



Annual Comprehensive Financial Report

*For the fiscal years ended
June 30, 2025 and 2024*



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Airport

A component unit of the Metropolitan
Government of Nashville and Davidson
County • Nashville, Tennessee

Metropolitan Nashville Airport Authority

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

Nashville, Tennessee

Annual Comprehensive Financial Report

For the Years Ended June 30, 2025 and 2024

Prepared by:

The Finance Department

Metropolitan Nashville Airport Authority
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Letter of Transmittal

Board of Commissioners, Executive Staff, and Senior Staff

Organization Chart

Certificate of Achievement for Excellence in Financial Reporting

Metropolitan Nashville Airport Authority
Letter of Transmittal



November 13, 2025

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

The Annual Comprehensive Financial Report ("ACFR") of the Metropolitan Nashville Airport Authority ("the Authority" or "MNA") as of and for the fiscal years ended June 30, 2025 and 2024, is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, results of operations, and cash flows in accordance with accounting principles generally accepted in the United States of America ("GAAP"). It includes disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities included within the ACFR. The report of the independent auditors on the financial statements is included on pages 22-24 of the ACFR.

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

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

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

The Authority's financial statements for the years ended June 30, 2025 and 2024 have received an "unmodified opinion" from Plante & Moran, PLLC, the Authority's independent certified public accountants. An unmodified opinion is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe that the financial statements are not fairly presented in all material respects.

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

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

Metropolitan Nashville Airport Authority Letter of Transmittal

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

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

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

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

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

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

REPORTING ENTITY BACKGROUND

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

The Authority also owns MNAA Properties Corporation ("MPC"), a Tennessee nonprofit corporation, whose purpose is to support and facilitate the operations of the Authority and to help the economic development of the surrounding area. The Authority has all the powers of a governmental entity necessary to accomplish its purpose, such as acquiring land and constructing airport facilities; issuing revenue bonds and other tax-exempt indebtedness; maintaining its own police and aircraft rescue and firefighting ("ARFF"); setting rates and charges for airlines; and setting rates for all activities on airport properties. Although the Authority has an independent governing body, based upon the criteria set forth by the Governmental Accounting Standards Board, it has been determined the Authority is a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee as of June 30, 2025.

As of June 30, 2025 the Authority's Board of Commissioners consists of seven members who serve without compensation, all of whom are appointed by the Metropolitan Government Mayor and approved by the Metropolitan Government Council. By state law, the commissioners represent different professional and management disciplines, including engineering, aviation, law, commerce, finance, and industry. The Board appoints the Authority's President and CEO, who is the chief executive and administrative officer

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responsible for day-to-day operations and planning for both airports and MPC. The President and CEO leads a full-time staff of professional and technical personnel, with a headcount of 474 positions for fiscal year 2025. Authority staff are actively engaged with many trade and community organizations, often receiving awards, and serving in leadership positions.

AUTHORITY OPERATIONS AND SERVICES

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

Airline Use and Lease Agreement

Leases. Revenues received from the airlines are derived from rentals, fees and charges imposed upon airlines operating at BNA under the MNAA Signatory Airline Use and Lease Agreement (the "Airline Agreement"). The following airlines are parties to such agreements: Alaska Airlines, Allegiant Air, American Airlines, Delta Air Lines, Frontier Airlines, Federal Express, JetBlue Airways, Southwest Airlines, Spirit Airlines and United Airlines (collectively, the "Signatory Airlines"). During fiscal year 2024, the Authority entered into a new Signatory Airline Use and Lease Agreement with an eight-year term from July 1, 2023 to June 30, 2031, The Agreement contains a two-year option to extend through mutual agreement between the Authority and the signatory airlines no less than two years before expiration.

Rates and Charges. The Authority created five airline cost centers for the purpose of accounting for and allocating costs and revenues at the airport to establish rates and charges for use of the airfield, the terminal, the terminal ramp area, baggage handling system and passenger boarding bridges. In addition to the five airline cost centers, the Authority also allocates costs and revenues to three Authority cost centers (parking and ground transportation, other buildings and areas, and the reliever airport) and one indirect cost center (general administration and overhead). A percentage of the Authority's indirect cost center is allocated to the direct airline cost centers, calculated by all airline and other cost centers. As described below, rate-setting at the airport is "hybrid". Landing fees are calculated using a residual methodology, the terminal rental rates are calculated using a commercial compensatory methodology, and other rates are calculated using a compensatory methodology. In the airfield cost center, the airlines have the primary responsibility, risk, and benefit from non-airline revenues. In the four other airline cost centers, the Authority and airlines share the responsibility, risk, and benefits.

Majority-in-Interest Approvals Relating to Authority's Capital Projects. Signatory Airlines have Majority-in-Interest ("MII") review rights for capital projects in the airfield cost center exceeding \$2.0 million. The form of MII is negative (e.g., the Authority may proceed unless it receives disapproval from the majority). Rolling debt service coverage is incorporated into the rate calculations for all airline cost centers.

The Airline Industry

In 2025, the airline industry was widely predicted to grow, with both revenue and passenger numbers expected to surpass pre-pandemic levels. The journey so far hasn't been all that smooth as consumer confidence has dipped as recession risks remain elevated, and travel bookings have decreased as a result. However, in the Nashville market (based on publicly available airline schedules), there are currently 8.9 million scheduled departing seats for the months of July 2025 through December 2025, which is an increase of 12.4% from the same months in FY 2025. It was assumed that the large growth in seating would have a negative impact on load factors. Therefore, the Authority expects the load factor for the first half of FY 2026 would be 76.7%, compared to 80.7% for the same period in FY 2025. This would result in 6.8 million enplaned passengers for the first half of FY 2026, a 6.8% increase from the same span of month in FY 2025. Scheduled data for January 2026 through June 2026 are not reliable at this time, but it's assumed that this level of growth would not be sustainable for the entire year, management continues to monitor economic and airline trends to ensure the financial stability of the Authority.

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Airport Activity

Nashville International Airport completed another record-breaking year in fiscal year 2025 with 12.4 million enplanements, a 4.7% increase from the previous year's 11.8 million enplanements. Nashville International Airport averages 670 daily airline arrivals and departures to 113 nonstop destinations.

	2025	2024	2023*
Enplanements	12,385,378	11,826,204	10,919,899
% (decrease) increase	4.7	8.3	18.4
Aircraft landed weight (all-000)	14,394,601	13,823,559	12,918,074
% (decrease) increase	4.1	7.0	17.0
Aircraft operations (all)	279,677	274,335	262,783
% (decrease) increase	1.9	4.4	7.4
Load factors	78.5%	78.4%	79.3%
% (decrease) increase	0.1	(1.1)	0.5

*FY 23 enplanements and landed weights were amended down during FY24 due to an error found after they were published.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Authority's Budget

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

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

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

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

THE AUTHORITY'S ECONOMIC CONDITION

Population and Air Trade Area

BNA resides in a region which the United States Office of Management and Budget (OMB) defines as the Nashville-Davidson-Murfreesboro-Franklin Metropolitan Statistical Area (MSA) and is composed of 14 counties of Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Maury, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson, and Wilson Counties. The Nashville-Davidson-Murfreesboro-Franklin MSA is the 34th most populated MSA in the United States with approximately 2.1 million people and serves as the airport "air service area".

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

In calendar year 2024, BNA ranked 28th nationwide in enplaned passengers with 12,057,435 enplanements, making BNA a large hub airport as classified by the Federal Aviation Administration.

Economy

According to the Nashville Area Chamber of Commerce 2024 Regional Economic Overview "From its world-renowned music scene to the dynamic cultural gems that invite millions of visitors each year, the Nashville-area offers a memorable experience to all its guests and residents. Home to nation-leading healthcare, hospitality, manufacturing, and education powerhouses, Nashville is now one of the nation's fastest growing economies. Since 1990, more than 543,000 new jobs have been created and 5,200 companies have chosen to expand or relocate operations to the region because Nashville provides access to skilled talent, unmatched livability, and a culture that is defined by creativity and collaboration. The Nashville region is thriving." Unemployment rates in the Nashville-Davidson-Murfreesboro-Franklin MSA were 3.4 and 3.0 percent as of June 2025 and 2024, respectively.

NASHVILLE HIGHLIGHTS

Nashville often receives honors and rankings within the travel industry. Nashville's culturally diverse and friendly environment makes it a popular place for conventioners and tourists alike, as well as a great place to work, live and raise a family. A sample of Nashville's recent accolades follows:

- Nashville topped the list as "Americans' Favorite City" by YouGov. (July 2025)
- Nashville ranked #13 among "The 15 Best Cities in the U.S." by Travel + Leisure. (July 2025)
- Nashville was featured in "Here's Why You Should Visit Nashville in 2025" by National Geographic. (July 2025)

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- Nashville was featured in “The Star-spangled Planner: 50 Awesome Reasons to Visit the U.S.A. in 2026” by British Airways High Life Magazine. (July 2025)
- Nashville was featured in “Forget Route 66 and Highway, this is the Greatest Road Trip in America” by The Telegraph (U.K.). (July 2025)
- Nashville was ranked in three categories in “The U.S. Culture Index: America's Most Cultured Cities” by HOLAfly. (July 2025)
 - #3 Most Cultured Cities
 - #2 Best Cities for Museums
 - #3 Best Cities for Music Venues
- Nashville was featured in “Happy 4th! Here are the Most Affordable Cities That Celebrate America's Independence Best”, by Go Banking Rates. (July 2025)
- Nashville named as one of “52 Places to Travel in the U.S. This Year” by Afar. (July 2025)
- Nashville named as “One of the 16 Best Places to Go for the Fourth of July” by U.S. News & World Report. (May 2025)
- Nashville named one of “The 11 Best Places for Women to Travel Solo in the U.S.” by Condé Nast Traveler. (May 2025)
- Nashville was featured as one of “The Great Places to Travel in the U.S. for July 4th Celebrations” by Afar. (May 2025)
- Nashville ranked #3 in “The South's Best Cities 2024” by Southern Living. (March 2025)
- Nashville ranked #22 in “27 Best Holiday Destinations” in June by Condé Nast Traveler. (January 2025)
- Nashville ranked in two categories on “Best of the Best 2025” by Tripadvisor's Traveler's Choice Awards. (January 2025)
 - #6 Top Destinations in the U.S.
 - #7 Best Food Destinations in the U.S.
- Nashville was named as “One of the 10 Destinations to Put on Your Travel Bucket List in 2025” by AAA Club Alliance. (January 2025)
- Nashville is named in “The Top 25 Travel Destinations of 2025” by Daily Mail. (December 2024)
- Nashville was featured in “28 Cities That Go All Out for Christmas in America” by Condé Nast Traveler. (December 2024)
- Nashville named one of “The Best Places in the U.S. to Celebrate New Year's Eve 2024” by Traveling Lifestyle. (December 2024)
- Nashville ranked in “The Best Places to Go in 2025” by Frommer's. (December 2024)
- Nashville ranked #65 in “The World's 100 Best Cities” by World's Best Cities. (December 2024)
- Nashville recognized as #41 of “The Best Places to Retire in the U.S. in 2025” by U.S. News. (November 2024)

- Nashville named one of “The 6 Best Places to spend New Year’s Eve in the U.S.” by The Points Guy. (November 2024)
- Nashville represented four categories in U.S.A. Today’s (October 2024) “10 Best Readers’ Choice Awards”:
 - #1 Best Airport Grab-And-Go Food: 400 Degrees Hot Chicken
 - #1 Best Airport for Shopping: Nashville International Airport (BNA)
 - #2 Best Large Airport: Nashville International Airport (BNA)
 - #3 Best Airport Bar: Tootsie’s Orchid Lounge
- Nashville Nominated as one of “The Best Cities for Vegans & Vegetarians” by Wallet Hub. (September 2024)
- Nashville named one of “The Best Babymoon Destinations in the U.S. for a Pre-baby Vacation” by Timeout. (August 2024)

Nashville Facts are courtesy of the Nashville Convention and Visitors Bureau.

FISCAL YEAR 2025 AWARDS AND RECOGNITION AT BNA

Throughout fiscal year 2025, BNA celebrated numerous achievements, events, and celebrations:

- In June 2025, BNA welcomed 2,426,794 total travelers, the highest number of passengers ever recorded in a single month at the airport.
- June 22, 2025, became the busiest day in BNA’s history, with a staggering 110,000 passengers flowing through the terminal. Of those, 48,039 were screened at security checkpoints — an all-time high for a single day at BNA.
- Unveiled two new international airline partnerships just a week apart—on September 27 and October 4, 2024 — and followed through with the transoceanic flight launches only two days apart: Icelandair on April 10, 2025 and Aer Lingus on April 12, 2025.
- As of June 2025, BNA offers service to 113 nonstop destinations — the most in its history.
- Proudly hosted the 39th Annual Airport Minority Advisory Council (“AMAC”) Airport Diversity Conference, in Nashville, Tennessee.
- BNA was bestowed the following awards:
 - AirHelp Score Report — BNA ranked 6th best airport in the U.S. and 18th globally, reflecting excellence in passenger experience and airport operations.
 - Chairman’s Award: BNA’s President and CEO, Doug Kreulen, received this prestigious accolade at the 39th Annual AMAC Airport Diversity Conference, recognizing leadership and commitment to diversity in aviation.
 - PRSA Nashville Parthenon Awards: The Corporate Communications Team at BNA was recognized for outstanding public relations campaigns that elevated the airport’s brand and community engagement.
 - 2024 IDEAS² Awards: BNA earned distinction from the American Institute of Steel

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Construction for the innovative design and structural excellence of its Grand Lobby and International Arrivals Facility.

- First Responder of the Year: Officer Michelle Gregory from BNA's Department of Public Safety ("DPS") was named First Responder of the Year by the Donelson-Hermitage Chamber, honoring her bravery and service.
- J.D. Power Airport Satisfaction Ranking: BNA was ranked #5 among large airports in North America in the 2024 J.D. Power rankings for overall customer satisfaction — an incredible milestone that reflects our dedication to providing a world-class experience for every traveler.
- Design-Build Institute of America ("DBIA") — BNA received two prestigious honors for the Grand Lobby and International Arrivals Facility (IAF).
- Award of Excellence in Aviation Projects.
- Best in Virtual Design and Construction.
- AXN Director of the Year: Doug Kreulen honored as AXN Director of the Year in the Large Airports Division at the prestigious Airport Concession Awards.
- Stevie Awards®: MNAA earned Bronze in the Government P.R. category at the 23rd Annual American Business Awards® for the FY 2024 Annual Report Video.
- Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting: MNAA earned its 24th consecutive year of recognition for excellence in financial reporting for the FY 2024 Annual Comprehensive Financial Report.
- Richard A. Griesbach Award for Excellence: BNA wins highest honor at 2025 ACI-NA Excellence in Airport Concessions Awards for most outstanding and innovative airport concessions program in the nation

Among the accolades received and milestones accomplished in Fiscal Year 2025, progress continued on *New Horizon*, the transformative \$3 billion growth and expansion program at BNA. *New Horizon* builds on the success of *BNA Vision*, which wrapped up in February 2024, and marks the next chapter in BNA's ongoing transformation to meet the unprecedented growth of Nashville and travel needs of passengers. Scheduled for completion in 2029, *New Horizon* is essential to enabling BNA's ability to support 40 million annual passengers in the future.

FISCAL YEAR 2026 BUDGET

During fiscal year 2025, Finance began to see a softening in revenue generation, especially in parking revenue. Assuming this will continue into FY26, only a minimal increase to budgeted non-airline revenue was included in the FY26 budget. In addition, Southwest Airlines sent a letter to the CEO in January 2025 requesting that MNAA review O&M expenses and keep cost increases to a reasonable level, especially given the increase in debt service for the new facilities (which is supported by the Airlines). These two items became a driving force during the development of the FY26 budget. With assistance from all Authority departments to reduce excess estimates in the budget, Finance was able to keep the FY26 O&M expense growth to only \$3.1 million, or a minimal 1.6%.

Additionally, in September 2025, the Board of Commissioners approved management's recommendations to reduce the enplanement forecast used for the original FY26 budget of 25,990,000 (4% above the FY25

year-end projection), down to 25,026,700 (1% growth), and decreasing both operating revenue and expenses by \$3.5 million. Management will continue to monitor monthly revenue and expense trends to ensure the Authority is responding to changes in consumer demand.

LONG-TERM FINANCIAL PLANNING

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

Capital Improvement Program

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

Between FY 2012 and FY 2017, annual enplaned passengers at the airport increased by approximately 39%; from approximately 4.9 million to 6.8 million. In response to this growth, the Authority began developing a capital program in 2017 to enhance the capacity of airport facilities and meet the growing demand for airport gates, known as the *BNA Vision* program. During fiscal year 2024, the Authority completed the *BNA Vision* capital program, which was an extensive, multi-phased capital improvement program. *BNA Vision* was a major renovation and expansion project intended to enable BNA to meet future needs.

Specific elements of *BNA Vision 1.0* and *2.0*, totaling approximately \$1.5 billion, include the following:

Terminal Garage 2

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

Terminal Lobby Renovation and International Arrival Facility (IAF)

The project provides travelers with an expanded and visually pleasing central terminal, a marketplace with exciting dining and shopping options, and a state-of-the-art international arrivals facility which replaced the interim international arrivals facility. The terminal lobby opened January 24, 2023, and the marketplace and IAF opened September 27, 2023.

Concourse D, Terminal Wings, Ticketing and Baggage Claim Expansion

The project revived and expanded BNA's Concourse D and enlarged the existing ticketing lobby and baggage claim. The north and south terminal wing expansion, expanded baggage claim, and Concourse D are now open.

Terminal Garage 1

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

Donelson Pike Relocation and Terminal Access Roadway Improvements – Phase 1

With mounting traffic and airport utilization, the Donelson Pike Relocation and Terminal Access Roadway Improvements projects are vital to improving access and circulation around BNA. Construction for this project is multi-phased and ongoing.

Satellite Concourse

The project produced an eight-gate, free-standing satellite concourse near the main terminal and provide more gates to meet the increasing air travel demand in Middle Tennessee. The satellite concourse opened in October 2023.

Runway 2L/20R Extension – EA/Preliminary Design and Property Acquisition

The project will allow BNA to accommodate larger aircraft. This is imperative as BNA seeks to expand to more international markets in Asia and Europe.

Concourse A Site Preparation, Fill, and Ramp Paving

The project will prepare an area adjacent to the existing Concourse A to allow for future expansion.

As air traffic continued to increase dramatically during the planning and implementation of the *BNA Vision* program, The Authority began undertaking a new capital initiative, *New Horizon*, which includes additional expansion projects to accommodate future demand beyond what was contemplated when *BNA Vision* program was developed. The total estimated cost of *New Horizon* is approximately \$2.96 billion, and is divided into *New Horizon I*, which comprises airside projects and a total estimated cost of approximately \$1.62 billion, and *New Horizon II*, which comprises landside projects and has an estimated cost of approximately \$1.34 billion. including the following:

New Horizon I:

Concourse D Extension

The project, which opened July 8, 2025, expanded the existing Concourse D (reconstructed under the *BNA Vision* program) from 6 gates to 11 gates, added 8 new concessions locations, a 165-foot-long moving walkway, and a record node at the end of the concourse with an outdoor terrace.

Concourse A Project

The project, expected to open July 2028, provides for the completion demolition of existing Concourse A and the reconstruction of a new 374,000 square foot Concourse A with 16 aircraft gates, new concessions space, a mezzanine level, and outdoor terraces. The Concourse A project also includes 24 additional ticket counters.

Baggage Handling System Improvements

This project, which provides improvements to the existing baggage handling system, is split into phases with full completion by 2029. The improvements are designed to increase the speed of security inspections, sorting, and delivery of baggage to and from aircraft gates and expand the system's size to handle 40 million annual passengers.

Central Ramp Expansion

The project, expected to be completed in 2027 and is required prior to the opening of the new Concourse A, fills approximately 1.1 million cubic yards of airfield to provide 7 remain-overnight aircraft parking and de-icing positions.

New Horizon II:

Terminal Area Roadway Improvements, Phases 2 and 3

These projects are a continuation of roadway improvements being undertaken as part of the *BNA Vision* program to relocate Donelson Pike and improve traffic flow. Elements of this project include the relocation of commercial vehicle pick-up and drop-off locations, lane expansions, and the removal of traffic signals to allow traffic to flow more freely on airport roadways. These roadway improvements include the infrastructure needed to support 40 million annual passengers and are expected to be completed by June 2029. The Authority is remaining in close contact with the Tennessee Department of Transportation as preparations are made to switch drivers to the new Donelson Pike interchange and is providing incentives to the contractor if the project is completed

a year ahead of schedule, which could allow the Authority to complete the terminal roadway improvements ahead of schedule.

The Garage and Rental Car Complex

The project includes the construction of a new Consolidated Rental Car Facility ("CONRAC") and new parking garage (Garage D) on the location of the existing Terminal Lot A surface parking lot. The new CONRAC is expected to provide approximately 4,700 ready/return rental car spaces and related quick turn-around facilities, and Garage D is expected to provide approximately 3,000 public parking spaces. This project also includes the construction of a rental car customer service center, which will relocate the rental car counters from the main terminal building, and a dedicated walkway between the CONRAC and the main terminal building. Upon completion of the project, car rental operations will be relocated from the existing CONRAC to the new CONRAC, and the existing CONRAC will be converted to public parking. The Garage and Rental Car complex is being constructed in such a way that, as future demand dictates, the CONRAC may be expanded into all or portions of Garage D, and those parking spaces may be used for car rental operations.

Northeast Surface Lot

The project includes the construction of a new surface parking lot containing approximately 5,000 parking spaces. The new surface lot is anticipated to be used for airport employee parking, as the existing 2,095-space lot is nearly at capacity and cannot be expanded in its current location. The new surface lot will also be used for valet parking overflow. Upon completion of the Northeast Surface Lot, the existing employee parking lot may be converted to public parking used to accommodate times of peak demand.

The Authority will continue to actively assess and manage its capital needs to determine the necessary modifications to the CIP to accommodate evolving priorities with respect to demand-driven traffic activity, operational needs of the airport, and other factors. The Authority's CIP is subject to frequent review and modification based on expected funding priorities of the Airport System.

Airport Improvement Program

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

Passenger Facility Charges

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

The FAA has approved twenty-three PFC applications and amendments submitted by the Authority. The Authority is currently authorized to impose and use a PFC of \$4.50 per enplaned passenger up to \$1.6 billion, which includes amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC-eligible costs on approved projects.

As of June 30, 2025, the Authority has received approximately \$593 million of PFC revenue, and interest earnings of approximately \$45 million. The Authority has expended approximately \$426 million on approved projects. The current PFC expiration date is estimated at March 1, 2045.

OTHER INFORMATION

Awards and Achievement

The GFOA awarded the Authority a "Certificate of Achievement" for Excellence in Financial Reporting for its ACFR for the year ended June 30, 2024. This was the twenty-fourth consecutive year that the Authority has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and will submit this 2025 ACFR to the GFOA for consideration.

Acknowledgements

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

Respectfully submitted,



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

Metropolitan Nashville Airport Authority Board of Commissioners and Executive Staff

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Executive Vice President & Chief Administrative Officer

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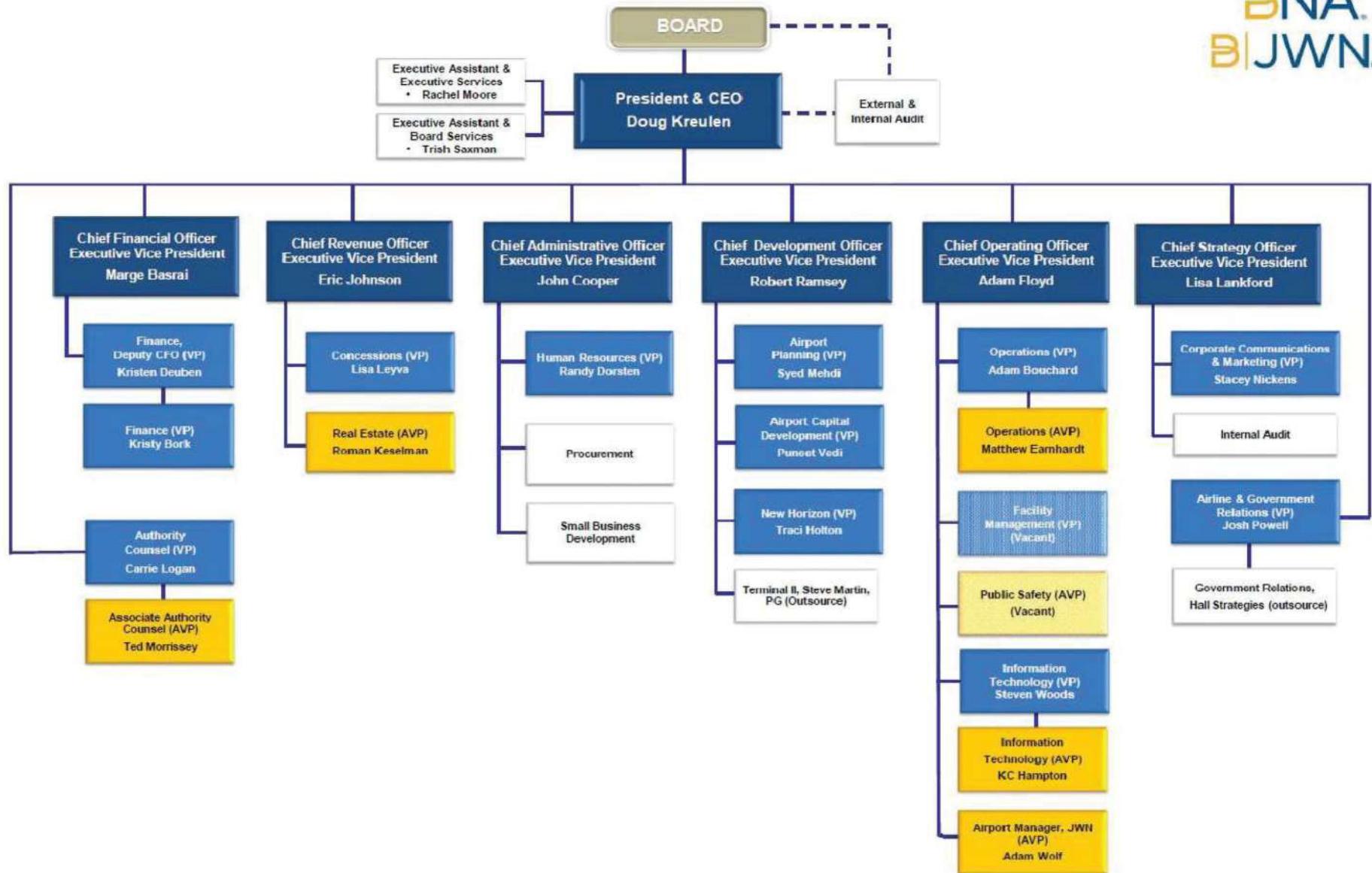
Assistant Vice President, Associate General Counsel

Adam C. Wolf

Assistant Vice President, Airport Manager, JWN

Effective Date: June 30, 2025

**Metropolitan Nashville Airport Authority
Organizational Chart as of June 30, 2025**





Government Finance Officers Association

**Certificate of
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Presented to

**Metropolitan Nashville Airport Authority
Tennessee**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

This section contains the following subsections:

Independent Auditors' Report

Management's Discussion and Analysis

Financial Statements

Independent Auditor's Report

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Report on the Audits of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the aggregate remaining funds of the Metropolitan Nashville Airport Authority (the "Authority"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee, as of and for the years ended June 30, 2025 and 2024 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities and the aggregate remaining funds of the Authority as of June 30, 2025 and 2024 and the changes in its financial position and, where applicable, its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audits of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information, as identified in the table of contents and the schedule of collections and expenditures of passenger facility charges required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 (collectively, the "Guide"), is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of collections and expenditures of passenger facility charges are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2025 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

November 13, 2025

Metropolitan Nashville Airport Authority Management's Discussion and Analysis (Unaudited)

The following discussion and analysis provide an overview of the financial performance and activities of the Metropolitan Nashville Airport Authority (the "Authority") as of and for the years ended June 30, 2025 and 2024. It has been prepared by the Authority's management and should be read in conjunction with the basic financial statements and notes thereto, which follow this section.

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

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

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

The Airport Funding Methodology

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

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

The Authority created five airline cost centers for the purpose of accounting for and allocating costs and revenues at the airport to establish rates and charges for use of the airfield, the terminal, the terminal ramp area, baggage handling system and passenger boarding bridges. In addition to the five airline cost centers, the Authority also allocates costs and revenues to three Authority cost centers (parking and ground transportation, other buildings and areas, and the reliever airport) and one indirect cost center (general administration and overhead). A percentage of the Authority's indirect cost center is allocated to the direct airline cost centers, calculated by all airline and other cost centers. As described below, rate-setting at the airport is "hybrid". Landing fees are calculated using a residual methodology, the terminal rental rates are calculated using a commercial compensatory methodology, and other rates are calculated using a compensatory methodology. In the airfield cost center, the airlines have the primary responsibility, risk, and benefit from non-airline revenues. In the four other airline cost centers, the Authority and airlines share the responsibility, risk, and benefits.

