp.	Goodlettsville	23	2,671
23	2,600	United Healthcare	Minnetonka, MN	32	2,046
24	2,418	Wilson County Schools	Lebanon	20	2,418
25	2,349	Ingram Content Group	La Vergne	31	2,084

*Ranked by number of Middle Tennessee employees as of June 10, 2022 publication.
Source: Nashville Business Journal

Middle Tennessee Largest 25 Public Companies**

2021	2020	Employer	Headquarters
1	1	HCA Holdings, Inc.	Nashville
2	2	Dollar General Corporation	Goodlettsville
3	4	Tractor Supply Co.	Brentwood
4	3	Community Health Systems, Inc.	Franklin
5	5	Delek US Holdings, Inc.	Brentwood
6	N/A	Yellow Corp.	Nashville
7	9	Louisiana-Pacific Corporation	Nashville
8	N/A	Alliance Bernstein Holding	Nashville
9	8	Change Healthcare Inc.	Nashville
10	10	Cracker Barrel Old Country Store, Inc.	Lebanon
11	6	Brookdale Senior Living Co.	Brentwood
12	N/A	Kaiser Aluminum Group	Franklin
13	13	Genesco, Inc.	Nashville
14	7	Acadia Healthcare Co, Inc.	Franklin
15	12	Surgery Partners Inc.	Brentwood
16	11	CoreCivic Inc.	Brentwood
17	17	Clover Health Investments Corp.	Franklin
18	14	Pinnacle Financial Partners, Inc	Nashville
19	16	National HealthCare Corporation	Murfreesboro
20	22	Ryman Hospitality Properties	Nashville
21	N/A	Hire Right Holdings Corp.	Nashville
22	20	Delek Logistics Partners	Brentwood
23	18	SmileDirect Club	Nashville
24	19	FB Financial Corp.	Nashville
25	21	Kirkland's, Inc.	Brentwood

**Ranked by 2021 Revenue (Obtained October 3, 2022)
Source: Nashville Business Journal

This section contains the following subsection:

Annual Disclosure Report

INTRODUCTION

This Continuing Disclosure Section (this "Report") has been prepared, and is being filed, by the Metropolitan Nashville Airport Authority (the "Authority") in connection with its annual continuing disclosure obligations for the Fiscal Year ended June 30, 2022, as an "obligated person" (as defined in Rule 15c2-12 of the Securities Exchange Commission (the "Rule") promulgated under the Securities and Exchange Act of 1934, as amended), as set forth in the continuing disclosure undertakings relating to: (a) the Outstanding Senior Bonds (as defined herein) and (b) the Outstanding Subordinate Bonds (as defined herein). This Report reflects certain annual financial information and operating data of the Authority reported as of June 30, 2022, except where expressly indicated otherwise. Unless otherwise defined herein, capitalized terms used in this Report shall have the meanings set forth in: (a) Resolution No. 91-09 adopted by the Board of Commissioners of the Authority (the "Board") on August 15, 1991, as amended and supplemented from time to time (the "Senior Bond Resolution") (b) Resolution No. 2019-15 adopted by the Board on October 16, 2019 as amended and supplemented from time to time (the "Subordinate Bond Resolution") and (c) the Official Statement, dated December 5, 2019 (the "2019 Official Statement") relating to the Authority's $254,435,000 in aggregate principal amount of Subordinate Airport Revenue Bonds, Series 2019A (Non-AMT) and $665,150,000 in aggregate principal amount of Subordinate Airport Revenue Bonds, Series 2019B (AMT) (collectively, the "Series 2019 Subordinate Bonds"), which is available on the Electronic Municipal Market Access ("EMMA®") website operated by the Municipal Securities Rulemaking Board, at https://emma.msrb.org/ES1331139-ES1038445-ES1441477.pdf, as applicable. The Authority will file its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022 (the "2022 ACFR," which includes this Report) as the "2022 Annual Filing" on EMMA®, which can be accessed at http://emma.msrb.org.

COVID-19 Pandemic

For certain information regarding the impact of the COVID-19 pandemic on the Nashville International Airport (the "Airport") and the financial results of the Authority during the fiscal year ended June 30, 2022 ("Fiscal Year 2022"), see "INTRODUCTORY SECTION – Letter of Transmittal – Authority Operations and Services – The Airline Industry" and "- Airport Activity" and "FINANCIAL SECTION – Management's Discussion and Analysis (Unaudited) – Airport Activity Highlights," "- Statement of Net Position," "- Operating Revenues," and "- Operating Expenses" in the 2022 ACFR.

Information regarding the COVID-19 pandemic and its effects evolves on a daily basis, rendering predictions difficult to make with and reasonable degree of certainty. Due to the evolving nature of the COVID-19 pandemic and the responses of governments, businesses and individuals to the COVID-19 pandemic, the Authority cannot predict, among other things: (a) the scope, duration or extent of the COVID-19 pandemic or any other outbreak or pandemic on : (i) the existing restrictions and warnings or any additional restrictions and warnings which may be imposed by local, state or federal governments, nor the timing of the relaxation or release of such restrictions and (ii) and additional restrictions and warnings imposed by local, state or federal governments may have on the operations of the Airport and the revenues and expenditures of the Authority; (b) the scope, duration or extent of the COVID-19 pandemic or any other outbreak or pandemic on the local, the state, national or global economy or the impact of such disruption on the operations of the Airport and the revenues and expenditures of the Authority; or (c) whether any of the foregoing may have a material adverse effect on the operations of the Airport and the revenues and expenditures of the Authority (collectively, the "Risk Factors").

Miscellaneous; Forward-Looking Statements

The 2022 ACFR is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of any of the Authority's debt or securities, or an offer, invitation or recommendation to sell, or a solicitation of an offer to buy of the Authority's debt in any jurisdiction. The matters discussed in the 2022 Annual Filing and all other documents issued by the Authority are for informational purposes only, and holders of the Authority's debt, potential investors and/or other interested parties should not rely on such information as their sole source of information about matters related to the Authority's debt or in making an investment decision with respect to the Authority's existing debt or securities or any other debt or securities which may be offered by the Authority. Neither the 2022 ACFR nor anything in it shall form the basis of any contract or commitment. By the filing of the 2022 ACFR, the Authority makes no recommendations and is not giving any investment advice as to any of the Authority's debt or securities. In no event shall the Authority be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for any inaccuracies or errors in, or omissions from, the information contained herein and such information may not be relied upon in evaluating the merits of holding, purchasing or selling any of the Authority's debt or securities. The information contained in the 2022 ACFR, including any forecast financial information, if any, should not be considered as advice or a recommendation to holders and potential investors in relation to holding, purchasing or selling any such securities. Before acting on any information contained herein holders and potential investors should consider the appropriateness of the information having regard to these matters, any relevant offering document and in particular, holders and potential purchasers should seek independent financial and/or legal advice.

Certain of the information in the 2022 ACFR has been compiled from sources believed to be reliable, certain of which has not been independently verified. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions contained or expressed herein.

The 2022 ACFR may contain "forward-looking" statements that involve risks, uncertainties, and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results may differ materially from those expressed or implied by such forward looking statements. Accordingly, the Authority cautions holders and potential purchasers not to place undue reliance on these statements. All statements other than the statements of historical fact could be deemed forward-looking and should not be considered a comprehensive representation of the Authority's expected operational or financial performance. All opinions, estimates, projections, forecasts, and valuations are preliminary, indicative and are subject to change without notice.

The information in the 2022 ACFR is current as of the dates set forth herein, as applicable, and there may be events that have occurred or will occur subsequent to such dates that would have a material adverse effect on the operational or financial information that is presented herein and in the 2022 ACFR. The Authority has not undertaken any obligation to update any information in the 2022 Annual Filing. Any financial data and other information provided in the 2022 ACFR are not warranted as to completeness or accuracy and are subject to change without notice.

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SENIOR BONDS

Outstanding Senior Bonds

The following is the annual financial information and operating data required under the Authority's continuing disclosure undertakings with respect to the following Senior Bonds outstanding under the Senior Bond Resolution as of the date of this Report (the "Outstanding Senior Bonds"):

(a) $19,585,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2003B (Taxable) (the "Series 2003B Bonds");

(b) $91,855,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2015A (Non-AMT) (the "Series 2015A Bonds"); and

(c) $108,145,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2015B (AMT) (the "Series 2015B Bonds," and together with the Series 2015A Bonds, the "Series 2015 Bonds").

