



Joint Meeting of the MNAA and MPC Finance Committee

April 8, 2026



Call to Order

April 8, 2026

Public Comment

Tennessee Code Annotated, Title 8, Chapter 44, Part 1

MNAA Policy ID: 33-007, Public Comment Policy, effective September 8, 2025

No Public Comment Requests Received by Monday, April 6, 2026, 9:00 am

Approval of Minutes

Joint Meeting of the MNAA & MPC Finance Committee

February 11, 2026 (**Note**: we did not have a March Finance meeting)

Chair's Report

Andrew Byrd

Finance Committee Chair

Items for Approval

April 8, 2026

- Second Amendment to JetRight Lease Agreement

Item for Approval

Roman Keselman, C.M.
AVP, Real Estate

JetRight Properties LLC – Background and Impact/Findings

Background:

- March 15, 2023 – Board approved MNAA and JetRight Properties LLC lease terms
- June 15, 2023 – lease executed, included 1.68 acres of unimproved land (JWN North Parcels #8 and #9)
- December 15, 2024 – JetRight improvements should have been complete within 18 months
- June 18, 2025 – Board approved 1st Amendment, extending construction term by 12 months, to April 19, 2027
- Due to extended FAA 7460 process – tenant unable to meet the above date

Impact/Findings:

- Proposed 2nd Amendment allows tenant more time to complete construction of the hangar to August 19, 2027
- Apart from fuel flowage fee, this amendment will not impact revenue to MNAA

JetRight Properties LLC – Proposed Amendment Terms

Amendment Terms:

- Tenant has 180-days from FAA 7460 approval (November 20, 2025) to submit plans/specifications to MNAA for approval
- Following MNAA approval, tenant has 90 days to obtain all necessary Metro permits
- Following Metro approval, tenant has 12 months to complete construction
 - Five months to complete site work
 - Two months to complete framing
 - Five months to complete interior work
- Above milestone dates have contract penalties (\$150 per day) until milestone is achieved
 - The 180-day, 90-day or 12-month extensions do not extend lease term
- If the hangar is not completed on time JetRight to pay MNAA:
 - The difference between \$5M and the amount spent, not to exceed 25% soft costs, and
 - Must still complete the improvements unless otherwise approved in writing by the authority

JetRight Properties LLC – Second Amendment

Staff Recommendation: Request Finance Committee recommend to the Board of Commissioners that it:

- Accept 2nd Amendment agreement between MNAA & JetRight to extend construction term, and
- Authorize the Chair and President and CEO to execute the 2nd Amendment.



JetRight renderings as of March 31, 2026

- FY27 BNA O&M Budget, **MNAA Resolution #2026-02**
- FY27 BNA Capital Improvements Budget & FY27-31 Capital Improvements Plan, **MNAA Resolution #2026-03**
- FY27 JWN O&M Budget, **MNAA Resolution #2026-04**
- FY27 JWN Capital Improvements Budget & FY27-31 Capital Improvements Plan, **MNAA Resolution #2026-05**
- FY27 MPC O&M Budget, **MPC Resolution #2026-01**
- FY27 MPC Special Projects Budget & FY27-31 Special Projects Plan, **MPC Resolution #2026-02**

Items for Approval

Marge Basrai, CPA, CGMA, C.M.
EVP, Chief Financial Officer

- FY27 Budget based on 26.5M passengers:
 - 2% increase (moderate forecast) over FY26 projected year-end passengers (Dec. 2025) of 25.9M
- Since December, passenger traffic has continued to grow and exceed projections:
 - New FY26 projected year-end passengers (March 2026) is 26.6M, 7.3% above FY25
 - New FY27 moderate forecast is 27.7M (4% over new FY26 projected passengers)
- Original passenger forecast of 26.5M was not changed for the budget:
 - Uncertainty in forecast given the current economy, geopolitical events, and effects of government shutdown
 - Majority of increase in passengers for FY26 are transfer passengers, which has limited effect on most non-airline revenue and expenses
 - Expenses are below FY26 amended budget as of 2/28/26

FY27 BNA Passenger Projections

- FY26 Y/E Projection (March 2026)
 - 26,612,300
- FY27 Passenger Projections
 - Moderate (~4%): 27,676,800
 - Strategic (~6%): 28,209,000
 - Aggressive (~8%): 28,741,300

- Debt Service Coverage**

Minimum (Board) Coverage Requirements (Net Revenues Only)

- Senior 1.5 (legal requirement 1.25)
- Senior/Subordinate 1.25 (legal requirement 1.10)

