

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



Date/Time: Wednesday, May 13, 2026, 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

I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is May 11, 2026 at 9:00 a.m.

III. APPROVAL OF MINUTES

April 8, 2026 Minutes of the Joint Meeting of the MNAA and MPC Finance Committee

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. Future Admirals Club Reimbursable Agreement
2. Cell Carrier License Agreements for DAS
3. Rental Car Concession Agreements and the Consolidated Rental Car Facility Lease Agreements
4. Parking and Valet Management Agreement

VI. INFORMATION ITEMS

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

VII. ADJOURN

Minutes of the Joint Meeting of the MNAA and MPC Finance Committee



Date: April 8, 2026

Location: Metropolitan Nashville Airport Authority
Tennessee Boardroom

Time: 9:45 a.m.

Committee Members Present:

Andrew Byrd, Committee Chair; Glenda Glover, Committee
Vice Chair

Committee Members Absent:

Glenn Farner

Other Board Members Present:

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

MNAA Staff & Guests Present:

Doug Kreulen, Cindy Barnett, Josh Powell, Trish Saxman
Marge Basrai, Zach Blair, Kristy Bork, Adam Bouchard, John
Cooper, Ben Dearman, Kristen Deuben, Adam Floyd, Ryan
Hall, Samantha Hamilton, Roman Keselman, Lisa Leyva,
Carrie Logan, Syed Mehdi, Rachel Moore, Ted Morrissey,
Stacey Nickens, Brandi Porter, Robert Ramsey, Chris
Saunders, Puneet VEDI; and Adam Wolf

I. CALL TO ORDER

Chair Byrd called the Joint Meeting of the MNAA and MPC Finance Committee to order at 9:45 a.m. pursuant to Public Notice posted on the BNA website at flynashville.com.

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 February 11, 2026, Minutes of the Joint Meeting of the MNAA & MPC Finance Committee. Vice Chair Glover made a motion, and Chair Byrd seconded the motion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

IV. CHAIR'S REPORT

Chair Byrd stated it is a big day. We are getting ready to approve the budget as well as principal things that we do as a Board. We are going to be moving forward with some approvals on various capital plans with respect to moving assets to arrange for the new terminal, which is 10 years out. As a Committee, it is a good chance that if we have any concerns to let them be known.

V. ITEMS FOR APPROVAL

1. Second Amendment to JetRight Lease Agreement

President Kreulen introduced Roman Keselman, AVP, Real Estate, to brief the Commissioners on the Second Amendment to the JetRight Lease Agreement. Mr. Keselman stated on March 15, 2023 the Board approved MNAA and JetRight Properties LLC lease terms and the lease was executed. Based on that lease agreement, that hangar should have been completed December 15, 2024. Unfortunately, it was not completed, in fact, not started at that time. On June 18, 2025 the Board approved the 1st Amendment, extending construction term by 12 months with construction completion scheduled for April 19, 2027. Due to extended FAA 7460 process JetRight will be unable to meet the amended date. The proposed 2nd Amendment allows tenant more time to complete construction of the hangar to August 19, 2027. Apart from fuel flowage fees, this amendment will not impact revenue to MNAA. In fact, JetRight has been paying since 2023 with escalations and have now submitted their design to our AIR.

Mr. Keselman stated the terms of the amendment are as follows: Tenant has 180-days from the 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, and following Metro approval, tenant has 12 months to complete construction and carries several milestones. The milestone dates have contract penalties of \$150 per day until milestone is

achieved. If the hangar is not completed on time JetRight has to pay MNAA the difference between \$5M and the amount spent, not to exceed 25% soft costs.

Mr. Keselman request the Finance Committee recommend to the Board of Commissioners that it accept the 2nd Amendment to the agreement between MNAA & JetRight to extend the construction term; and authorize the Chair and President and CEO to execute the 2nd Amendment.

Vice Chair Glover asked if the delays were foreseeable. President Kreulen replied foreseeable yes, in the sense that the challenge for JetRight is to build the biggest hangar possible to accommodate as much business as possible and have gone back and forth on size and location. It all has to do with the FAA and the tower being able to see the taxiways. For MNAA and FAA it is about safety and for JetRight it is about maximizing their opportunities. The MNAA staff has been very diligent and patient with JetRight to get them to this point. He presented two drawings of the JetRight renderings. JetRight has been paying for 3 years to rent the land. Vice Chair Glover asked how confident are you with JetRight. President Kreulen replied very confident, because JetRight does not want the \$5M penalty.

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

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

2. FY27 BNA O&M Budget, MNAA Resolution #2026-02

President Kreulen introduced Marge Basrai, EVP, CFO, to brief the Commissioners on the FY27 BNA Capital Budget, MNAA Resolution #2026-03. Ms. Basrai stated she has 6 budgets for approval. Ms. Basrai stated for the BNA Operating Budget one of the first things that we look at doing is the forecast for FY27. We started that process in December 2025 for FY26 forecast we

were at 25.9M passengers. We increased that by 2%, so the budget for FY27 is based off of 26.5M passengers. Since December, passenger traffic has continued to increase and exceeding the projections we have so our new FY26 projected year-end passengers is 26.6M, which is 7.3% above FY25. The new FY27 moderate forecast is 27.7M, 4% over new FY26 projected passengers. After discussions with the CEO, the finance team decided we are going to leave our budget based on the FY26 passenger forecast of 26.5M passengers. We were not going to make a change due to uncertainty in forecast given the current economy, geopolitical events, and effects of government shutdown. We are comfortable being conservative with the 26.5M. The majority of increase in passengers for FY26 are transfer passengers, which has limited effect on most non-airline revenue and expenses. And currently for FY26 we are still under budget. We are living within the means of the budgets that we have and being able to keep this budget where it is we can live with. She believes the number is good and we can live with what we have. And for some reason we need to come back, if some contract changes and is higher than we think, we can always come back for a midyear adjustment to cover it.

Ms. Basrai stated the FY27 BNA Budget Summary Metrics for the Debt Service Coverage requirements are to be 1.5x for Senior and 1.25x for Senior/Subordinate. We are well above that, Senior is 3.42x and Senior/Subordinate is 2.29x. The Landing Fee will go up to \$3.60 and Cost per Enplanement (CPE) will go up to \$11.24 and the Days Cash on Hand will go up to 1,079 days at the end of February 2026. All of these numbers are within the Board requirements and they are more favorable than what we put into our 2026 Bond Official Statement. That is important as we are going forward and as we are looking at our credit.

Ms. Basrai stated the FY27 BNA O&M Budget Operating Revenue increased \$21.3M, 6%. There are two main categories of Operating Revenue – Non Airline Revenue and Airline Revenue. The Non-Airline Revenue increased \$10.4M, or 4.9%. Space rental increased \$1.2M, from 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 related to increased passengers; Other revenue increased \$4.5M: Increase in parking decals/badge fees.

Ms. Basrai stated for Operating Revenue Airline Revenue increased \$10.8M, 7.6%. Our airline agreement is what dictates how we set up each one of the rates for the different categories. We take our rate model where we take what our operating expenses, what our debt service for the year, and our direct capital expenses and goes into the model and spits out what our rates are going to be for the different categories. The Terminal space rent increased \$4.4M; there was an increase in O&M expenses by \$3M for airside shuttle and utilities. Debt service allocated to terminal decreased \$10.6M due to savings from 2026 Bond Issuance. We came in well under debt. We were estimating about 5.5% interest rate and received around a 4.5% interest rate. Concourse D came in under budget and at the time.. We were able to save money and the debt service of the terminal. There is also increase in rentable space and leased space and the terminal rental rate decreased from \$213.93 to \$199.02 SF in the main terminal and the satellite rental rate went from \$208.58 to \$194.05 SF. The airlines are leasing 39K SF additional. The baggage fees decreased \$1.7M due decrease in terminal rental rate. Landing fees increased \$5.4M due to a rate increase. Increase for capital expenditures of \$1.5M for debt service. Increase of \$1.1M for O&M (ramp control, herbicide treatment, and on-call tree removal). Offset by small increase in projected landed weights. Signatory Per Use increased \$1.3M due to increased usage of MNAA controlled gate turns; partially offset by lower terminal rental rate. Airline Revenue Sharing Credit (revenue we share with the airlines) decreased \$700k due to AULA contractual decrease.