Enplaned Passenger Traffic

Annual Enplanement Activity. In connection with the Authority's continuing disclosure undertaking relating to the Series 2015 Bonds (the "2015 Bonds Undertaking"), the following table presents the annual enplanements at the Airport by Signatory Airlines, Non-Signatory Airlines, and all Airlines for the past ten Fiscal Years.

Nashville International Airport
Annual Enplanement Activity
Fiscal Years 2013 – 2022

Fiscal Year	Signatory Airlines	Non-Signatory Airlines	Total
2013	4,424,915	613,060	5,037,975
2014	4,791,226	520,795	5,312,021
2015	4,926,359	677,789	5,604,148
2016	6,021,185	119,907	6,141,092
2017	6,570,822	219,277	6,790,099
2018	7,348,625	117,707	7,466,332
2019	8,321,691	274,616	8,596,307
2020[(1)]	6,702,865	155,530	6,858,395
2021[(1)]	5,119,116	32,542	5,151,658
2022	9,105,704	112,006	9,217,710

(1) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on annual enplanement activity at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority (2022 ACFR).

Note: In the table entitled "Annual Enplanement Activity," the categorical descriptions of "Signatory Airlines" and "Non-Signatory Airlines" were entitled "Signatory Carriers" and "Non-Signatory Carriers," respectively, in the final official statement relating to the Series 2015 Bonds.

Monthly Enplanement Activity. In connection with the 2015 Bonds Undertaking, the following table presents the monthly enplanement activity at the Airport for the past five Fiscal Years.

Nashville International Airport
Monthly Enplanement Activity
Fiscal Years 2017 – 2022

	2018	2019	2020[(1)]	2021[(1)]	2022
July	646,817	718,555	828,530	309,036	840,374
August	612,464	700,457	790,318	304,939	758,751
September	571,939	676,187	762,322	330,652	717,418
October	654,334	771,444	875,797	390,250	832,185
November	618,454	702,094	751,439	356,369	768,303
December	592,972	668,960	765,328	372,093	750,314
January	505,103	585,863	657,466	292,625	522,163
February	508,395	584,876	668,237	272,301	597,977
March	653,938	755,200	383,512	492,249	786,068
April	647,145	747,058	31,510	549,615	807,445
May	723,266	844,443	102,325	705,456	920,938
June	731,505	841,170	241,611	776,073	915,774
Fiscal Year Totals	7,466,332	8,596,307	6,858,395	5,151,658	9,217,710

(1) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on monthly enplanement activity at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority.

Enplaned Passenger Market Share

In connection with the Authority's continuing disclosure undertaking relating to the Series 2003B Bonds (the "2003B Bonds Undertaking"), the 2015 Bonds Undertaking, and the 2019 Subordinate Bonds Undertaking (as defined herein), the following table presents enplaned passengers at the Airport by Signatory Airlines, Non-Signatory Airlines, and total enplaned passengers for the past five Fiscal Years with the associated market share for each Fiscal Year.

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Nashville International Airport
Enplaned Passenger Market Share[1]
Fiscal Years 2018 – 2022

	2018	% of Total	2019	% of Total	2020[4]	% of Total	2021[4]	% of Total	2022	% of Total
Signatory Airlines:										
Alaska Airlines	87,309	1.2%	115,960	1.3%	87,807	1.3%	64,928	1.3%	102,762	1.1%
Allegiant Air	-	-	-	-	115,305	1.7%	136,565	2.7%	252,591	2.7%
American Airlines[2]	1,235,501	16.5%	1,348,801	15.7%	1,070,173	15.6%	725,481	14.1%	1,471,530	16.0%
Delta Air Lines Inc.	1,138,922	15.3%	1,278,183	14.9%	971,443	14.2%	503,867	9.8%	1,105,082	12.0%
Frontier Airlines	146,184	2.0%	177,341	2.1%	126,000	1.8%	73,885	1.4%	118,912	1.3%
JetBlue	130,541	1.7%	138,189	1.6%	99,316	1.4%	44,914	0.9%	149,302	1.6%
Southw est Airlines	4,009,180	53.7%	4,517,284	52.5%	3,571,632	52.1%	3,091,692	60.0%	4,945,583	53.7%
Spirit Airlines	-	-	-	-	122,176	1.8%	171,669	3.3%	268,835	2.9%
United Airlines[3]	600,988	8.0%	730,243	8.5%	539,013	7.9%	306,115	5.9%	691,107	7.5%
Subtotal	7,348,625	98.4%	8,306,001	96.6%	6,702,865	97.8%	5,119,116	99.4%	9,105,704	98.8%

	2018	% of Total	2019	% of Total	2020[4]	% of Total	2021[4]	% of Total	2022	% of Total
Non-Signatory Airlines:										
Air Canada	-	-	-	-	-	-	-	-	5,854	0.1%
Air Canada d/b/a Jazz Air	174	0.0%	292	0.0%	24,745	0.4%	-	-	16,356	0.2%
Air Georgian dba Air Canada	44,229	0.6%	45,204	0.5%	8,549	0.1%	-	-	-	-
Allegiant Air	6,136	0.1%	80,170	0.9%	-	-	-	-	-	-
British Airw ays	8,671	0.1%	43,289	0.5%	32,684	0.5%	-	-	11,577	0.1%
Contour Airlines	10,432	0.1%	14,290	0.2%	12,303	0.2%	9,741	0.2%	20,091	0.2%
Frontier Airlines	-	-	-	-	-	-	-	-	-	-
Sun Country	-	-	-	-	-	-	16,868	0.3%	25,007	0.3%
Westjet Airlines	11,591	0.2%	23,559	0.3%	8,848	0.1%	-	-	16,487	0.2%
Westjet/Encore	22,210	0.3%	22,339	0.3%	19,673	0.3%	-	-	-	-
All Others (includes Charters)	14,264	0.2%	61,163	0.7%	48,728	0.7%	5,933	0.1%	16,634	0.2%
Subtotal	117,707	1.6%	290,306	3.4%	155,530	2.3%	32,542	0.6%	112,006	1.3%
Total	**7,466,332**	**100%**	**8,596,307**	**100%**	**6,858,395**	**100%**	**5,151,658**	100%	**9,217,710**	**100%**

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(1) Numbers may not add up due to rounding.
(2) American Affiliates.
(3) United Affiliates.
(4) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on enplaned passenger market share at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority (2022 ACFR; Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2022 (the “2022 ACFR”); 2019 Official Statement citing the Annual Comprehensive Financial Report (the Fiscal Years Ended June 30, 2019 and 2018 (the “2019 ACFR”); and Annual Comprehensive Financial Report for the Fiscal Years Ended June 30, 2018 and 2017 (the “2018 ACFR”).

Note: In the table entitled "Enplaned Passenger Market Share," the categorical descriptions of: (a) "Signatory Airlines," "Non-Signatory Airlines," and "All Others (including Charters)" were entitled "Major Airlines," "Regional Airlines," and "Charters," respectively, in the final official statement relating to the Series 2003B Bonds; and (b) "Signatory Airlines" and "Non-Signatory Airlines" were entitled "Signatory Carriers" and "Non-Signatory Carriers," respectively, in the final official statement relating to the Series 2015 Bonds.

Landed Weight

In connection with the 2003B Bonds Undertaking, 2015 Bonds Undertaking, and the 2019 Subordinate Bonds Undertaking, the following table presents landed weight at the Airport by Signatory Airlines and Non-Signatory Airlines, passenger carrier landed weight, cargo and miscellaneous landed weight, total landed weight, and the percentage of passenger landed weight for the past five Fiscal Years with the associated market share for each Fiscal Year.