	Amended FY2026	FY2027
- Senior	3.27	3.42
- Senior/Subordinate	2.14	2.29

- | | Amended
FY2026 | FY2027 |
|--------------------|-------------------|--------|
| Landing Fee | \$3.47 | \$3.60 |

- | | Amended
FY2026 | FY2027 |
|-----------------------------------|-------------------|---------|
| Cost per Enplanement (CPE) | \$11.07 | \$11.24 |

- Days Cash on Hand**

Board Requirements 550-650 days
 Days Cash on Hand 2/28/26 1,079 days*

* Calculated using 4 main reserve funds only (NAE, Revenue Fund, O&M Fund, R&R Fund)

FY27 BNA Budget Summary Metrics

- Financial metrics exceed Board approved requirements

FY27 BNA O&M Budget

Operating Revenue:

- Increased \$21.3M

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
\$355,120	\$376,401	\$21,281	6.0%

I. Non-Airline Revenue: Increased \$10.4M

- Space rental increased \$1.2M:
 - Contractual increases in various FBO, land/building rents
- Parking increased \$3.1M:
 - Increased passengers, offset by the closing of Lot A
- Concessions increased \$2.1M:
 - Increases in Advertising -\$1.3M and Food & Retail -\$700K
- Car rental decreased \$1.9M:
 - Fewer rental contracts being forecasted
- GT (TNC, taxi, limo) fees increased \$1.5M for increased passengers
- Other revenue increased \$4.5M:
 - Increase in parking decals/badge fees

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
\$213,249	\$223,694	\$10,445	4.9%

FY27 BNA O&M Budget

Operating Revenue (continued):

II. Airline Revenue: Increased \$10.8M

- Terminal space rent increased \$4.4M:
 - Increase in O&M exp, decrease in debt service
 - Increase in both rentable and leased space
 - Rental rate decreased ~ \$15 per sq ft
- Baggage fees decreased \$1.7M (lower terminal rate)
- Landing fees increased \$5.4M:
 - Increase in O&M exp, debt service and capital projects allocated to airfield cost center
 - Offset by increase in projected landed weights
- Signatory Per Use fees increased \$1.3M
 - Additional MNAA controlled gate turns, offset by lower terminal rental rate
- Airline Revenue Sharing Credit decreased \$700K
 - Contractual decrease in calculation

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
\$141,871	\$152,707	\$10,836	7.6%

FY27 BNA O&M Budget

Operating Expense:

- Increased \$5.7M

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
\$195,229	\$200,901	\$5,672	2.9%

- Salaries & benefits decreased \$900K:
 - Cost of living adjustment offset by a reduction for the true-up of the prior year compensation study
- Shuttle bus services increased \$1.2M:
 - Increases in the contractual rate and airside driver hours
- Janitorial services decreased \$3.0M:
 - Cost savings with new contract
- IT software maintenance contractual increases/new technology - \$1.7M
- Security services decreased \$1.0M:
 - Eliminated posts and hours to match operational needs

FY27 BNA O&M Budget

Operating Expense (continued):

- Other contractual services increased \$2.0M:
 - Virtual ramp control tower, Baggage Handling System (BHS) maintenance, herbicide applications
- Repairs and maintenance (R&M) services increased \$2.2M:
 - Landscaping increased \$1.6M
 - Other R&M services increased \$600K
- Materials and supplies increased \$800K:
 - Janitorial, passenger boarding bridges, and BHS
- Utilities increased \$1.8M:
 - Increases in rates and usage
- Other expense increased \$450K
 - Promotions, memberships, subscriptions, training

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
\$195,229	\$200,901	\$5,672	2.9%

FY27 BNA O&M Budget

Net Non-Operating Revenue (Expense):

- Decreased \$3.5M

Amended Budget FY26 ('000)	Budget FY27 ('000)	Variance ('000)	Variance (%)
(\$30,826)	(\$27,293)	(\$3,533)	(11.5%)

- Non-Operating Revenue increased \$3.1M:
 - Interest Income increased \$4.7M:
 - Higher cash balance from 2026 bond issuance, offset by projected lower interest rates
 - Passenger Facility Charges increased \$2.6M due to increased passengers
 - Customer Facility Charges decreased \$4.2M due to fewer contract days
- Non-Operating Expense decreased \$451K:
 - Bond issuance costs decreased \$6.0M:
 - No bond issuance expected in FY27
 - Interest expense and other increased \$5.5M:
 - Full year of interest expense for the 2026 Bonds (6 months estimated for FY26), offset by interest savings from issuance

FY27 BNA O&M Budget

Recommendation:

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) approve the proposed FY27 BNA operating budget and
- 2) authorize the Chair and President & CEO to execute **MNAA Resolution No. 2026-02**.