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

Metropolitan Nashville Airport Authority Management's Discussion and Analysis (Unaudited)

Airport Activity Highlights

Nashville International Airport completed a record-breaking year in fiscal year 2025 with 12.4 million enplanements, a 4.7% increase from the 11.8 million enplanements recorded in fiscal year 2024. Currently, Nashville International Airport averages 670 daily airline arrivals and departures to 113 nonstop destinations.

Construction on the Authority's extensive, multi-phased capital program known as the *BNA Vision* was completed in fiscal year 2024. To continue to support the growth of the Nashville region, the *New Horizon* capital improvement program began in fiscal year 2022, in tandem with the *BNA Vision*. The *New Horizon* program includes expansion of concourses A and D, including additional gates, moving walkways, and new concessions; terminal roadway improvements to ease traffic flow into and out of the airport terminal and parking garages; upgrades to the baggage handling system which will deliver passenger luggage to and from aircraft faster; an expanded central ramp to provide necessary overnight aircraft parking positions and deicing areas; expanded employee parking and valet storage; a bigger and better rental car complex; and conveniently located surface parking. The *New Horizon* projects are expected to be complete in fiscal year 2029 at an expected cost of \$3.0 billion.

The concourse D expansion, substantially completed during fiscal year 2025, was the first completed project in the *New Horizon* program. It subsequently opened to the public on July 8, 2025. The D concourse expansion features five new gates, eight new retail locations, a moving walkway, and an outdoor terrace with views of the airfield and downtown Nashville.

Nashville International Airport was pleased to launch two new transoceanic flights with direct service to Reykjavík, Iceland via Icelandair, and Dublin, Ireland via Aer Lingus.

John C. Tune Airport continued to flourish, maintaining a steady waiting list of individuals and businesses eager to rent hangar space.

The business development organization of the Authority, MPC, continued in 2025 with an occupancy level near 100%.

Metropolitan Nashville Airport Authority
Management's Discussion and Analysis (Unaudited)

Statement of Net Position

The Statement of Net Position depicts the Authority's financial position as of June 30 and includes all assets, liabilities, deferred inflows and outflows of resources, and the resulting net position. Assets and liabilities are generally measured using current values. One exception is capital assets, which are stated at historical cost, less an allowance for depreciation. The condensed summary of the Authority's financial position as of June 30, 2025, 2024, and 2023 is as follows:

	2025 (000s)	2024 (000s)	2023 (000s)
ASSETS			
Current unrestricted assets	\$ 996,464	\$ 848,404	\$ 671,819
Restricted assets	284,878	438,369	628,432
Capital assets, net	2,150,171	1,997,633	1,840,271
Other assets	158,334	153,366	143,355
Total assets	3,589,847	3,437,772	3,283,877
DEFERRED OUTFLOWS	1,096	1,452	5,787
LIABILITIES			
Current liabilities	\$ 109,340	\$ 83,488	\$ 81,743
Noncurrent liabilities	2,038,825	2,014,093	2,020,077
Total liabilities	2,148,165	2,097,581	2,101,820
DEFERRED INFLOWS	135,611	140,967	130,777
NET POSITION			
Net investment in capital assets	150,510	261,220	278,592
Restricted	576,917	494,457	469,822
Unrestricted	579,740	444,999	308,653
Total net position	\$ 1,307,167	\$ 1,200,676	\$ 1,057,067

Current unrestricted assets primarily consist of cash and investments, accounts receivable, short-term lease receivable, and amounts due from other governmental agencies. Between 2025 and 2024, current unrestricted assets increased by \$148.1 million, due to an increase in unrestricted cash and investments (\$153.1 million). The increase of \$153.1 million in unrestricted cash and investments is primarily the result of net cash provided by operating activities of \$154.8 million. Between 2024 and 2023, current unrestricted assets increased by \$176.6 million, due to increases in unrestricted cash and investments (\$160.2 million) and amounts due from governmental agencies (\$17.9 million). The increase of \$160.2 million in unrestricted cash and investments is primarily the result of net cash provided by operating activities of \$132.8 million, and noncapital COVID-19 relief grant receipts of \$32.8 million. The amounts due from governmental agencies increased by \$17.9 million due to grant draws submitted but not received for the D concourse extension and Taxiway Bravo/Kilo intersection projects.

Restricted assets consist of cash and investments and accounts receivable which are primarily restricted for debt service and bonded construction. Restricted assets decreased by \$153.5 million between 2024 and 2025 due to

Metropolitan Nashville Airport Authority Management's Discussion and Analysis (Unaudited)

spending airport revenue bond proceeds on *New Horizon* capital projects. Restricted assets decreased by \$190.1 million between 2023 and 2024 due to spending airport revenue bond proceeds on *BNA Vision* and *New Horizon* capital projects. No new bonds were issued in fiscal years 2025 or 2024.

Net capital assets increased by \$152.5 million in 2025 from 2024 due to the substantial completion of the D concourse extension and continued construction of the terminal area roadway improvements, A concourse site preparation and expansion, baggage handling system improvements, and central ramp expansion. Net capital assets increased by \$157.4 million in 2024 from 2023 due to the completion of the international arrivals facility and satellite concourse, and ongoing construction of D concourse extension, terminal area roadway improvements, A concourse site preparation and expansion, and the Taxiway Bravo/Kilo intersection. For more detailed capital asset information, see Note 4 in the Notes to the Financial Statements.

Other assets consist primarily of long-term accounts receivable, lease receivable, prepaid expenses and deposits, net other post-employment benefits (OPEB) assets and net pension assets. In fiscal year 2025, other assets increased by \$5.0 million, attributed to an increase in both the net pension asset (\$7.8 million) and the net OPEB asset (\$5.1 million). In the previous year, a net pension liability was reported. Favorable market conditions led to these increases in the pension and OPEB trust assets. These increases in other assets were offset by a decrease in lease receivable (\$7.7 million). The lease receivable decreased as few non-regulated leases were added during fiscal year 2025, and the existing leases continued to amortize. In fiscal year 2024, other assets increased by \$10.0 million, due to the increase in the lease receivable of \$3.7 million, and the increase in the net OPEB asset of \$5.4 million. The lease receivable increased as certain non-regulated leases – such as the lease for the on-site hotel – began during the fiscal year. The OPEB asset changed as more favorable market conditions increased the value of OPEB trust assets.

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

Current liabilities include accounts payable, payroll-related liabilities, accrued paid time off, and security/performance deposits. Current liabilities increased by \$25.9 million from 2024 to 2025, resulting from an increase in accounts payable (\$23.5 million) and accrued payroll (\$1.3 million). The increase in accounts payable is due to the timing of certain large construction invoice payments. Accrued payroll increased due to the addition of staff and increased employee compensation. Current liabilities remained consistent between 2023 and 2024, increasing by \$1.7 million in 2024. Accrued payroll increased by \$1.1 million in 2024, due to the addition of staff and increased employee compensation, while accounts payable decreased minimally.

Noncurrent liabilities contain accrued interest payable, long-term debt and the net pension liability. Long-term liabilities increased by \$24.7 million in 2025, due to a net increase in long-term debt (\$25.4 million), offset by a decrease in the net pension liability (\$900 thousand). Long-term debt increased due to new draws on the BNA Credit Facility (\$56.3 million), net of principal repayments (\$23.5 million) and bond premium amortization (\$7.5 million). In 2025, a net pension asset was recorded, as opposed to a net pension liability in 2024. Noncurrent liabilities decreased by \$6.0 million in 2024. This was caused by a decrease in accrued interest payable of \$2.3 million as the Authority paid debt principal and did not issue new bonds (see Note 5). Additionally, the net pension liability decreased by \$3.3 million due to favorable market conditions during the year.

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

Metropolitan Nashville Airport Authority
Management's Discussion and Analysis (Unaudited)

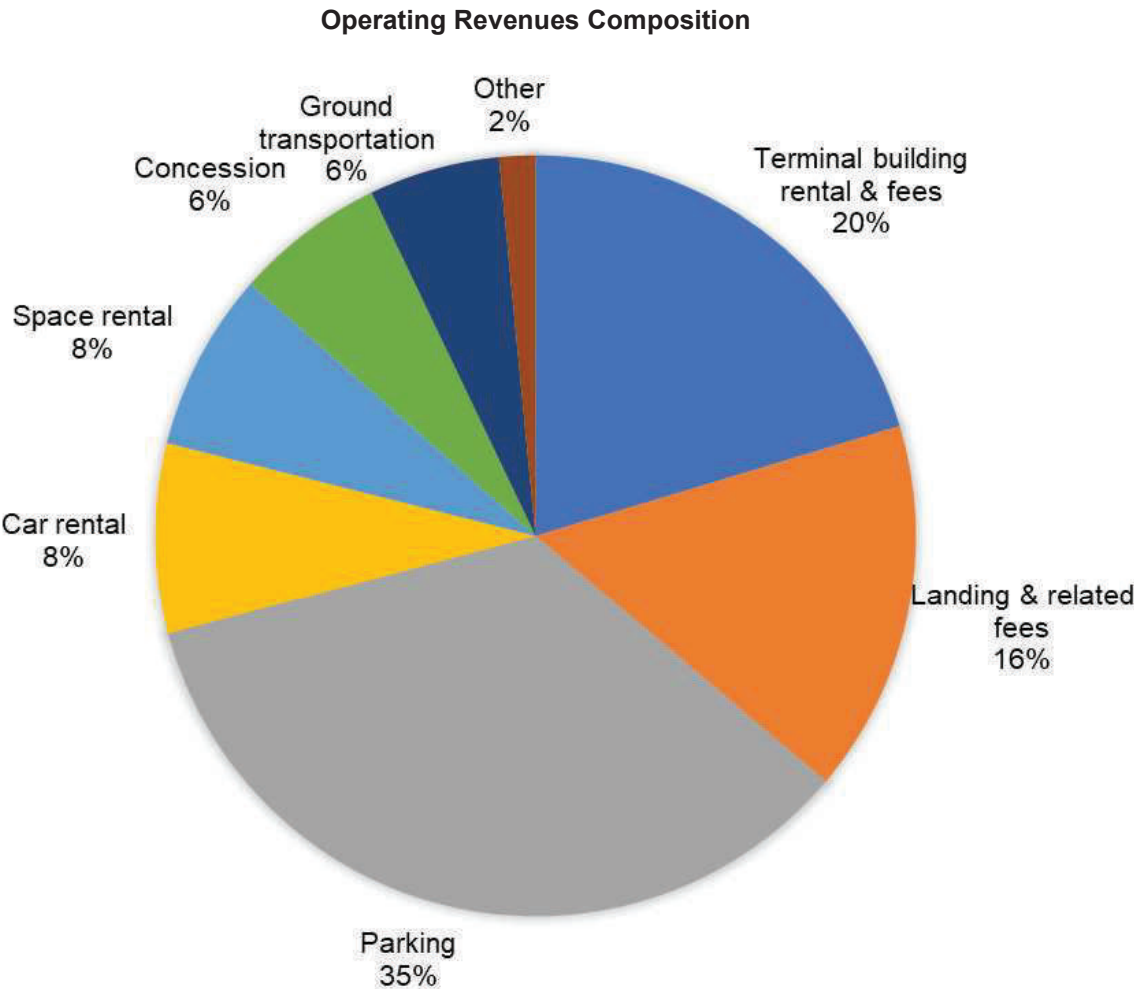
Summary of Operations and Changes in Net Position

The Statement of Revenues, Expenses and Changes in Net Position presents the operating results of the Authority, as well as the nonoperating revenue and expenses. Operating revenues include terminal building rental and fees, landing fees, parking, car rental, space rental, concession revenue, ground transportation, and other. Nonoperating revenues consist primarily of passenger facility charges (PFC), federal and state grants, customer facility charges (CFC) and interest income. Interest expense and loss on disposal of property, plant, and equipment are the largest nonoperating expenses. A summarized comparison of the Authority's revenues, expenses, and changes in net position for the years ended June 30, 2025, 2024, and 2023 follows:

	2025 (000s)	2024 (000s)	2023 (000s)
Operating revenues:			
Terminal building rental and fees	\$ 66,387	\$ 47,726	\$ 34,898
Landing and related fees	51,726	54,194	32,321
Parking	113,203	111,147	99,244
Car rental	26,356	25,502	24,496
Space rental	24,745	17,395	22,967
Concession	20,849	24,012	18,064
Ground transportation	18,177	16,912	14,961
Other	5,016	5,726	7,651
Operating revenues	<u>326,459</u>	<u>302,614</u>	<u>254,602</u>
Operating expenses:			
Salaries, wages and fringe benefits	51,756	49,830	39,212
Professional and other contractual services	41,786	29,166	26,009
Shuttle bus services	17,206	13,255	7,434
Janitorial services	15,792	15,826	11,857
Parking management	15,137	13,136	12,359
Utilities	11,249	8,779	8,640
Materials and supplies	8,679	9,432	6,631
Repairs and maintenance services	8,100	8,635	4,561
Insurance	5,199	5,319	3,482
Other	5,706	5,662	5,681
Depreciation	141,890	117,554	85,872
Operating expenses	<u>322,500</u>	<u>276,594</u>	<u>211,738</u>
Operating income	3,959	26,020	42,864
Nonoperating revenues (expenses):			
Investment income	62,149	62,088	31,041
Passenger facility charges	46,775	44,734	41,532
Customer facility charges	25,802	17,284	15,494
Federal and state grants	13,437	34,830	29,255
Insurance and other reimbursements	5,699	669	6,215
(Loss) gain on disposal of property and equipment	(4,585)	3,696	3,801
Interest expense	(81,114)	(79,527)	(67,906)
Debt issuance costs	(101)	(8)	(2,639)
	<u>68,062</u>	<u>83,766</u>	<u>56,793</u>
Income before capital contributions	72,021	109,786	99,657
Capital contributions	<u>34,470</u>	<u>33,823</u>	<u>58,983</u>
Increase in net position	106,491	143,609	158,640
Total net position - beginning of year	<u>1,200,676</u>	<u>1,057,067</u>	<u>898,427</u>
Total net position - end of year	<u><u>\$ 1,307,167</u></u>	<u><u>\$ 1,200,676</u></u>	<u><u>\$ 1,057,067</u></u>

Operating Revenues

The chart below illustrates the sources of total operating revenue for the year ended June 30, 2025:



Operating revenues increased in fiscal year 2025 from 2024 by \$23.8 million, and by \$48.0 million in fiscal year 2024 from 2023. Operating revenues include terminal building rental and fees, landing fees, parking, car rental, space rental, concession revenue, and ground transportation revenue, and other, and are offset by in-terminal concession credits.

Terminal building rental and fees include main terminal rent, baggage claim fees, per use fees, and jet bridge rent. Terminal building rental and fees increased between 2024 and 2025 by \$18.7 million, largely driven by an increase in main terminal rent (\$12.3 million) and an increase in baggage claim fees (\$5.1 million). Main terminal rent increased due to realizing a full year of rental income for both the international arrivals facility and satellite concourse (both of which opened in the fall of 2023). The terminal rental rates were also raised from \$173.17 per square foot in 2024 to \$186.82 per square foot in 2025. Baggage claim fees increased as rentable baggage claim space increased by approximately 6,000 square feet during 2025, combined with a rate increase in the per-bag fee from \$2.18 in 2024 to \$3.67 in 2025. Terminal building rental and fees increased in 2024 from 2023 by \$12.8 million. Terminal rental rates were raised from \$116.55 per square foot in 2023 to \$173.17 per square foot in 2024 in accordance with the Airline Use and Lease Agreement, effective July 1, 2023. BNA also opened the satellite concourse (featuring eight gates) and the international arrivals facility (featuring six gates). Rentable baggage claim space increased by approximately 19,400 square feet during 2024. The increased rentable space combined

Metropolitan Nashville Airport Authority Management's Discussion and Analysis (Unaudited)

with the fee increases resulted in a terminal rental revenue increase of \$9.9 million, and a baggage claim revenue increase of \$4.9 million in 2024. For more detailed Airline Use and Lease Agreement information, see Note 9 in the Notes to the Financial Statements.

Landing and related fees include landing fees based on landed weights for commercial and cargo airlines (Signatory and Non-Signatory), ramp fees, and overnight parking charges. In 2025, landing and related fees decreased by \$2.5 million. While overall Signatory Airline landed weights realized an increase of 4%, the landing fee was also reduced from \$3.50 to \$3.38 (per 1,000 pounds of gross landed weight) from 2024 to 2025, leading to a reduction in Signatory Airline landing fees of \$3.3 million. The landing fee was reduced due to the cancellation of certain airfield projects, which the Signatory Airlines had previously been obligated to fund. This decrease was offset by an increase in ramp rent of approximately \$600 thousand, resulting from an increase in rentable ramp square footage of about 200,000 square feet combined with an increase in the ramp rental rate from \$3.56 per square foot in 2024 to \$3.99 per square foot in 2025. The landing fee increased from \$2.06 to \$3.50 from 2023 to 2024; this fee increase, along with an 7% increase in overall landed weights, led to a landing revenue increase of \$21.9 million in 2024. For more detailed Airline Use and Lease Agreement information, see Note 9 in the Notes to the Financial Statements.

A nominal increase of \$2.1 million in parking revenue was realized between 2024 and 2025 due to increased enplanements. Daily parking rates did not increase during 2025. Parking revenue increased in 2024 from 2023 by \$11.9 million due to receiving a full year's revenue from a new parking garage which opened in the final quarter of fiscal year 2023, the continued increase in passenger volume at BNA, and increased parking rates effective in December 2023.

Space rental revenue increased from 2024 to 2025 by \$7.4 million. Other land and building rental rates related to the rental car service sites increased by \$1.3 million due to a fair market evaluation. Additionally, the overall reduction of space rental revenue pertaining to certain lease accounting requirements was \$1.8 million in 2025, versus \$5.8 million in 2024. At John C. Tune Airport, hangar rent increased by \$1.0 million, primarily due to the addition of one new tenant. In the Multi-Purpose Building, space rental revenue increased by \$600 thousand due to increased demand for space by one airline, combined with higher rental rates. Space rental revenue decreased from 2023 to 2024 by \$5.6 million, due to various factors. Adjustments pertaining to certain lease accounting requirements reduced revenue by \$5.8 million. These reductions were offset by new revenue from the onsite hotel, and from renting additional office space and lay-down yard space to airlines. For more detailed lease accounting information, see Note 16 in the Notes to the Financial Statements.

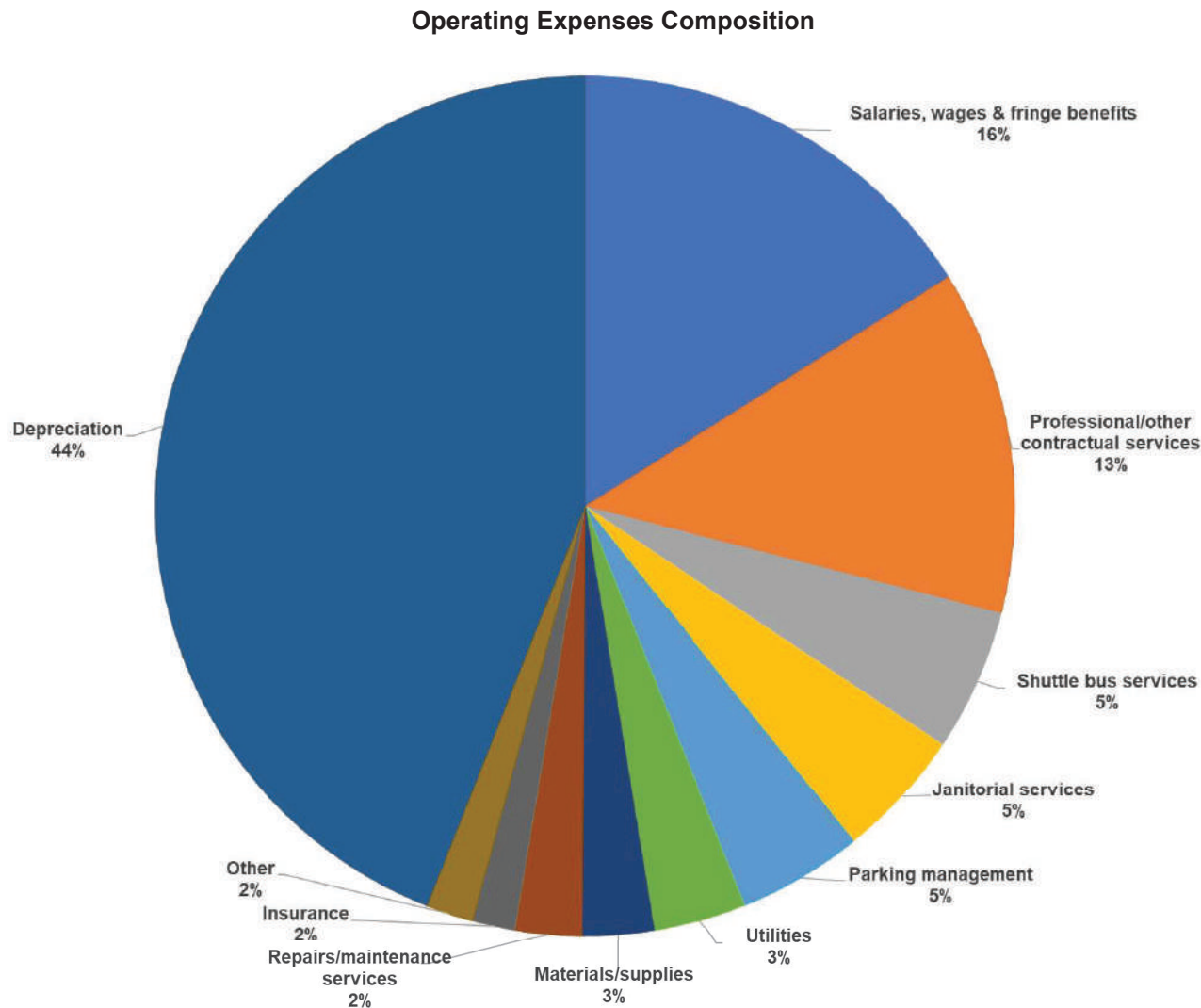
Concessions revenue consists of the food/beverage, retail, and advertising concessions. Concessions revenue realized a net decrease of \$3.2 million. Food and retail concessions decreased by \$5.1 million from 2024 to 2025. While sales per enplanement increased in 2025, this was offset by COVID-19 relief grant credits remitted back to food and retail for concessionaires exceeding \$8 million (\$8 million of concession revenue was reclassified to non-operating revenue). The decrease in food and retail concessions was offset by an increase in advertising revenues (\$1.7 million), resulting from increased advertising rates and an increase in sellable space. Concessions revenue increased from 2023 to 2024 by \$5.9 million, due to increased passenger volume, as well as the addition of new dining and retail concepts in the satellite concourse, the international arrivals facility, and throughout other pre-existing terminal areas.

Ground transportation revenue includes Transportation Network Company (TNC) (Uber/Lyft) revenue, taxi cab revenue, and shuttle revenue. Ground transportation revenue increased by \$1.3 million from 2024 to 2025, and \$1.9 million from 2023 to 2024. The increase in both years is attributable to higher passenger volume in both years.

Other revenue includes rebates, fuel flowage fees, reimbursable services, and any additional revenue not included in the categories listed above. Other revenue decreased nominally in fiscal year 2025 (\$700 thousand) and decreased nominally in 2024 (\$1.9 million).

Operating Expenses

The chart below illustrates the sources of total operating expenses for the year ended June 30, 2025:



Total operating expenses increased by \$45.9 million between 2024 and 2025. The increase, net of depreciation expense, totaled \$21.6 million. Salaries increased by \$1.9 million as the Authority granted employees a cost-of-living adjustment and added a total of 44 employees from June 30, 2024 to June 30, 2025, which was offset by the reduction in expenses for pension and OPEB requirements being \$6.3 million more in 2025 than in 2024. Professional and other contractual services increased by \$12.6 million due to certain building demolitions (necessary to prepare for airport growth), studies relating to future airport needs, and parking lot and ramp re-striping. Shuttle bus services increased by \$4.0 million due to moving passengers from the main terminal to the satellite concourse for 12 months in 2025, as compared to 8 months in 2024 (the satellite concourse opened in late October, 2023). Additionally, the Authority increased drop-offs to the remote employee parking lot to improve customer service. Parking management expenses (including parking lot operations and parking-related credit card fees) increased by \$2.0 million, resulting from an overall increase in parkers which drove higher parking-related credit card fees, and wage increases granted to the parking lot operator’s employees. Utilities increased by \$2.5 million, due to increasing rates in addition to incurring a full year of expenses for the international arrivals facility and satellite concourse, both of which opened in the fall of 2023.

Metropolitan Nashville Airport Authority Management's Discussion and Analysis (Unaudited)

Total operating expenses increased by \$64.9 million between 2023 and 2024. The increase, net of depreciation expense, totaled \$33.2 million. Salaries increased by \$10.6 million as the Authority added a total of 88 employees from June 30, 2023 to June 30, 2024. Employees were also granted cost-of-living adjustments in fiscal year 2024. Professional and other contractual services increased by \$3.2 million, shuttle bus services increased by \$5.8 million, janitorial services increased by \$4.0 million, materials and supplies increased by \$2.8 million, repairs and maintenance increased by \$4.1 million, and insurance increased by \$1.8 million. These increases are attributable to the increase in passenger volume during the year, as well as the added square footage of the satellite concourse and international arrivals facility. The satellite concourse requires additional contracted shuttle bus service, and both new facilities require additional contracted janitorial and security services, and additional insurance.

Due to the growth between fiscal years 2023 and 2024, and 2024 and 2025, the airport incurred more expenses to maintain cleanliness, comfort, safety and security for all passengers.

Nonoperating, Revenues, Expenses, and Contributed Capital

Nonoperating revenues include investment income, passenger facility charges, customer facility charges, noncapital federal and state grants, and insurance reimbursements. Nonoperating revenues decreased by \$5.7 million from fiscal year 2024 to fiscal year 2025. Investment income remained steady during fiscal year 2025, changing minimally. The Authority maintained similar balances in cash, cash equivalents, and investments from 2024 to 2025 and continued to benefit from the strong market climate. Passenger facility charges increased by \$2.0 million, resulting from more passengers traveling in 2025. Customer facility charges increased by \$8.5 million, due to a rate increase from \$4.50 per transaction day, to \$10.00 per transaction day. This change was effective in February 2025. The rate was increased to enhance the financial viability, and provide additional funding, for a new consolidated rental car facility. Insurance and other reimbursements increased by \$5.0 million due to the Authority receiving a large settlement from a party involved in a 2019 incident wherein the Colonial Pipeline was damaged. These increases were offset by a \$21.4 million decrease in nonoperating federal and state grants. In November 2024, the Authority completed its COVID-19 relief grant draws, which were used to offset debt service requirements. Nonoperating revenues increased by \$36.0 million from fiscal year 2023 to fiscal year 2024. Investment income increased by \$31.0 million due to favorable market conditions in 2024; additionally, the Authority earned interest on a full year of the bond funds invested after the November 2022 issuance. Passenger facility charges increased by \$3.2 million, and customer facility charges increased by \$1.8 million, both a direct result of more passengers traveling in 2024. Federal and state grant revenue increased by \$5.6 million as the Authority drew on its COVID-19 relief grants to offset its increasing debt service requirements. Insurance reimbursements decreased by \$5.5 million in fiscal year 2024 after climaxing in fiscal year 2023 due to proceeds received for (1) the tornado which occurred at JWN in 2020, and (2) an incident occurring in 2019 in which the Colonial Pipeline was damaged on BNA property.

Nonoperating expenses include loss on disposal of property and equipment, interest expense, and debt issuance costs. Nonoperating expenses increased by \$10.0 million from fiscal year 2024 to fiscal year 2025. The loss on disposal of property and equipment increased by \$8.3 million. In 2024, a gain on disposal of property and equipment of \$3.7 million was recorded, which was largely the result of two leased hangars reverting from their lessee to the Authority. In 2025, a loss on disposal of property and equipment of \$4.6 million was recorded, which was largely the result of the loss recorded on the A concourse disposal of \$4.2 million. Interest expense increased by \$1.6 million, a result of an increase in net BNA Credit Facility draws of \$42 million. Nonoperating expenses increased by \$9.0 million from fiscal year 2023 to fiscal year 2024. Interest expense increased by \$11.6 million due to paying a full year of interest on bonds issued midway through fiscal year 2023, offset by a decrease in debt issuance costs of \$2.6 million.

Capital contributions increased insignificantly in between 2024 and 2025. Capital contributions decreased between 2023 and 2024 by \$25.1 million, primarily because the Authority received a \$33.1 million grant to construct the satellite concourse, which was completed in October 2023. All revenues related to the grant were recognized in fiscal year 2023.

