

## Agenda of the Joint Meeting of the MNAA and MPC Finance Committee



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Date/Time: Wednesday, August 6, 2025, at 9:40 a.m.

Place: Nashville International Airport – Tennessee Board Room

Finance Committee Members: Andrew Byrd, Committee Chair  
Dr. Glenda Glover, Committee Vice Chair  
Glenn Farner

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I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is August 4, 2025 at 9:00 a.m.

III. APPROVAL OF MINUTES

July 9, 2025 Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. None

VI. INFORMATION ITEMS

1. Quarterly Retirement/OPEB/Treasury Investment Reports
2. BNA Concessions Program Quarterly Update and Sales Report
3. Future BNA Concessions Development Update

VII. ADJOURN

## Minutes of the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development Committees



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Date: July 9, 2025

Location: Metropolitan Nashville Airport Authority  
Tennessee Boardroom

Time: 9:57 a.m.

Committee Members Present:

Andrew Byrd, Committee Chair; Glenn Farner

Committee Members Absent:

Glenda Glover, Committee Vice Chair

Other Board Members Present:

Nancy Sullivan, Jimmy Granbery, Bobby Joslin, and  
Joycelyn Stevenson

MNAA Staff & Guests Present:

Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman,  
Marge Basrai, John Cooper, Kristen Deuben, Adam Floyd,  
Traci Holton, Eric Johnson, Lisa Leyva, Carrie Logan, Rachel  
Moore, Ted Morrissey, Brandi Porter, Josh Powell, and  
Robert Ramsey

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### I. CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance, Diversity & Workforce Development ("Finance") Committees to order at 9:00 a.m. pursuant to Public Notice dated July 4, 2025.

### II. PUBLIC COMMENT

Chair Byrd stated there were no public comment requests received.

### III. APPROVAL OF MINUTES

Chair Byrd asked for a motion to approve the June 11, 2025, Minutes of the Joint Meeting of the MNAA & MPC Finance Committees. Commissioner Farner made a motion, and Chair Byrd seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Commissioner Farner – Yes

The motion passed with a vote of 2 to 0.

IV. CHAIR'S REPORT

Chair Byrd stated it is fascinating to see the growth of the airport, and it is going to be more and more imperative to understand the finances surrounding that growth.

V. ITEMS FOR APPROVAL

1. AIClear ("Clear") Concession Agreement

President Kreulen introduced Josh Powell, VP, Airline & Government Relations to brief the Committee on the AIClear Concession Agreement. Mr. Powell stated this is a New Concession Agreement to provide services for the Registered Traveler Program, TSA PreCheck Enrollment Program, and Ambassador Assist Service at BNA. The start date of this contract will be August 1, 2025 and will replace the current agreement which expires July 31, 2025 for a duration of 5 years with a 2 year mutual option. The agreement terms are gross receipts that we receive for each of these services are as follows: Gross Receipts (Years 1-7) Registered Traveler: 11.5%; Increases to 12.5% if MNAA accepts proposed checkpoint layout adjustments, TSA PreCheck: 5%; Ambassador Assistance (new): 12.5%. The Minimum Annual Guarantee (MAG): Year 1 - \$550,000; Subsequent MAG greater of previous year's MAG or 85% gross receipts. The Catchment Area contains 34 Tennessee + 14 Kentucky Counties and includes all new sign-ups/renewals for customers living in those counties.

Mr. Powell stated that the impact of this new Concession Agreement is that we receive a higher percentage rent, Registered Traveler Program increases from 10% years 3-5 to 11.5 - 12.5%; TSA PreCheck increases from 2.5% to 5%; and the New 12.5% Ambassador Assistance. The current MAG increases from \$452,066 year 5 of current contract to \$550,000 year 1, with annual increases based on prior year and an addition of 19 Tennessee and 13 Kentucky counties in the catchment area.

Chair Byrd asked what MAG is. Mr. Powell replied it is the Minimum Annual Guarantee that we will receive off that contract so regardless of what the percentage rent is, we will receive at least \$550K off it the first year. Chair Byrd asked what value this concession adds. Mr. Powell replied

in addition to the revenue we receive; it gives customers the option of how they are able to proceed through the security checkpoint. Clear is one of the companies you can now sign up for and you do not have to take your laptop out of your bag, or take your shoes off, it is the expedited and reduced screening process through the precheck. The registered traveler program allows you to go to the Clear lanes with the biometric verification with your identification and then you go through the normal screening process at that point. At no point does anyone not go through the full TSA precheck. Commissioner Stevenson asked if Clear has a dedicated lane. President Kreulen replied yes, Clear has stanchions and then you get to be next in line to the document checker, and from there you go into the normal screening process.

Chair Byrd asked who supervises Clear operation. President Kreulen replied the Airline Affairs team supervises the overall contract and the Operations team supervises what is going on in the lines. Commissioner Farner asked what the Ambassador Assistance program is. Mr. Powell replied it is a new program that Clear offers. It is their VIP program; they will meet you at the front door and assist you with your airline check-in and through the Clear process for one amount or you can choose a different amount where at the end of the screening process they will take you down to the lounge. It was developed because there is a desire where individuals want a more premium service. The price is if you are doing from the door to the Clear it is \$99 per flight, or if you are doing from the door to the gate, it is \$179 per flight and MNAA will receive 12.5% of that. It is an added level of customer service that passengers can choose to participate in and MNAA gets revenue from it. Commissioner Farner asked when we get revenue from TSA PreCheck, is it all precheck in those counties. Mr. Powell replied the PreCheck revenue at the 5% is when people sign up for PreCheck at BNA onsite. If you are a member of Clear for their annual membership fee, whether you sign up at the airport or sign up at any airport and you live in these counties, we receive your revenue. Or if you do any renewals on line and live in any of these counties we also receive 11.5% at that time. Our ability under this new agreement to expand those number of counties from 15 to a larger number will really help grow that base of what money we are getting.

Commissioner Farner stated when he comes into the airport, TSA PreCheck at BNA is great, the only real problem you have is that people do not realize there are 6 stalls to go through and you have to walk past them and go through next line, with Clear it seems there are just one line. He

asked if they are designated to just one lane. Mr. Powell replied Clear does not guarantee that you are going to get through faster, but Clear people take it to the lines that TSA has designated for them.

Mr. Powell requests the Finance Committee recommend to the Board of Commissioners that it accept the AIClear ("Clear") Concession Agreement; and authorize the Chair, and President and CEO to execute the agreement.

Chair Byrd asked for a motion to approve as presented. Commissioner Farner made a motion, and Chair Byrd seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Commissioner Farner – Yes

The motion passed with a vote of 2 to 0.

## VI. INFORMATION ITEMS

### 1. Concessions Program Update

President Kreulen introduced Lisa Leyva, VP, Concessions, to brief the Committee on the Concessions Program Update. Ms. Leyva stated last month that she presented several challenges that we have with the Future BNA Concessions Program and talked about two of the challenges with Concourse A with the 8 locations and the 45 expiring locations. Ms. Leyva stated she will go over the background on the three options proposed last month, and talk about the pros and cons of each options and recommendation and next steps.

Ms. Leyva stated Option 1 is to extend the Fraport contract under more favorable terms to MNAA: it grants a 5-year extension to 2034, if negotiations are successful, and includes a conversion to Fee Manager (no capital requirement) and an increase in revenue split to MNAA (currently 70%). Option 2 is to recompile the Developer Model (possible new contractor): rebid Developer Model with Concourse A (10-year term) and roll expiring locations into a new Developer contract. Option 3 is to transition to an MNAA Controlled Prime Operator Packages/Direct Lease Model: MNAA would assume responsibility for tenant management,

marketing & delivery (hire 7 full-time employees and 2 augmented staff), issue RFP for multiple packages, combine new 2028 Concourse A locations with future Fraport locations available on 2/1/29, and ask Fraport to extend subleases with locations expiring in 2027 and 2028 to enable phased re-leasing as of 2/1/29.

Ms. Leyva stated we took the last month to analyze the pros and cons of the 3 options and came up with the following:

- Option 1 to extend Fraport contract under more favorable terms. Pros: No learning curve for Fraport; Continues coordinated management of Common Area Maintenance (CAM) & Delivery; Time to prepare for direct ownership of program. Cons: Continue to share rent; Less control over program; Repetitive offerings across program.
- Option 2: Recompete Developer Model. Pros: More competition; Less repetition of brands; Time to prepare for direct ownership of program. Cons: Continue to share rent; Less control over program; Expiring locations to be included in Concourse A.
- Option 3: Transition to MNAA Controlled Prime Operator Packages/ Direct Lease Model. Pros: Receive all rent revenue; Greater control over program; No MNAA capital required. Cons: Requires MNAA to immediately hire staff to manage program, handle procurement and oversee design & construction; Direct management of tenant issues, deliveries and maintenance services; Timeline does not allow for gradual transition of program.