Total Operating Revenue:

\$376,401,000

Total Operating Expense:

\$200,901,000

Income before Depreciation & Grants:

\$148,207,000

Budget Period:

July 1, 2026 – June 30, 2027

BNA Summary (\$000)	Amended Budget FY26	Budget FY27	Variance \$	Variance %
Non-Airline Revenue	\$213,249	\$223,694	\$10,445	4.9%
Airline Revenue	\$141,871	\$152,707	\$10,836	7.6%
Total Operating Revenue	\$355,120	\$376,401	\$21,281	6.0%
Operating Expense	(\$195,229)	(\$200,901)	(\$5,672)	2.9%
Net Non-Operating Revenue (Expense)	(\$30,826)	(\$27,293)	\$3,533	(11.5%)
Income before Depreciation & Grants	\$129,065	\$148,207	\$19,142	14.8%

FY27 BNA Capital Improvement Budget & FY27-FY31 Capital Improvement Plan

Recommendation:

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) approve the proposed FY27-FY31 BNA Capital Improvement Plan, and
- 2) approve the proposed FY27 BNA Capital Improvement Budget, and
- 3) authorize MNAA to apply for and accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the President & CEO, or designee, as the authorized representative of the Authority, and
- 4) authorize the Chair and President & CEO to execute **MNAA Resolution No. 2026-03**.

Total FY27 CIP Budget:

\$475,626,360

Budget Period:

July 1, 2026 – June 30, 2027

FY27 Major Projects:

- 1) MNAA Campus - \$172M, 2) MNAA Warehouse/CSF - \$105.3M, 3) ADG5/TDG6 Improvements and Romeo Bridge - \$63M,
- 4) Taxiway Tango 5 and Lima Reconstruction - \$40.6M, and 5) RWY 2L/20R Extension Design - \$15M

BNA Summary (\$000)	FY27	FY28	FY29	FY30	FY31	Total
Terminal & Landside	\$326,185	\$74,290	\$16,300	\$112,830	\$11,150	\$540,755
Vehicles & Equipment	\$3,140	\$2,675	\$1,575	\$2,715	\$2,715	\$12,820
Airside Improvements	\$145,755	\$117,800	\$279,150	\$222,300	\$216,800	\$981,805
AULA - Airport Reliever	\$546	\$563	\$580	\$597	\$615	\$2,901
Total	\$475,626	\$195,328	\$297,605	\$338,442	\$231,280	\$1,538,281

FY27 JWN O&M Budget

Operating Revenue: Increased \$1.8M

- Land & Hangar rental increased \$1.78M:
 - Atlantic Aviation rent added to budget
 - Increase in Hangar rents effective 7/1/26
- Flowage Fees increased \$20K

Budget FY26	Budget FY27	Variance \$	Variance %
\$3,929,000	\$5,732,000	\$1,803,000	45.9%

Operating Expense: Increased \$275K

- Salaries & benefits increased \$123K:
 - 1 new Ops Specialist and a cost-of-living adjustment
- Professional and other contract services increased \$22K
- Janitorial services increased \$9K
- Repair and maintenance increased \$50K
- Other operating expenses increased \$67K

Budget FY26	Budget FY27	Variance \$	Variance %
\$2,515,000	\$2,790,000	\$275,000	10.9%

Non-operating revenue: Decreased \$188K

- Interest Income decreased – projected lower rates and lower cash balance

Budget FY26	Budget FY27	Variance \$	Variance %
\$334,000	\$146,000	(\$188,000)	(56.3%)

FY27 JWN O&M Budget

Recommendation:

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) approve the proposed FY27 JWN operating budget and
- 2) authorize the Chair and President & CEO to execute **MNAA Resolution No. 2026-04**.

Total Operating Revenue:

\$5,732,000

Total Operating Expense:

\$2,790,000

Income before Depreciation, Grants and Transfers from MNAA:

\$3,088,000

Budget Period:

July 1, 2026 – June 30, 2027

JWN Summary	Budget FY26	Budget FY27	Variance \$	Variance %
Operating Revenue	\$3,929,000	\$5,732,000	\$1,803,000	45.9%
Operating Expense	(\$2,515,000)	(\$2,790,000)	(\$275,000)	10.9%
Non-Operating Revenue	\$334,000	\$146,000	(\$188,000)	(56.3%)
Income before Depreciation, Grants and Transfers from MNAA	\$1,748,000	\$3,088,000	\$1,340,000	76.7%

FY27 JWN Capital Improvement Budget & FY27-FY31 Capital Improvement Plan

Recommendation:

Staff requests the Finance Committee recommend to the Board of Commissioners that it:

- 1) approve the proposed FY27-FY31 JWN Capital Improvement Plan, and
- 2) approve the proposed FY27 JWN Capital Improvement Budget, and
- 3) authorize MNAA to apply for and accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the President & CEO, or designee, as the authorized representative of the Authority, and
- 4) authorize the Chair and President & CEO to execute **MNAA Resolution No. 2026-05**.