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Nashville International Airport
Passenger, Cargo, and Miscellaneous Landed Weight (in 000s)[1]
Fiscal Years 2018 – 2022

	2018	% of Total	2019	% of Total	2020[4]	% of Total	2021[4]	% of Total	2022	% of Total
Signatory Airlines:										
Alaska Airlines	99,354	1.2%	129,001	1.3%	104,358	1.2%	93,408	1.2%	100,654	1.0%
Allegiant Airlines	-	-	-	-	145,579	1.7%	248,448	3.3%	317,469	3.0%
American Airlines[2]	1,415,662	17.0%	1,549,447	16.1%	1,356,238	15.6%	945,038	12.6%	1,693,950	16.2%
Delta Air Lines Inc.	1,287,034	15.4%	1,427,507	14.8%	1,147,250	13.2%	871,462	11.6%	1,260,848	12.1%
Frontier Airlines	140,496	1.7%	166,271	1.7%	130,207	1.5%	82,863	1.1%	118,797	1.1%
JetBlue	147,967	1.8%	156,958	1.6%	126,152	1.4%	71,669	1.0%	183,497	1.8%
Southwest Airlines	4,391,669	52.7%	4,947,577	51.3%	4,564,368	52.4%	4,463,892	59.4%	5,456,214	52.2%
Spirit Airlines	-	-	-	-	167,604	1.9%	201,041	2.7%	288,542	2.8%
United Airlines[3]	683,646	8.2%	859,945	8.9%	707,738	8.1%	442,277	5.9%	813,331	7.8%
Subtotal	8,165,828	98.0%	9,236,706	95.7%	8,449,494	97.0%	7,420,098	98.8%	10,233,302	98.0%

	2018	% of Total	2019	% of Total	2020[4]	% of Total	2021[4]	% of Total	2022	% of Total
Non-Signatory Airlines:										
Air Canada	-	-	-	-	-	-	-	-	9,204	0.1%
Air Canada d/b/a Jazz Air	2,752	0.0%	1,840	0.0%	32,799	0.4%	-	-	20,752	0.2%
Air Georgian dba Air Canada	47,422	0.6%	48,594	0.5%	8,997	0.1%	-	-	-	0.0%
British Airways	15,960	0.2%	101,865	1.1%	85,225	1.0%	-	-	25,200	0.2%
Contour Airlines	-	-	-	-	-	-	31,201	0.4%	52,296	0.5%
Sun Country	-	-	-	-	-	-	34,377	0.5%	51,273	0.5%
WestJet/Encore	-	-	-	-	-	-	405	0.0%	19,363	0.2%
All Others (includes Charters)	102,944	1.2%	262,979	2.7%	142,317	1.6%	29,048	0.4%	49,861	0.5%
Subtotal	169,078	2.0%	415,278	4.3%	269,338	3.1%	95,031	1.3%	227,949	2.2%
Total Passenger Carrier Weight (000s)	**8,334,906**	**100%**	**9,651,984**	**100%**	**8,718,832**	**100%**	**7,515,129**	**100%**	**10,461,251**	**100%**
Cargo & Misc. Carrier Weight (000s)	305,994		300,413		276,583		354,109		582,109	
Total Weight All Aircrafts (000s)	**8,640,900**		**9,952,397**		**8,995,415**		**7,869,238**		**11,043,360**	
% Passenger Carrier Weight	**96%**		**97%**		**97%**		**96%**		**95%**	

(1) Numbers may not add up due to rounding.
(2) American Affiliates.
(3) United Affiliates.
(4) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on passenger, cargo and miscellaneous landed weights at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority *(2022 ACFR, 2021 ACFR, 2020 ACFR, 2019 Official Statement citing the 2019 ACFR; and 2018 ACFR).*

Note: The table entitled "Passenger, Cargo, and Miscellaneous Landed Weight" was entitled "Landed Weights" in the final official statement relating to the Series 2003B Bonds. In addition, the categorical descriptions of "Signatory Airlines," "Non-Signatory Airlines," and "All Others (including Charters)" were entitled "Major Airlines," "Regional Airlines," and "Charters," respectively, in the final official statement relating to the Series 2003B Bonds.

Aircraft Activity

Average Daily Scheduled Arrivals and Departures. In connection with the 2003B Bonds Undertaking, the following table presents average daily scheduled arrivals and departures at the Airport by Signatory Airlines and Non-Signatory Airlines based on a typical business day during June of each of the past five Fiscal Years with the associated market share for each Fiscal Year.

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Nashville International Airport
Average Daily Scheduled Arrivals and Departures[1][2]
Fiscal Years 2018 to 2022 (June data)

Signatory Airlines	2018 Average Flights	% of Total	2019 Average Flights	% of Total	2020 Average Flights[8][9]	% of Total	2021 Average Flights[8][9]	% of Total	2022 Average Flights	% of Total
Alaska Airlines	4	0.8%	6	1.1%	2	0.8%	4	0.8%	4	0.8%
American Airlines[3]	94	19.5%	95	17.8%	32	13.3%	82	16.9%	84	16.1%
Allegiant	-	-	-	-	18	7.5%	16	3.3%	17	3.3%
Delta Air Lines	85	17.7%	82	15.4%	12	5.0%	60	12.4%	60	11.5%
Frontier Airlines	6	1.2%	8	1.5%	3	1.3%	4	0.8%	4	0.8%
JetBlue Airways	6	1.2%	10	1.9%	2	0.8%	8	1.7%	13	2.5%
Southwest Airlines	202	42.0%	238	44.6%	140	58.3%	242	50.0%	242	46.3%
Spirit Airlines	-	-	-	-	2	0.8%	10	2.1%	15	2.9%
United Airlines[4]	50	10.4%	54	10.1%	14	5.8%	40	8.3%	52	9.9%
Subtotal	447	92.8%	493	92.4%	225	93.6%	466	96.3%	491	94.1%

Non-Signatory Airlines	2018 Average Flights	% of Total	2019 Average Flights	% of Total	2020 Average Flights[8][9]	% of Total	2021 Average Flights[8][9]	% of Total	2022 Average Flights	% of Total
Air Canada[5]	6	1.2%	6	1.1%	-	-	-	-	5	1.0%
Allegiant Air	6	1.2%	14	2.6%	-	-	-	-	-	-
British Airways	2	0.4%	2	0.4%	-	-	-	-	2	0.4%
Cape Air	-	-	-	-	-	-	8	1.7%	7	1.3%
Contour Airlines	10	2.1%	6	1.1%	6	2.5%	-	-	8	1.5%
Westjet Airlines[6]	4	0.8%	6	1.1%	-	-	-	-	3	0.6%
All Others[7]	6	1.2%	7	1.3%	9	3.8%	10	2.1%	7	1.3%
Subtotal	34	6.9%	41	7.6%	15	6.3%	18	3.8%	32	6.1%
TOTAL	481	100%	534	100%	240	100%	484	100%	523	100%

(1) Certain airlines, including Air Wisconsin, Mesa Airlines, Republic, and Various/Trans State Airlines are affiliates of various airlines and their flights are included with the flights for the main carrier.

(2) Numbers may not add up due to rounding.

(3) Includes flights for American Airlines affiliates, including American Eagle.

(4) Includes flights for United Airlines, including Continental Express (doing business as ExpressJet and United/Skywest).

(5) Includes flights for Air Canada affiliates, including Air Georgian (doing business as Air Canada) and Air Canada (doing business as Jazz Air).

(6) Includes flights for Westjet affiliates, including Westjet/Encore.

(7) Includes charters.

(8) As a result of the COVID-19 pandemic, international travel was not permitted for parts of Fiscal Years 2020 and 2021

(9) As a result of the COVID-19 pandemic, the disruption in aviation and passenger traffic had a significant effect on average daily scheduled arrivals and departures at the Airport in Fiscal Years 2020 and 2021. However, the impact of COVID-19 was not realized until the last four months of Fiscal Year 2020 and during Fiscal Year 2021, so the average daily scheduled arrivals and departures at the Airport by Signatory and Non-Signatory Airlines based on a typical business day during June 2020 and 2021 does not accurately reflect the average daily scheduled arrivals and departures for Fiscal Years 2020 and 2021 as a whole.

Source: The Metropolitan Nashville Airport Authority.

Note: In the table entitled "Average Daily Scheduled Arrivals and Departures," the categorical descriptions of "Signatory Airlines" and "Non-Signatory Airlines" were entitled "Major Airlines" and "Regional Airlines," respectively, in the final official statement relating to the Series 2003B Bonds.

Daily Departures. In connection with the 2015 Bonds Undertaking, the following table presents daily departures at the Airport based on a typical business day during June of each Fiscal Year and the number of departures scheduled for that particular day for the past six Fiscal Years.

Nashville International Airport
Daily Departures[(1)]
Fiscal Years 2017 - 2022

Year	Daily Departures
2017	220
2018	220
2019	267
2020	120
2021	242
2022	265

(1) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on daily departures at the Airport during June of Fiscal Year 2020.

Source: The Metropolitan Nashville Airport Authority.