Ms. Basrai stated the FY27 BNA O&M Budget Operating Expenses increased \$5.7M. Salaries & benefits decreased \$900K; Cost of living adjustment (3%), offset by a reduction for the FY25/FY26 compensation study true-up; No reductions to salaries or positions in FY27. Shuttle bus service increased \$1.2M due to contractual increases and an increase in airside driver hours; Janitorial service decreased \$3.0M due to cost savings expected with new contract; IT software maintenance contractual increases and new technology of \$1.7M; Security services decreased \$1M. Eliminated posts and hours to match operational needs. Other contractual services increased \$2.0M, increases for ramp control tower, additional airfield herbicide applications, BHS maintenance; Repairs and maintenance services increased \$2.2M; Landscaping increased \$1.6M due to contractual increases; Other R&M increased \$600K (airline gate painting, road signage/wayfinding, elevator/escalator); Materials and Supplies increased \$800K; Janitorial supplies increased \$200K due to projected passenger increases PBB and BHS increased \$550K due increased in costs for the supplies needed to maintain these systems and the addition of

Concourse D extension; Utilities increased \$1.8M. We are currently over budget for utilities in FY26 due to increases in rate and usage for all utilities. Other operating expenses increased \$450K.

Ms. Basrai stated the FY27 BNA O&M Budget Net Non-Operating Revenue (expense) decreased \$3.5M. The Non-Operating Revenue increased \$3.1M, Interest income increased \$4.7M mainly due to higher cash balances from the FY26 bond issuance (\$965M); Projected interest rates are expected to be lower; Passenger Facility Charges increased \$2.6M due to expected passenger increases; Customer Facility Charges decreased \$4.2M due to fewer forecasted contract days. The Non-Operating Expense decreased \$451K; Bond Issuance Costs decreased \$6.0M due to no expected debt issuance in FY27; Interest Expense increased \$5.5M. Full year of interest in FY27 for the 2026 bonds (6 months included in FY26), Offset by savings in interest rate for actual issuance. Estimated 6%, came in at 4.52%. These savings, along with refunding from the 2015AB bonds and reduction in the expected use of the short-term credit facility, resulted in interest expense only increasing \$5M.

Ms. Basrai presented a summary slide on the FY27 BNA O&M Budget and stated the Total Operating Revenue is \$376.4M (increase of \$21.3M / 6.0%); Total Operating Expense \$200.9M (increase of \$5.7M / 2.9%); Income before depreciation and capital grants \$148.2M (\$19.1M more / 14.8%).

Ms. Basrai requests the Finance Committee recommend to the Board of Commissioners that it approve the proposed FY27 BNA operating budget and authorize the Chair and CEO to execute MNAA Resolution No. 2026-02.

Chair Byrd thanked Ms. Basrai and stated that is a very good presentation. Vice Chair Glover asked if the rental cars decrease is because of the gas prices. Ms. Basrai replied it started happening beginning of FY26. It is a combination of things. President Kreulen replied the trend we are seeing is also nationwide. Vice Chair Glover asked for the shuttle bus it is \$1.2M in operating expenses; how much revenue does MNAA receive from it? Ms. Basrai replied MNAA does not get any revenue from that, some of the parking revenue is paying for the shuttle bus. For the satellite, part of that expense gets charged to the airlines. Vice Chair Glover asked if the Music City Loop will affect the Uber and Lyft numbers that are presented. Ms. Basrai replied no, she is not even

sure it will start by FY27 but believes it will not decrease the revenue since we will charge the same \$5.00 for pick-ups and drop-offs as Uber and Lyft. Vice Chair Glover thanked Ms. Basrai and stated it is a great report.

Chair Byrd asked about the planned closure date for Parking Lot A. Ms. Basrai stated July, so that we can start on the new CONRAC and parking garage. Commissioner Granbery asked what the projections are of the softening of the rental cars and financing of the CONRAC. Ms. Basrai replied looking at the financing of the CONRAC, we were very conservative in terms of what we thought the transactions would be. And based on the transactions we see now, the affordability is about the same, maybe a little bit more. We had already said the \$10 CFC that we were charging were not going to get us to that \$564M. And that is still true from what she said last year. She may come back near the end of the year for a CFC increase, which has already been planned. Where we are looking right now at the rental demand, and we are not sure that the rental cars will take over. The way it is being built is the part of it is a parking garage and CONRAC, and rental cars can take over more of that parking garage. With the lower demand they may not need to do that. We may keep that part as a parking garage. It is still feasible even with the lower transactions because we were pretty conservative when we were estimating our original transactions and we have to keep looking at it. Commissioner Granbery said so the potential off ramp is you increase parking garage and decrease CONRAC. President Kreulen replied yes, however, rental cars will be around for years to come.

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

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

3. FY27 BNA Capital Improvement Budget, MNAA Resolution #2026-03

Ms. Basrai stated the FY27 BNA Capital Improvement Budget, MNAA Resolution #2026-03 details were included in the Staff Analysis. Ms. Basrai provided a summary stating the Summary of the 5-year CIP total FY27-FY31 CIP is \$1.5B, FY27 CIP is \$475.6M. The major projects for FY27: 1) MNAA Campus - \$172M, 2) MNAA Warehouse/CSF - \$105.3M. As we talked about eventually looking at Terminal II, it may go where our maintenance department is located. We are getting ahead, maybe not needed for 10 years, but we know we have to move them. We do not want to build something and then have to move it twice. The inventory warehouse, maintenance, airfield operations, Communications Center and virtual ramp tower will all go with those two items. She may plan to use 70% of that in cash. We saved some money in our bond issue and can pay more with cash because this is non-revenue generating since it is our support facility. If we can use cash and not pay interest on it for 30 years, that will be a good function of that 1100 Days Cash on Hand we have.

Ms. Basrai stated the ADG5/TDG6 Improvements and Romeo Bridge at \$63M. As discussed, over the last few months the plan is to increase our airfield to hold larger aircraft. This bridge over Donelson for the aircraft to come in from the terminal to the runway has to be bigger to get larger aircraft across the bridge. She stated we are currently looking at 57% being paid by the Federal Government and the rest will be bond funded which will get reimbursed by the airlines.

Ms. Basrai stated the Taxiway Tango 5 and Lima Reconstruction at \$40.6M for some repairs of the airfield with all the new operations we have and to reconstruct that area. This will be bond funding and airlines reimbursed. Ms. Basrai stated the Runway 2L/20R Extension Design at \$15M is for the design of the extension. We are still waiting on FAA for approval to proceed. We will use \$10M of state funds and \$5M reimbursed by airlines, and in FY28 there is another \$15M for the remaining design of the runway extension. Ms. Basrai stated that each individual project will be approved; The approval of the CIP doesn't mean you are approving these projects. They will come back to the Board for approval.

Ms. Basrai requests the Finance Committee recommend to the Board of Commissioners that it approve the proposed FY27-FY31 BNA Capital Improvement Plan, and approve the proposed FY27 BNA Capital Improvement Budget, and 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 authorize the Chair and President & CEO to execute MNAA Resolution No. 2026-03.

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

Chair Byrd asked for the MNAA campus is for moving a number of airport facilities, does that cover the costs of the construction of the new buildings. Mr. Robert Ramsey, EVP, CDO, replied that should cover the entire project costs. Chair Byrd stated he noticed in there \$10M for land acquisition. Ms. Basrai replied when land comes up, we sometimes do not have funds available, so we have started a fund putting away \$10M for land purchases, keeping it segregated so that if a parcel comes up that we want to purchase we have the funds available.