Ms. Leyva stated MNAA recommends the following: Attempt to negotiate more favorable revenue split with Fraport before August Committee (option 1); Minimum of 85% by 2029; If successful, grant 5-year extension; If unsuccessful by August Committee, pivot to next option (analysis due by July 31, 2025). 2. Recompete developer model (option 2); Develop & Release RFP: Aug – Nov 2025; Award developer contract: Jan – Feb 2026; Fully executed leases: Dec 2026; Design & construct: Jan 2027 – Jul 2028.

Ms. Leyva stated the next steps are for her to return in August and report on the success on negotiations. Commissioner Joslin asked what is going to happen to the SMWBE Program since Trump's new DEI program, will this change how we solicit the new places. Before

Fraport agreed to go 45%. President Kreulen stated he plans to give the Board an update at next week's Board meeting on where we are at on implementing the executive orders and how it affects the SMWBE, MBE and DBE programs. The quick highlight is we are going to have a Small Business Program which will be race and gender neutral but he thinks we will still be able to accomplish the same goals. We are changing the way the rest of the concessionaires are doing work at the airports because they have seen how successful Nashville is at adopting local concepts so even though we might have a Small Business Program in the future we will still have the same emphasis on encouraging women and minorities and small business owners to participate. Commissioner Joslin asked if that would come into play on all future construction contracts as well. President Kreulen replied 100%, we will have to make sure we comply with Federal guidelines because we must comply with grant agreements. We are still waiting on the Federal government for guidance on how they think everything should be implemented.

Chair Byrd asked how much desire is there on the part of the airport to take this program on ourself. President Kreulen stated when we started this challenge in 2017 and 2019 we only had one person and did not have the capability to do it and that is how we ended up with a developer model. It has proven very successful with a lot of hard work and effort. Many of the large airports are running their own programs, and we would rather take it over in 2034 instead of 2039. Now with 130 concessionaires, you are running a big business, and we would need a lot more than the 4 experts we now have.

President Kreulen concluded the presentation.

1) ADJOURN

There being no further business brought before the Finance Committee, Chair Byrd adjourned the meeting at 10:24 a.m.

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Andrew W. Byrd, Board Secretary

# STAFF ANALYSIS

## Finance Committee (Information Only)

Date: August 6, 2025

Facility: Nashville International Airport

Subject: FY2025 –4<sup>th</sup> Quarter – MNAA Employee Retirement Plan and Other Post-Employment Benefits (OPEB) Investment Report

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### I. Reports

Attached is the Performance Report prepared by Principal for the 4<sup>th</sup> Quarter of FY2025. The Principal report covers the period from April 1, 2025 through June 30, 2025.

### II. Analysis

#### A. Summary

##### MNAA Retirement Plan

The quarter (three months) total portfolio return gross of fees was 5.52% compared to the designated Composite Benchmark of 5.73%. The three-month total portfolio return net of fees was 5.46%.

The fiscal year-to-date (twelve months) total portfolio return gross of fees was 9.99% compared to the designated Composite Benchmark of 10.45%. The year-to-date total portfolio return net of fees was 9.77%.

##### Asset Allocation Summaries – Retirement Plan

Principal resets the asset allocations mid-month. As a result, market fluctuations may result in month-end allocations being temporarily and slightly outside of the limits established in the policy. On the next month's reset date, Principal brings all asset classes back into compliance with the stated policy. All exceptions occurring during any quarter are reviewed by the Retirement Committee and additional action is taken, if needed.



As of April 30, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective July 22, 2021.

**Pension - Asset Allocation as of 4/30/2025 (based on market values)**

Category	Balance	Allocation*	Policy dated 7/22/21 Changes implemented 7/31/21 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 2,374,210.88	2.83%	0%-3%-100%	Yes	100.00%	97.17%
Bonds and Notes	\$ 39,165,317.98	46.71%	0%-47%-57%	Yes	57.00%	10.29%
Equities - Large Cap <sup>(a)</sup>	\$ 6,615,637.38	7.89%	0%-8%-10.40%	Yes	10.40%	2.51%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 8,923,804.12	10.64%	0%-10.5%-17.40%	Yes	17.40%	6.76%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 6,846,434.32	8.16%	0%-8%-10.40%	Yes	10.40%	2.24%
Equities - Mid Cap <sup>(a)</sup>	\$ 5,876,768.75	7.01%	0%-7.00%-9.10%	Yes	9.10%	2.09%
Equities - Small Cap <sup>(a)</sup>	\$ 3,350,762.24	4.00%	0%-4.00%-5.20%	Yes	5.20%	1.20%
Equities - International <sup>(a)</sup>	\$ 10,702,877.77	12.76%	0%-12.50%-16.10%	Yes	16.10%	3.34%
<b>Total</b>	<b>\$ 83,855,813.44</b>	<b>100.00%</b>				
(a) Total Equities	\$ 42,316,284.58	50.46%	0%-50%-60%	Yes	60.00%	9.54%

\*Total Allocation Percentage may not equal 100% due to rounding

As of May 31, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective May 21, 2025.

**Pension - Asset Allocation as of 5/31/2025 (based on market values)**

Category	Balance	Allocation*	Policy dated 5/21/25 Changes implemented 5/31/25 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 2,441,679.87	2.85%	0%-3%-100%	Yes	100.00%	97.15%
Bonds and Notes	\$ 40,225,798.48	47.03%	0%-47%-57%	Yes	57.00%	9.97%
Equities - Large Cap <sup>(a)</sup>	\$ 6,854,840.69	8.01%	0%-8%-10.40%	Yes	10.40%	2.39%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 8,998,063.10	10.52%	0%-10.5%-17.40%	Yes	17.40%	6.88%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 6,867,054.98	8.03%	0%-8%-10.40%	Yes	10.40%	2.37%
Equities - Mid Cap <sup>(a)</sup>	\$ 5,966,778.87	6.98%	0%-7.00%-9.10%	Yes	9.10%	2.12%
Equities - Small Cap <sup>(a)</sup>	\$ 3,418,110.58	4.00%	0%-4.00%-5.20%	Yes	5.20%	1.20%
Equities - International <sup>(a)</sup>	\$ 10,764,260.59	12.58%	0%-12.50%-16.10%	Yes	16.10%	3.52%
<b>Total</b>	<b>\$ 85,536,587.16</b>	<b>100.00%</b>				
(a) Total Equities	\$ 42,869,108.81	50.12%	0%-50%-60%	Yes	60.00%	9.88%

\*Total Allocation Percentage may not equal 100% due to rounding

As of June 30, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective May 21, 2025.

**Pension - Asset Allocation as of 6/30/2025 (based on market values)**

Category	Balance	Allocation*	Policy dated 5/21/25 Changes implemented 5/31/25 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 2,650,486.33	3.00%	0%-3%-100%	Yes	100.00%	97.00%
Bonds and Notes	\$ 41,379,673.18	46.78%	0%-47%-57%	Yes	57.00%	10.22%
Equities - Large Cap <sup>(a)</sup>	\$ 7,044,617.75	7.96%	0%-8%-10.40%	Yes	10.40%	2.44%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 9,363,933.37	10.59%	0%-10.5%-17.40%	Yes	17.40%	6.81%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 7,237,350.52	8.18%	0%-8%-10.40%	Yes	10.40%	2.22%
Equities - Mid Cap <sup>(a)</sup>	\$ 6,180,268.89	6.99%	0%-7.00%-9.10%	Yes	9.10%	2.11%
Equities - Small Cap <sup>(a)</sup>	\$ 3,557,307.37	4.02%	0%-4.00%-5.20%	Yes	5.20%	1.18%
Equities - International <sup>(a)</sup>	\$ 11,037,585.28	12.48%	0%-12.50%-16.10%	Yes	16.10%	3.62%
<b>Total</b>	<b>\$ 88,451,222.69</b>	<b>100.00%</b>				
(a) Total Equities	\$ 44,421,063.18	50.22%	0%-50%-60%	Yes	60.00%	9.78%

\*Total Allocation Percentage may not equal 100% due to rounding

#### Asset Valuation Summaries – Retirement Plan

Below are the Asset Valuation Summaries for the fourth quarter of fiscal year 2025.