Metropolitan Nashville Airport Authority
Statements of Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
Current assets:		
Unrestricted assets:		
Cash, cash equivalents, and investments	\$ 944,361,907	\$ 791,245,071
Accounts receivable (net of allowance for doubtful accounts of \$520,480 in 2025 and \$359,531 in 2024)	17,151,263	19,078,186
Lease receivable	12,877,861	11,886,049
Due from governmental agencies	21,666,442	24,563,843
Prepaid expenses and other	<u>406,869</u>	<u>1,631,016</u>
Total current unrestricted assets	<u>996,464,342</u>	<u>848,404,165</u>
Restricted assets:		
Cash and investments	284,805,746	438,220,867
Accounts receivable	<u>72,382</u>	<u>148,129</u>
Total restricted assets	<u>284,878,128</u>	<u>438,368,996</u>
Non-current assets:		
Capital assets:		
Capital assets not being depreciated		
Land and nondepreciable assets	111,384,271	113,265,169
Construction in progress	272,054,227	212,924,038
Capital assets being depreciated		
Infrastructure	857,239,366	815,353,882
Buildings and building improvements	1,245,824,188	1,128,498,584
Equipment, furniture, and fixtures	789,699,643	721,348,402
Subscription assets	<u>5,333,709</u>	<u>3,777,401</u>
Total capital assets	3,281,535,404	2,995,167,476
Less accumulated depreciation	<u>(1,131,364,853)</u>	<u>(997,534,239)</u>
Total capital assets, net	2,150,170,551	1,997,633,237
Other assets		
Accounts receivable, net	1,869,833	2,080,000
Lease receivable	125,877,894	133,609,650
Net pension asset	7,801,045	-
Net OPEB asset	<u>22,784,735</u>	<u>17,675,838</u>
Total noncurrent assets	<u>2,593,382,186</u>	<u>2,589,367,721</u>
Total assets	<u>\$ 3,589,846,528</u>	<u>\$ 3,437,771,886</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amount on refunding	<u>\$ 1,096,155</u>	<u>\$ 1,451,665</u>
Total deferred outflows of resources	<u>\$ 1,096,155</u>	<u>\$ 1,451,665</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
LIABILITIES		
Current liabilities:		
Payable from unrestricted assets:		
Accounts payable	\$ 93,925,144	\$ 70,392,785
Accrued payroll and related items	10,303,182	9,031,736
Advanced billings and payments received in advance	3,554,694	2,708,190
Subscription lease liability	886,010	912,264
Current maturities of notes payable	314,904	309,136
Accrued interest payable	355,572	133,576
	<u>109,339,506</u>	<u>83,487,687</u>
Total current liabilities		
Noncurrent liabilities:		
Payable from restricted assets:		
Accrued interest payable	42,615,060	42,806,010
Current maturities of airport revenue bonds	20,188,000	38,999,862
Unearned revenue from seized funds	950,882	986,084
Notes payable, less current maturities	1,664,871	1,979,775
Subscription lease liability	1,160,593	653,894
Net pension liability	-	929,976
Airport revenue bonds, less current maturities	1,972,245,643	1,927,737,076
	<u>2,038,825,049</u>	<u>2,014,092,677</u>
Total noncurrent liabilities		
Total liabilities	<u>\$ 2,148,164,555</u>	<u>\$ 2,097,580,364</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows from leases	\$ 131,034,074	\$ 139,677,802
Deferred inflows from pension	2,710,618	211,306
Deferred inflows from OPEB	1,866,487	1,078,412
	<u>135,611,179</u>	<u>\$ 140,967,520</u>
Total deferred inflows of resources		
NET POSITION		
Net investment in capital assets	\$ 150,510,163	\$ 261,219,915
Restricted for:		
Capital projects	84,713,965	63,413,979
Debt service	391,781,129	357,563,575
Operations	69,835,083	55,803,273
Pension	7,801,045	-
OPEB	22,784,735	17,675,838
Unrestricted net position	579,740,829	444,999,087
Total net position	<u>\$ 1,307,166,949</u>	<u>\$ 1,200,675,667</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating revenues:		
Airline revenues		
Terminal building rental and fees	\$ 66,386,710	\$ 47,725,771
Landing and related fees	51,726,343	54,194,103
Non-airline revenues		
Parking	113,203,532	111,147,005
Car rental	26,355,596	25,502,274
Space rental	24,745,370	17,395,073
Concession	20,848,570	24,011,968
Ground transportation	18,176,625	16,911,757
Other	5,016,484	5,725,716
Operating revenues	<u>326,459,230</u>	<u>302,613,667</u>
Operating expenses:		
Salaries, wages and fringe benefits	51,756,371	49,830,121
Professional and other contractual services	41,786,237	29,165,587
Shuttle bus services	17,206,032	13,254,850
Janitorial services	15,791,577	15,826,096
Parking management	15,137,226	13,135,892
Utilities	11,249,251	8,779,086
Materials and supplies	8,679,362	9,431,679
Repairs and maintenance services	8,100,182	8,635,281
Insurance	5,198,729	5,318,692
Other	5,705,551	5,662,165
Depreciation	141,889,461	117,553,933
Operating expenses	<u>322,499,979</u>	<u>276,593,382</u>
Operating income	<u>3,959,251</u>	<u>26,020,285</u>
Nonoperating revenues (expenses):		
Investment income	62,149,267	62,087,598
Passenger facility charges	46,775,211	44,734,128
Customer facility charges	25,801,636	17,283,641
Federal and state grants	13,437,528	34,830,240
Insurance and other reimbursements	5,698,900	668,506
(Loss) gain on disposal of property and equipment	(4,585,294)	3,695,683
Interest expense	(81,113,571)	(79,526,825)
Debt issuance costs	(101,338)	(7,500)
	<u>68,062,339</u>	<u>83,765,471</u>
Income before capital contributions	72,021,590	109,785,756
Capital contributions	<u>34,469,692</u>	<u>33,822,954</u>
Increase in net position	106,491,282	143,608,710
Total net position - beginning of year	<u>1,200,675,667</u>	<u>1,057,066,957</u>
Total net position - end of year	<u>\$ 1,307,166,949</u>	<u>\$ 1,200,675,667</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Cash received from customers	\$ 330,660,609	\$ 304,643,723
Cash paid to employees	(61,037,456)	(52,115,130)
Cash paid to suppliers	(114,568,438)	(119,336,364)
Cash received for lease deposits	29,191	187,876
Cash reimbursed for lease deposits	(267,791)	(539,388)
Net cash provided by operating activities	<u>154,816,115</u>	<u>132,840,717</u>
Cash flows from noncapital financing activities:		
Grants from federal/state governments	16,353,546	32,770,915
Insurance recoveries and other reimbursements	5,698,900	18,506
Interest paid on long-term debt	(549,156)	(594,300)
Net cash provided by noncapital financing activities	<u>21,503,290</u>	<u>32,195,121</u>
Cash flows from capital and related financing activities:		
Receipt of passenger facility charges	47,193,090	42,721,511
Receipt of customer facility charges	23,873,702	17,111,237
Purchases and construction of property and equipment	(279,283,814)	(257,624,191)
Interest paid on long-term debt	(87,019,031)	(88,277,635)
Payments on long-term debt	(23,491,658)	(8,864,247)
Proceeds from issuance of long-term debt	56,349,563	15,823,146
Payment for debt issuance cost	(101,338)	(7,500)
Interest received from leases	3,737,904	3,333,884
Contributions from governmental agencies	34,456,924	18,134,356
Net insurance recoveries	-	5,243,047
Receipts from sale of capital assets	153,650	107,112
Net cash (used in) capital and related financing activities	<u>(224,131,008)</u>	<u>(252,299,280)</u>
Cash flows from investing activities:		
Purchase of investments	(1,150,853,241)	(1,324,722,657)
Proceeds from the sale and maturities of investments	1,148,939,721	1,404,376,827
Realized gains on investments	56,840,475	57,682,335
Net cash provided by investing activities	<u>54,926,955</u>	<u>137,336,505</u>
Net increase in cash and cash equivalents	<u>7,115,352</u>	<u>50,073,063</u>
Cash and cash equivalents:		
Beginning of year	490,860,341	440,787,278
End of year	<u>\$ 497,975,693</u>	<u>\$ 490,860,341</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Cash Flows
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 3,959,251	\$ 26,020,285
Adjustments to reconcile operating income to net cash provided by operating activities:		
Provision for depreciation	141,889,461	117,553,934
Changes in operating assets and liabilities:		
Accounts receivable	10,816,781	(6,234,856)
Lease receivable and related deferred inflows of resources	(7,426,704)	8,455,002
Prepaid expenses	1,224,147	2,235,261
Accounts payable	13,061,562	(12,362,297)
Accrued payroll and related items	1,271,446	1,113,165
Advanced billings and payments received in advance	811,302	(190,091)
Lease deposits	(238,600)	(351,512)
Net pension liability/asset and related deferred inflows/outflows of resources	(6,231,709)	(1,575,203)
Net OPEB liability/asset and related deferred inflows/outflows of resources	<u>(4,320,822)</u>	<u>(1,822,971)</u>
Net cash provided by operating activities	<u>\$ 154,816,115</u>	<u>\$ 132,840,717</u>
Cash and investments - end of year consist of:		
Cash and cash equivalents	\$ 497,975,693	\$ 490,860,341
Investments	<u>731,191,960</u>	<u>738,605,597</u>
	<u>\$ 1,229,167,653</u>	<u>\$ 1,229,465,938</u>
Unrestricted cash and investments	\$ 944,361,907	\$ 791,245,071
Restricted cash and investments	<u>284,805,746</u>	<u>438,220,867</u>
	<u>\$ 1,229,167,653</u>	<u>\$ 1,229,465,938</u>
Noncash investing and financing activities:		
Deferred bond refundings	\$ 355,510	\$ 355,510
Bond premium amortization	<u>7,470,337</u>	<u>7,470,337</u>
Net noncash financing activities	<u>\$ 7,825,847</u>	<u>\$ 7,825,847</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Fiduciary Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
	<u>Other Post- Employment and Pension Trust Funds</u>	<u>Other Post- Employment and Pension Trust Funds</u>
ASSETS		
Cash and cash equivalents	\$ 3,997,350	\$ 6,173,959
Investments, at fair value		
Pooled, common, and collective funds	69,144,863	64,518,620
Mutual funds	61,624,788	57,295,795
Total assets	<u>134,767,001</u>	<u>127,988,374</u>
NET POSITION		
Restricted for:		
OPEB	46,307,089	43,175,519
Pension	88,459,912	84,812,855
Total net position	<u>\$ 134,767,001</u>	<u>\$ 127,988,374</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Fiduciary Net Position
June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
	<u>Unadjudicated Funds - Custodial Fund</u>	<u>Unadjudicated Funds - Custodial Fund</u>
ASSETS		
Cash and cash equivalents	\$ 951,740	\$ 986,845
Total assets	<u>951,740</u>	<u>986,845</u>
NET POSITION		
Restricted for:		
Unadjudicated funds	951,740	986,845
Total net position	<u>\$ 951,740</u>	<u>\$ 986,845</u>

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2025 and 2024

	2025	2024
	Other Post- Employment and Pension Trust Funds	Other Post- Employment and Pension Trust Funds
Additions:		
Employer contributions	\$ 820,638	\$ 2,000,000
Employee contributions	289,619	283,087
Investment income		
Net appreciation in fair value	11,921,537	12,390,658
Interest and dividends	658,352	615,571
Investment expenses	(170,548)	(157,005)
Investment income, net	12,409,341	12,849,224
Total additions	13,519,598	15,132,311
Deductions:		
Benefits paid to participants	6,652,722	6,172,659
Administrative expenses	88,249	78,939
Total deductions	6,740,971	6,251,598
Change in net position	6,778,627	8,880,713
Net position - beginning of year	127,988,374	119,107,661
Net position - end of year	\$ 134,767,001	\$ 127,988,374

See accompanying notes to basic financial statements.

Metropolitan Nashville Airport Authority
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
	<u>Unadjudicated Funds - Custodial Fund</u>	<u>Unadjudicated Funds - Custodial Fund</u>
Additions:		
Collection of unadjudicated funds	\$ 19,443	\$ 95,783
Interest and dividends	97	93
Total additions	<u>19,540</u>	<u>95,876</u>
Deductions:		
Payout of unadjudicated funds	54,645	-
Total deductions	<u>54,645</u>	<u>-</u>
Change in net position	<u>(35,105)</u>	<u>95,876</u>
Net position - beginning of year	<u>986,845</u>	<u>890,969</u>
Net position - end of year	<u>\$ 951,740</u>	<u>\$ 986,845</u>

See accompanying notes to basic financial statements.

1. Metropolitan Nashville Airport Authority

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

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

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

In fiscal year 2010, the Board of Commissioners approved the formation of a Tennessee nonprofit limited liability company, MPC CONRAC, LLC. This entity was created in connection with the special facilities financing for the Authority’s consolidated rental car facility. MPC CONRAC, LLC is a single-member LLC, wholly owned by MPC. The formation of MPC CONRAC, LLC created an appropriate entity to execute various agreements and secure financing and services for the consolidated rental car (“CONRAC”) facility, which was completed in fiscal year 2012, and is located at Nashville International Airport.

MPC, including its subsidiaries MPC Holdings, LLC and MPC CONRAC, LLC, is considered to be a blended component unit for financial reporting purposes based on the following: (i) the Authority’s Board of Commissioners constitutes the Board of Directors of MPC; (ii) management of the Authority has operational responsibility for MPC; (iii) the Authority is financially accountable for MPC, including MPC’s fiscal dependence on the Authority and MPC’s potential to provide specific financial benefits or burden to the Authority; and (iv) MPC was created for the benefit of the Authority. The Authority does not issue separate financial statements for the blended component unit (see Note 19).

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

1. Metropolitan Nashville Airport Authority (continued)

Fiduciary Activities

As defined by the GASB, the Authority reports the operations of the pension and other post-employment benefits ("OPEB"), as blended component units in the Fiduciary Fund Financial Statements. The pension and OPEB trust funds provide retirement and health benefits for qualified Authority retired employees. The pension and OPEB trust funds are legally separate entities, and the resources of the trust funds cannot be used to finance the Authority's operations. The assets of the trust funds are held and administered in trust arrangements which are governed by a Retirement Committee (see Notes 12 and 13). The Authority is committed to making contributions to the trusts, and therefore assumes a financial burden for the trust funds and thus has financial accountability. As a result, the activity of the fiduciary funds is presented as a blended component unit. The assets in each trust are held only for the Authority retirees' benefit.

The Authority also reports unadjudicated funds as a blended component unit in the Fiduciary Fund Financial Statements. The unadjudicated funds are comprised of cash that was seized from individuals suspected of crimes. These funds are deposited into a separate bank account in the Authority's name. The funds are held by the Authority until the court issues a verdict. When a judgment is rendered, the funds are distributed to the individuals or the Authority accordingly. Any cash remaining in the custodial fund at year-end may not be distributed to the Authority.

2. Summary of Significant Accounting Policies

Measurement focus, basis of accounting, and basis of presentation

The financial statements of the Authority are presented using the economic resources measurement focus and the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred. The financial statements include the operations of Nashville International Airport, John C. Tune Airport, and MPC, including MPC CONRAC, LLC, as discussed in Note 1. The Authority's pension and other post-employment benefits trust funds are reported as component units in the Fiduciary Fund Financial Statements.

Use of estimates in the preparation of financial statements

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

Budgets

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

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

2. Summary of Significant Accounting Policies (continued)

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

Operating and nonoperating revenues and expenses

The Authority distinguishes operating revenues and operating expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the principal, ongoing operations such as space rental and fees, landing fees, parking, and other miscellaneous income. Transactions that are capital, financing, or investing related are reported as nonoperating revenues. Such nonoperating revenues include Passenger Facility Charges ("PFCs") as described in Note 6, Customer Facility Charges ("CFCs") as described in Note 7, insurance and other reimbursements, noncapital federal and state grants, and lease-related interest income as described in Note 16.

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

Revenues are reported net of discounts and allowances. Bad debts are expensed using the allowance method. Bad debt expense was \$371,585 and \$107,368 for the years ended June 30, 2025 and 2024, respectively. The allowance for doubtful accounts was \$520,480 and \$359,531 at June 30, 2025 and 2024, respectively.

The Authority's operating revenues are presented in eight components as follows:

Terminal building rental and fees

Terminal building rental and fees consists of the revenues earned from the airlines operating at Nashville International Airport primarily for terminal space, baggage claim, jet bridge, and other rentals. The Airline Agreements have a "hybrid" airline rate-setting methodology with the landing fees being calculated on a residual basis, the terminal rental rates being compensatory, and terminal ramp area rates being compensatory. For more information regarding airline rates and charges, see Note 9.

Airport landing and related fees

Airport landing and related fees consists of the revenues earned from the airlines operating at Nashville International Airport, including landing fees, ramp rent, cargo fees, and other fees.

Parking

Parking revenue is generated primarily from the operation of Authority-owned parking facilities at Nashville International Airport. This revenue is presented net of discounts.

Car rental

Car rental revenue is driven by monthly fees paid by the car rental companies for using airport facilities to rent cars to the public. Payments to the Authority are based on negotiated agreements with the car rental companies to remit amounts typically based either on a minimum guarantee or on a percentage of gross receipts. Car rental revenue excludes Customer Facility Charges, which are included in nonoperating revenue (see Note 7).

2. Summary of Significant Accounting Policies (continued)

Space rental

Space rental revenue includes car rental company space rental, fixed base operator space rental, hangar rental, and certain other income received from leases of Authority-owned property.

Concession

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

Ground transportation

Ground transportation revenues are generated by taxicab and rideshare fees, which are assessed on a “per-trip” basis.

Other

Other revenue consists primarily of fixed-based operator fuel sales, rebates, and late fees assessed to customers.

Cash and cash equivalents

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

Investments

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

Certain investments are recorded in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, which requires certain investments to be recorded at amortized cost.

Amounts due from governmental agencies

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

Restricted assets and payables from restricted assets

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

2. Summary of Significant Accounting Policies (continued)

When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first, then unrestricted resources as needed. A summary of the restricted assets at June 30, 2025 and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Debt Service:		
Cash and investments	\$ 215,943,398	\$ 206,668,022
Accounts receivable	72,382	148,129
Total	<u>216,015,780</u>	<u>206,816,151</u>
Construction:		
Cash and investments	60,010,381	224,507,431
Total	<u>60,010,381</u>	<u>224,507,431</u>
Operations:		
Cash and investments	8,851,967	7,045,414
Total	<u>8,851,967</u>	<u>7,045,414</u>
Total restricted assets	<u>\$ 284,878,128</u>	<u>\$ 438,368,996</u>

Capital assets

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

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

Infrastructure	10 to 30 years
Buildings and building improvements	10 to 40 years
Equipment, furniture and fixtures	3 to 15 years
Information technology software	1 to 5 years

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

Postemployment benefits

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

Postemployment benefits other than pension benefits are accounted for under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* ("GASB No. 75"), which establishes standards for the measurement, recognition, and display of postemployment benefits

2. Summary of Significant Accounting Policies (continued)

expense and related liabilities, assets, deferred inflows/outflows of resources, note disclosures, and required supplementary information. See additional information regarding the Authority's OPEB in Note 13.

Compensated absences

In accordance with GASB No. 101, *Compensated Absences*, a leave liability is recognized due to the leave attributable to services already rendered, leave which accumulates, and leave which is more likely than not to be used for paid time off or otherwise paid in cash or settled through noncash means. The compensated absences liability is reported with accrued payroll and related items in the accompanying statements of net position.

Self-insurance

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

Deferred outflows/Inflows of resources

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

The Authority has several items that qualify for reporting as deferred outflows/inflows of resources. These items may include gains or losses on bond refundings; GASB No. 87, *Leases* ("GASB No. 87"), deferred inflow of resources related to leasing activities; GASB No. 68 deferred inflows and outflows from earnings on investments, changes in assumptions, changes in benefit terms, and other experience gains or losses related to the Authority's pension plan, and GASB No. 75 deferred inflows and outflows earnings on investments, changes in assumptions, changes in benefit terms, and other experience gains or losses relating to the Authority's OPEB plan.

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

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

GASB No. 68 and GASB No. 75 variances can occur due to actuarial assumptions that differ between the actual plan experience and the original actuarial assumed rates. Differences can result from earnings on investments, changes in assumptions, changes in benefit terms, other experience gains or losses, and other factors. A variance represents a gain or a loss, shown as deferred inflows of resources or deferred outflows of resources, respectively, in the accompanying statements of net position. These deferred

2. Summary of Significant Accounting Policies (continued)

outflows/inflows are amortized in accordance with the provisions of GASB No. 68 and GASB No. 75. Additional items are determined annually based on each subsequent year's variances from actuarial assumptions.

Advanced billings and payments received in advance

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

Long-term leases

Regulated leases

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

Non-regulated leases

The Authority leases certain assets to various third parties as non-regulated leases. As a lessor, the Authority is required to recognize a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is equal to the lease receivable, less prepayments received from lessees, or lease incentives paid to lessees. As lease payments are received, the Authority recognizes interest revenue and a reduction to the lease receivable. The Authority also recognizes lease revenue calculated as the amortization of the deferred inflow of resources over the lease term. Additional information regarding lease accounting is provided in Note 16.

Components of net position

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

Net investment in capital assets

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

Restricted net position

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

2. Summary of Significant Accounting Policies (continued)

Unrestricted net position

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

Taxes

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

Fair value measurements

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

- Level 1** - Values are unadjusted quoted prices for identical assets in active markets accessible at the measurement date.
- Level 2** - Inputs include quoted prices for similar assets in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads and yield curves.
- Level 3** - Certain inputs are unobservable (supported by little or no market activity) and significant to the fair value measurement. Unobservable inputs reflect the Authority’s best estimate of what hypothetical market participants would use to determine a transaction price for the asset or liability at the reporting date.

Upcoming accounting pronouncements

In April 2024, the Governmental Accounting Standards Board issued Statement No. 103, *Financial Reporting Model Improvements*, which establishes new accounting and financial reporting requirements or modifies existing requirements related to the following: management’s discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenue, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the Authority’s financial statements for the year ending June 30, 2026.

In September 2024, the Government Accounting Standards Board issued Statement No. 104, *Disclosure of Certain Capital Assets*, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the Authority’s financial statements for the year ending June 30, 2026.

3. Cash and Cash Equivalents and Investments

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

Cash and cash equivalents

The Authority's unrestricted and restricted cash and cash equivalent book balances totaled \$497,975,691 and \$490,860,341 on June 30, 2025 and 2024, respectively.

Cash deposits, maintained at four financial institutions, are carried at cost plus interest, which approximates fair value. Cash deposits totaled \$46,044,921 and \$66,840,144 at June 30, 2025 and 2024, respectively. Cash deposits are required by State statute to be secured and collateralized by such institutions.

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

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

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

Investments

Interest rate risk

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

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

3. Cash and Cash Equivalents and Investments (continued)

On June 30, 2025, the average maturities of cash and investments subject to interest rate risk are as follows:

	Fair Value	Average Maturity
Primary Government:		
Investments subject to risk:		
U.S. treasury bonds and agencies	\$ 609,546,520	1.82 years
Commercial paper	90,214,605	.65 years
Certificate of deposit	1,090,414	10 months
Investments subject to risk	<u>700,851,539</u>	
Deposits/investments not subject to risk:		
Investment pool	239,883,641	
Deposits	45,079,971	
Money market funds	243,352,502	
Deposits/investments not subject to risk	<u>528,316,114</u>	
Total Primary Government	<u><u>\$ 1,229,167,653</u></u>	
Fiduciary and Custodial Funds:		
Investments subject to risk:		
Pooled, common and collective funds	\$ 2,603,805	6.29 years
Mutual funds	1,356,751	6.29 years
Investments subject to risk	<u>3,960,556</u>	
Deposits/investments not subject to risk:		
Deposits	964,950	
Money market funds	3,984,140	
Pooled, common and collective funds	66,541,058	
Mutual funds	60,268,037	
Deposits/investments not subject to risk	<u>131,758,185</u>	
Total Fiduciary Funds	<u><u>\$ 135,718,741</u></u>	

3. Cash and Cash Equivalents and Investments (continued)

On June 30, 2024, the average maturities of cash and investments subject to interest rate risk are as follows:

	Fair Value	Average Maturity
Primary Government:		
Investments subject to risk:		
U.S. treasury bonds and agencies	\$ 537,283,050	1.41 years
Commercial paper	99,811,471	.5 years
Certificate of deposit	1,047,776	10 months
Investments subject to risk	<u>638,142,297</u>	
Deposits/investments not subject to risk:		
Investment pool	256,262,257	
Deposits	65,834,572	
Money market funds	269,226,812	
Deposits/investments not subject to risk	<u>591,323,641</u>	
Total Primary Government	<u><u>\$ 1,229,465,938</u></u>	
Fiduciary and Custodial Funds:		
Investments subject to risk:		
Pooled, common and collective funds	\$ 2,429,256	6.26 years
Mutual funds	999,752	6.26 years
Investments subject to risk	<u>3,429,008</u>	
Deposits/investments not subject to risk:		
Deposits	1,005,572	
Money market funds	6,155,232	
Pooled, common and collective funds	62,089,364	
Mutual funds	56,296,043	
Deposits/investments not subject to risk	<u>125,546,211</u>	
Total Fiduciary Funds	<u><u>\$ 128,975,219</u></u>	

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

3. Cash and Cash Equivalents and Investments (continued)

Credit risk

The investment policy specifies acceptable credit ratings by instrument type; however, the investment policy requires all investments must be ranked in the highest fund quality or rating for its individual investment category.

On June 30, 2025, the credit quality ratings of investments (other than U.S. treasury bonds and agencies) are as follows:

Investment	Fair Value	Rating	Organization
Primary Government:			
Commercial Paper	\$ 90,214,605	A, Aa, A	S&P, Moody's, Fitch
Federal Agency Bond/Note	4,429,936	AA, Aa, NR	S&P, Moody's, Fitch
Federal Agency Commercial Mortgage-Backed Securities	48,217,318	AA, Aa, AA	S&P, Moody's, Fitch
Total Primary Government investments	<u>\$ 142,861,859</u>		
Fiduciary Funds:			
Pooled, common and collective funds	\$ 10,335,835	A	S&P, Moody's, Fitch
Pooled, common and collective funds	7,559,941	A	S&P, Moody's, Fitch
Pooled, common and collective funds	5,384,280	BBB	S&P, Moody's, Fitch
Mutual funds	15,770,291	BBB	S&P, Moody's, Fitch
Unrated investments	96,668,394		
Total Fiduciary Fund investments	<u>\$ 135,718,741</u>		

On June 30, 2024, the credit quality ratings of investments (other than U.S. treasury bonds and agencies) are as follows:

Investment	Fair Value	Rating	Organization
Primary Government:			
Commercial Paper	\$ 99,811,471	A, Aa, A	S&P, Moody's, Fitch
Federal Agency Bond/Note	13,391,718	AA, Aaa, NR	S&P, Moody's, Fitch
Federal Agency Commercial Mortgage-Backed Securities	27,089,683	AA, Aaa, AA	S&P, Moody's, Fitch
Total Primary Government investments	<u>\$ 140,292,872</u>		
Fiduciary Funds:			
Pooled, common and collective funds	\$ 9,696,219	AA	S&P, Moody's, Fitch
Pooled, common and collective funds	6,175,937	A	S&P, Moody's, Fitch
Pooled, common and collective funds	4,000,610	BBB	S&P, Moody's, Fitch
Mutual funds	13,714,638	BBB	S&P, Moody's, Fitch
Unrated investments	95,387,815		
Total Fiduciary Fund investments	<u>\$ 128,975,219</u>		

Custodial credit risk

All investment securities purchased by the Authority are held in third-party safekeeping at a financial institution, acting solely as agent of the Authority and qualified to act in this capacity. To limit custodial credit risk, all trades of marketable securities are executed based on delivery versus payment and avoid the physical delivery of securities (bearer form) to ensure that securities are deposited with a custodian prior to the release of Authority funds. The Authority's investments on June 30, 2025 and 2024 are collateralized by securities held by the Authority's agent in the Authority's name.

3. Cash and Cash Equivalents and Investments (continued)

Financial Instruments Reported at Fair Value

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

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

The Authority has the following recurring fair value measurements as of June 30, 2025:

- U.S treasury bonds and agency issues of \$609,546,520 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$61,624,788 are valued using quoted market prices (Level 1 inputs).
- Commercial paper of \$90,214,605 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).
- Pooled, common and collective funds of \$69,144,863 are valued on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.
- Money market funds totaling \$3,984,140 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).

The Authority has the following recurring fair value measurements as of June 30, 2024:

- U.S treasury bonds and agency issues of \$537,283,050 are valued using quoted market prices (Level 1 inputs).
- Mutual funds of \$57,295,795 are valued using quoted market prices (Level 1 inputs).
- Commercial paper of \$99,811,471 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).
- Pooled, common and collective funds of \$64,518,620 are valued on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.
- Money market funds totaling \$6,155,232 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).

Totals of \$239,883,641 and \$256,262,257 are invested in the Tennessee Local Government Investment Pool on June 30, 2025 and 2024, respectively. Totals of \$243,352,502 and \$269,226,812 are invested at Goldman Sachs on June 30, 2025 and 2024, respectively. These amounts are recorded at amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and are not included in the fair value disclosures above.