Total FY27 CIP Budget:

\$2,951,000

Budget Period:

July 1, 2026 – June 30, 2027

FY27 Major Projects:

JWN Summary (\$000)	FY27	FY28	FY29	FY30	FY31	Total
Terminal & Landside	\$150	\$7,900	\$20,000	\$0	\$0	\$28,050
Vehicles & Equipment	\$310	\$280	\$0	\$0	\$0	\$590
Airside Improvements	\$2,491	\$435	\$800	\$20,000	\$3,000	\$26,726
Total	\$2,951	\$8,615	\$20,800	\$20,000	\$3,000	\$55,366

1) Eastside Pavement Rehabilitation design and construction - \$1.2M, 2) ALP Update - \$556K, 3) Westside Drainage – Fence/Stream Crossing - \$420K, and 4) Obstruction Removal - \$200K

FY27 MPC O&M Budget

Operating Revenue: Decreased \$467K

- Revisions to prior-year assumptions for space rent and expected leases not materializing

Budget FY26	Budget FY27	Variance \$	Variance %
\$4,963,000	\$4,496,000	(\$467,000)	(9.4%)

Operating Expense: Increased \$290K

- Utilities increased \$193K
- Landscaping increased \$50K
- Various repairs and maintenance services increased \$17K
- Tenant improvements increased \$21K

Budget FY26	Budget FY27	Variance \$	Variance %
\$1,836,000	\$2,126,000	\$290,000	15.8%

Non-Operating Revenue: Decreased \$390K

- Interest income decreased – projected lower rates and cash balance

Budget FY26	Budget FY27	Variance \$	Variance %
\$521,000	\$212,000	(\$309,000)	(59.3%)

Non-Operating Expenses: Decreased \$12K

- Decrease in Inter-Company expense

Budget FY26	Budget FY27	Variance \$	Variance %
\$382,000	\$370,000	(\$12,000)	(3.1%)

FY27 MPC O&M Budget

Recommendation:

Staff requests the MPC Finance Committee recommend to the MPC Board of Directors:

- 1) approve the proposed FY27 MPC operating budget and
- 2) authorize the Chair and President & CEO to execute **MPC Resolution No. 2026-01.**

Total Operating Revenue:

\$4,496,000

Total Operating Expense:

\$2,126,000

Income before Depreciation:

\$2,212,000

Budget Period:

July 1, 2026 – June 30, 2027

MPC Summary	Budget FY26	Budget FY27	Variance \$	Variance %
Operating Revenue	\$4,963,000	\$4,496,000	(\$467,000)	(9.4%)
Operating Expense	(\$1,836,000)	(\$2,126,000)	(\$290,000)	15.8%
Non-Operating Income	\$521,000	\$212,000	(\$309,000)	(59.3%)
Non-Operating Expense	(\$382,000)	(\$370,000)	\$12,000	(3.1%)
Income before Depreciation	\$3,266,000	\$2,212,000	\$(1,054,000)	(32.3%)

FY27 MPC Special Projects Budget & FY27-FY31 MPC Special Projects Plan

Recommendation:

Staff requests the MPC Finance Committee recommend to the MPC Board of Directors that it:

- 1) approve the proposed FY27-FY31 MPC Special Projects Plan, and
- 2) approve the proposed FY27 MPC Special Projects Budget, and
- 3) authorize MNAA to apply for and accept all grant(s) from the Federal Aviation Administration (FAA) and from the State of Tennessee, and designate the President & CEO, or designee, as the authorized representative of the Authority, and
- 4) authorize the Chair and President & CEO to execute **MPC Resolution No. 2026-02**.