#### **Asset Valuation Summary Pension Plan**

Month	Cost	Market	Unrealized Gain/Loss
4/30/2025	\$ 67,356,356.83	\$ 83,855,813.44	\$ 16,499,456.61
5/31/2025	\$ 67,661,436.95	\$ 85,536,587.16	\$ 17,875,150.21
6/30/2025	\$ 68,273,378.30	\$ 88,451,222.69	\$ 20,177,844.39

#### Reconciliation Summary – Retirement Plan

Below is the Pension Reconciliation Summary for the fourth quarter of fiscal year 2025.

#### **Pension Summary 4<sup>th</sup> QTR FY 2025 (market value)**

	4/30/2025	5/31/2025	6/30/2025	4Q FY-to-Date
Beginning Market Value	84,391,623.40	83,855,813.44	85,536,587.16	84,391,623.40
Total Cash Receipts	110,478.34	749,915.44	1,056,203.40	1,916,597.18
Total Cash Disbursements	(490,630.24)	(444,835.32)	(444,262.05)	(1,379,727.61)
Change in Fair Market Value	(155,658.06)	1,375,693.60	2,302,694.18	3,522,729.72
Ending Market Value	83,855,813.44	85,536,587.16	88,451,222.69	88,451,222.69

#### MNAA OPEB

The quarter (three months) total portfolio return gross of fees was 6.03% compared to the designated Composite Benchmark of 6.35%. The three-month total portfolio return net of fees was 5.97%.

The fiscal year-to-date (twelve months) total portfolio return gross of fees was 10.23% compared to the designated Composite Benchmark of 10.99%. The year-to-date total portfolio return net of fees was 10.01%.

#### Asset Allocation Summaries – OPEB

Principal resets the asset allocations mid-month. As a result, market fluctuations may result in month-end allocations being temporarily and slightly outside of the limits established in the policy. On the next month's reset date, Principal brings all asset classes back into compliance with the stated policy. All exceptions occurring during any quarter are reviewed by the Retirement Committee and additional action is taken, if needed.

As of April 30, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective July 22, 2021.

**OPEB - Asset Allocation as of 4/30/2025** (based on market values)

Category	Balance	Allocation*	Policy dated 7/22/21 Changes implemented 7/31/21 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 1,338,168.30	3.06%	0%-3%-100%	Yes	100.00%	96.94%
Bonds and Notes	\$ 16,087,690.65	36.77%	0%-37%-42%	Yes	42.00%	5.23%
Equities - Large Cap Value <sup>(a)</sup>	\$ 4,130,618.83	9.44%	0%-9.6%-10.80%	Yes	10.80%	1.36%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 5,578,281.22	12.75%	0%-12.60%-14.20%	Yes	14.20%	1.45%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 4,281,524.87	9.79%	0%-9.60%-10.80%	Yes	10.80%	1.01%
Equities - Mid Cap <sup>(a)</sup>	\$ 3,673,922.63	8.40%	0%-8.40%-9.50%	Yes	9.50%	1.10%
Equities - Small Cap <sup>(a)</sup>	\$ 2,058,200.34	4.70%	0%-4.80%-5.40%	Yes	5.40%	0.70%
Equities - International <sup>(a)</sup>	\$ 6,599,752.06	15.09%	0%-15%-16.80%	Yes	16.80%	1.71%
Total	\$ 43,748,158.90	100.00%				
(a) Total Equities	\$ 26,322,299.95	60.17%	0%-60%-65%	Yes	65.00%	4.83%

\*Total Allocation Percentage may not equal 100% due to rounding

As of May 31, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective May 21, 2025.

**OPEB - Asset Allocation as of 5/31/2025** (based on market values)

Category	Balance	Allocation*	Policy dated 5/21/25 Changes implemented 5/31/25 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 1,326,564.13	2.95%	0%-3%-100%	Yes	100.00%	97.05%
Bonds and Notes	\$ 21,204,727.91	47.08%	0%-47%-57%	Yes	57.00%	9.92%
Equities - Large Cap Value <sup>(a)</sup>	\$ 3,614,281.76	8.02%	0%-8%-10.40%	Yes	10.40%	2.38%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 4,733,413.22	10.51%	0%-10.50%-17.40%	Yes	17.40%	6.89%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 3,609,360.85	8.01%	0%-8%-10.40%	Yes	10.40%	2.39%
Equities - Mid Cap <sup>(a)</sup>	\$ 3,142,238.14	6.98%	0%-7.00%-9.10%	Yes	9.10%	2.12%
Equities - Small Cap <sup>(a)</sup>	\$ 1,799,070.54	3.99%	0%-4.00%-5.20%	Yes	5.20%	1.21%
Equities - International <sup>(a)</sup>	\$ 5,613,600.65	12.46%	0%-12.5%-16.10%	Yes	16.10%	3.64%
Total	\$ 45,043,257.20	100.00%				
(a) Total Equities	\$ 22,511,965.16	49.98%	0%-50%-60%	Yes	60.00%	10.02%

\*Total Allocation Percentage may not equal 100% due to rounding

As of June 30, 2025, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective May 21, 2025.

**OPEB - Asset Allocation as of 6/30/2025** (based on market values)

Category	Balance	Allocation*	Policy dated 5/21/25 Changes implemented 5/31/25 - Present Min-Target-Max	Compliance	Max Allocation	Allocation Variance
Cash and Cash Equivalents	\$ 1,333,653.65	2.88%	0%-3%-100%	Yes	100.00%	97.12%
Bonds and Notes	\$ 21,561,305.76	46.57%	0%-47%-57%	Yes	57.00%	10.43%
Equities - Large Cap Value <sup>(a)</sup>	\$ 3,714,987.18	8.02%	0%-8%-10.40%	Yes	10.40%	2.38%
Equities - S&P 500 Funds <sup>(a)</sup>	\$ 4,899,935.23	10.58%	0%-10.50%-17.40%	Yes	17.40%	6.82%
Equities - Large Cap Growth <sup>(a)</sup>	\$ 3,832,912.62	8.28%	0%-8%-10.40%	Yes	10.40%	2.12%
Equities - Mid Cap <sup>(a)</sup>	\$ 3,253,676.15	7.03%	0%-7.00%-9.10%	Yes	9.10%	2.07%
Equities - Small Cap <sup>(a)</sup>	\$ 1,873,199.46	4.05%	0%-4.00%-5.20%	Yes	5.20%	1.15%
Equities - International <sup>(a)</sup>	\$ 5,832,898.31	12.60%	0%-12.5%-16.10%	Yes	16.10%	3.50%
Total	\$ 46,302,568.36	100.00%				
(a) Total Equities	\$ 23,407,608.95	50.55%	0%-50%-60%	Yes	60.00%	9.45%

\*Total Allocation Percentage may not equal 100% due to rounding

#### Asset Valuation Summaries - OPEB

Below are the Asset Valuation Summaries for the fourth quarter of fiscal year 2025.

#### **Asset Valuation Summary OPEB**

Month	Cost	Market	Unrealized Gain/Loss
4/30/2025	\$ 40,931,137.19	\$ 43,748,158.90	\$ 2,817,021.71
5/31/2025	\$ 42,069,790.68	\$ 45,043,257.20	\$ 2,973,466.52
6/30/2025	\$ 42,227,519.25	\$ 46,302,568.36	\$ 4,075,049.11

#### Reconciliation Summary - OPEB

Below is the OPEB Reconciliation Summary for the fourth quarter of fiscal year 2025.

#### **OPEB Summary 4<sup>th</sup> QTR FY 2025 (market value)**

	4/30/2025	5/31/2025	6/30/2025	4Q FY-to-Date
Beginning Market Value	43,941,580.18	43,748,158.90	45,043,257.20	43,941,580.18
Total Cash Receipts	51,093.11	52,352.22	156,726.56	260,171.89
Realized Gain/(Loss)	(75,632.97)	1,145,355.08	73,407.07	1,143,129.18
Total Cash Disbursements	(144,739.04)	(59,053.81)	(72,405.06)	(276,197.91)
Change in Fair Market Value	(24,142.38)	156,444.81	1,101,582.59	1,233,885.02
Ending Market Value	43,748,158.90	45,043,257.20	46,302,568.36	46,302,568.36

#### **B. Impact/Findings**

No action is required by the Finance Committee as this staff analysis is presented for informational purposes.