Investments in Entities that Calculate Net Asset Value per Share

The Authority holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

3. Cash and Cash Equivalents and Investments (continued)

At June 30, 2025, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Carrying Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Collective investment trust funds	\$ 69,144,863	\$ -	Daily	Daily
Total	<u>\$ 69,144,863</u>	<u>\$ -</u>		

At June 30, 2024, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	<u>Carrying Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Collective investment trust funds	\$ 64,518,620	\$ -	Daily	Daily
Total	<u>\$ 64,518,620</u>	<u>\$ -</u>		

The collective investment trust fund class includes 12 funds that invest in a broad range of investment vehicles:

- One fund invests in common stocks of large-cap companies.
- One fund invests in common stocks of companies located in developed countries outside the U.S.
- One fund invests in a diversified portfolio consisting primarily of high-quality bonds and other fixed income securities, including U.S. government obligations, mortgage- and asset-backed securities, corporate bonds, government-related securities, municipal bonds and collateralized mortgage obligations.
- One fund seeks to achieve long-term growth of capital in a large cap value equity style.
- One fund is invested in one or more underlying collective investment funds which seek to approximate the total return of the markets for international equity securities traded outside the United States.
- Two funds invest in investment-grade debt securities, including U.S. Government obligations, corporate bonds, and mortgage- and asset-backed securities.
- Two funds are invested in one or more underlying collective investment funds which seek to approximate the total return of the S&P 500 Index.
- Three funds invest in a diversified portfolio of fixed income securities.

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

4. Capital Assets

Capital assets and related accumulated depreciation activity for year end June 30, 2025 and 2024 were as follows:

	Balance July 1, 2024	Additions	Retirements	Transfers and Adjustments*	Balance June 30, 2025
Capital assets not being depreciated:					
Land & nondepreciable assets	\$ 113,265,169	\$ -	\$ -	\$ (1,880,898)	\$ 111,384,271
Construction in progress	212,924,038	296,854,196	-	(237,724,007)	272,054,227
Total capital assets not being depreciated	326,189,207	296,854,196	-	(239,604,905)	383,438,498
Capital assets being depreciated:					
Infrastructure	815,353,882	-	-	41,885,484	857,239,366
Buildings and building improvements	1,128,498,584	-	(10,366,352)	127,691,956	1,245,824,188
Equipment, furniture, and fixtures	721,348,402	313,908	(1,990,132)	70,027,465	789,699,643
Subscription assets	3,777,401	1,556,308	-	-	5,333,709
Total capital assets being depreciated	2,668,978,269	1,870,216	(12,356,484)	239,604,905	2,898,096,906
Less accumulated depreciation:					
Infrastructure	(475,988,022)	(24,692,681)	-	-	(500,680,703)
Buildings and building improvements	(302,991,149)	(41,663,970)	6,116,538	-	(338,538,581)
Equipment, furniture and fixtures	(216,527,575)	(74,312,641)	1,501,002	-	(289,339,214)
Subscription assets	(2,027,493)	(778,862)	-	-	(2,806,355)
Total accumulated depreciation	(997,534,239)	(141,448,154)	7,617,540	-	(1,131,364,853)
Net capital assets being depreciated	1,671,444,030	(139,577,938)	(4,738,944)	239,604,905	1,766,732,053
Net capital assets	\$ 1,997,633,237	\$ 157,276,258	\$ (4,738,944)	\$ -	\$ 2,150,170,551

	Balance July 1, 2023	Additions	Retirements	Transfers and Adjustments*	Balance June 30, 2024
Capital assets not being depreciated:					
Land & nondepreciable assets	\$ 111,226,323	\$ -	\$ -	\$ 2,038,846	\$ 113,265,169
Construction in progress	358,877,117	269,673,031	-	(415,626,110)	212,924,038
Total capital assets not being depreciated	470,103,440	269,673,031	-	(413,587,264)	326,189,207
Capital assets being depreciated:					
Infrastructure	728,661,124	-	-	86,692,758	815,353,882
Buildings and building improvements	952,350,604	3,588,572	-	172,559,408	1,128,498,584
Equipment, furniture, and fixtures	567,644,400	268,159	(899,255)	154,335,098	721,348,402
Subscription assets	2,244,691	1,532,710	-	-	3,777,401
Total capital assets being depreciated	2,250,900,819	5,389,441	(899,255)	413,587,264	2,668,978,269
Less accumulated depreciation:					
Infrastructure	(450,768,871)	(25,219,151)	-	-	(475,988,022)
Buildings and building improvements	(267,589,123)	(35,402,026)	-	-	(302,991,149)
Equipment, furniture and fixtures	(161,317,706)	(56,109,124)	899,255	-	(216,527,575)
Subscription assets	(1,057,837)	(969,656)	-	-	(2,027,493)
Total accumulated depreciation	(880,733,537)	(117,699,957)	899,255	-	(997,534,239)
Net capital assets being depreciated	1,370,167,282	(112,310,516)	-	413,587,264	1,671,444,030
Net capital assets	\$ 1,840,270,722	\$ 157,362,515	\$ -	\$ -	\$ 1,997,633,237

*Transfers and adjustments include reclassifications amongst fixed asset classes.

4. Capital Assets (continued)

The amount of construction in progress at June 30, 2025 is attributable to the following:

Terminal Area Roadway Improvements (TARI)	\$ 97,373,111
A Concourse Site Preparation and Construction	97,837,423
Baggage Handling System Improvements	19,235,404
Central Ramp Expansion	14,009,692
Other projects	<u>43,598,597</u>
Total construction in progress	<u>\$ 272,054,227</u>

During fiscal year 2025, \$237,724,007 of construction in progress was substantially completed and transferred to capital assets as follows:

Concourse D Extension	\$ 190,662,456
Reconstruct Bravo/Kilo Intersection	17,485,474
Other projects	<u>29,576,077</u>
Total transferred to capital assets	<u>\$ 237,724,007</u>

The amount of construction in progress at June 30, 2024 is attributable to the following:

Concourse D Extension	\$ 69,022,646
Terminal Area Roadway Improvements (TARI)	45,480,909
A Concourse Site Preparation and Expansion	30,164,044
Reconstruct Taxiway Bravo/Kilo Intersection and T3 Demolition	16,963,960
Other projects	<u>51,292,479</u>
Total construction in progress	<u>\$ 212,924,038</u>

During fiscal year 2024, \$415,626,110 of construction in progress was substantially completed and transferred to capital assets as follows:

Terminal Lobby/International Arrivals Facility	\$ 189,006,805
Satellite Concourse	125,097,916
Terminal and Taxilane Expansion	23,131,264
Other projects	<u>78,390,125</u>
Total transferred to capital assets	<u>\$ 415,626,110</u>

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

4. Capital Assets (continued)

Uncompleted construction contracts

Estimated costs of completion of construction in progress at June 30, 2025 total \$594,519,000 and relate to various projects. The estimated costs to complete construction progress are anticipated to be funded as follows:

Reimbursed by government agencies and grant contracts	\$ 30,873,407
Funded by the Authority	<u>563,645,593</u>
	<u>\$ 594,519,000</u>

5. Long-term Debt

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

	<u>2025</u>	<u>2024</u>
Special facility revenue bonds - direct borrowing:		
Senior lien, CONRAC Series 2018, 3.40%, due 7/1/2028	\$ 14,605,562	\$ 17,956,357
Total special facility revenue bonds - direct borrowing	<u>14,605,562</u>	<u>17,956,357</u>
Airport revenue bonds - other:		
Senior lien, Series 2003B, 5.49% to 5.94%, due 7/1/2033	9,245,000	10,005,000
Senior lien, Series 2015A, 4.00% to 5.00%, due 7/1/2045	78,485,000	80,655,000
Senior lien, Series 2015B, 4.00% to 5.00%, due 7/1/2045	92,535,000	95,175,000
Subordinate lien, Series 2019A, 4.00% to 5.00%, due 7/1/2054	254,435,000	254,435,000
Subordinate lien, Series 2019B, 4.00% to 5.00%, due 7/1/2054	665,150,000	665,150,000
Senior lien, Series 2022A, 5.00% to 5.25%, due 7/1/2052	94,525,000	94,525,000
Senior lien, Series 2022B, 5.00% to 5.50%, due 7/1/2052	<u>501,560,000</u>	<u>501,560,000</u>
Total airport revenue bonds - other	<u>1,695,935,000</u>	<u>1,701,505,000</u>
Notes payable - direct borrowing:		
Geothermal Loan	<u>1,979,775</u>	<u>2,288,911</u>
Total notes payable - direct borrowing	<u>1,979,775</u>	<u>2,288,911</u>
Other debt:		
BNA Credit Facility	<u>72,166,903</u>	<u>30,079,067</u>
Total other debt	<u>72,166,903</u>	<u>30,079,067</u>
Total airport bonds payable and other debt	1,784,687,240	1,751,829,335
Add:		
Unamortized bond premiums	<u>209,726,178</u>	<u>217,196,514</u>
Total airport bonds payable and other debt, net	<u>1,994,413,418</u>	<u>1,969,025,849</u>
Less current portion	<u>20,502,904</u>	<u>39,308,998</u>
Total airport bonds payable and other debt, noncurrent	<u>\$ 1,973,910,514</u>	<u>\$ 1,929,716,851</u>

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

5. Long-term Debt (continued)

The annual requirements to pay principal and interest on the Authority's debt outstanding at June 30, 2025 are summarized as follows:

	Principal				
	Direct Placement Special Facility Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Notes Payable	Other Debt	Total
2026	\$ 3,468,000	\$ 16,720,000	\$ 314,904	\$ -	\$ 20,502,904
2027	3,587,550	28,100,000	320,779	-	32,008,329
2028	3,711,220	29,480,000	326,764	72,166,903	105,684,887
2029	3,838,792	30,935,000	332,861	-	35,106,653
2030	-	32,475,000	339,071	-	32,814,071
2031-2035	-	188,745,000	345,396	-	189,090,396
2036-2040	-	207,540,000	-	-	207,540,000
2041-2045	-	267,270,000	-	-	267,270,000
2046-2050	-	409,075,000	-	-	409,075,000
2051-2055	-	485,595,000	-	-	485,595,000
Total	\$ 14,605,562	\$ 1,695,935,000	\$ 1,979,775	\$ 72,166,903	\$ 1,784,687,240

	Interest			
	Direct Placement Special Facility Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Notes Payable	Total
2026	\$ 443,220	\$ 84,334,138	\$ 50,660	\$ 84,828,018
2027	321,593	83,242,861	41,825	83,606,279
2028	195,773	81,818,914	32,824	82,047,511
2029	65,984	80,304,974	23,655	80,394,613
2030	-	78,717,441	14,315	78,731,756
2031-2035	-	366,577,092	4,801	366,581,893
2036-2040	-	318,329,006	-	318,329,006
2041-2045	-	262,027,006	-	262,027,006
2046-2050	-	187,872,984	-	187,872,984
2051-2055	-	88,869,938	-	88,869,938
Total	\$ 1,026,570	\$ 1,632,094,354	\$ 168,080	\$ 1,633,289,004

5. Long-term Debt (continued)

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

- (i) the trustee may protect and enforce its rights and the rights of the holders of the bonds by suit or suits of equity.
- (ii) the trustee may obtain the appointment of receiver, where the receiver may enter upon and take possession of the airport and fix rates and charges and collect all airport revenues. The receiver will collect and dispose of airport revenues in accordance with the terms and conditions of the General Resolution or as the court directs.

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

All Authority bonds were issued under the Airport Improvement Revenue Bond Resolution adopted by the Board of Commissioners of the Authority on August 15, 1991, (as amended and supplemented, the "General Resolution") and a nineteenth Supplemental Resolution adopted by the Board on October 21, 2015. In 2019, the Board approved the 2019 Master Subordinate Resolution and the First Supplemental Resolution. Bonds issued under the First Supplemental Resolution payable from net revenues are subordinate to bonds issued under the General Resolution. The Authority anticipates using PFC funds for approximately \$4.4 million and \$8.4 million of the Series 2015A and Series 2015B bonds, respectively; approximately \$52 million of the Series 2022A bonds; and approximately \$495 million of the Series 2019B and Series 2022B bonds (Note 6). Although the CONRAC Series 2018 Bonds were issued under the General Resolution, the CFCs are not in and of themselves a part of airport revenues or net revenues as defined in the General Resolution. Therefore, airport revenues derived by the Authority from the operation of the Airport are not pledged for payment of and do not constitute security for the CONRAC Series 2018 Bonds. All other bonds are secured by a pledge of and lien on net revenues derived by the Authority from the operation of the airports.

Net revenues (as defined in the various bond ordinances) of the Authority in the operation of the Airport System have been pledged toward the repayment of the Airport Revenue Bonds. For the years ended June 30, 2025 and 2024, net revenues were \$145,848,712 and \$143,574,217, respectively, compared to the net debt service (principal and interest) for senior and subordinate revenue bonds of \$101,054,138 and \$90,455,316, respectively. In addition, a portion of the Airport Revenue Bonds has been approved by the FAA to be funded by Passenger Facility Charges. For the years ended June 30, 2025 and 2024, the PFC revenues were \$46,775,211 and \$44,734,128, respectively, compared to the net debt service (principal and interest) paid by PFCs of \$32,529,362 and \$21,504,899 for each year.

Net CONRAC revenues have been pledged toward the repayment of the CONRAC Series 2018 Refunding Revenue Bonds. For the years ended June 30, 2025 and 2024, the CONRAC revenues were \$25,801,636 and \$17,283,641, respectively, compared to the net debt service (principal and interest) of \$3,913,257 and \$3,915,169, respectively.

5. Long-term Debt (continued)

Direct Placement Debt:

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

During May 2018, the Authority issued CONRAC Refunding Series 2018 bonds in the principal amount of \$27,358,295. The bonds, together with \$23,334,428 available Customer Facility Charge ("CFC") revenues were placed in an irrevocable trust to advance refund the Series 2010 Bonds maturing in the years 2021 through 2029 and pay the costs of issuance of the bond of \$150,858. Accordingly, the trust account assets and the liability on the defeased bonds are not included in the Authority's financial statements. At June 30, 2025, \$27,710,000 of defeased bonds remain outstanding. The difference between the reacquisition price and the net carrying amount of the refunded debt was \$3,614,352. This difference is reported as a deferred outflow of resources and is being amortized through fiscal year 2029. The refunding resulted in an economic gain of approximately \$6,400,000.

The CONRAC Refunding Series 2018 bonds are payable from and secured by a pledge of certain rental payments derived from CFCs under leases with rental car agencies (Note 7). The remaining CONRAC Refunding Series 2018 bonds contain serial bonds at an interest rate of 3.4%, maturing in progressive annual amounts ranging from \$3,350,795 on July 1, 2024, to \$3,838,790 on July 1, 2028.

Geothermal loan

In July 2015, the Authority entered into an equipment lease purchase agreement in the amount of \$4,300,000 with a financial institution providing for the equipment to be installed in the geothermal project. The annual interest rate is 2.78%. Principal payments are due annually beginning July 2017; interest payments are due semi-annually beginning January 2016. The final principal and interest payment are due in July 2030. The principal balance outstanding was \$1,979,775 and \$2,288,911 at June 30, 2025 and 2024, respectively.

Other Debt:

Airport improvement revenue bonds, Series 2003B

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

The remaining Series 2003B bonds contain serial bonds at interest rates ranging from 5.49% to 5.94%, with annual sinking fund requirements in progressive annual amounts ranging from \$760,000 on July 1, 2024, to \$1,280,000 on July 1, 2033. The annual amounts accumulated in the sinking fund will be used to pay bond holders on July 1, 2033. The 2003B bonds are subject to an extraordinary optional redemption, in whole at any time, at a redemption price equal to the principal amount plus accrued interest to the date of redemption only in the event of the destruction or damage to all or substantially all of the Nashville International Airport or the condemnation of the airport facility.

Airport improvement revenue bonds, Series 2015A&B

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

5. Long-term Debt (continued)

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

The Series 2015A bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from \$2,170,000 on July 1, 2024, to \$3,575,000 on July 1, 2035. \$20,730,000 of term bonds at 5% are due on July 1, 2040, and \$26,460,000 of term bonds at 5% are due on July 1, 2045.

The Series 2015B bonds contain serial bonds at interest rates ranging from 4% to 5%, maturing in amounts ranging from \$2,640,000 on July 1, 2024, to \$4,475,000 on July 1, 2035. \$23,525,000 of term bonds at 5% are due on July 1, 2040, \$17,130,000 of term bonds at 5% are due on July 1, 2043, and \$12,825,000 of term bonds at 3.875% are due on July 1, 2045.

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

Subordinate airport improvement revenue bonds, Series 2019A&B

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

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

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

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

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

Airport improvement revenue bonds, Series 2022A&B

During November 2022, the Authority issued Series 2022A bonds in the principal amount of \$94,525,000 and Series 2022B bonds in the principal amount of \$501,560,000, collectively the "Series 2022A&B bonds". The Series 2022A&B bonds were issued to finance certain capital improvement at Nashville International Airport, fund capitalized interest on the Series 2022A&B bonds, make deposits to the reserve accounts in the Airport Improvement Bond Reserve Fund, and pay certain costs of their issuance. The bonds were issued at a premium of \$7,122,713 and \$26,460,002 for 2022A and 2022B, respectively. This amount is being amortized through 2052.

5. Long-term Debt (continued)

Interest for the Series 2022A&B bonds is payable on each January 1 and July 1, commencing July 1, 2023.

The Series 2022A bonds contain serial bonds at interest rates ranging from 5% to 5.25%, maturing in amounts ranging from \$1,720,000 on July 1, 2026, to \$3,755,000 on July 1, 2042. \$21,905,000 of term bonds at 5.25% are due on July 1, 2047, and \$28,140,000 of term bonds at 5% are due on July 1, 2052.

The Series 2022B bonds contain serial bonds at interest rates ranging from 5% to 5.5%, maturing in amounts ranging from \$8,855,000 on July 1, 2026, to \$20,055,000 on July 1, 2042. \$117,515,000 of term bonds at 5.25% are due on July 1, 2047, \$127,285,000 of term bonds at 5.5% are due on July 1, 2052, and \$25,000,000 of term bonds at 5% are due on July 1, 2052.

The Series 2022A&B bonds maturing on and after July 1, 2033, are subject to redemption prior to maturity, at the option of the Authority, at a redemption price equal to the principal amount plus interest to the date of redemption. The first optional call date is July 1, 2032.

BNA credit facility loan agreement

On January 7, 2019, the Authority entered into a new Credit Facility Loan Agreement ("BNA Credit Facility"). The lender made available to the Authority a non-revolving line of credit in the maximum principal amount of \$300,000,000, the proceeds of which were to be used to finance a portion of the cost of the Authority's capital improvement program, including land acquisition and the acquisition, construction, rehabilitation, replacement, repair, renovation, improvement and reconstruction of terminal, airfield, parking, hangar, roadway, hotel, multi-modal transit facilities and the acquisition of airport equipment and other facilities and improvements as necessary and appropriate for the operation of such airport facilities at the Nashville International Airport or John C. Tune Airport. The Credit Facility was amended in December 2019 to increase the maximum principal amount to \$400,000,000. Principal and interest on this line of credit are payable from the net revenues, subject and subordinate, and secured by a lien and pledge on the net revenues junior and inferior, to the lien and pledge on the net revenues created under the General Resolution including the Master Subordinate Resolution for the payment and security of the bonds but on a parity with the Parity Other Obligations. In October 2024, the note was amended to carry a maximum principal amount of \$200 million at June 30, 2025. The note was amended in fiscal year 2026 to carry a maximum principal amount of \$400 million. The note matures in October 2027. The taxable portion of the Credit Facility bears a variable interest rate equal to daily SOFR plus 85 basis points. The nontaxable portion of the Credit Facility bears a variable interest rate equal to 80% of daily SOFR plus 57 basis points. The rates on June 30, 2025 were 5.14% for the taxable Credit Facility, and 4.00% for the nontaxable Credit Facility. Interest for this Credit Facility totaled \$1,923,802 and \$938,698 during fiscal years 2025 and 2024, respectively. Accrued interest on this line of credit was \$328,053 and \$101,759 on June 30, 2025 and 2024, respectively.

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

- (i) The lender may terminate the available commitment and declare the outstanding amount due under the obligations immediately due and payable.
- (ii) The lender may sell or otherwise transfer all or a portion of the notes.

Metropolitan Nashville Airport Authority
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Years Ended June 30, 2025 and 2024

5. Long-term Debt (continued)

- (iii) At the expense of the Authority, the lender may cure any default, event of default, or event of nonperformance, bringing all delinquent balances current and adding the delinquent balances to the total outstanding owed by the Authority.
- (iv) The lender may exercise, or cause to be exercised, any and all remedies as it may have under the agreement as otherwise available at law and at equity.

Long-term debt activity for the years ended June 30, 2025 and 2024 were as follows:

	Balance July 1, 2024	New Borrowings	Principal Repayment	Amortization	Balance June 30, 2025	Due within one year
Direct placement - special facility revenue bonds	\$ 17,956,357	\$ -	\$ (3,350,795)	\$ -	\$ 14,605,562	\$ 3,468,000
Other - airport revenue bonds	1,701,505,000	-	(5,570,000)	-	1,695,935,000	16,720,000
Direct Placement - notes payable	2,288,911	-	(309,136)	-	1,979,775	314,904
Other debt	30,079,067	56,349,563	(14,261,727)	-	72,166,903	-
Add:						
Unamortized bond premiums	217,196,514	-	-	(7,470,336)	209,726,178	-
Total long-term debt	<u>\$ 1,969,025,849</u>	<u>\$ 56,349,563</u>	<u>\$ (23,491,658)</u>	<u>\$ (7,470,336)</u>	<u>\$ 1,994,413,418</u>	<u>\$ 20,502,904</u>

	Balance July 1, 2023	New Borrowings	Principal Repayment	Amortization	Balance June 30, 2024	Due within one year
Direct placement - special facility revenue bonds	\$ 21,197,130	\$ -	\$ (3,240,773)	\$ -	\$ 17,956,357	\$ 3,350,795
Other - airport revenue bonds	1,706,825,000	-	(5,320,000)	-	1,701,505,000	5,570,000
Direct Placement - notes payable	2,592,385	-	(303,474)	-	2,288,911	309,136
Other debt	14,255,921	15,823,146	-	-	30,079,067	30,079,067
Add:						
Unamortized bond premiums	224,666,851	-	-	(7,470,337)	217,196,514	-
Total long-term debt	<u>\$ 1,969,537,287</u>	<u>\$ 15,823,146</u>	<u>\$ (8,864,247)</u>	<u>\$ (7,470,337)</u>	<u>\$ 1,969,025,849</u>	<u>\$ 39,308,998</u>

6. Passenger Facility Charges

On January 1, 1993, the airlines began collecting a Passenger Facility Charge ("PFC") on qualifying enplaning passengers at Nashville International Airport on behalf of the Authority. PFCs are fees imposed on enplaning passengers by airports to finance eligible airport-related projects that preserve or enhance safety, capacity, or security of the national air transportation system, reduce noise from an airport that is part of such system, or furnish opportunities for enhanced competition between or among air carriers. Both the fee and intended projects must be reviewed and approved by the FAA. Federal guidance on the PFC program has been updated occasionally since 1993, and the current maximum fee that can be authorized through federal regulation is \$4.50 per enplaning passenger. PFCs are recorded as non-operating revenue. PFC revenue during fiscal years 2025 and 2024 totaled \$46,775,211 and \$44,734,128, respectively.

Effective September 2010, the Authority could collect a \$3.00 PFC per enplaning passenger. In May 2015, the Authority began collecting a \$4.50 PFC per enplaning passenger. The Authority anticipates remaining at this \$4.50 collection level. The following project summary has been approved by the FAA as of June 30, 2025:

Airfield development	\$ 218,905,270
Terminal development	1,311,492,678
Roadway improvements	108,357,322
Land acquisition	21,260,411
	<u>\$ 1,660,015,681</u>

As of June 30, 2025, cumulative expenditures to date on approved PFC projects totaled \$425,733,486.

7. Customer Facility Charges

On January 1, 2008, the Authority began requiring the car rental companies at Nashville International Airport to charge a Customer Facility Charge (“CFC”) to be used to pay, or to reimburse the Authority, for costs, fees and expenses associated with the planning, design, construction, financing, maintenance and operation of the Consolidated Rental Car (“CONRAC”) Facility, and other costs, fees, and expenses that may be paid from CFC proceeds. Prior to February 2025, the CFC rate was \$4.50 per transaction day. The CFC rate is now \$10.00 per transaction day. The fee is collected by on-airport car rental companies from each customer and subsequently remitted to the Authority. The Authority has pledged the CFC proceeds as collateral security for the payment of the CONRAC Series 2010 and 2018 bonds issued in February 2010 and May 2018, respectively. Additionally, in accordance with the terms of the CONRAC Series 2010 and 2018 bond agreements, CFCs must be used to establish bond principal, interest, and reserve funds, as well as various other funds for the operation and maintenance of the CONRAC facility (See Note 5). The Authority can use CFCs collected and exceeding the various refunded funds for any lawful purpose. CFC revenue during fiscal years 2025 and 2024 totaled \$25,801,636 and \$17,283,641, respectively. CFC revenue is reported in non-operating revenues.

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

Net position relating to CFCs totaled \$33,401,233 and \$29,784,847 at June 30, 2025 and 2024, respectively, and is included in net investment in capital assets and restricted net position in the statements of net position.

8. Special Facility Revenue Bonds

Special facility revenue bonds, series 2005

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

The outstanding Special Facility Revenue Bonds, Series 2005, are special obligations of the Authority, and the debt service thereon shall be payable solely from revenues provided by Embraer Aircraft Maintenance Services, Inc., pursuant to a special facility sublease agreement or from letter of credit drawings made by the trustee. These bonds mature in April 2030. The principal balance outstanding as of June 30, 2025 and 2024 was \$9,500,000. These bonds do not represent a claim on the Authority’s assets or require the Authority to incur future obligations. Therefore, they represent conduit debt and have not been recorded in the Authority’s financial statements.

Special facility revenue bonds, series 2006/refunding series 2010

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

8. Special Facility Revenue Bonds (continued)

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

The Special Facility Revenue Bonds, Series 2006, and outstanding Refunding Series 2010 bonds are special obligations of the Authority and the debt service thereon shall be payable solely from revenues provided by Aero Nashville, LLC pursuant to a special facility sublease agreement or from letter of credit drawings made by the trustee. The principal balance outstanding as of June 30, 2025 and 2024 was \$595,000 and \$1,215,000, respectively. Since these bonds do not represent a claim on the Authority's assets or require the Authority to incur future obligations; they represent conduit debt and have not been recorded in the Authority's financial statements.

The following is a detail of the principal balances of special facility revenue bonds at June 30:

	2025	2024
Special facility revenue bonds:		
Series 2005	\$ 9,500,000	\$ 9,500,000
Series 2006/refunding series 2010	595,000	1,215,000
Total special facility revenue bonds	<u>\$ 10,095,000</u>	<u>\$ 10,715,000</u>

9. Airline Use and Lease Agreement

During fiscal year 2024, the Authority entered into a new Signatory Airline Use and Lease Agreement with an eight-year term from July 1, 2023 to June 30, 2031 (the "Airline Agreement") with Alaska Airlines, Allegiant Airlines, American Airlines, Delta Air Lines, Federal Express, Frontier Airlines, JetBlue, Southwest Airlines, Spirit Airlines, and United Airlines. The Airline Agreement contains a two-year option to extend through mutual agreement between the Authority and the signatory airlines no less than two years before expiration.

As per the Airline Agreement, passenger carriers must pay at least 1% of the total rates, charges, and fees paid by all signatory airlines. Cargo carriers must pay at least 1% of annual landing fees paid by all signatory airlines.

The Authority created five airline cost centers for the purpose of accounting for and allocating costs and revenues at the airport to establish rates and charges for use of the airfield, terminal, passenger loading bridges, baggage handling system, and terminal ramp area. In addition to the five airline cost centers, the Authority also allocates costs and revenues to three Authority cost centers (parking and ground transportation, other buildings and areas, and the reliever airport) and one indirect cost center (general administration and overhead). The Authority's indirect cost center is allocated to the direct airline cost centers. As described below, rate-setting at the airport is "hybrid". Landing fees are calculated using a residual methodology, the terminal rental rates are calculated using a commercial compensatory methodology, and other rates are calculated using a compensatory methodology. In the airfield cost center, the airlines have the primary responsibility, risk, and benefit from non-airline revenues. In the other cost centers, the Authority and airlines share the responsibility, risk, and benefits.

Landing fees under the Airline Agreements are calculated on a residual basis. Signatory Airlines have Majority-in-Interest ("MII") review rights for capital projects in the airfield cost center exceeding \$2.0 million.

9. Airline Use and Lease Agreement (continued)

The form of MII is negative (e.g., the Authority may proceed unless it receives disapproval from the majority). Rolling debt service coverage is incorporated into the rate calculations for all airline cost centers.

Terminal rents are based on the terminal rental rate per square foot calculated on a commercial compensatory basis in accordance with the business deal agreed to in principle by the Authority and the signatory airlines. The Airline Agreement contains a 50% airline rented space minimum if debt service coverage requirements are not met. The Authority's internal debt management policy requires a debt service coverage ratio of 1.5x for senior lien debt service, and 1.25x for combined debt service. The Authority's bond documents require a debt service coverage ratio of 1.25x for senior lien debt service, and 1.10x for subordinate lien debt service. If debt service coverage requirements are not met, then the Authority may increase the airlines' share of the terminal requirement by the lesser of the amount necessary to meet the coverage requirements, or the amount necessary to make the airlines' share of the terminal requirement equal to 50%. The terminal requirement includes operating expenses, debt service, rolling debt service coverage, amortization of capital costs, operations and maintenance reserve fund, and renewal and replacement fund. Signatory airlines occupying the satellite concourse receive a 2.5% discount on the main terminal rate.