Chair Byrd stated the Tango 5, Lima Reconstruction is to work on expanding the airport asphalt facilities in order to take care of larger planes coming into BNA. President Kreulen replied yes, larger planes and more traffic using that existing pavement and the pavement is wearing out faster than forecasted, so reconstructing it and putting it back new will give it longer life. Chair Byrd stated for us this is a pretty major step which is to spend \$278M to begin to relocate these facilities. President Kreulen stated \$278M is strategic on our part to begin moving before we have to move them.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

4. FY27 JWN O&M Budget, MNAA Resolution #2026-04

Ms. Basrai presented the FY27 JWN O&M Budget and MNAA Resolution #2026-04. Operating Revenue increased \$1.8M; Land rental and hangar increased \$1.78M; Atlantic lease added to

budget and hangar rent increases effective July 1, 2026 (3.7%); Flowage Fees increased \$20K due to increase in aviation fuel sales.

Ms. Basrai stated the Operating Expenses increased \$275K, Salaries & benefits increased \$123K: 1 new FTE (operations specialist) and COLA (3%); Professional and other contractual services increased \$22K due to 3rd party snow removal services not previously budgeted; Janitorial services increased \$9K due to contractual increases and new deep cleaning service for admin building; R&M increased \$50K due to addition of EMAS inspection and maintenance services (\$35K) and sprinkler system certification (\$15K); Other Operating Expense increased \$67K, due to increases in JWN's share of allocable MNAA administrative expenses. Through the Airline Use and Lease Agreements JWN is one of those cost centers that get a share of the allocated overhead of MNAA.

Ms. Basrai stated the Non-Operating Revenue decreased \$188K; Interest Income decreased \$187K: decreases in cash balance and projected lower interest rates.

Ms. Basrai presented a summary slide stating the FY27 JWN O&M Budget; Total Operating Revenue \$5.7M; Total Operating Expense is \$2.8M; Income before depreciation, capital grants, and Transfers to/from MNAA \$3.1M (\$1.3M increase 76.7%).

Ms. Basrai requests the Finance Committee recommend to the Board of Commissioners that it approve the proposed FY27 JWN operating budget and authorize the Chair and CEO to execute MNAA Resolution No. 2026-04.

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

Chair Byrd stated pretty impressive increase in operating revenues, lot of hard work done out there and a lot of expansion.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

5. FY27 JWN Capital Budget, MNAA Resolution #2026-05

Ms. Basrai presented the FY27 JWN Capital Budget and MNAA Resolution #2026-05 including a Summary of the 5-year CIP – Total FY27 CIP \$2.9M; Total 5-year CIP \$55.4M. Major projects FY27: 1) Eastside Pavement Rehabilitation design and construction is \$1.2M, 2) ALP Update is \$556K, 3) Westside Drainage – Fence/Stream Crossing - \$420K, and 4) Obstruction Removal is \$200K, \$1.3M JWN funding, \$1.3M in federal grants and \$366k in state grants. Each individual project will be approved; the approval of the CIP doesn't mean you are approving these projects.

Ms. Basrai requests the Finance Committee recommend to the Board of Commissioners that it approve the proposed FY27-FY31 JWN Capital Improvement Plan, and approve the proposed FY27 JWN Capital Improvement Budget, and 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 authorize the Chair and President & CEO to execute MNAA Resolution No. 2026-05.

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

Vice Chair Glover asked if she could repeat what project is in FY29. Ms. Basrai replied the \$20M is for the Westside hangar development. President Kruegen replied to build that big ramp, after we put the road in for \$6.7M, then you are able to spend more money on the ramp.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

6. FY27 MPC O&M Budget, MPC Resolution #2026-01

Ms. Basrai presented the FY27 MPC O&M Budget and MPC Resolution #2026-01. The Operating Revenue is decreased by \$467K to account for revisions to prior-year revenue assumptions and expected FAA and VA leases not materializing for the full year due to Federal funding cuts. The Operating Expenses increased \$290K, Utilities increased \$193K for electricity, water, and natural gas (higher usage and rates). Additionally, this year it was discovered that Trash services were included (and paid) by BNA; Landscaping increased \$50K due to the discovery the MPB landscaping was being included (and paid) on BNA's invoice. Also added an adjacent lot to IPB to contract. Increasing \$17K for various repair and maintenance services (elevator/escalator maintenance, chiller maintenance, fire alarm monitoring, water treatment, etc.). About \$21K for Tenant Improvements that may need to be done to entice new or extension of space leases at IPB. Current occupancy is 76%. The Non-Operating Revenue Interest Income decreased \$390K due to decreases in cash balance and projected lower interest rates. The Non-Operating Expenses Inter-Company Expenses decreased \$12K due to changes in BNA management fee estimates. The fee is calculated as a percent of revenues, and since there is a reduction in revenue, the estimated fee was also reduced.

Ms. Basrai presented a summary slide stating the FY27 MPC O&M Budget Total Operating Revenue is \$4.5M; the Total Operating Expense is \$2.1M; and Net Income before depreciation \$2.2M (Decrease of \$1.1M / 32.3%).

Ms. Basrai requests the Finance Committee recommend to the Board of Directors that it approve the proposed FY27 MPC operating budget and authorize the Chair and CEO to execute MPC Resolution No. 2026-01.

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

Chair Byrd stated something will happen with this building over time and we will not own indefinitely but this is an asset we own right now and need to keep it in good repair. Ms. Basrai replied we have tenants in it. President Kreulen replied yes, we have tenants in it and the team has done a good analysis and with these improvements will allow us to go to 2035 and at that

point the building will be over 60 years old. At that point remove it and turn it into aeronautical with the Westside cargo or another use.

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

7. FY27 MPC Special Projects Budget, MPC Resolution #2026-02

Ms. Basrai presented the FY27 MPC Special Projects Budget, MPC Resolution #2026-02 including a Summary of MPC 5-year CIP Total at \$3.33M (all in FY27). MNAA is studying the west side of BNA for future development, which may include the International Plaza Building, however, nothing has been identified yet. During FY26, given IPB's profitability, demand, and being out of the path of growth, staff gained approval from the President and CEO to allow the IPB to remain open through 2035 (originally slated to be closed in 2030). This would allow Real Estate to sign/extend leases through 2035 and perform capital improvements to make the building functional for the next ten years (the building is occupied by tenants, and some projects are needed to ensure the building is safe and in general working order). 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. Only funding source for MPC is their cash balance, which is \$20M.

Ms. Basrai requests the Finance Committee recommend to the Board of Directors that it approve the proposed FY27-FY31 MPC Special Projects Plan, and approve the proposed FY27 MPC Special Projects Budget, and authorize MPC 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 authorize the Chair and President & CEO to execute MPC Resolution No. 2026-02.

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

Chair Byrd asked Ms. Saxman for a roll call:

Chair Byrd – Yes

Vice Chair Glover – Yes

The motion passed with a vote of 2 to 0.

President Kreulen concluded the presentation of the approval items.

VI. INFORMATION ITEMS

1. Procurement Procedure Update 3 of 3

President Kreulen introduced Kristen Deuben, VP, Deputy Chief Financial Officer, to brief the Committee on the Procurement Procedures. Ms. Deuben stated this is the third Procurement Procedure update. The Procurement organizational structure was updated December 1, 2025 and the Procurement Policy #35-001 was issued (effective) December 8, 2025. 26 procedures were initially identified that need to be documented. Currently we have 12 procedures that have been reviewed and approved by Deputy CFO and Legal and posted internally. There are 14 procedures that are waiting for review by Deputy CFO with goal of being completed in the next 14 days. Ms. Deuben presented a list of the procedures. President Kreulen stated this is a huge effort that Ms. Deuben has taken on to help with the Procurement policy and procedures and it will make us a much more efficient airport.