Schedule of Revenues, Expenses and Changes in Net Position

In connection with the 2003B Bonds Undertaking, the 2015 Bonds Undertaking, and the 2019 Subordinate Bonds Undertaking, the following table presents the Authority's schedule of revenues, expenses and change in net position for Fiscal Years 2018 through 2022 and reflects financial information for the Airport, the John C. Tune Airport (the "Reliever Airport")[1], and the MNAA Properties Corporation ("MPC"). MPC revenues and expenses are not included in the definition of Airport Revenues or the definition of Operating Expenses, respectively, except that ground rent payments and management fees by MPC and its subsidiaries to the Authority are included in Airport Revenues. As such, the following table should be read together with the Authority's financial statements, which presents the condensed financial information for the Airport, the Reliever Airport, and its blended component unit, MPC. Such information is presented in accordance with GASB Statement No. 61, The Financial Reporting Entity: Omnibus, An Amendment of GASB Statements No. 14 and 34. There are no separately issued financial statements for the Airport, the Reliever Airport, and MPC. See the 2022 Audited Financial Statements.

[1] On March 3, 2020, a tornado touched down in the Nashville area and continued its path across Middle Tennessee. The Reliever Airport, John C. Tune ("JWN"), incurred significant damage from the storm, including infrastructure damage to the terminal and other buildings (hangars), airfield, pavement, navigational aids, signage, lighting, fencing, utilities and more. JWN reopened on March 20, 2020. Fortunately, JWN was still able to complete construction on a new aircraft hangar with an attached office and shop space and related aircraft asphalt taxilane, asphalt apron, and vehicle parking, during Fiscal Year 2020. In July 2021, JWN kicked off a redevelopment plan which added new aviation facilities and replaced buildings destroyed in the tornado. The project includes expanding ramp areas, adding a new airport access point, constructing 12 T-hangar buildings with 78 hangar bays, four box hangar buildings with 12 hangar bays and two shade port buildings with 10 bays. Construction was complete during fiscal year 2022.

Schedule of Revenues, Expenses and Change in Net Position[(1)(2)]
Fiscal Years 2018 - 2022
(Unaudited)

	2018	2019[(4)]	2020[(3)]	2021[(3)]	2022
Operating Revenues:					
Signatory Airline	$ 48,091,521	$ 55,264,548	$ 46,012,326	$ 47,495,370	$ 54,395,946
Parking	50,369,200	53,153,828	41,735,515	27,116,496	76,135,079
Concession	33,498,728	37,203,600	31,730,323	27,024,842	50,155,481
Space Rental	16,648,433	16,885,811	14,918,277	15,469,797	20,142,385
Other	5,871,735	7,524,807	9,522,197	11,513,054	9,399,973
Total Operating Revenues	**154,479,617**	**170,032,594**	**143,918,638**	**128,619,559**	**210,228,864**
Operating Expenses:					
Salaries and wages	32,879,302	38,469,934	36,981,912	25,133,488	37,663,363
Contractual Services	36,801,980	41,434,039	42,218,732	35,011,863	51,659,702
Materials and Supplies	3,840,490	4,046,799	4,544,743	3,674,419	4,857,819
Utilities	5,639,206	6,140,029	5,977,699	5,761,724	7,002,019
Insurance	-	1,336,036	1,442,491	1,913,299	2,148,338
Other	6,101,266	8,287,094	5,270,166	3,040,336	9,634,384
Total Operating Expenses	**85,262,244**	**99,713,931**	**96,435,743**	**74,535,129**	**112,965,625**
Provision for Depreciation	**39,914,221**	**44,497,442**	**49,768,473**	**53,383,630**	**79,273,711**
Nonoperating Revenues:					
Investment income (loss)	2,149,363	7,703,826	23,723,090	1,647,674	(4,756,436)
Passenger facility charges	28,300,013	31,416,941	26,384,555	20,253,069	35,678,032
Customer facility charges	14,290,386	15,094,273	11,827,674	8,365,388	12,939,489
Other nonoperating revenues	495,797	-	12,032,061	36,580,521	28,413,059
Total Nonoperating Revenues	**45,235,559**	**54,215,040**	**73,967,380**	**66,846,652**	**72,274,144**
Nonoperating Expenses:					
Debt-related expenses	10,262,472	13,267,265	37,994,910	49,322,732	50,168,719
Other nonoperating expenses	914,499	16,170,808	112,570	2,160,638	-
Total Nonoperating Expenses	**11,176,971**	**29,438,073**	**38,107,480**	**51,483,370**	**50,168,719**
Capital Contributions	**15,010,688**	**18,178,942**	**21,287,199**	**31,356,438**	**29,762,836**
Increase in Net Position	**78,372,428**	**68,777,130**	**54,861,521**	**47,420,520**	**69,857,789**
Total Net Position – End of Year	**$ 657,510,531**	**$ 726,287,661**	**$ 781,149,182**	**$ 828,569,702**	**$ 898,427,491**

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(1) This table presents the Authority's revenues, expenses and change in net position in accordance with the presentation in the 2022 ACFR. Expenses and Change in Net Position presented in the Statistical Information sections (unaudited) of the Authority's Annual Comprehensive Financial Reports (the "Statistical Information Sections"). Specifically, certain other operating expenses, other nonoperating revenues, other nonoperating expenses, and capital contributions are presented differently, but there is no difference between the total net position in each Fiscal Year presented in this table and the Statistical Information Sections.

(2) This table presents the Authority's schedule of revenues, expenses and change in net position for Fiscal Years 2018 through 2022 and reflects financial information for the Airport, the Reliever Airport, and the MPC. **MPC revenues and expenses are not included in the definition of Airport Revenues or the definition of Operating Expenses, respectively, except that ground rent payments and management fees by MPC and its subsidiaries to the Authority are included in Airport Revenues**. As such, the following table should be read together with the Authority's financial statements, which present the condensed financial information for the Airport, the Reliever Airport, and its blended component unit, MPC. Such information is presented in accordance with GASB Statement No. 61, The Financial Reporting Entity: Omnibus, An Amendment of GASB Statements No. 14 and 34. There are no separately issued financial statements for the Airport, the Reliever Airport, and MPC.

(3) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on operating revenues and operating expenses at the Airport in Fiscal Years 2020 and 2021. For additional information see "Introduction – COVID-19 Pandemic", herein.

(4) The Authority has made certain reclassifications to the 2019 Financial Statements to conform with the presentation of the 2020 Financial Statements.

Source: The Metropolitan Nashville Airport Authority *(2022 ACFR, 2021 ACFR, 2020 ACFR, 2019 Official Statement citing the Management's Discussion and Analysis (Unaudited) in the 2019 ACFR, and the 2018 ACFR).*

Note: The presentation of the table entitled "Schedule of Revenues, Expenses and Change in Net Position" has changed from time to time to reflect the implementation of certain accounting and financial reporting standards.

Historical Debt Service Coverage

In connection with the 2003B Bonds Undertaking and the 2015 Bonds Undertaking, the following table presents the historical debt service coverage on the Senior Bonds for past five Fiscal Years.

Historical Debt Service Coverage (Senior Debt)[(1)]
Fiscal Years 2021 - 2022
(Unaudited)

Description	2018	2019	2020	2021	2022
Airport Revenues (Operating Revenues)[(2)]	$151,362,491	$166,845,829	$140,324,281	$125,103,988	$ 206,386,328
Add: Investment Income[(2)]	2,148,385	7,691,491	23,671,953	1,638,683	(4,929,426)
Revenues Available for Debt Service	153,510,876	174,537,320	163,996,234	126,742,671	201,456,902
Less: Operating Expenses[(3)]	(83,769,031)	(98,347,533)	(95,177,939)	(83,844,828)	(112,644,774)
Less: CARES/CRRSA money applied to Operating Expenses	-	-	2,925,517	3,988,211	2,026,935
Net Revenues	$ 69,741,845	$ 76,189,787	$ 71,743,812	$ 46,886,054	$ 90,839,063
Debt Service[(4)(7)]					
Interest	$ 7,715,268	$ 10,563,490	$ 10,155,649	$ 9,859,235	$ 9,649,735
Principal	11,515,000	16,155,000	4,565,000	4,835,000	5,080,000
Less: PFC Revenues applied to Debt Service[(5)]	(4,227,479)	(6,560,025)	(573,900)	-	(688,478)
Less: DSRF Release[(6)]	-	(3,723,692)	-	-	
Less: CARES/CRRSA money	-	-	(2,384,981)	(8,934,541)	(7,865,937)
Total Debt Service	$ 15,002,789	$ 16,434,773	$ 11,761,768	$ 5,759,694	$ 6,175,320
Debt Service Coverage	4.65	4.64	6.10	8.14	14.71

(1) This table presents the debt service coverage for the Authority's outstanding Senior Bonds in accordance with the Senior Bond Resolution and differs from the debt service coverage presented in the Statistical Information Sections. Specifically, the debt service coverage calculations in the Statistical Information Sections include different sources of available revenues, expenses and associated debt service. Refer to the below footnotes and the sources of information referenced therein for an explanation of the debt service coverage calculation presented in this table.