Terminal ramp area, passenger loading bridge, and baggage equipment rates are calculated using a compensatory methodology and include rolling debt service coverage equal to 25% of incremental senior lien debt service and 10% of incremental subordinate lien debt service, as well as the amortization of Authority cash expenditures on terminal ramp area cost center capital projects.

The Authority has committed to spending \$75 million in Authority cash over the term of the agreement to fund capital projects currently identified for airline cost centers (other than the airfield cost center). Amounts will be amortized in the airline base over the useful life of the asset(s).

Revenue sharing credits for signatory airlines is an agreed-upon calculation in which the total amount of revenue to be shared is determined on the weighting of three factors: net remaining revenues, in-terminal concessions, and a fixed share per enplanement.

The Airline Agreements provide signatory airline support for John C. Tune Airport, including certain reliever airport support costs in the landing fees.

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

10. Risk Management and Insurance Arrangements

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

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

10. Risk Management and Insurance Arrangements (continued)

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

	2025	2024
Balance - beginning of year	\$ 365,703	\$ 212,516
Provision for incurred claims	5,595,766	4,559,821
Claim payments	<u>(5,546,570)</u>	<u>(4,406,634)</u>
Balance - end of year	<u>\$ 414,899</u>	<u>\$ 365,703</u>

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

Environmental remediation

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

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

11. Compensated Absences

Compensated absences are another component of the Authority's employee benefits program. Based on years of service, employees earn annual leave and may accumulate earned hours to certain limits for future use. In 2025 and 2024, employees sold back \$759,074 and \$278,931 of their annual leave balances to the Authority in exchange for cash. Additional payments of \$407,499 and \$611,549 were made to employees who left employment with the Authority during the years ended June 30, 2025 and 2024, respectively. The change in accrued compensated absences balance is charged to salaries and wages expense.

11. Compensated Absences (continued)

The following summarizes the changes in the compensated absences liability at June 30:

	2025	2024
Balance - beginning of year	\$ 3,595,561	\$ 3,185,356
Provision for compensated absences	4,494,409	4,593,307
Annual leave used	(3,717,025)	(3,292,622)
Annual leave buy-back and other	(1,166,573)	(890,480)
Balance - end of year	<u>\$ 3,206,372</u>	<u>\$ 3,595,561</u>

The compensated absences liability is included in accrued payroll and related items on the statements of net position, and is due within one year.

12. Retirement Benefit Plan

General information about the pension plan

Plan description

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

The Plan is administered by the Authority's management and is governed by a Retirement Committee (the "Committee"). The Committee members are appointed by the Authority. On June 30, 2025, the Committee consists of 7 voting members, 5 of whom are active Authority senior management, two of whom are active Authority employees and members of the Plan. The Authority's Vice President of Finance is a non-voting member on the committee.

Benefits provided

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

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

Early retirement under the Plan is retirement from service prior to the participant's normal retirement date and on or after the date as of which the participant has attained both the age of 55 years and completed 5 years of vesting service. A participant classified as a safety and security employee is eligible for early

12. Retirement Benefit Plan (continued)

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

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

Employees covered by benefit terms

On June 30, 2025, the following employees were covered by the benefit terms:

Retired	207
Deferred vested	44
Active vested	30
Total covered employees	281

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

Contributions

The Plan is non-contributory for employees; accordingly, no contributions shall be required or permitted to be made by Plan participants. The Authority’s Board of Commissioners has approved a funding plan which establishes the expected employer contributions to the Plan through fiscal year 2025. In determining the funding plan, the Authority considers the actuarially determined contribution, as recommended by an independent actuary. The actuarially determined contribution is the estimated amount necessary to finance the costs of benefits earned by Plan participants, with an additional amount to finance the net pension liability. The actuarially determined contribution is calculated using a funding valuation that uses the asset smoothing method. The asset smoothing method used is a 3-year weighted average of asset gains and losses, subject to a 20% corridor.

Pension net position

The Authority does not issue separate financial statements for the pension plan. The investments of the Plan are governed by an investment policy approved by the Authority’s Retirement Committee. The investment policy establishes the Plan’s investment objectives, portfolio benchmarks, and asset allocation parameters. The investment policy also requires certain qualifications of investment managers, review of investment returns, and reporting requirements. Generally, the investment policy specifies a long-term investment horizon with investment returns to be achieved without undue investment risk. Changes to the investment policy can be made only by formal resolution of the Board of Commissioners. The investment policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefit Plans was updated and became effective May 2025.

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

Metropolitan Nashville Airport Authority
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12. Retirement Benefit Plan (continued)

Additional information regarding pension net position is included in Note 14.

The Plan's investments which represented 5% or more of net position as of June 30, 2025 and 2024 are as follows:

Description of Investment		2025	2024
Principal	Metropolitan West Total Return Bond Fund Class I	\$ 10,366,430	\$ 9,712,035
Principal	Dodge and Cox Intermediate Bond	10,340,647	9,731,050
Principal	Federated Total Return Bond	10,336,761	9,702,767
Principal	Allspring Core Bond	10,335,835	9,696,219
Principal	Blackrock S&P 500 Index	9,363,933	8,687,419
Principal	Blackrock S&P Midcap Index	6,180,269	5,823,812
	Other funds representing less than 5%	<u>31,536,037</u>	<u>31,459,553</u>
	Total investment and net position	<u>\$ 88,459,912</u>	<u>\$ 84,812,855</u>

Net pension asset

The Authority's net pension asset was measured as of June 30, 2025, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date.

Actuarial assumptions

The total pension liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0%, compounded annually
Salary increases	4.0% per annum, compounded annually
Investment rate of return	6.0% per annum, compounded annually, net of pension plan investment expense and inflation
Mortality	115% of the PubG-2010 Generational Mortality Tables for Males and Females with Improvement Scale MP-2021

The mortality table was changed from the RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 to 115% of the PubG-2010 Generational Mortality Table for Males and Females with Improvement Scale MP-2021. The rate of investment return and discount rate was changed from 5.5% to 6.0%.

The annual money-weighted rate of return on pension assets was 9.99% in fiscal year 2025.

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

12. Retirement Benefit Plan (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity - Small Cap	4.00%	6.90%
Domestic Equity - Large Cap	26.50%	5.50%
Domestic Equity - Mid Cap	7.00%	6.30%
International Equity	12.50%	5.50%
Fixed Income	47.00%	3.20%
Cash	3.00%	1.80%

Discount rate

The discount rate used to measure total pension liability is 6.0%, compounded annually. The Authority's Board of Commissioners has approved the funding policy, as described in the contributions section above.

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

Changes in the Net Pension Liability

	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability (Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at July 1, 2024	\$ 85,742,831	\$ 84,812,855	\$ 929,976
Changes for the year:			
Service cost	446,209	-	446,209
Interest	4,597,132	-	4,597,132
Difference between expected and actual experience	(681,103)	-	(681,103)
Changes of assumptions	(4,236,556)	-	(4,236,556)
Contributions - Employer	-	820,638	(820,638)
Net investment income	-	8,036,065	(8,036,065)
Benefits paid	(5,209,646)	(5,209,646)	-
Net changes	(5,083,964)	3,647,057	(8,731,021)
Balance as June 30, 2025	\$ 80,658,867	\$ 88,459,912	\$ (7,801,045)

The pension fiduciary net position is equal to 110% of the total pension liability at June 30, 2025.

Metropolitan Nashville Airport Authority
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12. Retirement Benefit Plan (continued)

	Total Pension Liability (a)	Plan Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at July 1, 2023	\$ 83,824,843	\$ 79,616,465	\$ 4,208,378
Changes for the year:			
Service cost	485,029	-	485,029
Interest	4,610,366	-	4,610,366
Difference between expected and actual experience	1,738,581	-	1,738,581
Contributions - Employer	-	2,000,000	(2,000,000)
Net investment income	-	8,112,378	(8,112,378)
Benefits paid	(4,915,988)	(4,915,988)	-
Net changes	1,917,988	5,196,390	(3,278,402)
Balance as June 30, 2024	\$ 85,742,831	\$ 84,812,855	\$ 929,976

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

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

The following represents the net pension liability at June 30, 2025, calculated using the stated discount rate, as well as what the net pension liability (asset) would be if it were calculated using a discount rate which is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease 5.00%	Current Rate 6.00%	1% Increase 7.00%
Net pension liability	\$ 315,157	\$ (7,801,045)	\$(14,727,146)

Metropolitan Nashville Airport Authority
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Years Ended June 30, 2025 and 2024

12. Retirement Benefit Plan (continued)

Pension plan fiduciary net position

For the years ending June 30, 2025 and 2024, the Authority recognized pension expenses of \$(5,411,071) and \$2,288,071, respectively. On June 30, 2025 and 2024, the Authority reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	June 30, 2025	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gains or losses	\$ -	\$ -
Change of assumptions	-	-
Net difference between projected and actual earnings on investment	-	2,710,618
Total	<u>\$ -</u>	<u>\$ 2,710,618</u>

	June 30, 2024	
	Deferred Outflow of Resources	Deferred Inflow of Resources
Experience gains or losses	\$ -	\$ -
Change of assumptions	-	-
Net difference between projected and actual earnings on investment	-	211,306
Total	<u>\$ -</u>	<u>\$ 211,306</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2025, will be recognized in pension expense as follows:

Year ended June 30,	
2026	\$ 1,403,610
2027	\$ (1,954,671)
2028	\$ (1,461,145)
2029	\$ (698,412)

13. Other Postemployment Benefits (OPEB)

General information about the OPEB plan

Plan description

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

The Plan is administered by the Authority's management and is governed by a Retirement Committee (the "Committee"). The Committee members are appointed by the Authority. On June 30, 2025, the Committee consists of 7 voting members, 5 of whom are active Authority senior management, two of whom are active Authority employees and members of the Plan. The Authority's Vice President of Finance is a non-voting member on the committee.

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

Benefits provided/Contributions

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

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

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

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

For retirees under 65, the Authority pays approximately 75% of the medical, dental, vision, and prescription coverage cost, with retirees paying the remaining 25%. Currently, 117 Pre-65 are receiving OPEB benefits. The monthly contribution requirements for participants in the Authority's medical plan range from \$80.94 (single "HDHP" wellness rate premium) to \$572.08 (family "PPO" non-wellness rate premium). The Authority elected not to provide postemployment benefits to any new entrants on January 1, 2009. Therefore, any employee hired on or after this date is not eligible for any postemployment benefits through the Authority.

Under the Metropolitan Government's PERS, the Authority pays 75% of the cost of medical and dental coverage, while the retirees pay the remaining 25%. As of June 30, 2024, there were 6 retirees receiving benefits under the PERS. During the years ended June 30, 2025 and 2024, payments of \$51,705 and \$48,811, respectively, were made to the Metropolitan Government for postemployment benefits under this PERS.

Metropolitan Nashville Airport Authority
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13. Other Postemployment Benefits (OPEB) (continued)

Employees covered by benefit terms

On June 30, 2025 the following employees were covered by the benefit terms:

Actives (with medical coverage)	56
Retirees (with medical coverage)	138
Covered spouses of retirees	77
Surviving spouses of retirees (with medical coverage)	12
Retirees (receiving stipend only)	41
Deferred vested employees	51
Total covered employees	<u>375</u>

OPEB net position

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

The investments of the Plan are governed by an investment policy approved by the Authority's Retirement Committee. The investment policy establishes the Plan's investment objectives, portfolio benchmarks, and asset allocation parameters. The investment policy also requires certain qualifications of investment managers, review of investment returns, and reporting requirements. Generally, the investment policy specifies a long-term investment horizon with investment returns to be achieved without undue investment risk. Changes to the investment policy can be made only by formal resolution of the Board of Commissioners. The investment policy for the Retirement Plan for Employees of the Metropolitan Nashville Airport Authority and the Metropolitan Nashville Airport Authority Other Post-Employment Benefit Plans was updated and became effective May 2025.

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

The Plan's investments which represented 5% or more of net position as of June 30, 2025 and 2024 are as follows:

<u>Description of Investment</u>		<u>2025</u>	<u>2024</u>
Principal	Metropolitan West Total Return Bond Fund Class I	\$ 5,403,861	\$ 4,002,603
Principal	Dodge & Cox Income Fund	5,386,959	4,002,015
Principal	Allspring Core Bond Fund	5,386,206	4,010,084
Principal	Federated Total Return Fund Class I	5,384,280	4,000,610
Principal	Vanguard 500 Index Fund	4,899,935	5,430,524
Principal	Northern Mid Cap Index Fund	3,253,676	3,640,904
	Other funds representing less than 5%	<u>16,592,172</u>	<u>18,088,779</u>
	Total investment and net position	<u>\$ 46,307,089</u>	<u>\$ 43,175,519</u>

13. Other Postemployment Benefits (OPEB) (continued)

Net OPEB asset

The Authority’s net OPEB asset was measured as of June 30, 2025, and the total OPEB liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

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

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

The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation method	Entry age normal, level of percentage of pay
Discount rate	6%
Expected long-term rate of return on plan assets	6%
Healthcare cost trend rate	7.50% graded down using the Getzen model
Dental and vision rate	5%
Retirement rates	Varying rates beginning with 5% at age 50 to 100% retirement at age 65
Mortality	115% of the PubG-2010 Generational Mortality Tables for Males and Females with Improvement Scale MP-2021

The medical trend is 7.5% graded to 6.60% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075. The mortality assumption was updated to 115% of PubG Headcount Weighted Mortality table with improvements projected using scale MP-2021.

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

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

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

13. Other Postemployment Benefits (OPEB) (continued)

of return for each major asset class included in the OPEB plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Equity - Small Cap	4.00%	6.90%
Domestic Equity - Large Cap	26.50%	5.50%
Domestic Equity - Mid Cap	7.00%	6.30%
International Equity	12.50%	5.50%
Fixed Income	47.00%	3.20%
Cash	3.00%	1.80%

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

Changes in the net OPEB liability

	<u>Total OPEB Liability (a)</u>	<u>Plan Net Position (b)</u>	<u>Net OPEB Liability (Asset) (a) - (b)</u>
Balances at July 1, 2024	\$25,499,681	\$43,175,519	\$ (17,675,838)
Change for the year:			
Service cost	274,520	-	274,520
Interest	1,477,245	-	1,477,245
Difference between expected and actual experience	(4,053,849)	-	(4,053,849)
Changes of assumptions	1,478,214	-	1,478,214
Net investment income	-	4,373,276	(4,373,276)
Contributions - employee	289,619	289,619	-
Benefits paid	(1,443,076)	(1,443,076)	-
Administrative expenses	-	(88,249)	88,249
	<u>(1,977,327)</u>	<u>3,131,570</u>	<u>(5,108,897)</u>
Balance at June 30, 2025	<u>\$23,522,354</u>	<u>\$46,307,089</u>	<u>\$ (22,784,735)</u>

Metropolitan Nashville Airport Authority
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Years Ended June 30, 2025 and 2024

13. Other Postemployment Benefits (OPEB) (continued)

	Total OPEB Liability (a)	Plan Net Position (b)	Net OPEB Liability (Asset) (a) - (b)
Balances at July 1, 2023	\$27,204,801	\$39,491,196	\$ (12,286,395)
Change for the year:			
Service cost	359,608	-	359,608
Interest	1,595,450	-	1,595,450
Difference between expected and actual experience	(3,070,498)	-	(3,070,498)
Changes of assumptions	383,903	-	383,903
Net investment income	-	4,736,847	(4,736,847)
Contributions - employee	-	283,087	(283,087)
Benefits paid	(973,583)	(1,256,672)	283,089
Administrative expenses	-	(78,939)	78,939
Net changes	(1,705,120)	3,684,323	(5,389,443)
Balance at June 30, 2024	<u>\$25,499,681</u>	<u>\$43,175,519</u>	<u>\$ (17,675,838)</u>

The Authority made contributions of \$289,619 and \$283,087 to the OPEB Trust during fiscal years 2025 and 2024, respectively. These contributions were considered in the June 30, 2025 and 2024 actuarial valuations.

The OPEB fiduciary net position is equal to 197% of the total OPEB liability at June 30, 2025.

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

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

	1% Decrease	Current	1% Increase
Net OPEB liability			
June 30, 2025	\$ (24,639,816)	\$ (22,784,735)	\$ (20,643,203)

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

	1% Decrease 5.00%	Current Rate 6.00%	1% Increase 7.00%
Net OPEB liability			
June 30, 2025	\$ (20,746,929)	\$ (22,784,735)	\$ (24,553,760)

13. Other Postemployment Benefits (OPEB) (continued)

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

For the years ending June 30, 2025 and 2024, the Authority recognized OPEB expense of (\$4,320,822) and (\$3,676,244), respectively. On June 30, 2025 and 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience gains or losses	\$ -	\$ -
Change of assumption	-	-
Net difference between projected and actual earnings on investments	-	1,866,487
Total	<u>\$ -</u>	<u>\$ 1,866,487</u>

	June 30, 2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Experience gains or losses	\$ -	\$ -
Change of assumption	-	-
Net difference between projected and actual earnings on investments	-	1,078,412
Total	<u>\$ -</u>	<u>\$ 1,078,412</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB as of June 30, 2025 will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ 524,440
2027	\$ (1,183,449)
2028	\$ (843,589)
2029	\$ (363,889)

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

14. Pension and Other Postemployment Benefits Trust Funds

The following are condensed financial statements for the pension and OPEB plans:

	June 30, 2025		
	Other Post- Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
Statement of Net Position			
Cash and cash equivalents	\$ 1,338,174	\$ 2,659,176	\$ 3,997,350
Investments, at fair value:			
Pooled, common and collective funds	-	69,144,863	69,144,863
Mutual funds	44,968,915	16,655,873	61,624,788
Net position	\$ 46,307,089	\$ 88,459,912	\$ 134,767,001

Schedule of Changes in Net Position			
Employer contributions	\$ -	\$ 820,638	\$ 820,638
Employee contributions	289,619	-	289,619
Net appreciation in fair value	4,373,277	7,548,260	11,921,537
Interest and dividends	-	658,352	658,352
Investment expenses	-	(170,548)	(170,548)
Benefits paid to participants	(1,443,076)	(5,209,646)	(6,652,722)
Administrative expenses	(88,249)	-	(88,249)
Net change in net position	\$ 3,131,571	\$ 3,647,056	\$ 6,778,627

	June 30, 2024		
	Other Post- Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
Statement of Net Position			
Cash and cash equivalents	\$ 1,415,748	\$ 4,758,211	\$ 6,173,959
Investments, at fair value:			
Pooled, common and collective funds	-	64,518,620	64,518,620
Mutual funds	41,759,771	15,536,024	57,295,795
Net position	\$ 43,175,519	\$ 84,812,855	\$ 127,988,374

Schedule of Changes in Net Position			
Employer contributions	\$ -	\$ 2,000,000	\$ 2,000,000
Employee contributions	283,087	-	283,087
Net appreciation in fair value	4,736,847	7,653,811	12,390,658
Interest and dividends	-	615,571	615,571
Investment expenses	-	(157,005)	(157,005)
Benefits paid to participants	(1,256,672)	(4,915,987)	(6,172,659)
Administrative expenses	(78,939)	-	(78,939)
Net change in net position	\$ 3,684,323	\$ 5,196,390	\$ 8,880,713

15. Defined Contribution Plans

The Authority offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, which is administered by a third party, Voya Retirement Services. The plan, available to all Authority employees, permits the deferral of a portion of salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The assets of the plan are held in custodial and annuity accounts for the exclusive benefit of plan participants, and accordingly, the related assets of the plan are not reflected on the Authority's statement of net position. Beginning January 1, 2001, the Authority's matching contributions have been made to a deferred compensation plan created in accordance with Internal Revenue Code Section 401(a). Employer contributions vest without any waiting period. Amounts contributed by the Authority to the deferred compensation plan were \$1,713,680 and \$1,424,186 in 2025 and 2024, respectively. Employees contributed through payroll deductions to the plan \$2,190,380 and \$1,801,664 in 2024 and 2023, respectively.

During May 2013, the Board of Commissioners approved an additional 401(a) defined contribution retirement plan, which is administered by a third party, Voya Retirement Services. Under this additional plan, the Authority contributed 10% of an employee's base compensation on an annual basis. This 401 (a) plan is available only to employees hired after June 27, 2003, who do not participate in the Authority's defined benefit pension plan described in Note 12. All contributions by the Authority are discretionary, and vest after one year of employment. Any forfeitures are refunded to the Authority. Amounts contributed by the Authority to the deferred retirement compensation plan were \$3,138,233 and \$2,505,508 in 2025 and 2024, respectively.

16. Lease Accounting

Lessor

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

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

During the years ended June 30, 2025 and 2024, the Authority recognized the following related to its lessor agreements:

	2025	2024
Lease revenue	\$ 14,285,499	\$ 13,743,627
Interest Income related to its leases	\$ 3,730,331	\$ 3,467,654
Revenue from variable payments not previously included in the measurement of the lease receivables	\$ 10,801,003	\$ 8,848,956

Metropolitan Nashville Airport Authority
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Years Ended June 30, 2025 and 2024

16. Lease Accounting (continued)

Summary of Lease Activities as of June 30:

	<u>2025</u>	<u>2024</u>
Buildings		
Number of leases	61	63
Term	1 to 888 months	1 to 900 months
Lease receivable	\$ 90,202,964	\$ 95,171,289
Lease revenue	\$ 10,810,716	\$ 10,274,839
Termination options	1 to 3 months	1 to 3 months
Land		
Number of leases	13	13
Term	10 to 554 months	10 to 566 months
Lease receivable	\$ 48,552,791	\$ 50,324,410
Lease revenue	\$ 3,474,783	\$ 3,468,788

Included in the Authority's lease receivables at June 30, 2025 and 2024 are \$138,755,755 and \$145,495,699, respectively, related to leases whose revenue is pledged to secure certain outstanding debt obligations of the Authority. The leases contain lessee options to terminate the leases or abate payments under certain circumstances. These include passenger volumes dropping to an unsustainable level, failure to perform by lessor, or the assumption of the US Government or authorized agency to control or restrict the use of the lessee's assigned area. Certain leases allow the lessee to cancel for any reason with 1 to 3 months' advance written notice.

Future principal and interest payment requirements related to the Authority's lease receivable at June 30, 2025 are as follows:

Principal and Interest Expected to Maturity			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 12,877,862	\$ 3,487,098	\$ 16,364,960
2027	12,863,652	3,189,554	16,053,206
2028	11,780,718	2,894,924	14,675,642
2029	10,628,128	2,624,625	13,252,753
2030	10,125,223	2,370,128	12,495,351
2031 - 2035	32,006,872	8,684,854	40,691,726
2036 - 2040	10,600,950	6,376,448	16,977,398
2041 - 2045	6,946,036	5,317,294	12,263,330
2046 - 2050	4,066,464	4,583,261	8,649,725
2051 - 2055	4,555,454	3,967,642	8,523,096
2056 - 2060	3,838,004	3,359,155	7,197,159
2061 - 2065	4,611,632	2,769,074	7,380,706
2066 - 2070	5,207,239	2,023,008	7,230,247
2071 - 2075	920,909	1,579,091	2,500,000
2076 - 2080	1,115,886	1,384,115	2,500,001
2081 - 2085	1,352,143	1,147,857	2,500,000
2086 - 2090	1,638,421	861,579	2,500,000
2091 - 2095	1,985,311	514,689	2,500,000
2096 - 2099	1,634,851	115,147	1,749,998
Total principal and interest expected to maturity	\$ 138,755,755	\$ 57,249,543	\$ 196,005,298

16. Lease Accounting (continued)

Regulated Leases

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

- Jet bridges – 46 of 54 total jet bridges are designated preferential use.
- Passenger hold rooms – 85% of available space is designated preferential use
- Baggage service – 83% of available space is designated preferential use
- Ticket counter space – 75% of available space is designated preferential use
- Ticket office space – 83% of available space is designated preferential use
- Concourse operations space – 83% of available space is designated preferential use

During the year ended June 30, 2025, the Authority recognized the following from regulated leases:

- Regulated lease revenue: \$44,559,642
- Revenue from variable payments not included in the schedule of expected future minimum payments: \$25,817,527

Future expected minimum payments related to the Authority's regulated leases at June 30, 2025 are as follows:

<u>Fiscal Year</u>	<u>Future Minimum Expected Receipts</u>
2026	\$ 6,977,729
2027	\$ 7,101,732
2028	\$ 7,118,978
2029	\$ 7,178,364
2030	\$ 7,249,509
2031 - 2035	\$ 31,238,162
2036 - 2040	\$ 25,613,226
2041 - 2045	\$ 25,408,105
2046 - 2050	\$ 28,870,942
2051 - 2055	\$ 32,598,392
2056 - 2060	\$ 15,282,459
2061 - 2065	\$ 1,544,979
2066 - 2070	\$ 1,556,237

The Authority has entered into certain regulated leases whereby the related lease revenue is pledged to secure certain outstanding debt obligations of the Authority. These leases contain lessee options to terminate the lease or abate payments under certain circumstances such as: for convenience with 90-180 days' notice, failure of Authority to repair or reconstruct property necessary for aircraft operations, failure of Authority to keep airfield open at all practical times in accordance with its FAA Operating Permit, failure to

16. Lease Accounting (continued)

disclose and conflict or potential conflict of interest, default by Authority, assumption of the United States Government, or any authorized agency, to control airport operations in such a manner that substantially restricts the lessee's use of its assigned area, and any other breach of terms not remedied within 30 days of notice.

17. Subscription-based Information Technology Arrangements

GASB 96 – Included Subscription-based Information Technology Arrangements

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

The Authority has entered SBITAs with various third parties. These arrangements provide access to airline common use systems, public warning platforms, and various other software programs. The leased assets include access to a third party's proprietary software. A subscription asset and related accumulated amortization are included in capital assets on the Statement of Net Position. SBITAs that include maintenance or support services in addition to access to a third party's proprietary software are reported below. A summary at June 30, 2025 is as follows:

Subscription asset	\$ 5,333,709
Accumulated amortization	\$ 2,806,355
Term	5 to 42 months

The following summarizes the changes in the subscription lease liability at June 30:

	2025	2024
Balance - beginning of year	\$ 1,566,158	\$ 1,074,154
Additional subscriptions	2,197,614	1,447,109
Principal payments	(1,717,169)	(955,105)
Balance - end of year	<u>\$ 2,046,603</u>	<u>\$ 1,566,158</u>

Future principal and interest payment requirements related to the Authority's lease liability at June 30, 2025 are as follows:

Principal and Interest Requirements to Maturity			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
Current principal and interest requirements to maturity:			
2026	\$ 886,010	\$ 42,396	\$ 928,406
Noncurrent principal and interest requirements to maturity:			
2027	392,412	27,341	419,753
2028	417,241	18,369	435,610
2029	350,940	8,812	359,752
Total noncurrent principal and interest requirements to maturity	<u>1,160,593</u>	<u>54,522</u>	<u>1,215,115</u>
Total principal and interest requirements to maturity	<u>\$ 2,046,603</u>	<u>\$ 96,918</u>	<u>\$ 2,143,521</u>

17. Subscription-based Information Technology Arrangements (continued)

GASB 96 – Excluded SBITAs

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

18. Public-Private and Public-Public Partnerships

During the year ended June 30, 2021, the Authority entered into a public-public/public-private partnership arrangement with Nashville Airport Hotel Partners, LLC (the “operator”), under which the operator designed, built, and will operate the onsite hotel for seventy-five years. The onsite hotel was placed into service during fiscal year 2024. The operator will be entitled to all fees during the period of the arrangement. At the end of the arrangement, the hotel will be transferred to the Authority. At June 30, 2025 and 2024, the Authority recognized a receivable of \$12,224,773 and \$12,253,876, respectively, for installment payments of \$500,000 per annum, discounted at a rate of 3.847%. Additionally, the Authority reports a deferred inflow of resources in the amount of \$12,074,415 at June 30, 2025, and \$12,225,294 at June 30, 2024, pursuant to the public-public/public-private partnership arrangement.

Additionally, the operator also constructed a parking garage, placed into service during fiscal year 2023, for the use of onsite hotel guests. The Authority paid the operator a developer fee of \$3,090,000 and reimbursed the operator for the construction of the garage. The carrying value of the parking garage was \$80,832,254 at June 30, 2025 and \$84,137,297 at June 30, 2024. The operator is solely responsible for setting parking rates for the parking facilities within the hotel premises; provided, however, that in no event may the operator charge less for use of its parking facilities than the Authority is then charging for use of the balance of the garage facility.