#### **C. Strategic Priorities**

- Supports the strategic priority of investing assets in the Pension and OPEB plans without undue risk while focusing on the total growth of capital and capital preservation while protecting against negative results.
- Invest in BNA/JWN
- Plan for the Future
- Prepare for the Unexpected

# Metro Nashville Airport Authority

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## **MONTHLY CLIENT REPORT**

As of June 30, 2025

# Portfolio Reporting

AS OF JUNE 30, 2025

## Retirement Plan for Employees of MNAA

Return Type	Return Duration								
	MTD	3Mo	FYTD	YTD	1Yr	3Yr*	5Yr*	10Yr*	SI*
Gross Return	2.96	5.52	9.99	6.10	9.99	9.99	7.03	6.89	8.90
Net Return	2.96	5.46	9.77	5.99	9.77	9.77	6.82	6.65	8.68
BM Return	2.94	5.73	10.45	5.84	10.45	9.71	6.88	6.73	8.65
Gross Excess Return	0.02	-0.21	-0.45	0.26	-0.45	0.28	0.15	0.16	0.24
Net Excess Return	0.02	-0.27	-0.67	0.16	-0.67	0.06	-0.06	-0.08	0.03

SI = 4/30/2009

## MNAA OPEB

Return Type	Return Duration								
	MTD	3Mo	FYTD	YTD	1Yr	3Yr*	5Yr*	10Yr*	SI*
Gross Return	2.95	6.03	10.23	6.17	10.23	11.05	8.49	7.37	7.92
Net Return	2.95	5.97	10.01	6.06	10.01	10.83	8.28	7.15	7.71
BM Return	2.94	6.35	10.99	5.89	10.99	11.02	8.73	7.54	8.10
Gross Excess Return	0.01	-0.33	-0.76	0.28	-0.76	0.03	-0.24	-0.16	-0.19
Net Excess Return	0.01	-0.38	-0.98	0.17	-0.98	-0.20	-0.45	-0.38	-0.40

SI = 11/30/2010

Review standard quarterly report for benchmark composition and portfolio makeup.

Net return - includes investment option fees and could include investment management and custodial service fees.

\*Returns are annualized

Important information

# Important information

**Alpha** - The difference between an investment's actual returns and its expected performance, given its level of risk (as measured by beta).

**Beta** - An investment's sensitivity to market movements.

**R-Squared** - Ranges from 0 to 100 and reveals how closely an investment's returns track those of a benchmark index.

**Standard Deviation** - Measures how much an investment's returns are likely to fluctuate.

**Sharpe Ratio** - Measures how an investment balances risks and rewards. The higher the Sharpe ratio, the better the investment's historical risk-adjusted performance.

**Excess Return** - The difference between a manager's return and the return of an external standard such as a passive index.

**Tracking Error** - The standard deviation or volatility of excess returns.

Percentile rankings are based on total returns in accordance with the appropriate Morningstar peer group. Returns shown for periods of less than one year are not annualized. All returns displayed here are after Total Investment Expense of the investment option. Investment options are subject to investment risk. Shares or unit values will fluctuate and investments, when redeemed, may be worth more or less than their original cost.



# Important information

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# STAFF ANALYSIS

## Finance Committee (Information Only)

Date: August 6, 2025

Facility: Nashville International Airport

Subject: FY 2025 – 4th Quarter – Treasury Investment Report (June 30, 2025)

### I. Reports

The following Treasury Investment Report covers the period from April 1, 2025, through June 30, 2025.

### II. Analysis

#### A. Summary

For FY 2025, the focus remains on minimizing cash in Demand Deposit Bank accounts. MNAA invests excess cash in authorized investments to maximize interest earnings. Funds are invested by MNAA Staff as well as by PFM Asset Management LLC (“PFMAM”). MNAA staff invests funds primarily in Treasury Money Market Funds and TN LGIP. PFMAM invests funds on MNAA’s behalf in the MNAA Operating CORE Portfolio, the MNAA Common Debt Service Reserve Portfolio, the MNAA 2022A&B Construction Funds Portfolio, and the MNAA 2022A&B Capitalized Interest Portfolio.

The fund allocation for cash and investments (not including accrued interest) at the Authority for the quarters ending March 31, 2025, and June 30, 2025, was as follows:

	3/31/2025	6/30/2025	\$ Change	% Change
NAE Fund	\$ 296,789,686	\$ 422,297,336	\$ 125,507,650	42.29%
Operating Cash	250,568,952	161,121,034	(89,447,918)	-35.70%
Construction Accounts	165,523,779	127,596,116	(37,927,663)	-22.91%
Debt Service Accounts	183,081,876	209,269,167	26,187,291	14.30%
PFC Accounts	205,389,809	212,040,013	6,650,204	3.24%
CONRAC Accounts	88,070,646	98,002,059	9,931,413	11.28%
Total Funds	\$ 1,189,424,748	\$ 1,230,325,725	\$ 40,900,977	3.44%

The asset allocation for cash and investments (not including accrued interest) at the Authority for the quarters ending March 31, 2025, and June 30, 2025, was as follows:

	3/31/2025	6/30/2025	\$ Change	% Change
U.S. Treasuries	\$ 268,677,940	\$ 413,435,651	\$ 144,757,711	53.88%
Federal Agency	166,845,413	144,300,963	(22,544,450)	-13.51%
Agency Mortgage-Backed Securities	8,532,489	47,962,999	39,430,510	462.12%
Certificates of Deposit	1,047,776	1,090,414	42,638	4.07%
Commercial Paper	49,129,352	90,208,301	41,078,949	83.61%
Money Market Mutual Funds	375,806,106	284,569,198	(91,236,908)	-24.28%
Tennessee Local Government Investment Pool	314,118,087	239,831,924	(74,286,163)	-23.65%
Cash in Demand Deposit Accounts	5,267,585	8,926,275	3,658,690	69.46%
Total Funds	\$ 1,189,424,748	\$ 1,230,325,725	\$ 40,900,977	3.44%

The listing of accounts on June 30, 2025, is shown in Attachment 1, which also shows the ending balances for each month in the quarter. PFMAM's Investment Performance Review Report for the quarter ended June 30, 2025, is also attached. Note the difference between these reports is due to Attachment 1 reporting investments on an accrual basis and the PFMAM report showing market values.

PFMAM portfolio yields for the quarter were 4.19% for the CORE Portfolio, 4.17% for the Common Debt Service Reserve Portfolio (DSR), and 4.91% for the 2022A&B Construction Funds Portfolio. The PFMAM CORE Portfolio benchmark yield, the ICE BofAML 1-3 Year U.S. Treasury Index Benchmark, was 3.81%. The PFMAM Common DSR, Construction Funds, and CAP-I benchmark, the ICE BofAML 3mo T-Bill, was 4.27%.

The MNAA managed funds yield was 4.24% as compared to the benchmark S&P Rated LGIP All Index yield of 4.30%. The combined yield for the MNAA managed and PFMAM Managed Portfolios was 3.73%.

The Authority earned a total of \$12,531,596 on cash and investments for the fourth quarter of FY 2025. In comparison, the income received on cash and investments for the third quarter ended March 31, 2025, was \$12,913,222. Total available funds for the fourth quarter of 2025 were \$1.230B vs \$1.189B for the third quarter of 2025 (\$41M more).

## B. Investment Program Review

- DDA cash in 4Q FY 2025 was 0.7% of total cash, which outperforms our goal to minimize cash in Demand Deposit Accounts to no more than 8% of total funds.
- As of 4Q FY 2025, per the investment policy, the investment portfolio complies and meets the investment policy objectives in all areas.

**Impact/Findings**

No action is required by the Finance Committee as this staff analysis is presented for informational purposes.

**C. Strategic Priorities**

- Supports the strategic priority of maximizing financial assets while protecting invested principal and minimizing uninvested cash
- Invest in BNA/JWN
- Plan for the Future
- Prepare for the Unexpected

**Attachments:**

Attachment 1 - Listing of accounts and month-end balances for April 2025, May 2025, and June 2025