(2) Includes annual operating revenues and investment income derived from the Airport and the Reliever Airport. Source: 2022 ACFR, 2020 ACFR, 2019 ACFR, and 2018 ACFR.

(3) Includes annual operating expenses related to the Airport and the Reliever Airport. Source: 2022 ACFR, 2020 ACFR, 2019 ACFR, and 2018 ACFR. The 2022 operating expense includes an addback of $10,467,917 credit in benefit expense due to the accounting entry to true-up Pension/OPEB assets.

(4) The Authority has internally set aside the $575,000 July 1, 2019 mandatory redemption payment for the Series 2003B Bonds. As such, the debt service excludes such mandatory redemption payment for the Series 2003B Bonds. Source: Metropolitan Nashville Airport Authority.

(5) Includes amounts transferred from PFC Revenues to pay debt service on the Authority's Airport Improvement Revenue Bonds, Series 2009A (the "Series 2009A Bonds") (which are no longer Outstanding), the Authority's Airport Improvement Revenue Bonds, Refunding Series (which are no longer Outstanding), and the Series 2015A Bonds. Source: Metropolitan Nashville Airport Authority.

(6) Includes release of funds relating to the Series 2009A Senior Bonds from the Debt Service Reserve Fund. Source: Metropolitan Nashville Airport Authority.

(7) Debt service funds are net of capitalized interest.

Note: The presentation of the table entitled "Historical Debt Service Coverage" has changed from time to time to reflect the implementation of certain accounting and financial reporting standards and the current method of calculating historical debt service coverage in accordance with the Senior Bond Resolution.

Subordinate Bonds

The following is the annual financial information and operation data required under the Authority's continuing disclosure undertaking with respect to the Series 2019 Subordinate Bonds (the "2019 Subordinate Bonds Undertaking"), which are the only series of Subordinate Bonds outstanding under the Subordinate Bond Resolution as of the date of this Report (the "Outstanding Subordinate Bonds").

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Airlines Serving the Airport

In connection with the 2019 Subordinate Bonds Undertaking, the following table presents the Airlines serving the Airport as of June 30, 2022.

Airlines Serving the Airport
(as of June 30, 2022)

Signatory	Regional Affiliates [1]	Non-signatory [7]
Alaska Airlines	Air Wisconsin[3]	Air Canada / Jazz Aviation[6]
Allegiant Air	Commutair[3]	Air Georgian
American Airlines	Endeavor Air[2]	Avelo Airlines
Delta Air Lines	Envoy[4]	Boutique Air
Frontier Airlines	ExpressJet[2]	Breeze Airways
JetBlue	GoJet Airlines[3]	British Airways[6]
Southwest Airlines	Mesa Airlines[3]	Cape Air
Spirit Airlines	Republic Airways[5]	Contour Airlines
United Airlines	SkyWest Airlines[5]	Flair Airlines
		Sun Country
		Swift Air
		VivaAerobus[6]
		WestJet
		WestJet Encore

Signatory	Non-signatory
Federal Express	Air Transport Int'l.
	Airborne Express
	Amazon Prime
	Atlas Air
	DHL
	Kalitta Air
	Mountain Air Cargo
	Silkway West
	Southern Air

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(1) Subject to the provisions of the Signatory Airline Agreements, certain Signatory Airlines have designated one or more regional airlines as an Affiliate (as defined in the Signatory Airline Agreements). As such, the Landing Fees, Terminal Rents (both as defined in the Signatory Airline Agreements) and other charges due on account of each Affiliate's use of Airport facilities or services are calculated as if the Affiliate were a Signatory Airline. See "APPENDIX E - SUMMARY OF CERTAIN PROVISIONS OF THE SIGNATORY AIRLINE USE AND LEASE AGREEMENTS" attached to the 2019 Official Statement.
(2) Doing business as Delta Air Lines.
(3) Doing business as United Airlines.
(4) Doing business as American Airlines.
(5) Doing business as American Airlines, Delta Air Lines and United Airlines.
(6) Foreign flag carrier.
(7) As a result of the COVID-19 pandemic, international travel was not permitted for parts of Fiscal Years 2020, 2021 and 2022.

Source: The Metropolitan Nashville Airport Authority.

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Enplaned Passenger Traffic

Enplaned Passengers and O&D Enplaned Passengers. In connection with the 2019 Subordinate Bonds Undertaking, the following table presents enplaned passengers, O&D enplaned passengers, year-over-year growth of enplaned passengers and O&D enplaned passengers, and percent of O&D enplaned passengers for the past ten Fiscal Years.

Enplaned Passengers and O&D Enplaned Passengers
Fiscal Years 2013 – 2022[(2)]

Fiscal Year	Enplaned Passengers	Year-Over-Year Growth	O&D Enplaned Passengers[(1)]	Year-Over-Year Growth	Percent of O&D Enplaned Passengers
2013	5,037,975	3.2%	4,039,314	2.8%	80.2%
2014	5,312,021	5.4	4,302,260	6.5	81.0
2015	5,604,148	5.5	4,562,238	6.0	81.4
2016	6,141,092	9.6	5,044,163	10.6	82.1
2017	6,790,099	10.6	5,617,042	11.4	82.7
2018	7,466,332	10.0	6,154,523	9.6	82.5
2019	8,596,307	15.1	6,953,983	13.0	80.9
2020	6,858,395	-20.2	5,914,305	-15.0	86.2
2021	5,151,658	-24.9	4,086,178	-30.9	79.3
2022	9,217,710	78.9	7,812,956	91.2	84.8

(1) The Authority also receives O&D passenger data directly from the airlines that operate at the Airport, and that data may differ from the U.S. DOT data presented in this table.
(2) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on enplaned passengers and O&D enplaned passengers at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority.

Enplaned Passenger Market Share

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Enplaned Passenger Market Share" herein for the table presenting enplaned passengers at the Airport by Signatory Airlines, Non-Signatory Airlines, and total enplaned passengers for the past five Fiscal Years with the associated market share for each Fiscal Year.

Landed Weight

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Landed Weight" herein for the table presenting the landed weight at the Airport by Signatory Airlines and Non-Signatory Airlines, passenger carrier landed weight, cargo and miscellaneous landed weight, total landed weight for the past five Fiscal Years with the associated market share for each Fiscal Year.

Schedule of Revenues, Expenses and Changes in Net Position

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Schedule of Revenues, Expenses and Changes in Net Position" herein for the table presenting the Authority's schedule of revenues, expenses and change in net position for Fiscal Years 2018 through 2022.

Historical Debt Service Coverage

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Historical Debt Service Coverage" herein.

Historical Debt Service Coverage

In connection with the 2019 Subordinate Bonds Undertaking, the following tables presents the historical debt service coverage on the Senior Bonds and the Subordinate Bonds for the past five Fiscal Years.

Senior and Subordinate Debt Service Coverage(1)
Fiscal Years 2018-2022
(Unaudited)

	2018	2019	2020	2021	2022
Airport Revenues (Operating Revenues)(2)	$ 151,362,491	$ 166,845,829	$ 140,324,281	$ 125,103,988	$ 206,386,328
Add: Investment Income(2)	2,148,385	7,691,491	23,671,953	1,638,683	(4,929,426)
Revenues Available for Debt Service	**153,510,876**	**174,537,320**	**163,996,234**	**126,742,671**	**201,456,902**
Less: Operating Expenses(3)	(83,769,031)	(98,347,533)	(95,177,939)	(83,844,828)	(112,644,774)
Less: CARES/CRRSA Money Applied to Operating Expenses(3)	-	-	2,925,517	3,988,211	2,026,935
Net Revenues	**$69,741,845**	**$76,189,787**	**$71,743,812**	**$46,886,054**	**$90,839,063**
Senior Debt Service					
Interest	$ 7,715,268	$ 10,563,490	$ 10,155,649	$ 9,859,235	$ 9,649,735
Principal	11,515,000	16,155,000	4,565,000	4,835,000	5,080,000
Less: PFC Revenues Applied to DebtService(4)	(4,227,479)	(6,560,025)	(573,900)	-	(688,478)
Less: Debt Service Reserve Fund Release(5)	-	(3,723,692)	-	-	-
Less: CARES/CRRSA Money Applied to Debt Service	-	-	(2,384,981)	(8,934,541)	(7,865,937)
Total Senior Debt Service	**$ 15,002,789**	**$ 16,434,773**	**$ 11,761,768**	**$ 5,759,694**	**$ 6,175,320**
Senior Debt Service Coverage	**4.65x**	**4.64x**	**6.10x**	**8.14x**	**14.71x**
Subordinate Debt Service					
Interest	-	-	$ 2,996,813	$ 22,830,050	$ 27,295,973
Principal	-	-	-	-	-
Less: CARES/CRRSA Money Applied to Debt Service	-	-	(998,920)	(17,240,578)	(15,172,652)
Total Subordinate Debt Service	-	-	**$ 1,997,893**	**$ 5,589,472**	**$ 12,123,321**
Subordinate Debt Service Coverage	-	-	**30.0x**	**7.36x**	**7.49x**
Senior and Subordinate Debt Service Coverage	**4.65x**	**4.64x**	**5.21x**	**4.13x**	**4.96x**