The operator shall remit a percentage of annual gross revenues derived from the business conducted on the hotel premises, including the parking garage, to the Authority as follows:

Annual Gross Revenues	Percent Payable to the Authority
\$0 - \$22,500,000	0%
\$22,500,001 - \$40,000,000	5%
\$40,000,001 - \$80,000,000	6%
\$80,000,001 or more	10%

Metropolitan Nashville Airport Authority
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Years Ended June 30, 2025 and 2024

19. Condensed Financial Information by Entity

	June 30, 2025			
	Airports		Blended Component Unit	
	Nashville International Airport	John C. Tune Airport ⁽¹⁾	MNAA Properties Corporation	Total
Condensed statement of net position:				
Assets:				
Current assets	\$ 987,982,647	\$ 5,401,303	\$ 22,529,804	\$1,015,913,754
Restricted assets	284,878,128	-	-	284,878,128
Capital assets, net	2,047,716,711	98,650,085	3,803,755	2,150,170,551
Other assets	149,806,409	30,482	8,496,616	158,333,507
Total assets	3,470,383,895	104,081,870	34,830,175	3,609,295,940
Deferred outflows of resources	1,096,155	-	-	1,096,155
Total assets and deferred outflows of resources	<u>\$3,471,480,050</u>	<u>\$ 104,081,870</u>	<u>\$ 34,830,175</u>	<u>\$3,610,392,095</u>
Liabilities:				
Current liabilities	\$ 106,345,830	\$ 22,028,540	\$ 414,548	\$ 128,788,918
Noncurrent liabilities	2,038,825,049	-	-	2,038,825,049
Total liabilities	2,145,170,879	22,028,540	414,548	2,167,613,967
Deferred inflows of resources	124,548,217	35,631	11,027,331	135,611,179
Net position:				
Net investment in capital assets	49,979,483	96,726,925	3,803,755	150,510,163
Restricted for:				
Capital projects	84,713,965	-	-	84,713,965
Debt service	391,781,129	-	-	391,781,129
Operations	69,835,083	-	-	69,835,083
Pension	7,801,045	-	-	7,801,045
OPEB	22,784,735	-	-	22,784,735
Unrestricted net position	574,865,514	(14,709,226)	19,584,541	579,740,829
Total net position	1,201,760,954	82,017,699	23,388,296	1,307,166,949
Total liabilities, deferred inflows of resources, and net position	<u>\$3,471,480,050</u>	<u>\$ 104,081,870</u>	<u>\$ 34,830,175</u>	<u>\$3,610,392,095</u>
Condensed statement of revenues expenses, changes in net position:				
Operating revenues	\$ 317,615,474	\$ 4,082,397	\$ 4,761,359	\$ 326,459,230
Operating expenses	311,480,617	8,294,662	2,724,700	322,499,979
Operating income (loss)	6,134,857	(4,212,265)	2,036,659	3,959,251
Nonoperating revenues	67,156,532	(150,392)	1,056,199	68,062,339
Transfers	(515,000)	515,000	-	-
Capital contributions	33,506,588	963,104	-	34,469,692
Increase in net position	106,282,977	(2,884,553)	3,092,858	106,491,282
Net position, beginning of year	1,095,477,977	84,902,252	20,295,438	1,200,675,667
Net position, end of year	<u>\$1,201,760,954</u>	<u>\$ 82,017,699</u>	<u>\$ 23,388,296</u>	<u>\$1,307,166,949</u>
Condensed statement of cash flows:				
Cash flows from operating activities	\$ 150,072,057	\$ 2,084,554	\$ 2,659,504	\$ 154,816,115
Cash flows from noncapital financing activities	21,464,890	38,400	-	21,503,290
Cash flows from capital and related financing activities	(218,390,548)	(5,786,210)	45,750	(224,131,008)
Cash flows from investing activities	52,137,810	5,635,286	(2,846,141)	54,926,955
Intercompany	1,851,103	(1,967,319)	116,216	-
Increase (decrease) in cash and cash equivalents	7,135,312	4,711	(24,671)	7,115,352
Cash and cash equivalents beginning of year	490,640,921	96,210	123,210	490,860,341
Cash and cash equivalents, end of year	<u>\$ 497,776,233</u>	<u>\$ 100,921</u>	<u>\$ 98,539</u>	<u>\$ 497,975,693</u>

(1) Current assets at John C. Tune airport are negative due to \$19,449,412 in repayments owed to Nashville International Airport reflected in this line at June 30, 2025.

Metropolitan Nashville Airport Authority
Notes to the Financial Statements
Years Ended June 30, 2025 and 2024

19. Condensed Financial Information by Entity (continued)

	June 30, 2024			
	Airports		Blended Component Unit	
	Nashville International Airport	John C. Tune Airport ⁽¹⁾	MNAA Properties Corporation	Total
Condensed statement of net position:				
Assets:				
Current assets	\$ 840,921,073	\$ 10,581,600	\$ 18,833,223	\$ 870,335,896
Restricted assets	438,368,996	-	-	438,368,996
Capital assets, net	1,895,975,836	97,421,286	4,236,115	1,997,633,237
Other assets	143,310,756	37,484	10,017,248	153,365,488
Total assets	3,318,576,661	108,040,370	33,086,586	3,459,703,617
Deferred outflows of resources	1,451,665	-	-	1,451,665
Total assets and deferred outflows of resources	<u>\$3,320,028,326</u>	<u>\$ 108,040,370</u>	<u>\$ 33,086,586</u>	<u>\$3,461,155,282</u>
Liabilities:				
Current liabilities	\$ 81,838,444	\$ 23,095,538	\$ 485,436	\$ 105,419,418
Noncurrent liabilities	2,014,092,677	-	-	2,014,092,677
Total liabilities	2,095,931,121	23,095,538	485,436	2,119,512,095
Deferred inflows of resources	128,619,228	42,580	12,305,712	140,967,520
Net position:				
Net investment in capital assets	159,562,515	97,421,286	4,236,114	261,219,915
Restricted for:				
Capital projects	63,413,979	-	-	63,413,979
Debt service	357,563,575	-	-	357,563,575
Operations	55,803,273	-	-	55,803,273
OPEB	17,675,838	-	-	17,675,838
Unrestricted net position	441,458,797	(12,519,034)	16,059,324	444,999,087
Total net position	1,095,477,977	84,902,252	20,295,438	1,200,675,667
Total liabilities, deferred inflows of resources, and net position	<u>\$3,320,028,326</u>	<u>\$ 108,040,370</u>	<u>\$ 33,086,586</u>	<u>\$3,461,155,282</u>
Condensed statement of revenues				
expenses, changes in net position:				
Operating revenues	\$ 295,957,627	\$ 2,967,463	\$ 3,688,577	\$ 302,613,667
Operating expenses	267,203,522	6,967,698	2,422,162	276,593,382
Operating income (loss)	28,754,105	(4,000,235)	1,266,415	26,020,285
Nonoperating revenues	81,680,681	1,106,087	978,703	83,765,471
Transfers	1,547,657	(1,547,657)	-	-
Capital contributions	33,626,372	196,582	-	33,822,954
Increase in net position	145,608,815	(4,245,223)	2,245,118	143,608,710
Net position, beginning of year	949,869,162	89,147,475	18,050,320	1,057,066,957
Net position, end of year	<u>\$1,095,477,977</u>	<u>\$ 84,902,252</u>	<u>\$ 20,295,438</u>	<u>\$1,200,675,667</u>
Condensed statement of cash flows:				
Cash flows from operating activities	\$ 129,239,788	\$ 1,068,369	\$ 2,532,560	\$ 132,840,717
Cash flows from noncapital financing activities	32,180,121	15,000	-	32,195,121
Cash flows from capital and related financing activities	(239,735,943)	(12,793,671)	230,334	(252,299,280)
Cash flows from investing activities	149,289,240	(9,318,738)	(2,633,997)	137,336,505
Intercompany	(20,878,171)	21,021,152	(142,981)	-
Increase (decrease) in cash and cash equivalents	50,095,035	(7,888)	(14,084)	50,073,063
Cash and cash equivalents beginning of year	440,545,886	104,098	137,294	440,787,278
Cash and cash equivalents, end of year	<u>\$ 490,640,921</u>	<u>\$ 96,210</u>	<u>\$ 123,210</u>	<u>\$ 490,860,341</u>

(1) Current assets at John C. Tune airport are negative due to \$21,931,731 in repayments owed to Nashville International Airport reflected in this line at June 30, 2024.

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This section contains the following subsections:

Schedule of Changes in Net Pension Liability

Schedule of Pension Contributions

Schedule of Investment Returns for Pension

Schedule of Changes in Net OPEB Liability

Schedule of OPEB Contributions

Schedule of Investment Returns for OPEB

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability:										
Service cost	\$ 446,209	\$ 485,028	\$ 503,601	\$ 528,437	\$ 654,045	\$ 823,410	\$ 685,843	\$ 667,297	\$ 741,608	\$ 679,217
Interest	4,597,132	4,610,366	4,512,614	4,371,171	4,590,189	4,622,700	4,604,838	4,218,823	4,482,097	4,342,076
Differences between expected and actual experience	(681,103)	1,738,581	1,546,464	2,075,869	(307,806)	(1,902,545)	2,027,120	745,177	(1,259,978)	537,929
Changes of assumptions	(4,236,556)	-	-	137,652	2,223,479	(219,979)	7,451,464	2,942,473	(616,820)	2,516,013
Benefit payments	(5,209,646)	(4,915,987)	(4,785,372)	(4,541,435)	(4,187,216)	(3,865,432)	(3,507,672)	(3,059,272)	(2,839,298)	(2,589,887)
Net change in total pension liability	(5,083,964)	1,917,988	1,777,307	2,571,694	2,972,691	(541,846)	11,261,593	5,514,498	507,609	5,485,348
Total pension liability - beginning	85,742,831	83,824,843	82,047,536	79,475,842	76,503,151	77,044,997	65,783,404	60,268,906	59,761,297	54,275,949
Total pension liability - ending (a)	80,658,867	85,742,831	83,824,843	82,047,536	79,475,842	76,503,151	77,044,997	65,783,404	60,268,906	59,761,297
Plan fiduciary net position:										
Contributions - employer	820,638	2,000,000	1,410,000	250,000	417,321	3,450,000	8,900,000	2,000,000	5,160,905	11,951,995
Net investment income (loss)	8,036,065	8,112,377	6,577,593	(11,820,464)	16,647,552	4,297,823	4,148,512	4,968,584	6,771,977	205,790
Benefit payments	(5,209,646)	(4,915,987)	(4,785,372)	(4,541,435)	(4,187,216)	(3,865,432)	(3,507,672)	(3,059,272)	(2,839,298)	(2,589,887)
Net change in plan fiduciary net position	3,647,057	5,196,390	3,202,221	(16,111,899)	12,877,657	3,882,391	9,540,840	3,909,312	9,093,584	9,567,898
Plan fiduciary net position - beginning	84,812,855	79,616,465	76,414,244	92,526,143	79,648,486	75,766,095	66,225,255	62,315,943	53,222,359	43,654,461
Plan fiduciary net position - ending (b)	88,459,912	84,812,855	79,616,465	76,414,244	92,526,143	79,648,486	75,766,095	66,225,255	62,315,943	53,222,359
Authority's net pension liability (asset) - ending (a) - (b)	<u>\$ (7,801,045)</u>	<u>\$ 929,976</u>	<u>\$ 4,208,378</u>	<u>\$ 5,633,292</u>	<u>\$ (13,050,301)</u>	<u>\$ (3,145,335)</u>	<u>\$ 1,278,902</u>	<u>\$ (441,851)</u>	<u>\$ (2,047,037)</u>	<u>\$ 6,538,938</u>
Plan fiduciary net position as a percentage of the total pension liability (asset)	109.7%	98.9%	95.0%	93.1%	116.4%	104.1%	98.3%	100.7%	103.4%	89.1%
Covered payroll	\$ 3,482,825	\$ 4,153,041	\$ 4,062,321	\$ 4,342,597	\$ 5,239,192	\$ 6,534,870	\$ 6,811,701	\$ 8,493,682	\$ 8,497,486	\$ 8,078,834
Net pension liability (asset) as a percentage of covered payroll	(224.0%)	22.4%	103.6%	129.7%	(249.1%)	(48.1%)	18.8%	(5.2%)	(24.1%)	80.9%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 820,638	\$ 532,077	\$ 409,587	\$ 166,598	\$ 417,321	\$ 945,088	\$ 790,495	\$ 717,344	\$ 1,101,679	\$ 1,652,788
Contributions in relation to the actuarially determined contribution	820,638	2,000,000	1,410,000	250,000	417,321	3,450,000	8,900,000	2,000,000	5,160,905	11,951,995
Contribution (excess) deficiency	\$ -	\$ (1,467,923)	\$ (1,000,413)	\$ (83,402)	\$ -	\$ (2,504,912)	\$ (8,109,505)	\$ (1,282,656)	\$ (4,059,226)	\$ (10,299,207)
Covered payroll	\$ 3,482,825	\$ 4,153,041	\$ 4,062,321	\$ 4,342,597	\$ 5,239,192	\$ 6,534,870	\$ 6,811,701	\$ 7,440,484	\$ 8,493,682	\$ 8,497,486
Contributions as a percentage covered payroll	23.6%	48.2%	34.7%	5.8%	8.0%	52.8%	130.7%	26.9%	60.8%	140.7%

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

Actuarially determined contribution rates for each year presented in the Schedule of Pension Contributions are based on an actuarial valuation performed as of the first day of each year for which the contributions relate. Methods and assumptions used to determine the contribution rate for the June 30, 2025 actuarially determined contribution are below. For each year presented in the Schedule of Changes in Net Pension Liability (Asset), assumption changes relate to an annual update of the mortality table, as noted below:

Actuarial valuation method	Entry age normal
Asset valuation method	Fair value for Statement No. 67 and Statement No. 68
	Fair value is based on quoted market prices
Amortization method	Level Dollar
Amortization period	For Statement No. 68 as of June 30, 2025:
	Investment gains or losses are amortized over 5 years
	Experience gains or losses are amortized over the average working lifetime of all participants which for the current period is 1 year
	Plan amendments are recognized immediately
	Changes in actuarial assumptions are amortized over the average working lifetime of all participants.
Inflation	2%, per annum, compounded annually
Salary increases	4%, per annum, compounded annually
Investment rate of return	6%, per annum, compounded annually
Discount rate	6%, per annum, compounded annually
Asset smoothing method	3-year weighted average of asset gains and losses, subject to a 20% corridor
Retirement age	Varying rates beginning with 5% at age 50 and 100% retirement at age 65
	Normal retirement age of 55 with 10 years of service,
	but no later than 65, for public safety employees
Mortality	June 30, 2025: 115% of the PubG-2010 Generational Mortality Tables for Males and Females with Improvement Scale MP-2021
	June 30, 2024: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021
	June 30, 2023: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021
	June 30, 2022: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021
	June 30, 2021: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2020
	June 30, 2020: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2019
	June 30, 2019: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2018
	June 30, 2018: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2017
	June 30, 2017: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2016
	June 30, 2016: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2015

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	9.99%	10.69%	8.86%	-12.88%	21.63%	6.05%	6.20%	8.40%	13.04%	0.76%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB liability:									
Service cost	\$ 274,520	\$ 359,608	\$ 339,253	\$ 505,252	\$ 729,685	\$ 838,087	\$ 1,110,421	\$ 1,287,152	\$ 1,259,595
Interest	1,477,245	1,595,450	1,897,780	1,604,056	1,522,814	1,669,885	1,445,441	1,478,732	1,346,638
Differences between expected and actual experience	(4,053,849)	(3,070,498)	(6,447,643)	4,284,326	(1,243,929)	(2,752,567)	(2,713,939)	(2,340,217)	809,991
Changes of assumptions	1,478,214	383,903	124,995	(237,239)	(2,867,444)	387,506	(1,225,616)	-	1,205,435
Benefit payments	(1,153,457)	(973,583)	(1,094,989)	(1,638,721)	(2,975,921)	(1,082,284)	(1,081,219)	(1,346,874)	(1,191,983)
Net change in total OPEB liability	(1,977,327)	(1,705,120)	(5,180,604)	4,517,674	(4,834,795)	(939,373)	(2,464,912)	(921,207)	3,429,676
Total OPEB liability - beginning	25,499,681	27,204,801	32,385,405	27,867,731	32,702,526	33,641,899	36,106,811	37,028,018	33,598,342
Total OPEB liability - ending (a)	23,522,354	25,499,681	27,204,801	32,385,405	27,867,731	32,702,526	33,641,899	36,106,811	37,028,018
Plan fiduciary net position:									
Contributions - employer	-	-	151,000	-	3,202,541	5,532,284	3,081,219	10,195,977	\$ 7,983,073
Contributions - employee	289,619	283,087	535,502	-	-	-	-	-	-
Net investment income (loss)	4,373,276	4,736,847	3,867,729	(5,932,472)	9,514,314	1,380,131	1,595,233	1,204,489	1,016,930
Benefit payments	(1,443,076)	(1,256,672)	(1,630,491)	(1,638,721)	(2,975,921)	(1,082,284)	(1,081,219)	(1,346,874)	(1,191,983)
Administrative expenses	(88,249)	(78,939)	(75,057)	(85,711)	(66,595)	(59,148)	(52,660)	(31,165)	(18,854)
Net change in plan fiduciary net position	3,131,570	3,684,323	2,848,683	(7,656,904)	9,674,339	5,770,983	3,542,573	10,022,427	7,789,166
Plan fiduciary net position - beginning	43,175,519	39,491,196	36,642,513	44,299,417	34,625,078	28,854,095	25,311,522	15,289,095	7,499,929
Plan fiduciary net position - ending (b)	46,307,089	43,175,519	39,491,196	36,642,513	44,299,417	34,625,078	28,854,095	25,311,522	15,289,095
Authority's net OPEB (asset) liability - ending (a) - (b)	\$ (22,784,735)	\$ (17,675,838)	\$ (12,286,395)	\$ (4,257,108)	\$ (16,431,686)	\$ (1,922,552)	\$ 4,787,804	\$ 10,795,289	\$ 21,738,923
Plan fiduciary net position as a percentage of the total OPEB (asset) liability	196.9%	169.3%	145.2%	113.1%	159.0%	105.9%	85.8%	70.1%	41.3%
Covered-employee payroll	\$ 5,609,691	\$ 6,439,286	\$ 6,677,516	\$ 7,062,037	\$ 7,881,945	\$ 10,303,336	\$ 9,777,169	\$ 11,523,443	\$ 16,792,985
Net OPEB liability (asset) as a percentage of covered-employee payroll	-406.2%	-274.5%	-184.0%	-60.3%	-208.5%	-18.7%	49.0%	93.7%	129.5%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	\$ -	\$ -	\$ 151,696	\$ -	\$ 605,418	\$ 1,200,138	\$ 1,911,323	\$ 3,167,615	\$ -
Contributions in relation to the actuarially determined contribution	-	-	151,000	-	3,202,542	5,532,284	3,081,219	10,195,977	7,983,073
Contribution deficiency (excess)	\$ -	\$ -	\$ 696	\$ -	\$ (2,597,124)	\$ (4,332,146)	\$ (1,169,896)	\$ (7,028,362)	\$ (7,983,073)
Covered-employee payroll	\$ 5,609,691	\$ 6,439,286	\$ 6,677,516	\$ 7,062,037	\$ 7,881,945	\$ 10,303,336	\$ 9,777,169	\$ 10,678,528	\$ 11,523,443
Contributions as a percentage of covered-employee payroll	0.0%	0.0%	2.3%	0.0%	40.6%	53.7%	31.5%	95.5%	69.3%

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

Actuarially determined contribution rates for each year presented in the Schedule of OPEB Contributions are based on an actuarial valuation performed as of the first day of each year for which the contributions relate. Methods and assumptions used to determine the contribution rate for the June 30, 2025 actuarially determined contribution are below. For each year presented in the Schedule of Changes in Net OPEB Liability (Asset), assumption changes relate to an annual update of the mortality table, as noted below:

Actuarial valuation method	Entry age normal method
Discount rate	6% per annum
Health care cost trend rate	The following health care trends were used for the year presented: June 30, 2025: 7.5% graded to 6.60% over 3 years and following the Getzen model thereafter until reaching an ultimate rate of 4.04% in the year 2075. June 30, 2024: 7.00% graded down using the Getzen 2024 model June 30, 2023: 6.25% graded down using the Getzen 2023 model June 30, 2022: 6.00% graded down using the Getzen 2022 model June 30, 2021: 6.25% graded down using the Getzen 2021 model June 30, 2020: 7.25% graded down using the Getzen 2020 model June 30, 2019: 7.25% graded down using the Getzen 2019 model June 30, 2018: 7.50% graded down using the Getzen model June 30, 2017: 7.75% graded down using the Getzen model
Dental and vision rate	5%
Retirement rates	Varying rates beginning with 5% at age 50 and 100% retirement at age 65
Mortality	June 30, 2025: 115% of the PubG-2010 Generational Mortality Tables for Males and Females with Improvement Scale MP-2021 June 30, 2024: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 June 30, 2023: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 June 30, 2022: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2021 June 30, 2021: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2020 June 30, 2020: RP-2014 Generational Mortality Table for Males and Females with Improvement Scale MP-2019 June 30, 2019: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2018 June 30, 2018: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2017 June 30, 2017: RP-2014 Generational Mortality Table for Males and Females with improvement Scale MP-2016

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expense	10.23%	12.18%	10.70%	-13.64%	27.54%	4.79%	6.31%	7.53%	13.02%

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This section contains the following subsections:

Combining Schedule of Net Position Information by Entity

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

**Combining Schedule of Fiduciary Net Position Information
by Entity**

**Combining Schedule of Changes in Fiduciary Net Position
Information by Entity**

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

Schedule of Changes in Long-term Debt by Individual Issue

Metropolitan Nashville Airport Authority
Combining Schedule of Net Position Information by Entity
June 30, 2025

	Nashville International Airport ⁽¹⁾	John C. Tune Airport	MNAA Properties Corporation ⁽¹⁾	Total
ASSETS				
Current assets:				
Unrestricted assets:				
Cash, cash equivalents, and investments	\$ 920,938,087	\$ 4,396,813	\$ 19,027,007	\$ 944,361,907
Accounts receivable, net	17,059,044	15,093	77,126	17,151,263
Lease receivables	9,448,456	7,003	3,422,402	12,877,861
Due from governmental agencies	20,684,048	982,394	-	21,666,442
Due from (to) other funds	19,446,143	(19,449,412)	3,269	-
Prepaid expenses and other	406,869	-	-	406,869
Total current unrestricted assets	987,982,647	(14,048,109)	22,529,804	996,464,342
Restricted assets:				
Cash and investments	284,805,746	-	-	284,805,746
Accounts receivable	72,382	-	-	72,382
Noncurrent assets:				
Capital assets:				
Capital assets not being depreciated				
Land and nondepreciable assets	107,969,150	3,214,304	200,817	111,384,271
Construction in progress	264,334,774	7,717,653	1,800	272,054,227
Capital assets being depreciated				
Infrastructure	776,598,422	80,640,944	-	857,239,366
Buildings and building improvements	1,186,921,210	45,061,090	13,841,888	1,245,824,188
Equipment, furnishings, and fixtures	783,910,250	3,946,703	1,842,690	789,699,643
Subscription assets	5,333,709	-	-	5,333,709
Total capital assets	3,125,067,515	140,580,694	15,887,195	3,281,535,404
Less accumulated depreciation	(1,077,350,804)	(41,930,609)	(12,083,440)	(1,131,364,853)
Net capital assets	2,047,716,711	98,650,085	3,803,755	2,150,170,551
Other assets:				
Accounts receivable, net	1,869,833	-	-	1,869,833
Lease receivables	117,350,796	30,482	8,496,616	125,877,894
Net pension asset	7,801,045	-	-	7,801,045
Net OPEB asset	22,784,735	-	-	22,784,735
Total noncurrent assets	2,482,401,248	98,680,567	12,300,371	2,593,382,186
Total assets	\$ 3,470,383,895	\$ 84,632,458	\$ 34,830,175	\$ 3,589,846,528
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow s from OPEB	\$ -	\$ -	\$ -	\$ -
Deferred outflow s from pension	-	-	-	-
Deferred amount on refunding	1,096,155	-	-	1,096,155
Total deferred outflow s of resources	\$ 1,096,155	\$ -	\$ -	\$ 1,096,155

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

Metropolitan Nashville Airport Authority
Combining Schedule of Net Position Information by Entity
June 30, 2025

	Nashville International Airport ⁽¹⁾	John C. Tune Airport	MNAA Properties Corporation ⁽¹⁾	Total
LIABILITIES				
Current liabilities:				
Payable from unrestricted assets:				
Accounts payable	\$ 91,211,429	\$ 2,375,038	\$ 338,677	\$ 93,925,144
Accrued payroll and related items	10,195,462	107,720	-	10,303,182
Advanced billings and payments received in advance	3,382,453	96,370	75,871	3,554,694
Subscription lease liability	886,010	-	-	886,010
Current maturities of notes payable	314,904	-	-	314,904
Accrued interest payable	355,572	-	-	355,572
Total current liabilities	<u>106,345,830</u>	<u>2,579,128</u>	<u>414,548</u>	<u>109,339,506</u>
Noncurrent liabilities:				
Payable from restricted assets:				
Accrued interest payable	42,615,060	-	-	42,615,060
Current maturities of airport revenue bonds	20,188,000	-	-	20,188,000
Deferred revenue from seized funds	950,882	-	-	950,882
Notes payable, less current maturities	1,664,871	-	-	1,664,871
Subscription lease liability	1,160,593	-	-	1,160,593
Airport revenue bonds, less current maturities	1,972,245,643	-	-	1,972,245,643
Total noncurrent liabilities	<u>2,038,825,049</u>	<u>-</u>	<u>-</u>	<u>2,038,825,049</u>
Total liabilities	<u>\$ 2,145,170,879</u>	<u>\$ 2,579,128</u>	<u>\$ 414,548</u>	<u>\$ 2,148,164,555</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflow s from leases	\$ 119,971,112	\$ 35,631	\$ 11,027,331	\$ 131,034,074
Deferred inflow s from pension	2,710,618	-	-	2,710,618
Deferred inflow s from OPEB	1,866,487	-	-	1,866,487
Total deferred inflow s of resources	<u>\$ 124,548,217</u>	<u>\$ 35,631</u>	<u>\$ 11,027,331</u>	<u>\$ 135,611,179</u>
NET POSITION				
Net investment in capital assets	\$ 49,979,483	\$ 96,726,925	\$ 3,803,755	\$ 150,510,163
Restricted for:				
Capital projects	84,713,965	-	-	84,713,965
Debt service	391,781,129	-	-	391,781,129
Operations	69,835,083	-	-	69,835,083
Net pension asset	7,801,045	-	-	7,801,045
Net OPEB asset	22,784,735	-	-	22,784,735
Unrestricted net position	<u>574,865,514</u>	<u>(14,709,226)</u>	<u>19,584,541</u>	<u>579,740,829</u>
Total net position	<u><u>\$ 1,201,760,954</u></u>	<u><u>\$ 82,017,699</u></u>	<u><u>\$ 23,388,296</u></u>	<u><u>\$ 1,307,166,949</u></u>

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

Metropolitan Nashville Airport Authority
Combining Schedule of Revenues, Expenses, and Changes in Net Position Information by
Entity
For the Year Ended June 30, 2025

	Nashville International Airport ⁽¹⁾	John C. Tune Airport	MNAA Properties Corporation ⁽¹⁾	Total
Operating revenues:				
Airline revenues				
Terminal building rental and fees	\$ 66,386,710	\$ -	\$ -	\$ 66,386,710
Landing and related fees	51,726,343	-	-	51,726,343
Non-airline revenues				
Parking	113,203,532	-	-	113,203,532
Car rental	26,355,596	-	-	26,355,596
Space rental	16,254,676	3,846,145	4,644,549	24,745,370
Concession	20,848,570	-	-	20,848,570
Ground transportation	18,176,625	-	-	18,176,625
Other	4,663,422	236,252	116,810	5,016,484
Total operating revenue	<u>317,615,474</u>	<u>4,082,397</u>	<u>4,761,359</u>	<u>326,459,230</u>
Operating expenses:				
Salaries, wages and fringe benefits	50,834,376	921,995	-	51,756,371
Professional and other contractual services	41,471,709	58,387	256,141	41,786,237
Shuttle bus services	17,206,032	-	-	17,206,032
Janitorial services	15,413,635	26,338	351,604	15,791,577
Parking management	15,137,226	-	-	15,137,226
Utilities	10,437,174	145,319	666,758	11,249,251
Materials and supplies	8,491,233	144,266	43,863	8,679,362
Repairs and maintenance services	7,744,443	62,268	293,471	8,100,182
Insurance	5,043,228	65,631	89,870	5,198,729
Other	4,799,372	542,630	363,549	5,705,551
Depreciation	134,902,189	6,327,828	659,444	141,889,461
Total operating expenses	<u>311,480,617</u>	<u>8,294,662</u>	<u>2,724,700</u>	<u>322,499,979</u>
Operating income (loss)	<u>6,134,857</u>	<u>(4,212,265)</u>	<u>2,036,659</u>	<u>3,959,251</u>
Nonoperating revenues (expenses):				
Investment income	60,672,750	420,318	1,056,199	62,149,267
Passenger facility charges	46,775,211	-	-	46,775,211
Customer facility charges	25,801,636	-	-	25,801,636
Federal and state grants	13,404,978	32,550	-	13,437,528
Insurance and other reimbursements	5,698,900	-	-	5,698,900
Loss on disposal of assets	(4,585,294)	-	-	(4,585,294)
Interest expense	(80,510,311)	(603,260)	-	(81,113,571)
Debt issuance costs	(101,338)	-	-	(101,338)
	<u>67,156,532</u>	<u>(150,392)</u>	<u>1,056,199</u>	<u>68,062,339</u>
Income (loss) before capital contributions and transfers	73,291,389	(4,362,657)	3,092,858	72,021,590
Transfers	(515,000)	515,000	-	-
Capital contributions	<u>33,506,588</u>	<u>963,104</u>	<u>-</u>	<u>34,469,692</u>
Increase (decrease) in net position	106,282,977	(2,884,553)	3,092,858	106,491,282
Net position - beginning of year	<u>1,095,477,977</u>	<u>84,902,252</u>	<u>20,295,438</u>	<u>1,200,675,667</u>
Net position - end of year	<u>\$ 1,201,760,954</u>	<u>\$ 82,017,699</u>	<u>\$ 23,388,296</u>	<u>\$ 1,307,166,949</u>