2. North Mezzanine 3rd Party Lounge Solicitation

President Kreulen introduced Lisa Leyva, VP, Concessions, to brief the Committee on the North Mezzanine 3rd Party Lounge Solicitation. Ms. Leyva stated the proposed space is the North Mezzanine with the use of 20,600 sq./ft. for credit card/common use lounge. A 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), the Minimum Annual Revenue to Authority of \$5.15M/year (min. bid of \$250/sf), 3% annual escalation, +18% of all ancillary sales and invest a minimum of \$250K/year in-terminal advertising.

Ms. Leyva presented a proposed drawing of the conceptual space layout. Ms. Leyva shared a list of proposed amenities. She stated the schedule includes RFP release date of May 2026, the Pre-Proposal meeting of May 2026, the RFP due date of August 2026, and the RFP Selection of September 2026.

Chair Byrd asked if various credit card companies have expressed interest in this space. Ms. Leyva replied yes, we have spoken with American Express, Chase, among others that have all expressed interest. Commissioner Granbery asked what is the reserved space? Ms. Leyva stated it is for another entity that we are speaking with. Chair Byrd asked if there are other spaces available above Concourse A. President Kreulen replied in Concourse A, in the Center of L shape, American Airlines will move to a bigger space. Delta has a nice lounge, was 3K SF, and now is 15K SF. Chair Byrd stated there is a lot of competition for these lounges. President Kreulen replied yes, and if they want it they will bid higher than our minimum bid and whoever has the best bid will get it. If you will recall, before, when we changed over and started all this growth, we did not have this kind of money in the reserve accounts and the push was to generate revenue. And we have been doing that for 8 years now and as showed on our financial forecast this is the win, with \$5M minimum bid.

President Kreulen concluded the presentation.

1) ADJOURN

There being no further business brought before the Finance Committee, Chair Byrd adjourned the meeting at 10:33 a.m.

Andrew W. Byrd, Board Secretary

STAFF ANALYSIS

Finance Committee

Date: May 13, 2026

Facility: Nashville International Airport (BNA)

Subject: Letter of Agreement (LOA) for the Future American Airlines Admiral's Club Reimbursement

I. Recommendation

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

- 1) accept the Letter of Agreement (LOA) between American Airlines, Inc. (American Airlines) and the Metropolitan Nashville Airport Authority (the Authority) for the funding and payback of the Admiral's Club (the "Club") as part of the new Concourse A; and
- 2) authorize the Chair and President and CEO to execute the LOA by and between American Airlines and the Authority.

II. Analysis

A. Background

American Airlines currently leases and operates 8,866 sq. ft. of Exclusive Use Space on Concourse C (Concourse level entrance, 599 sqft; Club Level; 8,267 sqft) at BNA of which 6,424 sq. ft. is utilized for the use of their Club. The lease of this space through the current Airline Use and Lease Agreement (AULA) expires June 30, 2031, or June 30, 2033, if the extension of the AULA is exercised.

As part of improvements to the Airport, The Authority is reconstructing Concourse A to include mezzanine space for a new Club. Pursuant to Section 3.3 of the AULA (Authority Rights to Reallocate and Relocate Airline Premises), MNAA may relocate the Airline from its Premises and upon doing so, shall "construct like-for-like improvements in its new Premises". American Airlines has requested a larger space than the existing Club in the future Concourse A. Any cost associated with a larger space is not the responsibility of the Authority and would be the responsibility of American Airlines.

The Authority and American Airlines for the purpose of this document and the LOA shall be referred to collectively as "the Parties".

B. Impact

Financial Terms of Relocation

- a. The Parties agree that the cost to construct a new Club at 6,424 sq. ft. to American Airline's standards in 2025 is \$1,000 psf. MNAA agrees to recognize 80% of this value towards the construction of a new Club in 2028 which equals \$5,139,200.
- b. The Parties agree that the cost of design and construction for a new Club in 2028 is estimated at \$1,200 psf. Therefore, the size of the new Club to be constructed is 14,800 sq. ft. for an agreed upon construction value of \$17,760,000.
- c. American Airlines plans to use approximately 2,500 sq. ft. of the total mezzanine space for Administrative Ops Space. This administrative space will be built out by MNAA as replacement space per Section 3.3 of the current AULA.
- d. American Airlines agrees to borrow and MNAA agrees to lend money with 5% interest over a period of ten years in the amount detailed below:
 - i. New Club Construction is a not-to-exceed amount of \$17,760,000
 - ii. Less recognized value of Club \$5,139,200 [which MNAA funds without American Airlines paying back]
 - iii. Equaling a estimated total principal loan amount of \$12,620,800, which will be finalized upon completion.
- e. Repayment of the loan will begin upon beneficial occupancy of the Club, or 12 months after American Airlines gains access to the Club construction site. The estimated loan amount of \$16,344,513 will be repaid over 10 years in equal monthly installments.
- f. American Airlines agrees that payments will continue for 10 years regardless of the expiration of the current AULA or leased status of the space under a new airline use and lease agreement. MNAA will give a right of first refusal to American Airlines for this space under any future agreement until the loan is fully repaid.
- g. All payments required and any late fees or disputes which may arise under this LOA shall be governed by the provisions of Article 10 of the AULA. All payments will be made in advance no later than the first day of the month without awaiting an invoice from MNAA.

Use of Space

- a. American Airlines agrees to lease all enclosed 17,300 SqFt space on the mezzanine level of the new Concourse A, of which 14,800 SqFt will be utilized as Club space and 2,500 SqFt will be utilized for administrative use. The rental rate for the entire 17,300 sq. ft. of space shall be the Signatory Terminal Rental Rate or equivalent rate, as calculated annually.
- b. American Airlines agrees that it is responsible for the design, construction, and permitting of the buildout of the Club space. Any buildout of space will require approval through MNAA's standard AIR (airline improvement request) process.
- c. MNAA agrees to provide funding to American Airlines in three phases: Design costs, primary construction costs, and finishing construction costs. Any costs in excess of the \$17,760,000 NTE shall be the responsibility of American Airlines, unless American Airlines

and MNAA mutually agree, in writing, to pursue an Amendment to this LOA or enter into a subsequent agreement authorizing additional funding.

- d. American Airlines will also lease two terraces (1,441 sqft) and one balcony (totaling 1,189 SqFt). The rate for the terrace and balconies shall be 70% of the Signatory Terminal Rental Rate (or equivalent rate), as calculated annually.
- e. All space will be added to American Airline's Premises (as defined in Article III of the AULA) effective on the the date of beneficial occupancy.

C. Strategic Priorities

- Invest in BNA
- Plan for the Future

D. Options/Alternatives

The Authority, as part of the AULA, must fund, at a minimum, the relocation of the Admiral's Club at the existing size. By entering into this reimbursable agreement, it ensures that American will lease the entire club area, not just the existing size, until at least the end of the current AULA, while getting reimbursed for the additional cost through the LOA. This will provide additional revenue to the Authority, as shown below.