Attachment 2 – PFMAM Investment Performance Review as of June 30, 2025

## Cash and Investment Balances 4Q25

Bank	AccountName	Cash Balances as of 4/30/2025	% of Total Cash	Monthly Interest earned	Cash Balances as of 5/31/2025	% of Total Cash	Monthly Interest earned	Cash Balances as of 6/30/2025	% of Total Cash	Monthly Interest earned
TRUIST	CIP - Construction Payment ZBA	-	0%	-	-	0%	-	-	0%	-
TRUIST	MP Building CPR Acct	-	0%	-	-	0%	-	-	0%	-
TRUIST	International Plaza CPR Acct	-	0%	-	-	0%	-	-	0%	-
TRUIST	Operating Fd CPR	-	0%	-	-	0%	-	-	0%	-
TRUIST	John C. Tune Airport CPR	-	0%	-	-	0%	-	-	0%	-
TRUIST	Payroll	179,787.84	0%	1.48	258.96	0%	1.33	36,408.05	0%	1.50
TRUIST	PFC Revenue	159,845.25	0%	1.61	4,058,497.42	0%	1.49	310.34	0%	0.31
TRUIST	Revenue Account	2,829,138.31	0%	-	2,631,146.80	0%	-	1,245,170.08	0%	-
TRUIST	Capital Improvement	198.35	0%	-	198.35	0%	-	198.35	0%	-
TRUIST	Operating Fund	65,792.00	0%	4.21	282,372.04	0%	3.87	98,146.96	0%	4.96
TRUIST	Tune Operation	299,318.00	0%	2.08	127,835.00	0%	2.98	662,633.44	0%	3.32
TRUIST	Parking Rev Master LAZ Account	-	0%	-	292,797.35	0%	-	1,253,782.19	0%	-
TRUIST	Parking Rev Credit Card Account	-	0%	-	-	0%	-	-	0%	-
TRUIST	DPS Seized Funds	958,824.15	0%	7.88	951,732.29	0%	8.14	951,740.11	0%	7.82
TRUIST	Construction Payment Account	61,257.32	0%	8.27	94,033.85	0%	5.04	365,389.84	0%	9.49
TRUIST	Airline Facility Investment Fund	-	0%	-	-	0%	-	-	0%	-
TRUIST	NAE Cash Reserve Fund	10.52	0%	-	10.52	0%	-	10.52	0%	-
TRUIST	Authority Facility Investment Fund	0.11	0%	-	0.11	0%	-	0.11	0%	-
TRUIST	1% ARTS Fund	-	0%	-	-	0%	-	-	0%	-
TRUIST	DEA - State	107,115.39	0%	0.88	80,001.68	0%	0.89	80,002.34	0%	0.66
TRUIST	CONRAC Excess CFC	240.00	0%	0.46	276.15	0%	-	72.79	0%	0.75
TRUIST	CONRAC Discretionary Account	-	0%	-	-	0%	-	-	0%	-
TRUIST	MNAA DOJ	601,598.30	0%	4.99	597,570.67	0%	5.08	603,509.14	0%	4.95
TRUIST	CON CFC Operating Acct	2,960,355.06	0%	14.80	3,067,135.31	0%	16.25	3,513,718.83	0%	17.02
TRUIST	MP Building Operating Acct	64,917.63	0%	1.10	64,840.58	0%	0.84	32,352.33	0%	1.09
TRUIST	International Plaza Operating Acct	275,719.57	0%	1.99	98,515.34	0%	2.27	43,374.21	0%	1.59
TRUIST	MPC Global Tire	4,445.17	0%	-	13,381.54	0%	-	4,823.36	0%	-
TRUIST	MNAA Properties Corp (Parent)	18,765.36	0%	0.15	18,765.52	0%	0.16	18,765.67	0%	0.15
TRUIST	MPC Holdings LLC	-	0%	-	-	0%	-	-	0%	-
TRUIST	Arts at the Airport	62,617.56	0%	0.52	16,015.76	0%	0.38	15,866.03	0%	0.13
<b>Truist Bank Cash Balances</b>		<b>8,649,945.89</b>	<b>1%</b>	<b>50.42</b>	<b>12,395,385.24</b>	<b>1%</b>	<b>48.72</b>	<b>8,926,274.69</b>	<b>1%</b>	<b>53.74</b>
US Bank	Series 2010/2018 Rental Payment Fund CP SWEEP	56,559.84	0%	141.65	87,240.59	0%	148.47	119,841.77	0%	223.21
US Bank	Series 2010/2018 Bond Fund Interest Account CP SW	197,613.29	0%	415.87	239,225.62	0%	515.09	280,837.95	0%	645.26
US Bank	Series 2010/2018 Bond Fund Serial Bond Principal CF	2,890,203.86	0%	7,005.19	3,179,203.85	0%	7,561.50	3,468,203.84	0%	8,598.30
US Bank	Series 2010/2018 Bond Reserve Fund CP SWEEP	1,922,050.87	0%	5,198.64	1,927,093.53	0%	5,042.66	1,932,318.57	0%	5,225.04
US Bank	Series 2010/2018 Coverage Fund CP SWEEP	992,871.80	0%	2,693.16	992,871.80	0%	2,606.29	992,871.80	0%	2,693.16
US Bank	Series 2010/2018 Operation & Maintenance Reserve F	915,098.00	0%	2,482.20	915,098.00	0%	2,402.13	915,098.00	0%	2,482.20
US Bank	Series 2010/2018 Renewal & Replacement Fund CP S	3,351,567.85	0%	9,091.12	3,351,567.85	0%	8,797.87	3,351,567.85	0%	9,091.13
US Bank	Series 2010/2018 Discretionary Fund Major Maintenance	3,351,567.85	0%	9,091.12	3,351,567.85	0%	8,797.87	3,351,567.85	0%	9,091.13
US Bank	Series Excess CFC Funds	-	0%	-	-	0%	-	-	0%	-
US Bank	2003B P & I (Pd BNA; Mat 7/1/33)	968,383.96	0%	2,039.63	1,087,299.30	0%	2,307.34	1,206,541.30	0%	2,633.00
US Bank	2019 A Debt Service Account	6,769,655.64	1%	12,018.10	8,050,442.04	1%	15,223.40	9,334,409.02	1%	18,403.98
US Bank	2019 B Debt Service Account	17,910,015.87	2%	31,847.71	21,288,019.52	2%	40,296.65	24,674,417.74	2%	48,690.22
US Bank	2015 A Debt Service Account	3,406,902.09	0%	6,684.13	3,923,887.72	0%	7,918.63	4,442,217.42	0%	9,262.70
US Bank	2015 B Debt Service Account	4,013,392.69	0%	7,860.16	4,625,189.36	0%	9,322.67	5,238,573.98	0%	10,911.62
US Bank	MNAA AIRPORT IMP BDS SRS 2022A	1,835,298.22	0%	3,372.41	2,159,608.60	0%	4,173.38	2,485,212.17	0%	4,989.57
US Bank	MNAA AIRPORT IMP BDS SRS 2022B	9,341,703.79	1%	14,187.97	11,589,852.18	1%	19,995.39	13,843,400.79	1%	25,393.61
<b>US Bank Cash Balances</b>		<b>57,922,885.62</b>	<b>5%</b>	<b>114,129.06</b>	<b>66,768,167.81</b>	<b>5%</b>	<b>135,109.34</b>	<b>75,637,080.05</b>	<b>6%</b>	<b>158,334.13</b>
Goldman	1% Arts Fund GS 465	205,267.24	0%	712.09	618,210.18	0%	1,155.03	618,923.63	0%	2,120.98
Goldman	2022 Construction Fund GS 465	19,366,200.08	2%	59,838.85	13,355,952.06	1%	52,561.38	10,026,449.45	1%	40,901.98
Goldman	Authority Facility Investment Fund GS 465	1,601,706.45	0%	5,556.27	1,363,037.12	0%	5,261.79	1,051,384.05	0%	3,988.80
Goldman	Conrac Excess CFC GS 465	50,360,784.99	4%	174,272.39	53,178,852.37	4%	188,567.38	53,361,706.69	4%	182,854.32
Goldman	NAE Cash Reserve GS 465	2,233,828.00	0%	7,741.11	2,217,534.81	0%	7,901.88	2,220,517.72	0%	7,605.85
Goldman	Nashville Airport Experience GS 465	89,748,115.35	8%	311,333.66	68,886,299.19	6%	313,958.15	68,808,161.81	6%	235,820.77
Goldman	PFC Revenue GS 465	4,647,881.70	0%	16,123.36	4,648,267.30	0%	16,508.96	4,647,686.48	0%	15,928.14
Goldman	Revenue Account GS 465	37,400,902.83	3%	136,157.54	39,232,665.44	3%	145,392.61	43,618,284.55	4%	135,894.11
Goldman	Sub Debt Construction Funds GS 465	93,566,175.17	8%	336,424.51	39,875,273.23	3%	354,214.22	47,799,350.58	4%	155,153.47
Goldman	Joint Marketing Fund	11,784,494.06	1%	40,871.05	10,793,146.30	1%	41,307.87	10,827,509.48	1%	37,110.43
Goldman	NAE Cash Reserve GS 468	372,543.13	0%	1,282.74	372,575.90	0%	1,315.51	372,527.58	0%	1,267.19
<b>Goldman Sachs Investment Balances</b>		<b>311,287,899.00</b>	<b>26%</b>	<b>1,090,313.57</b>	<b>234,541,813.90</b>	<b>19%</b>	<b>1,128,144.78</b>	<b>243,352,502.02</b>	<b>20%</b>	<b>818,646.04</b>
TN LGIP	LGIP - Tune	4,209,996.46	0%	35,235.53	4,683,209.13	0%	16,075.39	4,295,893.22	0%	16,161.50
TN LGIP	LGIP - PFC	36,406,431.18	3%	127,745.67	36,538,838.67	3%	132,407.49	38,029,934.56	3%	138,845.89
TN LGIP	LGIP - Revenue	65,768,567.03	6%	816,682.34	17,418,954.63	1%	865,596.10	22,098,476.44	2%	554,317.68
TN LGIP	LGIP - Nashville Airport Experience	5,510,808.88	0%	-	5,584,849.32	0%	-	5,672,180.79	0%	-
TN LGIP	LGIP - Renewal and Replacement	1,965,177.15	0%	-	104,165.00	0%	-	208,332.00	0%	-
TN LGIP	LGIP - Operations & Maintenance	18,783,193.38	2%	-	697,016.00	0%	-	1,394,034.00	0%	-
TN LGIP	LGIP - Airline Facility	20,437,570.30	2%	-	22,687,896.69	2%	-	21,575,630.88	2%	-
TN LGIP	LGIP - Authority Facility	43,815,008.06	4%	-	44,198,522.78	4%	-	43,650,431.59	4%	-
TN LGIP	LGIP - NAE Cash Reserve	81,731,630.31	7%	-	60,156,273.86	5%	-	60,156,273.86	5%	-
TN LGIP	LGIP - Capital Improvement	4,074,076.14	0%	-	4,074,076.14	0%	-	4,074,076.14	0%	-
TN LGIP	LGIP - CONRAC Excess CFC	14,635,294.95	1%	51,800.28	14,541,944.24	1%	53,210.29	17,150,968.87	1%	60,099.21
TN LGIP	LGIP - Multi-Purpose Building	2,598,604.10	0%	9,143.22	2,598,053.86	0%	9,449.76	2,597,192.13	0%	9,138.27
TN LGIP	LGIP - MPC Global Tire	4,183,320.56	0%	13,693.78	4,244,904.27	0%	15,276.79	4,381,156.43	0%	14,945.24
TN LGIP	LGIP - International Plaza Building	593,975.93	0%	2,082.17	596,136.18	0%	2,160.25	611,234.80	0%	2,098.62
TN LGIP	LGIP - CONRAC Discretionary	13,395,199.30	1%	47,038.89	13,716,128.18	1%	49,087.99	13,936,108.72	1%	48,257.54
<b>TN LGIP BALANCE</b>		<b>318,108,853.73</b>	<b>27%</b>	<b>1,103,421.88</b>	<b>231,840,968.95</b>	<b>19%</b>	<b>1,143,264.06</b>	<b>239,831,924.43</b>	<b>19%</b>	<b>843,883.95</b>
CDARS	CITIZENS BANK CDARS - PFC	1,090,414.28	0%	836.73	1,090,414.28	0%	3,713.36	1,090,414.28	0%	3,605.61
<b>CITIZENS BANK CDARS BALANCE</b>		<b>1,090,414.28</b>	<b>0%</b>	<b>836.73</b>	<b>1,090,414.28</b>	<b>0%</b>	<b>3,713.36</b>	<b>1,090,414.28</b>	<b>0%</b>	<b>3,605.61</b>
PFMAM	PFMAM CORE Portfolio	296,029,512.66	25%	1,045,249.83	477,358,002.18	39%	1,078,608.94	477,638,281.37	39%	1,560,024.30
PFMAM	PFMAM COMMON DEBT RESERVE Portfolio	138,109,158.50	12%	476,323.72	138,384,120.50	11%	492,196.41	139,915,687.68	11%	474,002.85
PFMAM	PFMAM 2019A&B Construction Portfolio	8,624,249.99	1%	29,679.26	8,654,891.30	1%	30,641.31	8,684,564.40	1%	29,673.10
PFMAM	PFMAM 2022A&B CAP I Portfolio	8,997,332.14	1%	33,248.63	8,555,747.53	1%	31,396.61	8,128,706.80	1%	28,754.15
PFMAM	PFMAM 2022A&B Construction Portfolio	42,389,116.90	4%	332,695.59	42,571,511.92	3%	198,115.29	27,120,289.37	2%	147,450.61
<b>PFM EON Investment Balance</b>		<b>494,149,370.19</b>	<b>41%</b>	<b>1,917,197.03</b>	<b>675,524,273.43</b>	<b>55%</b>	<b>1,830,958.56</b>	<b>661,487,529.62</b>	<b>54%</b>	<b>2,239,905.01</b>
<b>Total MNAA Cash/Cash Equivalents in all categories</b>		<b>1,191,209,368.71</b>	<b>100%</b>	<b>4,225,948.69</b>	<b>1,222,161,023.61</b>	<b>100%</b>	<b>4,241,238.82</b>	<b>1,230,325,725.09</b>	<b>100%</b>	<b>4,064,408.48</b>