(1) This table presents the debt service coverage for the Authority's outstanding Senior Bonds and Subordinate Bonds in accordance with the Senior Bond Resolution and the Subordinate Bond Resolution, respectively, and differs from the debt service coverage presented in the Statistical Information Sections. Specifically, the debt service coverage calculations in the Statistical Information Sections include different sources of available revenues, expenses and associated debt service. Does not include amounts paid to Bank of America, N.A. pursuant to the Note Purchase Agreement.

(2) Includes annual operating revenues and investment income derived from the Airport and the Reliever Airport.

(3) Includes annual operating expenses related to the Airport and the Reliever Airport.

(4) Includes amounts transferred from PFC Revenues to pay debt service on the Authority's Airport Improvement Revenue Bonds, Series 2009A (the "Series 2009A Bonds") (which are no longer Outstanding), and the Series 2015A Bonds.

(5) Includes release of funds relating to the Series 2009A Bonds (which are no longer Outstanding) from the Airport Improvement Bond Reserve Fund.

Source: Metropolitan Nashville Airport Authority.

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This section contains the following subsections:

Single Audit Under Uniform Guidance

Passenger Facility Charges

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Commissioners
Metropolitan Nashville Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the aggregate remaining funds of the Metropolitan Nashville Airport Authority (the "Authority") as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 19, 2022.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

To Management and the Board of Commissioners
Metropolitan Nashville Airport Authority

Purpose of This Report

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

Plante & Moran, PLLC

October 19, 2022

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Report on Compliance for Each Major Federal Program and Passenger Facility Charge Program; Report on Internal Control Over Compliance Required by the Uniform Guidance and the Passenger Facility Charge Audit Guide for Public Agencies

Independent Auditor's Report

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Report on Compliance for Each Major Federal Program and for the Passenger Facility Charge Program

Opinion on Each Major Federal Program and Passenger Facility Charge Program

We have audited the Metropolitan Nashville Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of the Authority's major federal programs for the year ended June 30, 2022. In addition, we audited compliance with the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 (collectively, the "Guide") for the year ended June 30, 2022. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The Authority's passenger facility charge program is identified in the schedule of passenger facility charges.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of the major federal programs and the passenger facility charge program for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance") and the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63. Our responsibilities under those standards, the Uniform Guidance, and the Guide are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

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

Responsibilities of Management for Compliance

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

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

To the Board of Commissioners
Metropolitan Nashville Airport Authority

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

Plante & Moran, PLLC

October 19, 2022

Metropolitan Nashville Airport Authority
Schedule of Expenditures of Federal and State Awards
For the Year Ended June 30, 2022

Airport	Program Title	Assistance Listing Number	Grantor Agency	Expenditures	Passed Through to Subrecipients
Federal Assistance:					
U.S. Department of Transportation:					
Direct Awards:					
Nashville International	Airport Improvement Program	20.106	Federal Aviation Administration		
	COVID-19 - Coronavirus Aid, Relief, & Economic Security Act (CARES)			$ 18,559,785	$ -
	COVID-19 - Airport Coronavirus Relief Grant Program (ACRGP)			6,505,739	-
	Taxiway Bravo South Reconstruction			317,550	-
	Subtotal Airport Improvement Program			25,383,074	-
U.S. Department of Justice:					
	Asset Forfeiture Equitable Sharing Program	16.922	Department of Justice	38,127	-
Pass-Through Awards:					
John C. Tune	Federal Emergency Management Agency (Federal Portion)	97.036	Tennessee Emergency Management Agency	844,647	-
			Total federal assistance	$ 26,265,848	$ -
State Assistance:					
Nashville International	Asset Forfeiture Equitable Sharing Program		State of Tenneesseee	337,042	-
John C. Tune	Airport Improvements		Tennessee Department of Transportation		
	Air Traffic Control Tower & Access Road			8,980	-
	Air Traffic Control Tower & Access Road			783,986	-
	JWN Hangar Redevelopment			28,661,300	-
	Airport Maintenance			15,000	-
	Total Airport Improvements			29,469,266	-
John C. Tune	Federal Emergency Management Agency (State Portion)		Tennessee Emergency Management Agency	46,925	-
			Total state assistance	$ 29,853,233	$ -
			Grand total	**$ 56,119,081**	**$ -**

See notes to schedule of expenditures of federal and state awards.

1. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards ("SEFA") includes the federal and state grant activity of the Metropolitan Nashville Airport Authority. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the Comptroller of the Treasury of the State of Tennessee. Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or re limited as to reimbursement. The Authority has not elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

3. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such an audit, any claim for reimbursement to the grantor agencies will become a liability of the Authority. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

4. Federal Emergency Management Agency (FEMA)

Included in the SEFA for the year ended June 30, 2022 are $844,647 of expenditures incurred, under the Disaster Grants Public Assistance grant (ALN 97.036), in previous fiscal years. The project worksheet for these expenditures was approved in the current fiscal year and these expenditures have been reported in the current fiscal year in accordance with the reporting requirements outlined in the 2022 Compliance Supplement.

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes __X__ None reported

Noncompliance material to financial statements noted? _____ Yes __X__ None reported

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes __X__ None reported

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

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

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program
97.036	Federal Emergency Management Agency (FEMA)

Dollar threshold used to distinguish between type A and type B programs: $787,975

Auditee qualified as low-risk auditee? __X__ Yes _____ No

Passenger Facility Charge Program

Internal control over major programs:

- Material weakness(es) identified? _____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes __X__ None reported

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

Any audit findings disclosed that are required to be reported in accordance with AU-C 935? _____ Yes __X__ No

Section II - Financial Statement Audit Findings

Reference Number	Finding
Current Year	None

Section III - Federal Program Audit Findings

Reference Number	Finding
Current Year	None

Section IV – Passenger Facility Charge Program Audit Findings

Reference Number	Finding
Current Year	None

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2022

	Amended Amount Approved	Cumulative Total June 30, 2021	Quarter Ended September 30, 2021	December 31, 2021	March 31, 2022	June 30, 2022	Total FY 2022	Life-to-date Cumulative
COLLECTIONS:								
PFC Revenue Received	$ 946,938,055	$ 425,363,918	$ 9,861,000	$ 6,737,715	$ 9,440,261	$ 10,165,839	$ 36,204,815	$ 461,568,733
Interest Earned/Fees Incurred	N/A	28,206,898	84,801	85,629	6,329	131,325	308,083	28,514,981
Total Collections	$ 946,938,055	$ 453,570,816	$ 9,945,800	$ 6,823,344	$ 9,446,590	$ 10,297,164	$ 36,512,898	$ 490,083,714
EXPENDITURES (REFUNDS):								
APPLICATION 1:								
Taxiway C Extension	$ 6,118,900	$ 6,118,900	$ -	$ -	$ -	$ -	$ -	$ 6,118,900
Land Acquisition for ASR (P, F, I - 2003 PFC)	6,806,412	6,806,412	-	-	-	-	-	6,806,412
Land Acquisition (P, F, I - 2003 PFC)	13,986,000	13,986,000	-	-	-	-	-	13,986,000
Runway 2C/20C Relocation	41,343,955	41,343,955	-	-	-	-	-	41,343,955
Runway 13/31 Extension	7,541,800	7,541,800	-	-	-	-	-	7,541,800
Runway 2C/20C Extension	8,840,000	8,840,000	-	-	-	-	-	8,840,000
Total	84,637,067	84,637,067	-	-	-	-	-	84,637,067
APPLICATION 2:								
Concourse Connector (P, F, I - 2003 PFC)	4,814,500	4,814,500	-	-	-	-	-	4,814,500
International Arrivals Building (P, F, I - 2003 PFC)	6,898,801	6,898,801	-	-	-	-	-	6,898,801
Total	11,713,301	11,713,301	-	-	-	-	-	11,713,301
APPLICATION 3 - MUFIDS	1,439,174	1,439,174	-	-	-	-	-	1,439,174
Total	1,439,174	1,439,174	-	-	-	-	-	1,439,174
APPLICATION 4 - Curbside Expansion	17,641,859	17,641,859	-	-	-	-	-	17,641,859
Total	17,641,859	17,641,859	-	-	-	-	-	17,641,859
APPLICATION 5:								
ARFF Facility Expansion	55,000	55,000	-	-	-	-	-	55,000
Moving Sidewalk, Concourse A	1,101,204	1,101,204	-	-	-	-	-	1,101,204
Outbound Baggage Conveyor System	1,495,482	1,495,482	-	-	-	-	-	1,495,482
Total	2,651,686	2,651,686	-	-	-	-	-	2,651,686
APPLICATION 6:								
Airfield Lighting Control Panel	443,438	443,438	-	-	-	-	-	443,438
Airport Operations Center Relocation	2,158,667	2,158,667	-	-	-	-	-	2,158,667
Runway Deicer Truck	228,300	228,300	-	-	-	-	-	228,300
SMGCS (2)	1,329,594	1,329,594	-	-	-	-	-	1,329,594
Total	4,159,999	4,159,999	-	-	-	-	-	4,159,999
APPLICATION 7 - Air Cargo Ramp	2,094,000	2,094,000	-	-	-	-	-	2,094,000
Total	2,094,000	2,094,000	-	-	-	-	-	2,094,000