American Airlines Future Footprint at Current Size

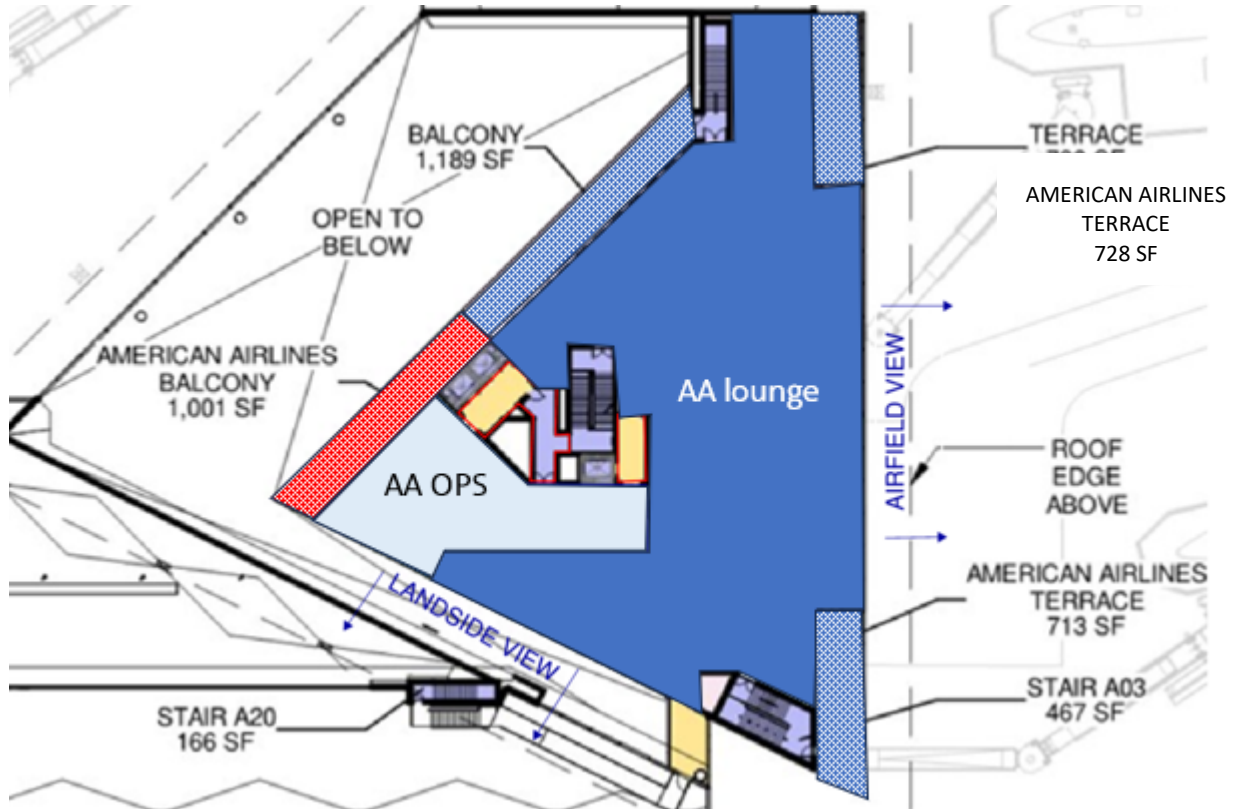
	Sqft	FY2029 Rate* PSF	Annual Rent
Club	6,424	\$252.10	\$1,619,490
Terrace	0	\$176.47	\$0
Balcony	0	\$176.47	\$0
Total	6,424		\$1,619,490

American Airlines Future Footprint with LOA

	Sqft	FY2029 Rate* PSF	Annual Rent
Club	14,800	\$252.10	\$3,731,080
Terrace	1,441	\$176.47	\$254,293
Balcony	1,189	\$176.47	\$209,823
Total	17,430		\$4,195,196
Increased Rent	11,006		\$2,575,706

Mezzanine Level – Future Concourse A

(exact layout of lounge / ops space to be determined through design process)



UNLEASED
BALCONY
1,001 SF

STAFF ANALYSIS

Finance Committee

Date: May 13, 2026

Facility: Nashville International Airport - BNA

Subject: Cellular DAS License Agreements with AT&T, T-Mobile, and Verizon

I. Recommendation

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

- 1) accept the proposed Distributed Antenna System (“DAS”) License Agreements with each of AT&T, T-Mobile, and Verizon (the “Carriers”) to support wireless delivery service across Nashville International Airport; and
- 2) authorize the Chair and President and CEO to execute the DAS License Agreements with each of the Carriers.

II. Analysis

A. Background

Authority owns and operates a neutral host DAS throughout the airport to support cellular, voice and data connectivity for passengers, tenants, and operations. The Authority entered into Temporary License Agreements with each of the Carriers while it negotiated terms of the DAS License Agreement with each of the Carriers.

B. Impact/Findings

Key Business Terms with each of the Carriers is as follows:

- a. Contract Start Date: Agreement will be effective July 1, 2026
- b. Duration of Contract: Twenty years: an initial term of ten (10) years with two (2) automatic five (5) year renewals unless the Carriers gives notice not to renew
- c. Contract Completion Date (with renewals): June 30, 2046

Financial Considerations:

- a. Each Carrier will pay an annual license and maintenance fee with a 3% annual escalation as outlined below:
 - Verizon annual payment of \$186,579 or \$15,548.25 per month
 - AT&T annual payment of \$186,000 or \$15,500 per month
 - T-Mobile annual payment of \$186,000 billed as \$11,000 monthly license fee and \$4,500 monthly maintenance fee Total revenue for Lease Year 1 will be \$558,579
- b. Upon execution of the Agreements, Authority will receive approximately \$2,744,000 comprised of:
 - \$750,000* capital contribution from each of T-Mobile and Verizon to (i) reimburse Authority for capital invested during BNA Vision for the Grand Hall (\$500,000) and (ii) pay for buildout for the future Concourse A (\$250,000)
 - AT&T will make an initial \$500,000 capital contribution and will later make its additional capital contribution of \$250,000 for Concourse A which will be added to the agreement via amendment when the Concourse A design is complete.
 - A payment of \$279,000 from AT&T and T-Mobile and \$279,868.50 from Verizon for the period retroactive to January 1, 2025, under the Temporary DAS License Agreement.
- c. Each Carrier will pay an incremental fee adjustment, not to exceed \$24,000 per annum, for future technology upgrades (e.g., C-Band), as required

Authority retains full ownership and control of the DAS system and is responsible for system operation, maintenance, and performance; use of the DAS system will remain subordinate to airport operations and regulatory requirements

- a. Carriers are responsible for their own equipment, utilities, and installation costs as well as environmental compliance and remediation;
- b. Carriers are responsible for equipment removal and site restoration upon expiration of the DAS License Agreements
- c. Indemnification and insurance requirements are in-line with the standard requirements of the Authority
- d. Any future upgrades or expansions requiring additional capital investment are subject to airport requirements and Authority approval and will be mutually agreed to with the Carriers on a case-by-case basis

C. Strategic Priorities

- Invest in BNA- continued source of revenue that will increase annually
- Plan for the Future- these agreements ensure passengers can access their cellular, voice, and data inside the terminal for the next 20 years.

D. Options/Alternatives

The Board of Commissioners could choose not to approve the cellular carrier agreements which could potentially result in a disruption of service to our passengers, tenants, and operations. Approval of the DAS License Agreements secures a long-term revenue stream, recovers prior capital investments, and supports continued enhancements and growth of the wireless infrastructure critical to airport operations and the passenger experience, with the Authority maintaining control of the DAS platform.

STAFF ANALYSIS

Finance Committee

Date: May 13, 2026

Facility: Nashville International Airport - BNA

Subject: Rental Car Concession Agreements and the Consolidated Rental Car Facility Lease Agreements

I. Recommendation

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

- 1) accept the proposed amendments to the Rental Car Concession Agreements and the Consolidated Rental Car Facility Lease Agreements
- 2) authorize the Chair and President and CEO to execute the amendments with each of the Rental Car Concessionaires; Avis Budget Car Rental, LLC., EAN Holdings, DTG Operations, Inc. DBA Dollar Rent A Car, Burgner Enterprises, INC. DBA Thrifty Car Rental, The Hertz Corporation, & Sixt Rent A Car, LLC.

II. Analysis

A. Background

The Authority and each Rental Car Concessionaire wish to amend the existing Concession and Facility Lease Agreements to allow for continued operations until new agreements are implemented with the opening of the New ConRAC. In conjunction with revision or addition of the language needed to achieve this, all parties wish to further revise both agreements to align with current operational and administrative changes that have taken place.