Total Interest Received for Q4 2025 12,531,595.99



# METROPOLITAN NASHVILLE AIRPORT AUTHORITY

## Investment Performance Review For the Quarter Ended June 30, 2025

### Client Management Team

Leslie Weaver, Institutional Sales and Relationship Manager  
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## Current Market Themes



- ▶ U.S. economy is resilient but showing signs of cooling
  - ▶ Headline employment data belies underlying weakening
  - ▶ Inflation remained rangebound but does not yet reflect the full impact of tariffs
  - ▶ Fiscal policy uncertainty and volatile tariff rollouts weigh on consumer sentiment



- ▶ Fed remains on hold but may cut rates later this year
  - ▶ The Fed's June "dot plot" implies 50 bps of cuts in the back half of 2025 but members are split between 0 and 2 cuts this year
  - ▶ Fed Chair Powell stated the effect, size, and duration of tariffs are all highly uncertain making staying on hold the appropriate thing to do as they wait to learn more

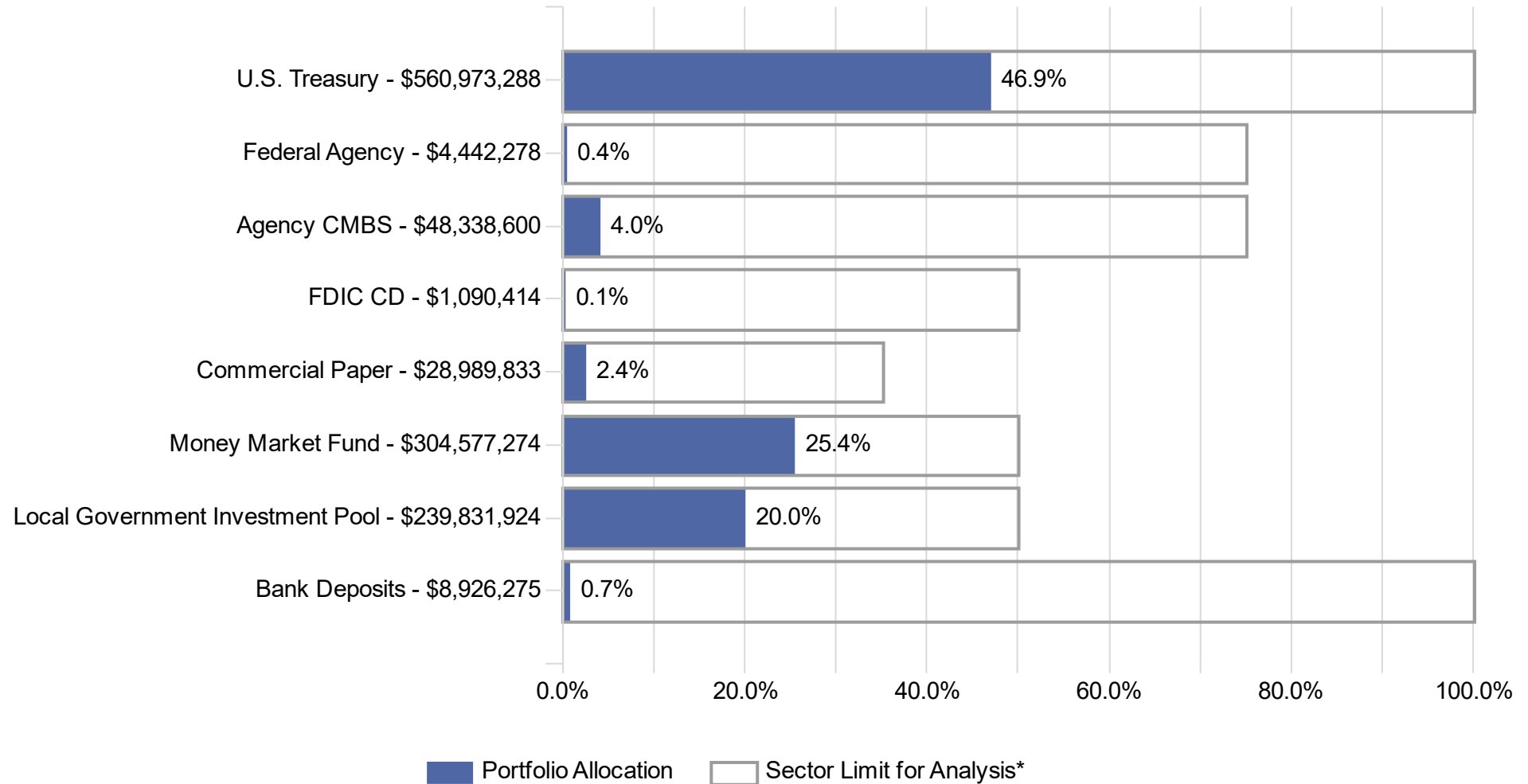


- ▶ Treasury yields whipsawed by tariff announcements in Q2
  - ▶ Concerns over the budget bill, debt ceiling, and monetary policy added to volatility
  - ▶ The yield curve continued to steepen between 2 years and 10 years
  - ▶ Credit spreads widened sharply following tariff fears but tightened to levels near historic tights by quarter end