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2022

APPLICATION 8:								
Air Cargo Ramp Expansion	846,000	846,000	-	-	-	-	-	846,000
Airfield Pavement Rehabilitation	1,249,012	1,249,012	-	-	-	-	-	1,249,012
Airport Master Plan	169,635	169,635	-	-	-	-	-	169,635
BIDS (3)	353,758	353,758	-	-	-	-	-	353,758
Terminal Access Roadway - Design	451,037	451,037	-	-	-	-	-	451,037
Radio Communication System	980,951	980,951	-	-	-	-	-	980,951
Terminal Apron Reconstruction	172,223	172,223	-	-	-	-	-	172,223
Update Noise Exposure Maps	106,272	106,272	-	-	-	-	-	106,272
Total	4,328,888	4,328,888	-	-	-	-	-	4,328,888
APPLICATION 9:								
ARFF Vehicle	493,143	493,143	-	-	-	-	-	493,143
Airfield Hold Bar Modifications	420,391	420,391	-	-	-	-	-	420,391
Airfield Pavement Rehabilitation	1,763,421	1,763,421	-	-	-	-	-	1,763,421
Westside Infrastructure and Utility Development	677,004	677,004	-	-	-	-	-	677,004
Elevator on A Concourse	207,040	207,040	-	-	-	-	-	207,040
Live Scan Fingerprint Equipment	49,374	49,374	-	-	-	-	-	49,374
Total	3,610,373	3,610,373	-	-	-	-	-	3,610,373
APPLICATION 10:								
1500 Gallon ARFF Vehicle	72,486	72,486	-	-	-	-	-	72,486
Airfield Pavement Rehabilitation - East	535,748	535,748	-	-	-	-	-	535,748
Airport Vehicle Driving Simulator	73,571	73,571	-	-	-	-	-	73,571
Land Acquisition RW Ext. Approach	468,000	468,000	-	-	-	-	-	468,000
Public Address System	789,116	789,116	-	-	-	-	-	789,116
Security Enhancements	378,750	378,750	-	-	-	-	-	378,750
Widen Three Taxiway Fillets	274,012	274,012	-	-	-	-	-	274,012
Total	2,591,683	2,591,683	-	-	-	-	-	2,591,683
APPLICATION 11:								
Aircraft Rescue and Firefighting Equipment	345,529	345,529	-	-	-	-	-	345,529
Pavement Sweeper	99,643	99,643	-	-	-	-	-	99,643
Snow Removal Equipment	418,887	418,887	-	-	-	-	-	418,887
Runway 13/31 W of 2L/20R	220,765	220,765	-	-	-	-	-	220,765
Airfield Construction	18,935	18,935	-	-	-	-	-	18,935
Txy KiloW and Lima Rehab	352,061	352,061	-	-	-	-	-	352,061
Txy Lima between T4 & T6	230,400	230,400	-	-	-	-	-	230,400
Reconstruction Txy Tango 6 at Terminal Ramp	188,894	188,894	-	-	-	-	-	188,894
Reconstruction Txy Tango 6 at Juliet	428,576	428,576	-	-	-	-	-	428,576
Reconstruction Txy Tango 6 at Terminal Ramp	844,829	844,829	-	-	-	-	-	844,829
Reconstruction Txy Tango 2	164,855	164,855	-	-	-	-	-	164,855
Rehabilitate Taxiway Alpha North	217,278	217,278	-	-	-	-	-	217,278
Shoulder Replacement Rwy 2L-20R	593,673	593,673	-	-	-	-	-	593,673
Upgrade Trench Drain at De-Icing Area	14,673	14,673	-	-	-	-	-	14,673
Rwy 2R20L & Txy H Add'l Work	798,122	798,122	-	-	-	-	-	798,122
Airfield Pavement Rehab (Ph. 1-5), Rwy 2R/20L J & C Repair	2,160,724	2,160,724	-	-	-	-	-	2,160,724
Airfield Resigning	515,467	515,467	-	-	-	-	-	515,467
Engineering Study to Develop Land North of 13/31	36,000	36,000	-	-	-	-	-	36,000

Noise Mitigation (Principal)	24,065,949	24,065,949	-	-	-	-	-	24,065,949
Noise Mitigation (F&I)	30,381,472	22,435,287	-	-	-	-	-	22,435,287
Relocate Electrical Vault on Westside	501,004	501,004	-	-	-	-	-	501,004
Runway 2C/20C Extension Part B	4,646,757	4,646,757	-	-	-	-	-	4,646,757
Runway 2C/20C Extension Part B (F&I)	6,694,961	6,694,960	-	-	-	-	-	6,694,960
Storm Water Treatment Facility Engineering Study/Upgrade	100,055	100,055	-	-	-	-	-	100,055
Two Elevators in Terminal Building	691,166	691,166	-	-	-	-	-	691,166
Widen Taxiway Fillets at Taxiways L2, K2, T3, LIMA KILO	356,096	356,096	-	-	-	-	-	356,096
Total	75,086,771	67,140,585	-	-	-	-	-	67,140,585
APPLICATION 12:								
Runway 13-31 Reconstruction	5,355,535	5,355,535	-	-	-	-	-	5,355,535
MUFIDS	2,672,278	2,672,278	-	-	-	-	-	2,672,278
Design of 2L-20R and 2R-20L Runway Safety Areas	146,767	146,767	-	-	-	-	-	146,767
ARFF Building Expansion	186,384	186,384	-	-	-	-	-	186,384
Ticketing Level Canopy Extension	501,250	501,250	-	-	-	-	-	501,250
Retaining Wall on Taxiways Juliet and Lima	65,421	65,421	-	-	-	-	-	65,421
Hangar Lane Access Improvements	151,583	151,583	-	-	-	-	-	151,583
General Aviation Master Plan	27,058	27,058	-	-	-	-	-	27,058
Loading Bridges (4)	309,527	309,527	-	-	-	-	-	309,527
Replace Oshkosh Snow Broom	40,620	40,620	-	-	-	-	-	40,620
Master Drainage Plan/Deicing Runoff Plan	277,567	277,567	-	-	-	-	-	277,567
Lighting Upgrade on Airfield 2L & 13/31	122,635	122,635	-	-	-	-	-	122,635
Surface Sweeper	154,844	154,844	-	-	-	-	-	154,844
Exhibit A Property Map	20,011	20,011	-	-	-	-	-	20,011
Airport Rotating Beacon	8,892	8,892	-	-	-	-	-	8,892
Lightning Protection for Apron Lights	5,158	5,158	-	-	-	-	-	5,158
Total	10,045,530	10,045,530	-	-	-	-	-	10,045,530
APPLICATION 13:								
Security Checkpoint - Design & Construction	3,300,000	3,300,000	-	-	-	-	-	3,300,000
Terminal Renovation - Not to Exceed Eligible Portion of Phase I	10,000,000	10,000,000	-	-	-	-	-	10,000,000
Reconstruct Taxiway Bravo South Design	22,853	22,853	-	-	-	-	-	22,853
Reconstruct Taxiway Alpha South Design	76,000	76,000	-	-	-	-	-	76,000
Outbound Baggage Conveyor System Design & Construction	417,838	417,838	-	-	-	-	-	417,838
Access Control System Replacement	729,755	729,755	-	-	-	-	-	729,755
Construct 2L-20R Runway Safety Area	407,240	407,240	-	-	-	-	-	407,240
Pavement Mgmt. and Modifi. of Standards Identification Study	51,390	51,390	-	-	-	-	-	51,390
Runway Weather Information System (RWIS)	6,915	6,915	-	-	-	-	-	6,915
Construct 2R-20L Runway Safety Area	472,899	472,899	-	-	-	-	-	472,899
Aircraft Flight Track Monitoring System	120,376	120,376	-	-	-	-	-	120,376
Total	15,605,266	15,605,266	-	-	-	-	-	15,605,266
APPLICATION 14:								
In-Line EDS	6,340,079	6,340,079	-	-	-	-	-	6,340,079
In-Line EDS Financing	174,919	174,919	-	-	-	-	-	174,919
Reconstruct Taxiway Bravo South Construction	244,994	244,994	-	-	-	-	-	244,994
Rehabilitate FIS Facility	476,141	476,141	-	-	-	-	-	476,141