B. Impact/Findings

The changes made with the amendments to each Concession Agreement will:

- 1) revise the Term of the Concession Agreement to co-terminate with the Facility Lease Agreement,
- 2) add the requirement that any 3rd Party vendors that book reservations on behalf of the Rental Car Companies clearly identify Concession Fee Recovery language on the Customer Invoice,
- 3) remove the requirement of Rental Car Companies to accept Travelers Checks,
- 4) increase the Terminal Counter staffing time from 16 hours to 18 hours, closely aligns with

each company's current operations,

- 5) restate the Airport smoking/tobacco/vape policy,
- 6) change ACDBE language to comply with updated FAA language, and
- 7) update the contact information for Notices, Approvals, Consents, etc., as well as for Agents for Service Process.

The addition of the terms in the amendments to the Facility Lease Agreements will:

- 1) revise the Renewal Term definition to allow for the agreement to sunset in the event the New ConRAC Agreement becomes active prior to the 5-year extension termination,
- 2) change ACDBE language to comply with updated FAA language,
- 3) update the contact information for Notices, Approvals, Consents, etc., as well as for Agents for Service Process,
- 4) memorialize the ConRAC reallocation that took place in 2020.

C. Strategic Priorities

- Invest in BNA – continuity of current agreements
- Plan for the Future – these amendments allow for the time needed to develop and execute the Rental Car Agreements needed for the opening of the New ConRAC.

D. Options/Alternatives

The Board of Commissioners could choose not to approve the Amendments to the Rental Car Concession Agreement and Facility Lease Agreement. Should the option be exercised, both the Concession Agreement and Facility Lease would expire on October 31st, 2026, impacting the revenues generated by their activity as well as the option available to passengers as a transportation alternative. Approval of the amendments creates the environment to effectively negotiate the Rental Car Agreements needed for the occupancy and operation of the New ConRAC.

STAFF ANALYSIS

Finance Committee

Date: May 13, 2026

Facility: Nashville International Airport - BNA

Subject: Public Parking Facilities and Valet Services Management Agreement

I. Recommendation

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

- 1) accept the proposed Public Parking Facilities and Valet Services Management Agreement with ACE Parking Management, Inc to manage and operate the Public Parking Facilities and Valet Services at Nashville International Airport; and
- 2) authorize the Chair and President and CEO to execute the Public Parking Facilities and Valet Services Management Agreement with ACE Parking Management, Inc.

II. Analysis

A. Background

Authority contracts with a Parking Service Management company to manage and operate the Authority owned Public Parking and Valet Facilities. The Public Parking Facilities and Valet Services Management Agreements with LAZ Parking both expire on June 30, 2026. A Request for Proposal for the Operation of Public Parking Facilities & Valet Services was successfully released on February 9, 2026.

Proposers were asked to bid on all supervision, labor, tools, materials, machinery, equipment, and incidentals necessary to successfully execute the management of the Public Parking Facilities and Valet Operations.

The minimum qualifications for the Operation of Public Parking Facilities and Valet Services were as follows: a minimum of ten (10) years of continuous experience in managing and operating paid parking facilities including valet at a commercial service airport of at least ten-thousand parking spaces and must be licensed to do business in the State of Tennessee.

Proposals were due on March 20, 2026. There were five (5) companies that submitted proposals for the Operation of Public Parking Facilities and Valet Services. Those proposers were: ABM Aviation Inc, ACE Parking Management, Inc, LAZ Parking Georgia LLC (incumbent), Republic Parking, and SP+. All proposers were deemed responsible and responsive.

The selection committee reviewed and scored the proposals based on the following criteria: demonstrated understanding of project methodology, demonstrated experience in providing

similar services, resources, key personnel skills, experience, customer service, and price offer. Two (2) firms were shortlisted and interviewed, ACE Parking Management and SP+. ACE Parking and Management was unanimously selected and an intent to award was issued to Ace Parking and Management on April 20, 2026, a being the selected contractor by the evaluation committee based on the above criteria.

The selection committee determined ACE Parking Management to be the most qualified based on:

Experience- ACE clearly demonstrated their vast experience, they are currently at 40 airports across the country, have been in business for 70 years, have over 750 operations, and manage 750,000 parking stalls.

Reporting Capabilities- ACE will provide to the airport at no additional cost their customized solution called DeepBlue. This reporting tool will help both the airport and ACE have clear and comprehensive insights into key metrics that will enhance the parking and valet operations.

Transition and Operations Plan- ACE provided a detailed Gant chart outlining their transition and operations plan that included the ever-changing dynamics of the airport as it relates to construction and our growing parking facilities and operations. While remaining focused on providing world class customer service and being a hands-on business partner.

Innovation- ACE presented the best and most thorough innovation plan for our parking and valet services to include:

- a) Demand based staffing
- b) Reward and Loyalty Programs
- c) eCommerce and reservation solutions
- d) Marketing solutions to drive demand

B. Impact/Findings

Summary of the Scope of Services:

The agreement requires ACE to staff and operate the Public Parking Facilities and Valet Management twenty-four (24) hours per day, seven (7) days per week, every day of the year in a first-class manner. ACE will provide staffing, training, customer service, parking and revenue control system management and maintenance, informational signage, removal of abandoned vehicles, janitorial and snow removal services of designated areas, operation of the Valet Management System (technology provided by the Authority), passenger transportation services including those that accommodate ADA guests (if applicable), car wash, and all other activities normally associated with the management of Public Parking and Valet Facilities.

Key Business Terms with ACE Parking Management, Inc are as follows:

Contract Start Date: Agreement will be effective July 1, 2026

Duration of Contract: Five (5) years with no renewal option

Contract Completion Date: June 30, 2031

Financial Considerations:

- Annual Management Fee:
 - Year 1: \$2,062,911
 - Year 2: \$2,130,542
 - Year 3: \$2,209,005
 - Year 4: \$2,271,116
 - Year 5: \$2,354,609

ACE will be required to submit an Annual Operating Budget which is subject to MNAA approval. This Budget will be itemized and contain reimbursable expenses for each agreement year. Upon approval by MNAA staff MNAA will reimburse ACE for those approved expenses up to the maximum amount approved in the Budget.

Operating Expenses: MNAA will continue to provide for the general repair and maintenance of all parking facilities. Detailed janitorial and maintenance metrics and requirements were coordinated with MNAA Operations to ensure no duplication of services and/or overlap with MNAA staff and/or MNAA contractors. Office space will also be provided to ACE at no expense to ACE.

Contract Penalties: The contract does contain a provision to assess penalties for non-performance. Those penalties will be deducted directly from the Management Fee if necessary.

C. Strategic Priorities

- Invest in BNA - continued source of revenue with a focus on customer service, operations, and innovation.
- Plan for the Future- This agreement ensures uninterrupted operations of our parking and valet services while also taking into account management of the new PARCS system and future parking products.

D. Options/Alternatives

The Board of Commissioners could choose not to approve the Public Parking Facilities and Valet Services Management Agreement which could result in a disruption of service to our passengers, tenants, and operations resulting in a significant loss of revenue. Approval of the agreement ensures uninterrupted operations, revenue, and customer service to our passengers.

STAFF ANALYSIS

Finance Committee (Information Only)

Date: May 13, 2026

Facility: Nashville International Airport

Subject: FY 2026 – 3rd Quarter – Treasury Investment Report (March 31, 2026)

I. Reports

The following Treasury Investment Report covers the period from January 1, 2026, through March 31, 2026.

II. Analysis

A. Summary

For FY 2026, 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 and Capitalized Interest Portfolio, and MNAA 2026A&B Construction Funds and Capitalized Interest Portfolio.