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

Metropolitan Nashville Airport Authority
Combining Schedule of Fiduciary Net Position Information by Entity
June 30, 2025

	Other Post- Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
ASSETS			
Cash and cash equivalents	\$ 1,338,174	\$ 2,659,176	\$ 3,997,350
Investments, at fair value:			
Pooled, common and collective funds	-	69,144,863	69,144,863
Mutual funds	44,968,915	16,655,873	61,624,788
Total assets	46,307,089	88,459,912	134,767,001
NET POSITION			
Restricted for:			
OPEB	46,307,089	-	46,307,089
Pension	-	88,459,912	88,459,912
Total net position	\$ 46,307,089	\$ 88,459,912	\$ 134,767,001

Metropolitan Nashville Airport Authority
Combining Schedule of Changes in Fiduciary Net Position Information by Entity
For the Year Ended June 30, 2025

	Other Post- Employment Benefit Trust Fund	Pension Benefit Trust Fund	Total
Additions:			
Employer contributions	\$ -	\$ 820,638	\$ 820,638
Employee contributions	289,619	-	289,619
Investment income			
Net appreciation in fair value	4,373,277	7,548,260	11,921,537
Interest and dividends	-	658,352	658,352
Investment expenses	-	(170,548)	(170,548)
Investment income, net	<u>4,373,277</u>	<u>8,036,064</u>	<u>12,409,341</u>
Total additions	<u>4,662,896</u>	<u>8,856,702</u>	<u>13,519,598</u>
Deductions:			
Benefits paid to participants	1,443,076	5,209,646	6,652,722
Administrative expenses	<u>88,249</u>	<u>-</u>	<u>88,249</u>
Total deductions	<u>1,531,325</u>	<u>5,209,646</u>	<u>6,740,971</u>
Change in net position	<u>3,131,571</u>	<u>3,647,056</u>	<u>6,778,627</u>
Net position - beginning of year	<u>43,175,519</u>	<u>84,812,855</u>	<u>127,988,374</u>
Net position - end of year	<u>\$ 46,307,090</u>	<u>\$ 88,459,911</u>	<u>\$ 134,767,001</u>

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Metropolitan Nashville Airport Authority

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

Year Ending June 30,	Series 2003B Revenue Bonds		CONRAC Refunding Revenue Bonds		Series 2015A Revenue Bonds ⁽¹⁾		Series 2015B Revenue Bonds ⁽¹⁾		Subordinate Series 2019A Revenue Bonds ⁽¹⁾	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	805,000	525,245	3,468,000	443,220	2,255,000	3,808,700	2,775,000	4,399,219	2,965,000	12,147,625
2027	855,000	475,943	3,587,550	321,593	2,350,000	3,716,600	2,885,000	4,271,594	3,120,000	11,995,625
2028	905,000	423,671	3,711,220	195,773	2,440,000	3,620,800	3,030,000	4,123,716	3,270,000	11,835,750
2029	960,000	368,280	3,838,792	65,984	2,540,000	3,508,500	3,180,000	3,968,469	3,430,000	11,661,250
2030	1,015,000	309,623	-	-	2,665,000	3,378,375	3,340,000	3,805,469	3,600,000	11,492,500
2031	1,075,000	247,550	-	-	2,800,000	3,241,750	3,505,000	3,634,344	3,790,000	11,307,750
2032	1,140,000	181,764	-	-	2,940,000	3,098,250	3,680,000	3,454,719	3,970,000	11,113,750
2033	1,210,000	111,969	-	-	3,085,000	2,947,625	3,865,000	3,266,092	4,175,000	10,910,125
2034	1,280,000	38,016	-	-	3,240,000	2,789,500	4,060,000	3,067,969	4,380,000	10,696,250
2035	-	-	-	-	3,405,000	2,623,375	4,260,000	2,859,969	5,000,000	10,461,750
2036	-	-	-	-	3,575,000	2,448,875	4,475,000	2,641,594	5,245,000	12,205,625
2037	-	-	-	-	-	2,359,500	-	2,529,719	5,640,000	10,933,500
2038	-	-	-	-	-	2,359,500	-	2,529,719	5,920,000	9,644,500
2039	-	-	-	-	-	2,359,500	-	2,529,719	6,210,000	9,341,250
2040	-	-	-	-	-	2,359,500	-	2,529,719	6,530,000	9,186,000
2041	-	-	-	-	20,730,000	1,841,250	23,525,000	1,941,593	-	9,186,000
2042	-	-	-	-	-	1,323,000	-	1,353,470	-	9,186,000
2043	-	-	-	-	-	1,323,000	-	1,353,466	-	9,186,000
2044	-	-	-	-	-	1,323,000	17,130,000	925,220	-	9,186,000
2045	-	-	-	-	-	1,323,000	-	496,970	37,870,000	8,076,000
2046	-	-	-	-	26,460,000	661,500	12,825,000	248,485	-	6,966,000
2047	-	-	-	-	-	-	-	-	-	6,966,000
2048	-	-	-	-	-	-	-	-	-	6,966,000
2049	-	-	-	-	-	-	-	-	-	6,966,000
2050	-	-	-	-	-	-	-	-	64,200,000	5,486,000
2051	-	-	-	-	-	-	-	-	-	4,006,000
2052	-	-	-	-	-	-	-	-	-	4,006,000
2053	-	-	-	-	-	-	-	-	-	4,006,000
2054	-	-	-	-	-	-	-	-	-	4,006,000
2055	-	-	-	-	-	-	-	-	85,120,000	2,003,000
	9,245,000	2,682,061	14,605,562	1,026,570	78,485,000	52,415,100	92,535,000	55,931,234	254,435,000	261,130,250
Bond Premium	-	-	-	-	9,219,183	-	8,485,825	-	47,980,042	-
	\$ 9,245,000	\$ 2,682,061	\$ 14,605,562	\$ 1,026,570	\$ 87,704,183	\$ 52,415,100	\$ 101,020,825	\$ 55,931,234	\$ 302,415,042	\$ 261,130,250

⁽¹⁾ There are several term bonds in the 2015, 2019, and 2022 Bonds, and on this schedule, only the full amount of the term bonds are shown. In each series, there are annual mandatory sinking fund redemptions, therefore there are no bullet maturities. See the 2015, 2019, and 2022 Official Statements for annual principal payments for all term bonds.

Metropolitan Nashville Airport Authority

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

Subordinate Series 2019B Revenue Bonds ⁽¹⁾		Series 2022A Revenue Bonds ⁽¹⁾		Series 2022B Revenue Bonds ⁽¹⁾		Total Debt Service		
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total
7,920,000	31,934,500	-	4,781,012	-	26,737,837	\$ 20,188,000	\$ 84,777,358	\$ 104,965,358
8,315,000	31,528,625	1,720,000	4,738,012	8,855,000	26,516,462	31,687,550	83,564,454	115,252,004
8,735,000	31,102,375	1,810,000	4,649,782	9,290,000	26,062,840	33,191,220	82,014,687	115,205,907
9,170,000	30,654,750	1,900,000	4,557,013	9,755,000	25,586,712	34,773,792	80,370,958	115,144,750
9,625,000	30,184,875	1,990,000	4,459,764	10,240,000	25,086,835	32,475,000	78,717,441	111,192,44
10,110,000	29,691,500	2,090,000	4,357,761	10,755,000	24,561,963	34,125,000	77,042,618	111,167,61
10,610,000	29,173,500	2,195,000	4,250,638	11,295,000	24,010,713	35,830,000	75,283,334	111,113,33
11,145,000	28,629,625	2,305,000	4,138,138	11,855,000	23,417,144	37,640,000	73,420,718	111,060,71
11,700,000	28,058,500	2,425,000	4,019,888	12,475,000	22,778,481	39,560,000	71,448,604	111,008,604
13,240,000	27,435,000	2,545,000	3,895,638	13,140,000	22,106,086	41,590,000	69,381,818	110,971,81
13,905,000	26,756,675	2,670,000	3,765,260	13,820,000	21,398,388	43,690,000	69,216,417	112,906,417
14,920,000	26,036,050	2,805,000	3,628,388	14,545,000	20,635,625	37,910,000	66,122,782	104,032,782
15,655,000	25,271,375	2,945,000	3,484,638	15,350,000	19,813,513	39,870,000	63,103,245	102,973,245
16,445,000	24,468,875	3,090,000	3,333,763	16,200,000	18,945,884	41,945,000	60,978,991	102,923,991
17,260,000	23,626,550	3,245,000	3,175,388	17,090,000	18,030,414	44,125,000	58,907,571	103,032,571
-	23,195,350	3,410,000	3,009,013	18,030,000	17,064,613	65,695,000	56,237,819	121,932,819
-	23,195,350	3,580,000	2,834,268	19,010,000	16,046,013	22,590,000	53,938,101	76,528,101
-	23,195,350	3,755,000	2,650,888	20,055,000	14,971,725	23,810,000	52,680,429	76,490,429
-	23,195,350	-	2,557,013	-	14,420,208	17,130,000	51,606,791	68,736,791
100,175,000	20,690,675	-	2,557,013	-	14,420,208	138,045,000	47,563,866	185,608,866
-	18,186,000	-	2,557,013	-	14,420,213	39,285,000	43,039,211	82,324,211
-	18,186,000	-	2,557,013	-	14,420,213	-	42,129,226	42,129,226
-	18,186,000	21,905,000	1,982,003	117,515,000	11,335,444	139,420,000	38,469,447	177,889,447
-	18,186,000	-	1,407,000	-	8,250,675	-	34,809,675	34,809,675
166,170,000	14,281,750	-	1,407,000	-	8,250,675	230,370,000	29,425,425	259,795,425
-	10,377,500	-	1,407,000	-	8,250,675	-	24,041,175	24,041,175
-	10,377,500	-	1,407,000	-	8,250,675	-	24,041,175	24,041,175
-	10,377,500	28,140,000	703,500	152,285,000	4,125,338	180,425,000	19,212,338	199,637,338
-	10,377,500	-	-	-	-	-	14,383,500	14,383,500
220,050,000	5,188,750	-	-	-	-	305,170,000	7,191,750	312,361,750
665,150,000	671,749,350	94,525,000	88,270,787	501,560,000	499,915,572	1,710,540,562	1,633,120,924	3,343,661,486
113,256,971	-	6,529,156	-	24,255,001	-	209,726,178	-	209,726,178
\$ 778,406,971	\$ 671,749,350	\$ 101,054,156	\$ 88,270,787	\$ 525,815,001	\$ 499,915,572	\$ 1,920,266,740	\$ 1,633,120,924	\$ 3,553,387,664

Metropolitan Nashville Airport Authority
Schedule of Changes in Long-term Debt by Individual Issue
June 30, 2025

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding July 1, 2024	Issued During Period	Paid and/or Matured During Period	Refunded During Period	Outstanding June 30, 2025
Nashville International Airport									
NOTES PAYABLE									
Payable through general fund									
Geothermal Loan	4,300,000	2.78%	07/01/2015	06/30/2031	\$ 2,288,911	\$ -	\$ (309,136)	\$ -	\$ 1,979,775
Total notes payable through general fund					\$ 2,288,911	\$ -	\$ (309,136)	\$ -	\$ 1,979,775
BONDS PAYABLE									
Payable through general fund									
General Airport Revenue Bond, Series 2003B	\$ 19,585,000	5.49 to 5.94%	11/01/2003	07/01/2033	\$ 10,005,000	\$ -	\$ (760,000)	\$ -	\$ 9,245,000
General Airport Revenue Bond, Series 2015A	91,855,000	4.0 to 5.0%	12/01/2015	07/01/2045	80,655,000	-	(2,170,000)	-	78,485,000
General Airport Revenue Bond, Series 2015B	108,145,000	4.0 to 5.0%	12/01/2015	07/01/2045	95,175,000	-	(2,640,000)	-	92,535,000
Subordinate, General Airport Revenue Bond, Series 2019A	254,435,000	4.0 to 5.0%	12/17/2019	07/01/2054	254,435,000	-	-	-	254,435,000
Subordinate, General Airport Revenue Bond, Series 2019B	665,150,000	4.0 to 5.0%	12/17/2019	07/01/2054	665,150,000	-	-	-	665,150,000
General Airport Revenue Bond, Series 2022A					94,525,000	-	-	-	94,525,000
General Airport Revenue Bond, Series 2022B					501,560,000	-	-	-	501,560,000
Total bonds payable through general fund					\$ 1,701,505,000	\$ -	\$ (5,570,000)	\$ -	\$ 1,695,935,000
Payable through customer facility charges									
CONRAC, Series 2018	\$ 27,358,295	3.40%	05/01/2018	07/01/2028	\$ 17,956,357	-	(3,350,795)	-	\$ 14,605,562
Total bonds payable through customer facility charges					\$ 17,956,357	\$ -	\$ (3,350,795)	\$ -	\$ 14,605,562
OTHER DEBT									
Payable through general fund									
BNA Credit Facility	Maximum \$ 400,000,000	Taxable 5.14% Nontaxable 4.00%	10/30/2024	10/29/2027	\$ 30,079,067	\$ 56,349,563	\$ (14,261,727)	\$ -	\$ 72,166,903
Total other long-term debt payable through general fund					\$ 30,079,067	\$ 56,349,563	\$ (14,261,727)	\$ -	\$ 72,166,903

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

Financial Trends

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time (schedules on pages 110, 113, and 114)

Revenue Capacity

These schedules contain information to help the reader assess the Authority's most significant revenue sources (schedules on pages 111, 112, 116, and 117)

Debt Capacity

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and its ability to issue additional debt in the future (schedules on pages 113 and 115)

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place (schedules on pages 118, 119, and 120)

Operating Information

These schedules contain service data to help the reader understand how the information in the Authority's financial report relates to the services it provides and the activities it performs (schedule on page 119)

Metropolitan Nashville Airport Authority Statistical Information

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

	2025	2024	2023	2022	2021	2020	2019	(as restated) 2018	(as restated) 2017	2016
Operating Revenues:										
Terminal building rental and fees	\$ 66,386,710	\$ 47,725,771	\$ 34,898,168	\$ 31,951,063	\$ 22,445,648	\$ 21,989,398	\$ 25,350,272	\$ 21,079,135	\$ 12,869,977	\$ 10,086,594
Landing and related fees	51,726,343	54,194,103	32,321,272	26,498,354	26,818,385	26,955,903	34,630,205	30,881,319	22,667,799	22,946,590
Parking	113,203,532	111,147,005	99,244,129	78,086,608	28,175,988	42,434,887	53,875,967	51,045,975	44,669,588	42,454,589
Car rental	26,355,596	25,502,274	24,495,923	20,451,716	12,656,024	14,144,301	16,182,534	15,187,320	13,598,371	13,049,632
Space rental	24,745,370	17,395,073	22,967,443	20,142,386	15,469,797	14,918,277	14,611,554	15,046,018	13,112,838	11,228,227
Concession	20,848,570	24,011,968	18,063,697	16,785,708	9,411,265	10,689,143	14,345,274	13,359,183	11,923,944	9,899,706
Ground transportation	18,176,625	16,911,757	14,960,927	10,987,529	3,919,824	6,202,648	6,417,493	4,903,335	3,700,823	3,385,013
Other	5,016,484	5,725,716	7,650,805	5,325,500	9,722,628	6,584,081	4,619,295	2,977,332	5,552,881	3,139,167
Total Operating Revenues	326,459,230	302,613,667	254,602,364	210,228,864	128,619,559	143,918,638	170,032,594	154,479,617	128,096,221	116,189,518
Operating Expenses:										
Salaries, wages and fringe benefits	51,756,371	49,830,121	39,212,410	37,663,363	25,133,488	36,981,912	38,420,196	32,859,001	33,323,344	35,205,048
Professional and other contractual services	41,786,237	29,165,587	26,009,193	22,550,510	16,490,438	20,838,494	17,078,162	14,707,566	9,614,880	9,120,841
Shuttle bus services	17,206,032	13,254,850	7,434,123	6,412,141	3,078,359	5,442,025	5,969,979	5,932,410	5,171,654	4,951,311
Janitorial services	15,791,577	15,826,096	11,856,848	8,782,457	7,100,572	4,793,999	4,121,382	3,635,974	2,758,704	2,722,702
Parking management	15,137,226	13,135,892	12,359,364	9,311,704	4,756,226	5,795,149	10,041,662	8,400,891	7,319,870	5,569,785
Utilities	11,249,251	8,779,086	8,640,221	7,002,019	5,598,234	5,868,042	6,019,730	5,353,051	5,764,258	5,770,200
Materials and supplies	8,679,362	9,431,679	6,631,337	4,857,791	3,674,391	4,544,743	4,291,755	4,072,984	3,720,487	3,557,082
Repairs and maintenance services	8,100,182	8,635,281	4,561,149	4,582,890	3,579,268	5,329,375	4,219,755	4,112,991	3,668,313	3,798,390
Insurance	5,198,729	5,318,692	3,481,751	2,148,338	1,913,299	1,441,580	1,336,036	1,301,012	1,225,112	1,204,987
Other	5,705,551	5,662,165	5,679,442	9,654,412	3,210,854	5,400,424	8,215,274	4,886,364	4,997,955	4,032,835
Total Operating Expenses	180,610,518	159,039,449	125,865,838	112,965,625	74,535,129	96,435,743	99,713,931	85,262,244	77,564,577	75,933,181
Provision for Depreciation	141,889,461	117,553,933	85,872,221	79,273,711	53,383,630	49,768,473	44,497,442	39,914,221	38,979,958	37,223,834
Nonoperating Revenues:										
Investment income (loss)	62,149,267	62,087,598	31,040,249	(4,756,436)	1,647,674	23,723,090	7,703,826	2,149,362	730,198	333,542
Passenger facility charges	46,775,211	44,734,128	41,531,943	35,678,032	20,253,069	26,384,555	31,416,941	28,300,013	25,982,494	23,735,979
Customer facility charges	25,801,636	17,283,641	15,494,211	12,939,489	8,365,388	11,827,674	15,094,273	14,290,386	13,561,430	12,956,481
Other nonoperating revenues	14,551,134	39,194,429	39,271,115	28,345,443	36,580,521	12,032,061	-	130,025	86,599	614,433
Total Nonoperating Revenues	149,277,248	163,299,796	127,337,518	72,206,528	66,846,652	73,967,380	54,215,040	44,869,786	40,360,721	37,640,435
Nonoperating Expenses:										
Debt-related expenses	81,214,909	79,534,325	70,545,732	50,168,719	49,322,732	37,994,910	13,267,265	10,262,472	10,299,910	8,874,244
Other nonoperating expenses	-	-	-	(67,615)	2,160,638	112,570	16,170,808	548,726	(461,510)	1,234,522
Total Nonoperating Expenses	81,214,909	79,534,325	70,545,732	50,101,104	51,483,370	38,107,480	29,438,073	10,811,198	9,838,400	10,108,766
Capital Contributions	34,469,692	33,822,954	58,983,376	29,762,836	31,356,438	21,287,199	18,178,942	15,010,688	14,552,791	28,763,278
Increase in Net Position	106,491,282	143,608,710	158,639,467	69,857,788	47,420,520	54,861,521	68,777,130	78,372,428	56,626,798	59,327,450
Total Net Position - End of Year	\$ 1,307,166,949	\$ 1,200,675,667	\$ 1,057,066,957	\$ 898,427,490	\$ 828,569,702	\$ 781,149,182	\$ 726,287,661	\$ 657,510,531	\$ 579,138,103	\$ 522,511,305

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

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

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority
Statistical Information

Nashville International Airport Cost per Enplaned Passenger (CPEP)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Signatory Airlines:										
Space and ramp fees	\$ 68,195	\$ 49,473	\$ 35,209	\$ 33,821	\$ 25,162	\$ 25,268	\$ 34,170	\$ 28,288	\$ 12,245	\$ 11,399
Landing fees	42,155	45,492	24,535	20,575	22,333	20,744	21,094	19,804	18,427	19,162
Total signatory revenue	110,350	94,965	59,744	54,396	47,495	46,012	55,264	48,092	30,672	30,561
Signatory enplaned (000s)	12,045	11,536	10,649	9,106	5,119	6,703	8,306	7,349	6,571	6,021
Cost per Signatory Enplaned	\$ 9.16	\$ 8.23	\$ 5.61	\$ 5.97	\$ 9.28	\$ 6.86	\$ 6.65	\$ 6.54	\$ 4.67	\$ 5.08
Non-signatory Airlines:										
Space and ramp fees	\$ 3,457	\$ 2,961	\$ 3,278	\$ 1,314	\$ 606	\$ 866	\$ 1,674	\$ 1,108	\$ 1,747	\$ 502
Landing fees	2,273	2,105	1,801	859	351	1,450	2,399	1,203	979	657
Total non-signatory revenue	5,730	5,066	5,079	2,173	957	2,316	4,073	2,311	2,726	1,159
Non-signatory enplaned (000s)	340	289	271	112	33	156	290	117	219	120
Cost per Non-signatory Enplaned	\$ 16.85	\$ 17.53	\$ 18.74	\$ 19.40	\$ 29.00	\$ 14.85	\$ 14.04	\$ 19.75	\$ 12.45	\$ 9.66
Summary Analysis:										
Total signatory & non-signatory revenue	\$ 116,080	\$ 100,031	\$ 64,823	\$ 56,569	\$ 48,452	\$ 48,328	\$ 59,337	\$ 50,403	\$ 33,398	\$ 31,720
Blended Cost per Enplaned	\$ 9.37	\$ 8.46	\$ 5.94	\$ 6.14	\$ 9.40	\$ 7.05	\$ 6.90	\$ 6.75	\$ 4.92	\$ 5.17
Operating revenues (BNA only)	\$ 317,088	\$ 295,958	\$ 247,818	\$ 205,402	\$ 124,523	\$ 139,513	\$ 165,926	\$ 150,498	\$ 124,093	\$ 112,946
Total enplaned (includes charters)	12,385	11,825	10,920	9,218	5,152	6,859	8,596	7,466	6,790	6,141
Operating Revenues per Enplaned	\$ 25.60	\$ 25.03	\$ 22.69	\$ 22.28	\$ 24.17	\$ 20.34	\$ 19.30	\$ 20.16	\$ 18.28	\$ 18.39

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority

Statistical Information

Metropolitan Nashville Airport Authority Operating Revenues Analysis - Activity Detail

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Signatory Rates:										
Landing fee	\$ 3.11	\$ 3.50	\$ 2.06	\$ 2.04	\$ 2.23	\$ 2.52	\$ 3.09	\$ 3.21	\$ 2.99	\$ 3.25
Ramp fees	\$ 3.21	\$ 3.56	\$ 2.63	\$ 1.69	\$ 1.82	\$ 2.07	\$ 2.23	\$ 2.34	\$ 1.71	\$ 1.71
Main terminal	\$ 176.93	\$ 173.17	\$ 116.55	\$ 111.00	\$ 108.29	\$ 105.65	\$ 103.07	\$ 100.55	\$ 90.00	\$ 90.00
North concourse	\$ 176.93	\$ 173.17	\$ 116.55	\$ 111.00	\$ 108.29	\$ 105.65	\$ 103.07	\$ 100.55	\$ 90.00	\$ 90.00
South concourse	\$ 176.93	\$ 173.17	\$ 116.55	\$ 111.00	\$ 108.29	\$ 105.65	\$ 103.07	\$ 100.55	\$ 90.00	\$ 90.00
Satellite concourse	\$ 172.50	\$ 169.04	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The Authority entered into a new Signatory Airline Use and Lease Agreement effective July 1, 2023.

The satellite concourse opened for use during fiscal year 2024.

Non-signatory Rates:

Landing fee	\$ 3.89	\$ 4.37	\$ 3.54	\$ 3.57	\$ 3.69	\$ 3.84	\$ 4.29	\$ 4.23	\$ 3.74	\$ 4.07
Per use fee (see note below)	\$ 6.84	\$ 6.53	\$ 5.00	\$ 5.00	\$ 5.44	\$ 3.38	\$ 4.30	\$ 3.55	\$ 3.51	\$ 3.66
Ramp	\$ 3.21	\$ 3.56	\$ 3.29	\$ 2.11	\$ 2.28	\$ 2.59	\$ 2.79	\$ 2.93	\$ 2.14	\$ 2.14
Main terminal	\$ 176.93	\$ 216.71	\$ 145.69	\$ 138.75	\$ 135.36	\$ 132.06	\$ 128.84	\$ 125.69	\$ 112.50	\$ 112.50
North concourse	\$ 176.93	\$ 216.71	\$ 145.69	\$ 138.75	\$ 135.36	\$ 132.06	\$ 128.84	\$ 125.69	\$ 112.50	\$ 112.50
South concourse	\$ 176.93	\$ 216.71	\$ 145.69	\$ 138.75	\$ 135.36	\$ 132.06	\$ 128.84	\$ 125.69	\$ 112.50	\$ 112.50

Per the airline agreement effective July 1, 2023, the non-signatory airlines may be charged on a per use fee per departing seat. The per use fee covers the use of the ticket counter, baggage make up, baggage claim and gate usage.

Public Parking Analysis:

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Parking lot revenue (000s)	\$ 113,204	\$ 111,147	\$ 99,244	\$ 78,087	\$ 28,176	\$ 42,435	\$ 53,876	\$ 51,046	\$ 44,670	\$ 42,455
Spaces available	15,507	16,335	15,432	13,943	13,968	13,377	11,169	11,172	12,203	14,041
Revenue per Space	\$ 7,300	\$ 6,804	\$ 6,431	\$ 5,600	\$ 2,017	\$ 3,172	\$ 4,824	\$ 4,569	\$ 3,661	\$ 3,024
Garages	6,479	6,526	6,278	4,789	4,814	4,192	2,201	2,318	2,369	2,369
Terminal Lot A	1,285	1,285	1,125	1,125	1,125	1,125	1,034	830	1,810	2,060
Economy Lot B	1,478	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124	2,124
Economy Lot C	3,585	3,495	3,625	3,625	3,625	3,625	3,499	3,625	3,625	3,690
BNA Express	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230	1,230
Valet	1,450	1,675	1,050	1,050	1,050	1,081	1,081	1,045	1,045	1,152
Overflow	-	-	-	-	-	-	-	-	-	1,416
Public Parking Spaces	15,507	16,335	15,432	13,943	13,968	13,377	11,169	11,172	12,203	14,041

Economy Lot B was closed for a portion of fiscal years 2020 and 2021.

Economy Lot C was closed for a portion of fiscal years 2020 and 2021.

BNA Express was closed in the last quarter of fiscal year 2020 and remains closed to incoming traffic. It is now used for Valet/Overflow parking as needed.

The onsite hotel parking garage contains 150 parking spaces, which are not included in the Revenue per Space analysis.