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of June 30, 2025.



## Sector Allocation Analytics



For informational/analytical purposes only and is not provided for compliance assurance. Includes accrued interest.

\*Sector Limit for Analysis is as derived from our interpretation of your most recent Investment Policy as provided.

## Issuer Diversification

Security Type / Issuer	Market Value (%)	S&P / Moody's / Fitch
<b>U.S. Treasury</b>	<b>89.3%</b>	
United States Treasury	89.3%	AA / Aa / AA
<b>Federal Agency</b>	<b>0.7%</b>	
Federal Home Loan Banks	0.7%	AA / Aa / NR
<b>Agency CMBS</b>	<b>7.7%</b>	
Federal Home Loan Mortgage Corp	6.9%	AA / Aa / AA
Federal National Mortgage Association	0.8%	AA / Aa / AA
<b>Commercial Paper</b>	<b>2.3%</b>	
Mitsubishi UFJ Financial Group Inc	2.3%	A / Aa / A
<b>Total</b>	<b>100.0%</b>	

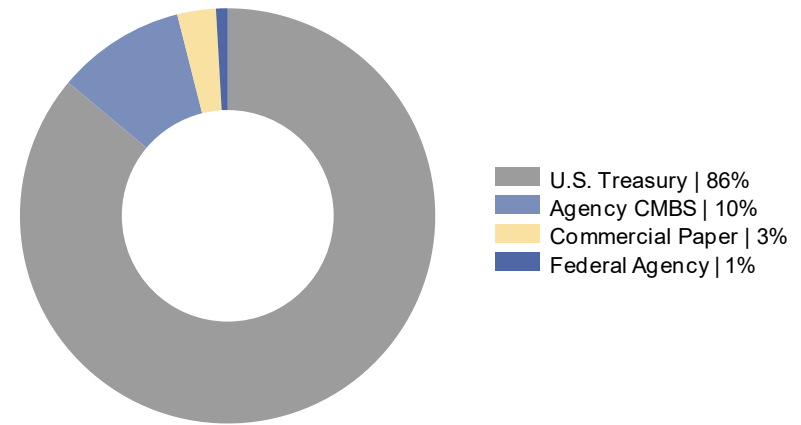
Ratings shown are calculated by assigning a numeral value to each security rating, then calculating a weighted average rating for each security type / issuer category using all available security ratings, excluding Not-Rated (NR) ratings. For security type / issuer categories where a rating from the applicable NRSRO is not available, a rating of NR is assigned. Includes accrued interest and excludes balances invested in overnight funds.

## Portfolio Snapshot - MNAA OPERATING CORE PORTFOLIO<sup>1</sup>

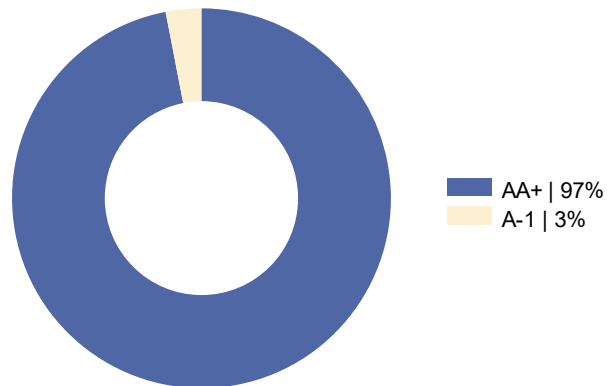
### Portfolio Statistics

<b>Total Market Value</b>	\$484,531,302.67
Securities Sub-Total	\$480,045,277.75
Accrued Interest	\$4,164,018.08
Cash	\$322,006.84
<b>Portfolio Effective Duration</b>	1.76 years
<b>Benchmark Effective Duration</b>	1.76 years
<b>Yield At Cost</b>	4.19%
<b>Yield At Market</b>	3.87%
<b>Portfolio Credit Quality</b>	AA

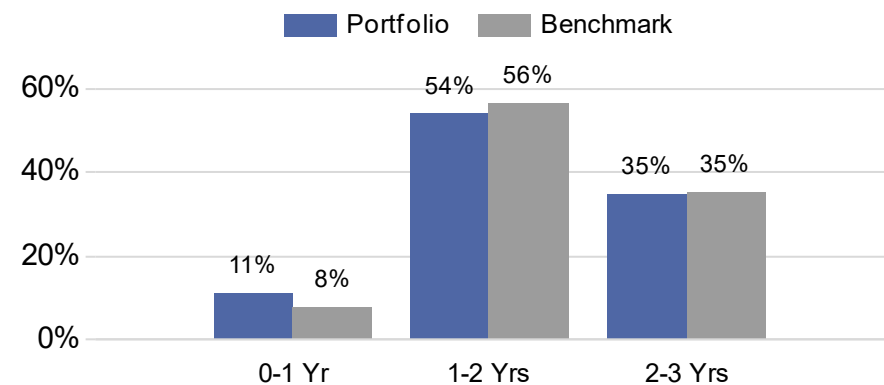
### Sector Allocation



### Credit Quality - S&P

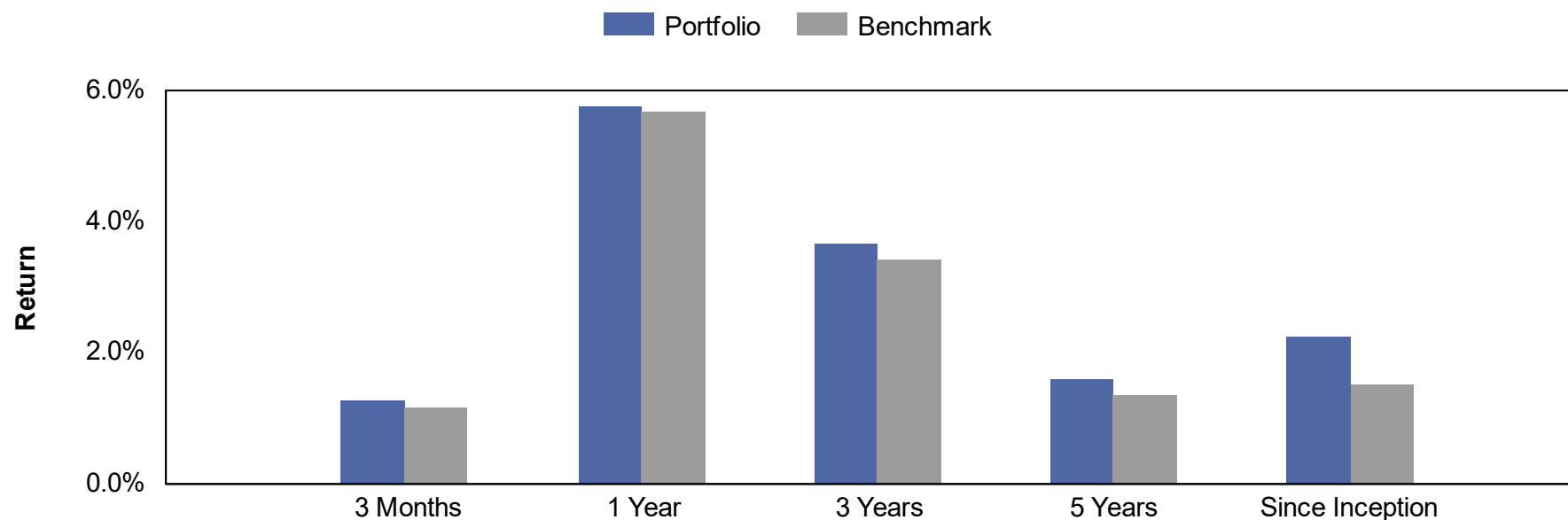


### Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$3,445,995	\$12,255,271	\$26,728,462	\$29,761,042	\$33,153,009
Change in Market Value	\$1,457,684	\$5,378,740	\$7,111,414	(\$438,974)	\$4,532,019
<b>Total Dollar Return</b>	<b>\$4,903,679</b>	<b>\$17,634,011</b>	<b>\$33,839,876</b>	<b>\$29,322,068</b>	<b>\$37,685,028</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.26%	5.76%	3.67%	1.60%	2.25%
Benchmark <sup>4</sup>	1.18%	5.68%	3.42%	1.37%	1.53%