The fund allocation for cash and investments (not including accrued interest) at the Authority for the quarters ending December 31, 2025, and March 31, 2026, was as follows:

	12/31/2025	3/31/2026	\$ Change	% Change
NAE Fund	\$ 422,297,336	\$ 494,649,548	\$ 72,352,212	17.13%
Operating Cash	214,482,692	142,498,358	(71,984,334)	-33.56%
Construction Accounts	144,101,830	842,657,052	698,555,222	484.76%
Debt Service Accounts	207,579,596	365,348,813	157,769,217	76.00%
PFC Accounts	220,382,287	224,400,037	4,017,750	1.82%
CONRAC Accounts	109,727,815	106,706,396	(3,021,419)	-2.75%
Total Funds	\$ 1,318,571,556	\$ 2,176,260,204	\$ 857,688,648	65.05%

The asset allocation for cash and investments (not including accrued interest) at the Authority for the quarters ending December 31, 2025, and March 31, 2026, was as follows:

	12/31/2025	3/31/2026	\$ Change	% Change
U.S. Treasuries	\$ 420,221,560	\$ 552,720,035	\$ 132,498,475	31.53%
Federal Agency	124,934,676	507,867,651	382,932,975	306.51%
Agency Mortgage-Backed Securities	46,011,751	51,010,032	4,998,281	10.86%
Certificates of Deposit	1,090,414	1,090,414	-	0.00%
Commercial Paper	84,147,965	324,752,542	240,604,577	285.93%
Money Market Mutual Funds	334,517,131	454,864,290	120,347,159	35.98%
Tennessee Local Government Investment Pool	273,818,067	277,041,979	3,223,912	1.18%
Cash in Demand Deposit Accounts	33,829,992	6,913,261	(26,916,731)	-79.56%
Total Funds	\$ 1,318,571,556	\$ 2,176,260,204	\$ 857,688,648	65.05%

The listing of accounts on March 31, 2026, 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 March 31, 2026, 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 3.90% for the CORE Portfolio, 3.72% for the Common Debt Service Reserve Portfolio (DSR), 3.56% for the 2022A&B Construction Funds and 2022A&B Capitalized Interest Portfolios, and 3.65% for the 2026A&B Construction Funds and 2026A&B Capitalized Interest Portfolios. The PFMAM CORE Portfolio benchmark yield, the ICE BofAML 1-3 Year U.S. Treasury Index Benchmark, was 3.60%. The PFMAM Common DSR, Construction Funds, and CAP-I benchmark, the ICE BofAML 3mo T-Bill, was 3.61%.

The MNAA managed funds yield was 3.63% as compared to the benchmark S&P Rated LGIP All Index yield of 3.85%. The combined yield for the MNAA managed and PFMAM Managed Portfolios was 3.73%.

The Authority earned a total of \$16,699,254 on cash and investments for the third quarter of FY 2026. In comparison, the income received on cash and investments for the second quarter of FY 2026 ended December 31, 2025, was \$12,837,366. Total available funds for the third quarter of 2026 were \$2.176B vs \$1.318B for the second quarter of 2026 (\$858M more). Earnings were more than in the second quarter due to an increase in deposits, specifically from the 2026 bond issuance in February 2026.

B. Investment Program Review

- DDA cash in 3Q FY 2026 was 0.3% of total cash, which outperforms our goal to minimize cash in Demand Deposit Accounts to no more than 8% of total funds. DDA cash was down 79.56% in 3Q FY2026 compared to 2Q FY2026, due to timing of accounts payable at the end of 2Q.
- As of 3Q FY 2026, 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 January 2026, February 2026, and March 2026

Attachment 2 – PFMAM Investment Performance Review as of March 31, 2026

STAFF ANALYSIS

Finance Committee (Information Only)

Date: May 13, 2026
Facility: Nashville International Airport
Subject: FY2026 – 3rd Quarter – MNAA Employee Retirement Plan and Other Post-Employment Benefits (OPEB) Investment Report

I. Reports

Attached is the Performance Report prepared by Principal for the 3rd Quarter of FY2026. The Principal report covers the period from January 1, 2026 through March 31, 2026.

II. Analysis

A. **Summary**

MNAA Retirement Plan

The quarter (three months) total portfolio return gross of fees was -1.57% compared to the designated Composite Benchmark of -0.89%. The three-month total portfolio return net of fees for the quarter was not available at the time this staff analysis was prepared.

The fiscal year-to-date (six months) total portfolio return gross of fees was 4.46% compared to the designated Composite Benchmark of 6.02%. The year-to-date total portfolio return net of fees was 4.36%.

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 January 31, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective May 21, 2025

Pension - Asset Allocation as of 1/31/2026 (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	\$ 2,888,811.51	3.14%	0%-3%-100%	Yes	100.00%	96.86%
Bonds and Notes	\$ 43,111,599.95	46.91%	0%-47%-57%	Yes	57.00%	10.09%
Equities - Large Cap ^(a)	\$ 7,513,315.96	8.18%	0%-8%-10.40%	Yes	10.40%	2.22%
Equities - S&P 500 Funds ^(a)	\$ 9,663,375.25	10.52%	0%-10.5%-17.40%	Yes	17.40%	6.88%
Equities - Large Cap Growth ^(a)	\$ 7,181,813.55	7.82%	0%-8%-10.40%	Yes	10.40%	2.58%
Equities - Mid Cap ^(a)	\$ 6,363,520.46	6.92%	0%-7.00%-9.10%	Yes	9.10%	2.18%
Equities - Small Cap ^(a)	\$ 3,622,335.26	3.94%	0%-4.00%-5.20%	Yes	5.20%	1.26%
Equities - International ^(a)	\$ 11,552,294.61	12.57%	0%-12.50%-16.10%	Yes	16.10%	3.53%
Total	\$ 91,897,066.55	100.00%				
(a) Total Equities	\$ 45,896,655.09	49.94%	0%-50%-60%	Yes	60.00%	10.06%

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

As of February 28, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective May 21, 2025.

Pension - Asset Allocation as of 2/28/2026 (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	\$ 2,440,117.75	2.63%	0%-3%-100%	Yes	100.00%	97.37%
Bonds and Notes	\$ 43,713,003.08	47.16%	0%-47%-57%	Yes	57.00%	9.84%
Equities - Large Cap ^(a)	\$ 7,545,911.68	8.14%	0%-8%-10.40%	Yes	10.40%	2.26%
Equities - S&P 500 Funds ^(a)	\$ 9,686,296.79	10.45%	0%-10.5%-17.40%	Yes	17.40%	6.95%
Equities - Large Cap Growth ^(a)	\$ 7,422,536.92	8.01%	0%-8%-10.40%	Yes	10.40%	2.39%
Equities - Mid Cap ^(a)	\$ 6,474,136.19	6.99%	0%-7.00%-9.10%	Yes	9.10%	2.11%
Equities - Small Cap ^(a)	\$ 3,672,162.32	3.96%	0%-4.00%-5.20%	Yes	5.20%	1.24%
Equities - International ^(a)	\$ 11,729,191.72	12.66%	0%-12.50%-16.10%	Yes	16.10%	3.44%
Total	\$ 92,683,356.45	100.00%				
(a) Total Equities	\$ 46,530,235.62	50.20%	0%-50%-60%	Yes	60.00%	9.80%

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

As of March 31, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy 41-011, effective May 21, 2025.

Pension - Asset Allocation as of 3/31/2026 (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	\$ 2,621,160.76	2.97%	0%-3%-100%	Yes	100.00%	97.03%
Bonds and Notes	\$ 41,571,570.02	47.11%	0%-47%-57%	Yes	57.00%	9.89%
Equities - Large Cap ^(a)	\$ 7,164,058.84	8.12%	0%-8%-10.40%	Yes	10.40%	2.28%
Equities - S&P 500 Funds ^(a)	\$ 9,203,417.10	10.43%	0%-10.5%-17.40%	Yes	17.40%	6.97%
Equities - Large Cap Growth ^(a)	\$ 6,955,478.56	7.88%	0%-8%-10.40%	Yes	10.40%	2.52%
Equities - Mid Cap ^(a)	\$ 6,153,099.96	6.97%	0%-7.00%-9.10%	Yes	9.10%	2.13%
Equities - Small Cap ^(a)	\$ 3,543,643.58	4.02%	0%-4.00%-5.20%	Yes	5.20%	1.18%
Equities - International ^(a)	\$ 11,032,103.91	12.50%	0%-12.50%-16.10%	Yes	16.10%	3.60%
Total	\$ 88,244,532.73	100.00%				
(a) Total Equities	\$ 44,051,801.95	49.92%	0%-50%-60%	Yes	60.00%	10.08%

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

Asset Valuation Summaries – Retirement Plan

Below are the Asset Valuation Summaries for the third quarter of fiscal year 2026.