Total FY27 CIP Budget:

\$3,330,000

Budget Period:

July 1, 2026 – June 30, 2027

MPC Summary (\$000)	FY27	FY28	FY29	FY30	FY31	Total
Total	\$3,330	\$0	\$0	\$0	\$0	\$3,330

FY27 Projects:

Projects for FY27: 1) stucco repairs \$100k, 2) common area updates \$580k, 3) window resealing \$850k, 4) HVAC updates \$1M, and 5) parking lot resurfacing \$800k

Information Items

April 8, 2026

- Procurement Procedures Update 3 of 3

Information Item

Kristen Deuben, CPA, C.M.
VP, Deputy Chief Financial Officer

Procurement Procedures Update 3 of 3

- **Background:**

- Procurement organization structure updated December 1, 2025
- Procurement Policy #35-001 issued (effective) December 8, 2025
- Staff to update all Procurement Procedures with a 90-day completion goal

- **Status of Procedures:**

- 26 procedures were initially identified:
 - 12 procedures have been reviewed and approved by Deputy CFO and legal and posted internally
 - 14 procedures are waiting for review by Deputy CFO with goal of being completed in the next 14 days
- Additional refinements may be necessary to the above procedures
- Finance to meet with outside consultant to obtain external validation of procurement compliance as well as provide assistance to improve operational efficiency

- **Next Steps:**

- Continue to evaluate resource requirements and departmental structure

Procurement Procedures Update 3 of 3

- **Completed Procedures (12):**
 - Small Purchases under \$15,000
 - Request for Proposal (RFP) - Non-construction
 - Request for Proposal (RFP) - Construction
 - Request for Qualifications (RFQ) - Non-construction
 - Request for Qualifications (RFQ) - Construction
 - Emergency Procurements
 - Sole Source Procurements
 - Single Source Procurements
 - Contract Amendments
 - Cancellation of Solicitation
 - Exercising Options Years
 - Protests

Procurement Procedures Update 3 of 3

- **Procedures In Process (14):**
 - Small Purchases \$15,000 - \$100,000
 - Small Purchases under \$250,000
 - Competitive Sealed Bidding – Construction
 - Competitive Sealed Bidding – Non-construction
 - Cooperative Procurements & Purchases through State & other Governments
 - Contract Performance Metrics
 - Surplus Materials Management & Auction
 - Donations
 - Procurement Appeals Committee
 - Debar or Suspension
 - Records Management
 - Procurement Policy Exceptions
 - New Vendor Set-up
 - Reverse Auction

- North Mezzanine 3rd Party Lounge Solicitation

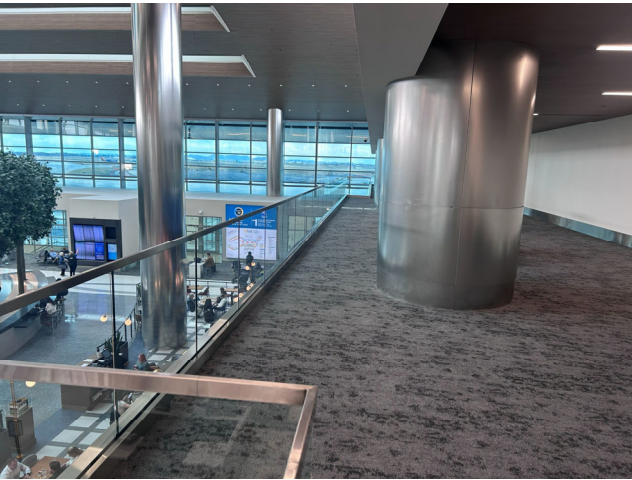
Information Item

Lisa Leyva, C.M.
Vice President, Concessions

North Mezzanine 3rd Party Lounge - Proposed RFP Terms

- North Mezzanine – use of 20,600 sq./ft. for credit card/common use lounge
- Request for Proposal will include:
 - 15 Year Term
 - \$20.6M minimum capital investment (min. bid of \$1,000/sf)
 - Additional \$5.15M capital investment at 7 years (min. bid of \$250/sf)
 - Minimum Annual Revenue to Authority:
 - \$5.15M/year (min. bid of \$250/sf)
 - 3% annual escalation
 - +18% of all ancillary sales
 - Invest a minimum of \$250K/year in-terminal advertising

Conceptual Space Layout



Proposed Amenities & Schedule

Required Amenities	Optional Amenities
<ul style="list-style-type: none">• Wi-Fi and Business Services• Charging solutions• Staffed reception desk• Private washrooms• Family friendly/gaming area• Conference room/Dedicated Meeting Space• FIDS (Flight Information Displays)• Premium liquors, beer, wine and non-alcoholic beverages• High Quality Food (including breakfast, lunch, dinner, and snack options, which may include such items as gluten-free, vegetarian, and vegan options, and menu items for children• Private/Quiet spaces	<ul style="list-style-type: none">• Showers• Spa/massage area• Multi-faith room• Nursing room• Yoga/relaxation room • Other additional amenities may be proposed

Schedule:

- RFP Release: May 2026
- Pre-Proposal Meeting: May 2026
- RFP Due Date: August 2026
- RFP Selection: September 2026



Joint Meeting of the MNAA and MPC Finance Committee

Meeting Adjourned