Reconstruct Taxiway Alpha South Construction	223,718	223,718	-	-	-	-	-	223,718
Term Reno Phase II 2009A Bond	32,320,700	31,483,696	-	-	-	-	-	31,483,696
Term Reno Phase II 2009A Bond Financing	11,032,543	10,640,404	-	-	-	-	-	10,640,404
Westside Spill Gates	15,931	15,931	-	-	-	-	-	15,931
TARI Phase I - Road & Bridge Work	11,815,394	11,815,394	-	-	-	-	-	11,815,394
Total	62,644,419	61,415,276	-	-	-	-	-	61,415,276
APPLICATION 15:								
Reconstruct Rwy 2L-20R	4,010,198	4,010,198	-	-	-	-	-	4,010,198
Reconstruct Rwy 2L-20R Financing	2,752	2,752	-	-	-	-	-	2,752
Sprinkler System in Utility Tunnels	106,299	106,299	-	-	-	-	-	106,299
Terminal Roof Replacement	173,447	173,447	-	-	-	-	-	173,447
Total	4,292,696	4,292,696	-	-	-	-	-	4,292,696
APPLICATION 16:								
Upgrade Security Camera System	187,500	187,500	-	-	-	-	-	187,500
Airport Master Plan Update	1,472,042	1,472,042	-	-	-	-	-	1,472,042
Upgrade Stormwater Treatment Plant	120,000	120,000	-	-	-	-	-	120,000
Reconstruct Taxiways T4 & Sierra	3,226,155	3,226,155	-	-	-	-	-	3,226,155
Total	5,005,697	5,005,697	-	-	-	-	-	5,005,697
APPLICATION 17:								
Reconstruct Taxiway Kilo	2,569,517	2,569,517	-	-	-	-	-	2,569,517
PCI Airfield Inspection	48,483	48,483	-	-	-	-	-	48,483
Total	2,618,000	2,618,000	-	-	-	-	-	2,618,000
APPLICATION 18:							-	
Outbound Baggage and Check-in Counter Replacement	346,626	346,626	-	-	-	-	-	346,626
Reconstruct Taxiways B & T3	1,175,207	1,175,207	-	-	-	-	-	1,175,207
Total	1,521,833	1,521,833	-	-	-	-	-	1,521,833
APPLICATION 19:								
Improve Stormwater Collection & Treatment System	945,500	945,499	-	-	-	-	-	945,499
Reconstruct Runway 13-31 West	3,875,000	3,479,416	-	-	-	-	-	3,479,416
Total	4,820,500	4,424,915	-	-	-	-	-	4,424,915
APPLICATION 20:								
Reconstruct Taxiway Lima and Juliet East	2,700,000	1,882,125	-	-	-	-	-	1,882,125
Reconstruct Taxiway T3	2,200,000	1,407,796	-	-	-	-	-	1,407,796
Total	4,900,000	3,289,921	-	-	-	-	-	3,289,921
APPLICATION 21:								
Reconstruct Taxiway Sierra-PayGo	2,225,000	2,225,000	-	-	-	-	-	2,225,000
Reconstruct Taxiway Sierra-Bond	4,375,000	-	-	-	-	-	-	-
Reconstruct Taxiway Sierra-Financing	3,500,000	945,036	58,365	57,473	57,249	57,249	230,336	1,175,372
AOA Fence Line Perimeter Road	1,270,000	826,861	-	-	-	-	-	826,861
Terminal Generator Replacement	925,000	831,835	-	-	-	-	-	831,835
Switchgear Replacment, Ph IV	2,835,000	1,297,785	-	-	-	-	-	1,297,785

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2022

Terminal Remote Group Check-in	500,000	10,680	-	-	-	-	-	10,680
AHU & IAB HVAC Replacement	737,000	691,224	-	-	-	-	-	691,224
Concourse Curtain Wall Replacement	900,000	44,837	-	-	-	-	-	44,837
Total	17,267,000	6,873,258	58,365	57,473	57,249	57,249	230,336	7,103,594
APPLICATION 22:								
Reconstruct Txwy Bravo/Txwy Lima Intersection-Pay Go	4,900,000	3,763,074	-	-	-	-	-	3,763,074
Rehabilitate Txwy Lima (2L to L2) including the Lima/Alpha Intersection-Pay Go	6,850,000	5,331,763	-	-	-	-	-	5,331,763
Replace Stormwater Pipe-Pay Go	1,000,000	1,000,000	-	-	-	-	-	1,000,000
Rehabilitate Txwy Lima (T-4 to 2L)-Pay Go	5,730,663	1,159,634	-	-	-	-	-	1,159,634
Reconstruct Txwy Alpha South-Pay Go	13,100,000	10,964,362	-	-	-	-	-	10,964,362
Passenger Terminal Improvements, Phase 2-Jet Bridges-Pay Go	23,980,000	23,825,389	-	-	-	-	-	23,825,389
Passenger Terminal Improvements, Phase 2-Jet Bridges-Bond	8,420,000	-	-	-	-	-	-	-
Passenger Terminal Improvements, Phase 2-Jet Bridges-Financing	7,465,838	2,319,648	125,825	112,924	109,698	109,695	458,142	2,777,790
Passenger Terminal Improvements, Phase 2-Terminal Elevators-Pay Go	1,000,000	865,044	-	-	-	-	-	865,044
Passenger Terminal Improvements, Phase 2-Concourse FIDS & PA-Pay Go	4,760,000	3,977,157	129	133	-	14,603	14,864	3,992,022
Total	77,206,501	53,206,071	125,954	113,057	109,698	124,298	473,006	53,679,077
APPLICATION 23:								
Terminal Expansion and Rehabilitation Bond Capital	216,526,934	-	-	-	-	-	-	-
Terminal Expansion and Rehabilitation Financing and Interest	314,528,878	-	-	-	-	-	-	-
Total	531,055,812	-	-	-	-	-	-	-
Total Expenditures, net	946,938,055	370,307,078	184,319	170,530	166,947	181,547	703,342	371,010,420

1. General

The Schedules of Collections and Expenditures of Passenger Facility Charges presents the activity of the Passenger Facility Charge (PFC) program of the Metropolitan Nashville Airport Authority (the "Authority"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee. The information in the schedules is presented under the *Passenger Facility Charge Audit Guide for Public Agencies,* issued by the Federal Aviation Administration ("FAA"), and the requirements in 14 CRF 158.63.

PFCs are fees imposed on enplaning passengers by airports to finance eligible airport-related projects that preserve or enhance safety, capacity, or security of the national air transportation system, reduce noise from an airport that is part of such system, or furnish opportunities for enhanced competition between or among air carriers. Both the fee and intended projects must be reviewed and approved by the FAA.

2. Basis of Accounting

The accompanying Schedules of Collections and Expenditures of Passenger Facility Charges are presented using the cash basis of accounting.

3. Contingency

The Authority's PFC program is subject to review by the FAA. If any expenditures are disallowed as a result of such review, the Authority would be required to reimburse the PFC program. In the opinion of management, all PFC expenditures have been made in compliance with the rules and regulations of the PFC program.

BNA Nashville International Airport

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