Asset Valuation Summary Pension Plan

Month	Cost	Market	Unrealized Gain/Loss
1/31/2026	\$ 68,939,911.86	\$ 91,897,066.55	\$ 22,957,154.69
2/28/2026	\$ 68,830,417.92	\$ 92,683,356.45	\$ 23,852,938.53
3/31/2026	\$ 68,508,018.40	\$ 88,244,532.73	\$ 19,736,514.33

Reconciliation Summary – Retirement Plan

Below is the Pension Reconciliation Summary for the third quarter of fiscal year 2026.

Pension Summary 3rd QTR FY 2026 (market value)

	1/31/2026	2/28/2026	3/31/2026	3Q FY-to-Date
Beginning Market Value	91,036,141.77	91,897,066.55	92,683,356.45	91,036,141.77
Total Cash Receipts	421,560.17	346,390.21	133,514.98	901,465.36
Total Cash Disbursements	(500,770.81)	(455,884.15)	(455,914.50)	(1,412,569.46)
Change in Fair Market Value	940,135.42	895,783.84	(4,116,424.20)	(2,280,504.94)
Ending Market Value	91,897,066.55	92,683,356.45	88,244,532.73	88,244,532.73

MNAA OPEB

The quarter (three months) total portfolio return gross of fees was -1.60% compared to the designated Composite Benchmark of -0.89%. The three-month total portfolio return net of fees for the quarter was not available at the time this staff analysis was prepared.

The fiscal year-to-date (six months) total portfolio return gross of fees was 4.42% compared to the designated Composite Benchmark of 6.02%. The year-to-date total portfolio return net of fees was 4.32%.

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 January 31, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective May 21, 2025.

OPEB - Asset Allocation as of 1/31/2026 (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	\$ 1,447,463.17	2.94%	0%-3%-100%	Yes	100.00%	97.06%
Bonds and Notes	\$ 23,232,342.14	47.18%	0%-47%-57%	Yes	57.00%	9.82%
Equities - Large Cap Value ^(a)	\$ 4,029,582.69	8.18%	0%-8%-10.40%	Yes	10.40%	2.22%
Equities - S&P 500 Funds ^(a)	\$ 5,156,705.89	10.47%	0%-10.50%-17.40%	Yes	17.40%	6.93%
Equities - Large Cap Growth ^(a)	\$ 3,827,896.86	7.77%	0%-8%-10.40%	Yes	10.40%	2.63%
Equities - Mid Cap ^(a)	\$ 3,383,185.63	6.87%	0%-7.00%-9.10%	Yes	9.10%	2.23%
Equities - Small Cap ^(a)	\$ 1,975,694.40	4.01%	0%-4.00%-5.20%	Yes	5.20%	1.19%
Equities - International ^(a)	\$ 6,188,461.43	12.57%	0%-12.5%-16.10%	Yes	16.10%	3.53%
Total	\$ 49,241,332.21	100.00%				
(a) Total Equities	\$ 24,561,526.90	49.88%	0%-50%-60%	Yes	60.00%	10.12%

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

As of February 28, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective May 21, 2025.

OPEB - Asset Allocation as of 2/28/2026 (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	\$ 1,403,134.83	2.81%	0%-3%-100%	Yes	100.00%	97.19%
Bonds and Notes	\$ 23,492,559.17	47.12%	0%-47%-57%	Yes	57.00%	9.88%
Equities - Large Cap Value ^(a)	\$ 4,016,876.50	8.06%	0%-8%-10.40%	Yes	10.40%	2.34%
Equities - S&P 500 Funds ^(a)	\$ 5,206,780.85	10.44%	0%-10.50%-17.40%	Yes	17.40%	6.96%
Equities - Large Cap Growth ^(a)	\$ 3,987,408.75	8.00%	0%-8%-10.40%	Yes	10.40%	2.40%
Equities - Mid Cap ^(a)	\$ 3,479,815.25	6.98%	0%-7.00%-9.10%	Yes	9.10%	2.12%
Equities - Small Cap ^(a)	\$ 2,000,412.55	4.01%	0%-4.00%-5.20%	Yes	5.20%	1.19%
Equities - International ^(a)	\$ 6,268,214.81	12.57%	0%-12.5%-16.10%	Yes	16.10%	3.53%
Total	\$ 49,855,202.71	100.00%				
(a) Total Equities	\$ 24,959,508.71	50.06%	0%-50%-60%	Yes	60.00%	9.94%

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

As of March 31, 2026, all asset classes are in compliance with the Retirement Plan Investment Policy, 41-011, effective May 21, 2025.

OPEB - Asset Allocation as of 3/31/2026 (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	\$ 1,563,675.29	3.28%	0%-3%-100%	Yes	100.00%	96.72%
Bonds and Notes	\$ 22,472,096.65	47.15%	0%-47%-57%	Yes	57.00%	9.85%
Equities - Large Cap Value ^(a)	\$ 3,814,314.59	8.00%	0%-8%-10.40%	Yes	10.40%	2.40%
Equities - S&P 500 Funds ^(a)	\$ 4,947,270.37	10.38%	0%-10.50%-17.40%	Yes	17.40%	7.02%
Equities - Large Cap Growth ^(a)	\$ 3,738,175.23	7.84%	0%-8%-10.40%	Yes	10.40%	2.56%
Equities - Mid Cap ^(a)	\$ 3,317,125.29	6.96%	0%-7.00%-9.10%	Yes	9.10%	2.14%
Equities - Small Cap ^(a)	\$ 1,882,480.35	3.95%	0%-4.00%-5.20%	Yes	5.20%	1.25%
Equities - International ^(a)	\$ 5,926,016.42	12.43%	0%-12.5%-16.10%	Yes	16.10%	3.67%
Total	\$ 47,661,154.19	100.00%				
(a) Total Equities	\$ 23,625,382.25	49.57%	0%-50%-60%	Yes	60.00%	10.43%

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

Asset Valuation Summaries - OPEB

Below are the Asset Valuation Summaries for the third quarter of fiscal year 2026.

Asset Valuation Summary OPEB

Month	Cost	Market	Unrealized Gain/Loss
1/31/2026	\$ 44,426,184.40	\$ 49,241,332.21	\$ 4,815,147.81
2/28/2026	\$ 44,531,933.81	\$ 49,855,202.71	\$ 5,323,268.90
3/31/2026	\$ 44,599,567.34	\$ 47,661,154.19	\$ 3,061,586.85

Reconciliation Summary - OPEB

Below is the OPEB Reconciliation Summary for the third quarter of fiscal year 2026.

OPEB Summary 3rd QTR FY 2026 (market value)

	1/31/2026	2/28/2026	3/31/2026	3Q FY-to-Date
Beginning Market Value	48,612,538.53	49,241,332.21	49,855,202.71	48,612,538.53
Total Cash Receipts	63,841.81	60,525.97	153,385.07	277,752.85
Realized Gain/(Loss)	119,784.54	94,552.21	(33,516.72)	180,820.03
Total Cash Disbursements	(81,223.93)	(49,328.77)	(52,234.82)	(182,787.52)
Change in Fair Market Value	526,391.26	508,121.09	(2,261,682.05)	(1,227,169.70)
Ending Balance	49,241,332.21	49,855,202.71	47,661,154.19	47,661,154.19

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