1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is December 31, 2018.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

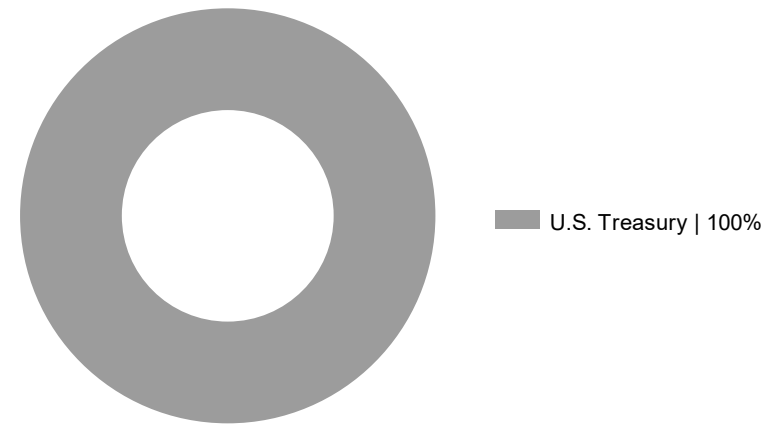
4. The portfolio's benchmark is the ICE BofA 1-3 Year U.S. Treasury Index. Source: Bloomberg Financial LP.

## Portfolio Snapshot - MNAA COMMON DSRF<sup>1</sup>

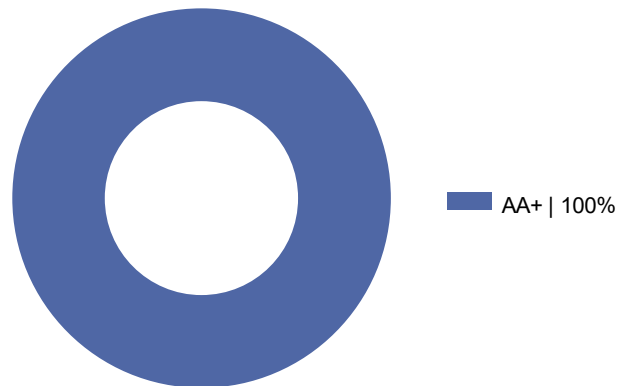
### Portfolio Statistics

<b>Total Market Value</b>	\$163,100,765.51
Securities Sub-Total	\$141,013,995.94
Accrued Interest	\$7,585.12
Cash	\$22,079,184.45
<b>Portfolio Effective Duration</b>	1.97 years
<b>Benchmark Effective Duration</b>	0.15 years
<b>Yield At Cost</b>	4.17%
<b>Yield At Market</b>	3.84%
<b>Portfolio Credit Quality</b>	AA

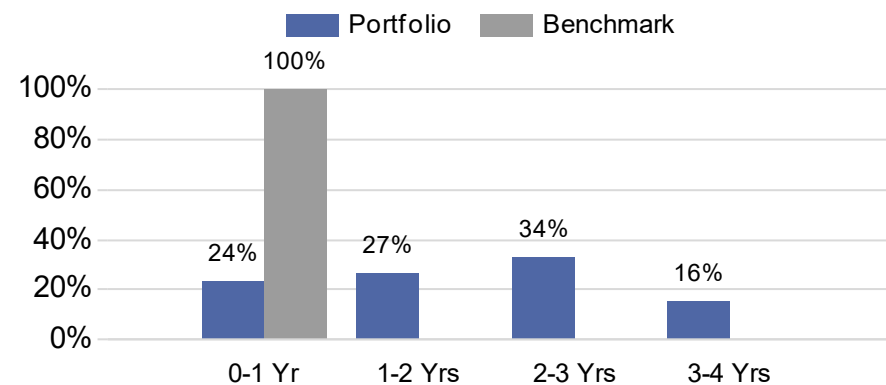
### Sector Allocation



### Credit Quality - S&P



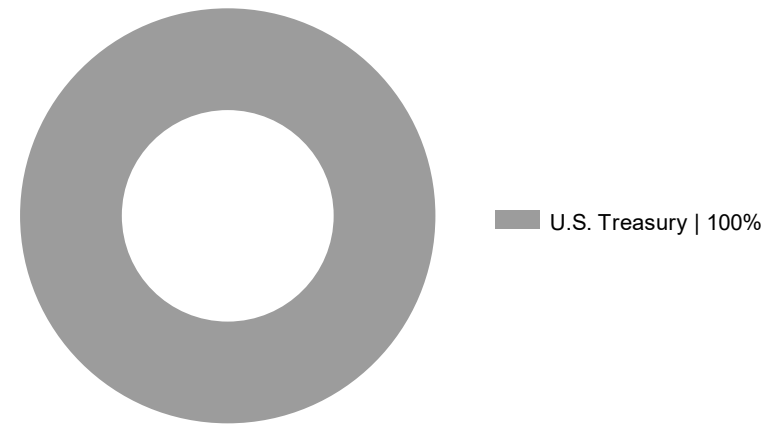
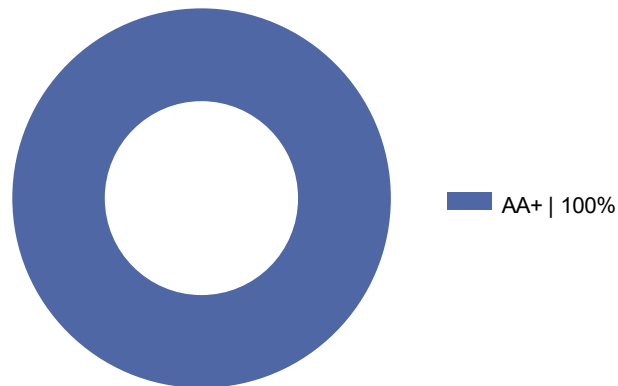
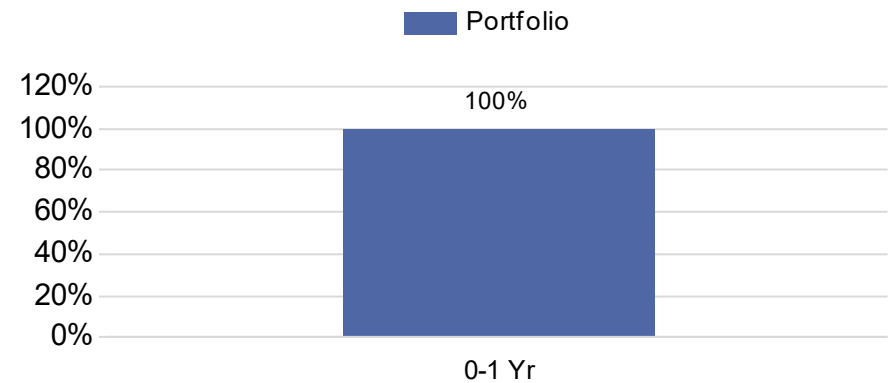
### Duration Distribution



1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. The portfolio's benchmark is the ICE BofA 3 Month U.S. Treasury Index. Source: Bloomberg Financial LP. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

**Portfolio Snapshot - MNAA SERIES 2022 REVENUE BONDS<sup>1</sup>****Portfolio Statistics**

<b>Total Market Value</b>	\$27,157,508.14
Securities Sub-Total	\$3,064,771.79
Accrued Interest	\$36,042.82
Cash	\$24,056,693.53
<b>Portfolio Effective Duration</b>	0.12 years
<b>Yield At Cost</b>	4.91%
<b>Yield At Market</b>	4.50%
<b>Portfolio Credit Quality</b>	AA

**Sector Allocation****Credit Quality - S&P****Duration Distribution**

1. Yield and duration calculations exclude cash and cash equivalents. Sector allocation includes market values and accrued interest. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.



## Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

## Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.