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority Statistical Information

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Land and nondepreciable assets	\$ 111,384,271	\$ 113,265,170	\$ 111,226,323	\$ 108,112,921	\$ 107,554,524	\$ 105,115,818	\$ 97,169,587	\$ 97,169,587	\$ 96,968,771	\$ 96,968,770
Construction in progress	272,054,227	212,924,038	358,877,117	448,196,055	301,079,238	139,067,964	233,273,255	153,579,003	72,814,778	42,890,290
Total capital assets not being depreciated	383,438,498	326,189,208	470,103,440	556,308,976	408,633,762	244,183,782	330,442,842	250,748,590	169,783,549	139,859,060
Infrastructure	857,239,366	815,353,882	728,661,124	693,670,381	618,570,710	613,663,559	588,779,486	576,918,742	561,704,513	541,464,084
Buildings and building improvements	1,245,824,188	1,128,498,583	952,350,604	764,568,968	718,298,100	841,349,251	422,874,974	315,970,461	298,911,276	264,629,088
Equipment, furniture and fixtures	789,699,643	721,348,402	567,644,400	392,443,748	393,243,815	194,396,606	183,211,887	182,051,284	165,348,939	129,795,510
Subscription leases	5,333,709	3,777,401	2,244,691	698,216	-	-	-	-	-	-
Total capital assets being depreciated	2,898,096,906	2,668,978,268	2,250,900,819	1,851,381,313	1,730,112,625	1,649,409,416	1,194,866,347	1,074,940,487	1,025,964,728	935,888,682
Less accumulated depreciation	(1,131,364,853)	(997,534,239)	(880,733,537)	(795,262,079)	(717,693,502)	(668,885,544)	(627,078,709)	(615,032,739)	(578,686,474)	(539,922,435)
Net Capital Assets	\$ 2,150,170,551	\$ 1,997,633,237	\$ 1,840,270,722	\$ 1,612,428,210	\$ 1,421,052,885	\$ 1,224,707,654	\$ 898,230,480	\$ 710,656,338	\$ 617,061,803	\$ 535,825,307

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

	2025	%	2024	2023	2022	2021	2020	2019	2018	2017	2016
Series 2003B Revenue Bonds	\$ 9,245,000	0.5%	\$ 10,005,000	\$ 10,725,000	\$ 11,405,000	\$ 12,050,000	\$ 13,235,000	\$ 13,235,000	\$ 14,785,000	\$ 14,785,000	\$ 14,785,000
Series 2008A Revenue Bonds	-	N/A	-	-	-	-	-	3,800,000	7,400,000	10,800,000	12,000,000
Series 2009A Revenue Bonds	-	N/A	-	-	-	-	-	7,970,000	12,160,000	16,180,000	20,040,000
Series 2010A Revenue Bonds	-	N/A	-	-	-	-	-	-	-	3,835,000	7,525,000
Series 2010 CONRAC Revenue Bonds	-	N/A	-	-	-	-	3,000,000	5,840,000	8,535,000	56,695,000	58,980,000
Series 2018 CONRAC Revenue Bonds	14,605,562	0.9%	17,956,357	21,197,130	24,329,910	27,358,295	27,358,295	27,358,295	27,358,295	-	-
Series 2010C Revenue Bonds	-	N/A	-	-	-	-	-	-	-	-	1,740,000
Series 2015A Revenue Bonds	78,485,000	4.6%	80,655,000	82,740,000	84,745,000	86,655,000	88,475,000	90,205,000	91,855,000	91,855,000	91,855,000
Series 2015B Revenue Bonds	92,535,000	5.4%	95,175,000	97,690,000	100,085,000	102,365,000	104,535,000	106,615,000	108,145,000	108,145,000	108,145,000
Series 2019A Revenue Bonds	254,435,000	14.9%	254,435,000	254,435,000	254,435,000	254,435,000	254,435,000	-	-	-	-
Series 2019B Revenue Bonds	665,150,000	38.9%	665,150,000	665,150,000	665,150,000	665,150,000	665,150,000	-	-	-	-
Series 2022A Revenue Bonds	94,525,000	5.5%	94,525,000	94,525,000	-	-	-	-	-	-	-
Series 2022B Revenue Bonds	501,560,000	29.3%	501,560,000	501,560,000	-	-	-	-	-	-	-
Total Revenue Bonds	1,710,540,562	100.0%	1,719,461,357	1,728,022,130	1,140,149,910	1,148,013,295	1,156,188,295	255,023,295	270,238,295	302,295,000	315,070,000
Plus unamortized premium	209,726,178	N/A	217,196,514	224,666,851	197,994,759	204,345,671	210,686,583	23,016,511	24,158,916	25,296,995	26,648,869
Net Outstanding Debt	\$ 1,920,266,740	N/A	\$ 1,936,657,871	\$ 1,952,688,981	\$ 1,338,144,669	\$ 1,352,358,966	\$ 1,366,874,878	\$ 278,039,806	\$ 294,397,211	\$ 327,591,995	\$ 341,718,869
Enplanements	12,385,378	N/A	11,826,204	10,919,899	9,217,710	5,151,658	6,858,395	8,596,307	7,466,332	6,790,099	6,141,092
Net Outstanding Debt per Enplanement	\$ 155.04	N/A	\$ 163.76	\$ 178.82	\$ 145.17	\$ 262.51	\$ 199.30	\$ 32.34	\$ 39.43	\$ 48.25	\$ 55.65

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority Statistical Information

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

	2025	2024	2023	2022	2021	2020	2019	2018	(as restated) 2017	(as restated) 2016
Net Position:										
Net investment in capital assets	\$ 150,510	\$ 261,220	\$ 278,592	\$ 363,710	\$ 376,713	\$ 397,961	\$ 507,479	\$ 502,945	\$ 441,690	\$ 419,177
Restricted	576,916	494,457	469,822	342,088	315,174	307,948	154,036	80,172	80,759	70,955
Unrestricted net position (deficit)	579,741	444,999	308,653	192,629	136,683	75,240	64,772	74,394	56,689	32,379
Total	\$ 1,307,167	\$ 1,200,676	\$ 1,057,067	\$ 898,427	\$ 828,570	\$ 781,149	\$ 726,287	\$ 657,511	\$ 579,138	\$ 522,511

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

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority

Statistical Information

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenue	\$ 317,615	\$ 295,958	\$ 247,818	\$ 205,402	\$ 124,523	\$ 139,513	\$ 165,926	\$ 150,498	\$ 124,093	\$ 112,946
Less Operating Expenses (excludes depreciation)	(176,578)	(155,817)	(119,102)	(108,151)	(68,010)	(88,803)	(97,743)	(83,088)	(74,999)	(74,207)
Add Investment Income (Loss)	60,673	60,673	30,413	(4,934)	1,635	23,640	7,677	2,148	728	331
COVERAGE CASH FLOW	\$ 201,710	\$ 200,814	\$ 159,129	\$ 92,317	\$ 58,148	\$ 74,350	\$ 75,860	\$ 69,558	\$ 49,822	\$ 39,070
INTEREST	\$ 27,370	\$ 8,517	\$ 5,481	\$ 3,941	\$ 3,859	\$ 7,876	\$ 11,920	\$ 6,787	\$ 3,420	\$ 6,672
PRINCIPAL	4,616	3,517	2,406	2,204	1,900	3,886	6,072	7,325	3,915	3,430
TOTAL NET DEBT SERVICE	\$ 31,986	\$ 12,034	\$ 7,887	\$ 6,145	\$ 5,759	\$ 11,762	\$ 17,992	\$ 14,112	\$ 7,335	\$ 10,102
DEBT SERVICE COVERAGE	630.6%	1668.7%	2017.6%	1502.3%	1009.7%	632.1%	421.6%	492.9%	679.2%	386.8%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Operating Revenue	\$ 317,615	\$ 295,958	\$ 247,818	\$ 205,402	\$ 124,523	\$ 139,513	\$ 165,926	\$ 150,498	\$ 124,093	\$ 112,946
Less Operating Expenses (excludes depreciation)	(176,578)	(155,817)	(119,102)	(108,151)	(68,010)	(88,803)	(97,743)	(83,088)	(74,999)	(74,207)
Add Investment Income (Loss)	60,673	60,673	30,413	(4,934)	1,635	23,640	7,677	2,148	728	331
COVERAGE CASH FLOW	\$ 201,710	\$ 200,814	\$ 159,129	\$ 92,317	\$ 58,148	\$ 74,350	\$ 75,860	\$ 69,558	\$ 49,822	\$ 39,070
INTEREST	\$ 47,932	\$ 15,700	\$ 17,676	\$ 16,064	\$ 9,449	\$ 9,734	\$ 11,920	\$ 6,787	\$ 3,420	\$ 6,672
PRINCIPAL	9,662	3,517	2,406	2,204	1,900	4,026	6,072	7,325	3,915	3,430
TOTAL NET DEBT SERVICE	\$ 57,594	\$ 19,217	\$ 20,082	\$ 18,268	\$ 11,349	\$ 13,760	\$ 17,992	\$ 14,112	\$ 7,335	\$ 10,102
DEBT SERVICE COVERAGE	350.2%	1045.0%	792.4%	505.3%	512.4%	540.3%	421.6%	492.9%	679.2%	386.8%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Customer Facility Charges	\$ 25,802	\$ 17,284	\$ 15,494	\$ 12,939	\$ 8,365	\$ 11,828	\$ 15,094	\$ 14,290	\$ 13,561	\$ 12,956
Less Operating Expenses (excludes depreciation)	(2,290)	(1,883)	(1,727)	(3,045)	(1,715)	(1,607)	(1,681)	(1,537)	(1,585)	(1,500)
Add Investment Income	3,576	3,441	1,488	70	152	289	261	45	34	21
COVERAGE CASH FLOW	\$ 27,088	\$ 18,842	\$ 15,255	\$ 9,964	\$ 6,802	\$ 10,510	\$ 13,674	\$ 12,798	\$ 12,010	\$ 11,477
INTEREST	\$ 503	\$ 562	\$ 674	\$ 784	\$ 1,029	\$ 1,186	\$ 944	\$ 3,282	\$ 3,571	\$ 3,673
PRINCIPAL	3,468	3,351	3,243	3,134	3,000	2,840	2,695	20,802	2,480	2,285
TOTAL NET DEBT SERVICE	\$ 3,971	\$ 3,913	\$ 3,917	\$ 3,918	\$ 4,029	\$ 4,026	\$ 3,639	\$ 24,084	\$ 6,051	\$ 5,958
DEBT SERVICE COVERAGE	682.1%	481.5%	389.5%	254.3%	168.8%	261.1%	375.8%	53.1%	198.5%	192.6%

Net debt service is total debt service less PFC- and CRRSA/ARPA-funded debt service, and Capitalized Interest.

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority

Statistical Information

Nashville International Airport Passenger Enplanements Market Share

	% of Total	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Signatory Airlines:											
Alaska Airlines	1.5%	188,748	156,015	113,995	102,762	64,928	87,807	115,960	87,309	58,533	41,233
Allegiant Air	2.7%	337,838	464,553	407,726	252,591	136,565	115,305	-	-	-	-
American Airlines	13.6%	1,678,711	1,677,822	1,569,654	1,471,530	725,481	1,070,173	1,348,801	1,235,501	1,176,043	1,156,141
Delta Air Lines Inc.	12.1%	1,499,794	1,409,111	1,336,379	1,105,082	503,867	971,443	1,278,183	1,138,922	988,137	926,454
Frontier Airlines	0.9%	112,303	123,100	163,960	118,912	73,885	126,000	177,341	146,184	9,979	-
JetBlue	1.2%	154,510	163,373	228,078	149,302	44,914	99,316	138,189	130,541	138,985	22,570
Southwest Airlines	53.7%	6,646,369	6,103,524	5,575,049	4,945,583	3,091,692	3,571,632	4,517,284	4,009,180	3,655,441	3,426,391
Spirit Airlines	3.9%	488,094	529,431	417,971	268,835	171,669	122,176	-	-	-	-
United Airlines	7.6%	938,919	909,899	835,968	691,107	306,115	539,013	730,243	600,988	543,704	448,396
Subtotal	97.2%	12,045,286	11,536,828	10,648,780	9,105,704	5,119,116	6,702,865	8,306,001	7,348,625	6,570,822	6,021,185
Non-signatory Airlines:											
Air Canada	0.6%	72,143	27,715	50,396	5,854	-	-	-	-	-	-
Air Canada d/b/a Jazz Air	0.1%	15,770	4,765	7,807	16,356	-	24,745	292	174	1,034	371
Air Georgian dba Air Canada	0.0%	-	-	-	-	-	8,549	45,204	44,229	42,739	29,589
Allegiant Air	0.0%	-	-	-	-	-	-	80,170	6,136	-	-
British Airways	0.6%	76,406	65,979	55,208	11,577	-	32,684	43,289	8,671	-	-
Contour Airlines	0.1%	11,947	22,889	26,363	20,091	9,741	12,303	14,290	10,432	8,038	-
Frontier Airlines	0.0%	-	-	-	-	-	-	-	-	130,449	71,840
Sun Country	0.4%	44,742	45,661	36,877	25,007	16,868	-	-	-	-	-
WestJet Airlines	0.6%	71,674	54,747	35,979	16,487	-	8,848	23,559	11,591	2,252	-
WestJet /Encore	0.0%	-	-	-	-	-	19,673	22,339	22,210	20,479	1,115
All Others (includes Charters)	0.4%	47,410	67,620	58,489	16,634	5,933	48,728	61,163	14,264	14,286	16,992
Subtotal	2.8%	340,092	289,376	271,119	112,006	32,542	155,530	290,306	117,707	219,277	119,907
Total	100.0%	12,385,378	11,826,204	10,919,899	9,217,710	5,151,658	6,858,395	8,596,307	7,466,332	6,790,099	6,141,092

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority

Statistical Information

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

	% of Total	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Signatory Airline:											
Alaska Airlines	1.4%	196,514	164,433	110,669	100,654	93,408	104,358	129,001	99,354	55,390	43,248
Allegiant Air	2.6%	359,736	525,477	496,404	317,469	248,448	145,579	-	-	-	-
American Airlines	13.7%	1,931,802	1,908,020	1,779,567	1,693,950	945,038	1,356,238	1,549,447	1,415,662	1,352,169	1,332,377
Delta Air Lines Inc.	12.0%	1,695,158	1,525,552	1,461,428	1,260,848	871,462	1,147,250	1,427,507	1,287,034	1,148,263	1,051,357
Frontier Airlines	0.8%	118,907	135,636	172,070	118,797	82,863	130,207	166,271	140,496	8,784	-
JetBlue	1.2%	166,899	194,172	294,044	183,497	71,669	126,152	156,958	147,967	152,321	23,986
Southwest Airlines	53.2%	7,493,148	6,955,019	6,168,540	5,456,214	4,463,892	4,564,368	4,947,577	4,391,669	4,065,313	3,807,965
Spirit Airlines	3.8%	538,245	557,023	434,883	288,542	201,041	167,604	-	-	-	-
United Airlines	7.6%	1,077,060	1,045,775	992,581	813,331	442,277	707,738	859,945	683,646	614,443	485,586
Subtotal	96.3%	13,577,469	13,011,107	11,910,186	10,233,302	7,420,098	8,449,494	9,236,706	8,165,828	7,396,683	6,744,519
Non-signatory Airlines:											
Air Canada	0.4%	51,391	5,635	29,226	9,204	-	-	-	-	-	-
Air Canada d/b/a Jazz Air	0.1%	18,405	31,451	38,491	20,752	-	32,799	1,840	2,752	2,987	2,583
Air Georgian dba Air Canada	0.0%	-	-	-	-	-	8,997	48,594	47,422	47,610	33,506
British Airways	1.1%	153,590	132,510	128,525	25,200	-	85,225	101,865	15,960	-	-
Contour Airlines	0.2%	32,314	69,978	74,160	52,296	31,201	-	-	-	-	-
Frontier Airlines	0.0%	-	-	-	-	-	-	-	-	126,550	70,424
Sun Country	0.5%	67,518	64,859	107,159	51,273	34,377	-	-	-	-	-
SkyWest	0.1%	7,379	5,311	-	-	-	-	-	-	-	-
WestJet/Encore	0.6%	78,882	54,478	34,373	19,363	405	-	-	-	-	-
All Others (includes charters)	0.7%	102,511	141,460	91,827	49,861	29,048	175,116	262,979	102,944	94,068	46,700
Subtotal	3.7%	511,990	505,682	503,761	227,949	95,031	302,137	415,278	169,078	271,215	153,213
Total Passenger Carrier Weight (000s)	100.0%	14,089,459	13,516,789	12,413,947	10,461,251	7,515,129	8,751,631	9,651,984	8,334,906	7,667,898	6,897,732
Cargo & misc. carrier weight (000s)		305,142	306,770	504,127	582,109	354,109	276,583	300,413	305,994	285,758	305,642
Total Weight All Aircraft (000s)		14,394,601	13,823,559	12,918,074	11,043,360	7,869,238	9,028,214	9,952,397	8,640,900	7,953,656	7,203,374
% Passenger Carrier Weight		98%	98%	96%	95%	96%	97%	97%	96%	96%	96%

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

Source: Metropolitan Nashville Airport Authority Finance Department Records.

See accompanying independent auditor's report.

Metropolitan Nashville Airport Authority

Statistical Information

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

Signatory Carriers:

Alaska Airlines
Allegiant Air
American Airlines
Delta Air Lines
Frontier Airlines
JetBlue
Southwest Airlines
Spirit Airlines
United Airlines

Signatory Cargo Carriers:

Federal Express

Non-signatory Carriers:

Air Canada / Jazz Aviation
Air Canada Rouge
Avelo Airlines
Breeze Airways
British Airways
Commutair
Contour Airlines
Endeavor Air
Envoy
GoJet Airlines
Mesa Airlines
Republic Airways
SkyWest Airlines
Sun Country
Swift Air
VivaAerobus
WestJet
WestJet Encore

Non-signatory Cargo Carriers:

Air Transport Int'l.
Airborne Express
Amazon Prime
Atlas Air
DHL
Kalitta Air
Mountain Air Cargo
National Air Cargo

Fixed-base Operators:

Atlantic Aviation
Signature Flight Support

Private Hangar Rentals:

Hangar Lane LLC
Nashville Hangar
Owl Hill Holdings
SATA, Inc.
Sky Harbour
Skywest
The Martin Companies

Ground Handlers:

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

Other Airport Tenants:

121 @ BNA
Above and Beyond
Aircraft Services International
Airline Maint. Svcs
Embraer Aircraft Maintenance
Federal Aviation Administration
Metro Government of Nashville and Davidson County
Miller Transfer
Simino Electric
State of Tennessee
Swissport
TN Aeronautics Commission
TN Dept of Transportation
Transportation Security Administration
US Customs Border Patrol
US DEA
US Govt Weather Service

Other Terminal Tenants:

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

Vehicle Parking:

ABM Parking
LAZ Parking

Rental Car:

Avis
Budget
Dollar
Enterprise
Hertz
Payless
Sixt
Thrifty
Vanguard (Alamo/National)

Ground Transportation:

Hotel Shuttles
Taxicab Companies
Limousine Companies
TNCs (Uber, Lyft)

Tenants at John C. Tune Airport:

Contour Flight Support dba/Corporate Flight Management
Helistar
Plane Hangar
Mid America Jet
Deez-Nuts LLC
Lawrence Hangar LLC
V3 Aviation LLC
Aero Management Group LLC
JetRight Properties LLC
Metropolitan Nashville Police Department

Metropolitan Nashville Airport Authority Statistical Information

Metropolitan Nashville Airport Authority Staffing - Full-time Equivalents

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Administration	182.0	164.0	114.0	107.0	91.0	109.0	100.0	89.5	87.5	89.5	89.5
Engineering & Maintenance	150.0	136.0	114.0	105.0	107.0	113.0	98.5	72.0	75.0	72.0	72.0
Operations, Safety, Security	142.0	130.0	114.0	107.0	108.0	110.0	112.5	134	126.5	125.5	127.0
Total Authority Full-time Equivalents	474.0	430.0	342.0	319.0	306.0	332.0	311.0	295.5	289.0	287.0	288.5

Nashville Metropolitan Statistical Area Average Unemployment Rate

<u>Year</u>	<u>Nashville MSA*</u>	<u>Tennessee</u>	<u>United States</u>
2025	3.7%	3.5%	4.1%
2024	3.0%	3.0%	4.1%
2023	3.0%	3.2%	3.6%
2022	3.4%	3.3%	3.6%
2021	4.60%	4.9%	5.9%
2020	10.20%	9.60%	11.10%
2019	2.60%	3.40%	3.70%
2018	2.71%	3.45%	3.93%
2017	3.30%	4.20%	4.52%
2016	3.94%	5.07%	4.90%
2015	4.96%	6.17%	5.30%

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

Nashville-Davidson-Murfreesboro Metropolitan Statistical Area Population

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

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

Metropolitan Nashville Airport Authority

Statistical Information

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

2024	Staff	Employer	Headquarters	2023	Staff
1	32,081	Vanderbilt University Medical Center and Monroe Carroll Jr.	Nashville	1	30,324
2	27,694	HCA Healthcare Inc.	Nashville	2	27,694
3	27,308	State of Tennessee	Nashville	3	26,431
4	14,141	U.S. Government	Washington, DC	4	13,459
5	11,000	Nissan North America Inc.	Franklin	5	11,000
6	10,790	Metropolitan Nashville-Davidson County Public Schools	Nashville	6	10,513
7	10,563	Metropolitan Government of Nashville and Davidson County	Nashville	7	9,852
8	9,104	Ascension Saint Thomas	Nashville	8	8,900
9	8,400	Amazon	Seattle, WA	11	7,200
10	8,100	The Kroger Co.	Cincinnati, OH	9	8,100
11	7,441	Rutherford County Government and Board of Education	Murfreesboro	12	7,186
12	7,200	Williamson County Public Schools and County Government	Franklin	10	7,211
13	7,090	Vanderbilt University	Nashville	13	5,947
14	5,143	Community Health Systems Inc.	Franklin	15	5,004
15	5,100	Clarksville - Montgomery County School System	Clarksville	14	5,100
16	4,675	Sumner County Government and Public Schools	Gallatin	17	4,675
17	4,521	Western Express	Nashville	16	4,743
18	3,500	Fresh Hospitality	Nashville	18	3,500
19	3,400	Asurion	Nashville	19	3,400
20	3,197	Cracker Barrel Old Country Store Inc.	Lebanon, TN	29	2,352
21	3,115	Dollar General Corp.	Goodlettsville	22	3,000
22	3,083	United Healthcare	Minnetonka, MN	25	2,500
23	3,000	National Healthcare Corporation	Murfreesboro	21	3,028
24	2,824	Bridgestone Americas Inc.	Nashville	20	3,037
25	2,607	YMCA of Middle Tennessee Inc.	Nashville	25	2,500

*Ranked by number of Middle Tennessee employees as of June 7, 2024 publication.
Source: Nashville Business Journal

Middle Tennessee Largest 25 Public Companies**

2024	2023	Employer	Headquarters
1	1	HCA Healthcare Inc.	Nashville
2	2	Dollar General Corp.	Goodlettsville
3	4	Tractor Supply Co.	Brentwood
4	N/A	LKQ Corp.	Antioch
5	5	Community Health Systems Inc.	Franklin
6	3	Delek US Holdings Inc.	Brentwood
7	N/A	Ardent Health Inc.	Brentwood
8	6	Alliance Bernstein Holding	Nashville
9	7	Cracker Barrel Old Country Store Inc.	Lebanon
10	10	Acadia Healthcare	Franklin
11	9	Brookdale Senior Living Inc.	Brentwood
12	11	Surgery Partners Inc.	Brentwood
13	8	Kaiser Aluminum Corp.	Franklin
14	12	Louisiana-Pacific Corp.	Nashville
15	14	Ryman Hospitality Properties Inc.	Nashville
16	13	Genesco Inc.	Nashville
17	16	CoreCivic Inc.	Brentwood
18	17	Pinnacle Financial Partners Inc.	Nashville
19	18	Atmus Filtration Technologies Inc.	Nashville
20	20	National HealthCare Corp.	Murfreesboro
21	19	Healthcare Realty Trust Inc.	Nashville
22	21	Delek Logistics Partners	Brentwood
23	24	FB Financial Corp.	Nashville
24	25	The Brand House Collective (fka Kirkland's Inc.)	Brentwood
25	23	Shoals Technologies Group Inc.	Portland

**Ranked by 2024 Revenue as of July 4, 2025 publication
Source: Nashville Business Journal

**Metropolitan Nashville Airport Authority
Annual Disclosure Report**

This section contains the following subsection:

Annual Disclosure Report

INTRODUCTION

This Continuing Disclosure Section (this "Report") has been prepared, and is being filed, by the Metropolitan Nashville Airport Authority (the "Authority") in connection with its annual continuing disclosure obligations for the Fiscal Year ended June 30, 2025, as an "obligated person" (as defined in Rule 15c2-12 of the Securities Exchange Commission (the "Rule") promulgated under the Securities and Exchange Act of 1934, as amended), as set forth in the continuing disclosure undertakings relating to: (a) the Outstanding Senior Bonds (as defined herein) and (b) the Outstanding Subordinate Bonds (as defined herein). This Report reflects certain annual financial information and operating data of the Authority reported as of June 30, 2025, except where expressly indicated otherwise. Unless otherwise defined herein, capitalized terms used in this Report shall have the meanings set forth in: (a) Resolution No. 91-09 adopted by the Board of Commissioners of the Authority (the "Board") on August 15, 1991, as amended and supplemented from time to time (the "Senior Bond Resolution") (b) Resolution No. 2019-15 adopted by the Board on October 16, 2019 as amended and supplemented from time to time (the "Subordinate Bond Resolution") and (c) the final Official Statements relating to the Outstanding Senior Bonds and the Outstanding Subordinate Bonds, which are available on the Electronic Municipal Market Access ("EMMA[®]") website operated by the Municipal Securities Rulemaking Board, which can be accessed at <http://emma.msrb.org>, and using the Base CUSIP Number of 592190, as applicable. The Authority will file its Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025 (the "2025 ACFR," which includes this Report) as the "2025 Annual Filing" on EMMA[®], which can be accessed at <http://emma.msrb.org>.

Miscellaneous; Forward-Looking Statements

The 2025 ACFR is not, and nothing in it should be construed as, an offer, invitation or recommendation in respect of any of the Authority's debt or securities, or an offer, invitation or recommendation to sell, or a solicitation of an offer to buy the Authority's debt in any jurisdiction. The matters discussed in the 2025 Annual Filing and all other documents issued by the Authority are for informational purposes only, and holders of the Authority's debt, potential investors and/or other interested parties should not rely on such information as their sole source of information about matters related to the Authority's debt or in making an investment decision with respect to the Authority's existing debt or securities or any other debt or securities which may be offered by the Authority. Neither the 2025 ACFR nor anything in it shall form the basis of any contract or commitment. By the filing of the 2025 ACFR, the Authority makes no recommendations and is not giving any investment advice as to any of the Authority's debt or securities. In no event shall the Authority be liable for any use by any party of, for any decision made or action taken by any party in reliance upon, or for any inaccuracies or errors in, or omissions from, the information contained herein and such information may not be relied upon in evaluating the merits of holding, purchasing or selling any of the Authority's debt or securities. The information contained in the 2025 ACFR, including any forecast financial information, if any, should not be considered as advice or a recommendation to holders and potential investors in relation to holding, purchasing or selling any such securities. Before acting on any information contained herein holders and potential investors should consider the appropriateness of the information having regard to these matters, any relevant offering document and in particular, holders and potential purchasers should seek independent financial and/or legal advice.

Certain of the information in the 2025 ACFR has been compiled from sources believed to be reliable, certain of which has not been independently verified. No representation or warranty, express or implied, is provided in relation to the fairness, accuracy, correctness, completeness or reliability of the information, opinions or conclusions contained or expressed herein.

The 2025 ACFR may contain "forward-looking" statements that involve risks, uncertainties, and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results may differ materially from those expressed or implied by such forward looking statements. Accordingly, the Authority cautions holders and potential purchasers not to place undue reliance on these statements. All statements other than the statements of historical fact could be deemed forward-looking and should not be considered a comprehensive representation of the Authority's expected operational or financial performance. All opinions, estimates, projections, forecasts, and valuations are preliminary, indicative and are subject to change without notice.

Metropolitan Nashville Airport Authority
Annual Disclosure Report

The information in the 2025 ACFR is current as of the dates set forth herein, as applicable, and there may be events that have occurred or will occur subsequent to such dates that would have a material adverse effect on the operational or financial information that is presented herein and in the 2025 ACFR. The Authority has not undertaken any obligation to update any information in the 2025 Annual Filing. Any financial data and other information provided in the 2025 ACFR are not warranted as to completeness or accuracy and are subject to change without notice.

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SENIOR BONDS

Outstanding Senior Bonds

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

- (a) \$19,585,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2003B (Taxable) (the "Series 2003B Bonds");
- (b) \$91,855,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2015A (Non-AMT) (the "Series 2015A Bonds"); and
- (c) \$108,145,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2015B (AMT) (the "Series 2015B Bonds," and together with the Series 2015A Bonds, the "Series 2015 Bonds").
- (d) \$94,525,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2022A (Non-AMT) (the "Series 2022A Bonds"); and
- (e) \$501,560,000 Metropolitan Nashville Airport Authority Airport Improvement Revenue Bonds, Series 2022B (AMT) (the "Series 2022B Bonds," and together with the Series 2022A Bonds, the "Series 2022 Bonds").

Enplaned Passenger Traffic

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

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Metropolitan Nashville Airport Authority
Annual Disclosure Report

Nashville International Airport
Annual Enplanement Activity
Fiscal Years 2016 – 2025

Fiscal Year	Signatory Airlines	Non-Signatory Airlines	Total
2016	6,021,185	119,907	6,141,092
2017	6,570,822	219,277	6,790,099
2018	7,348,625	117,707	7,466,332
2019	8,306,001	290,306	8,596,307
2020 ⁽¹⁾	6,702,865	155,530	6,858,395
2021 ⁽¹⁾	5,119,116	32,542	5,151,658
2022	9,105,704	112,006	9,217,710
2023 ⁽²⁾	10,648,780	271,119	10,919,899
2024	11,536,828	289,376	11,826,204
2025	12,045,286	340,092	12,385,378

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

⁽²⁾ FY23 enplanements were amended down in FY24 due to an error found after the enplanements were published.

Source: The Metropolitan Nashville Airport Authority (2025 ACFR).

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

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

Nashville International Airport
Monthly Enplanement Activity
Fiscal Years 2021 – 2025

	2021⁽¹⁾	2022	2023⁽²⁾	2024	2025
July	309,036	840,374	915,482	1,032,418	1,169,689
August	304,939	758,751	873,424	940,659	1,064,133
September	330,652	717,418	952,606	970,787	1,026,904
October	390,250	832,185	1,026,284	1,103,979	1,157,409
November	356,369	768,303	905,756	956,074	994,716
December	372,093	750,314	807,745	938,625	983,745
January	292,625	522,163	738,496	728,129	750,291
February	272,301	597,977	746,797	791,003	748,610
March	492,249	786,068	951,922	1,016,746	1,025,297
April	549,615	807,445	948,584	1,008,163	1,034,343
May	705,456	920,938	1,054,756	1,158,311	1,210,413
June	776,073	915,774	998,047	1,181,310	1,219,828
Fiscal Year Totals	5,151,658	9,217,710	10,919,899	11,826,204	12,385,378

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

⁽²⁾ FY23 enplanements were amended down in FY24 due to an error found after the enplanements were published.

Source: The Metropolitan Nashville Airport Authority.

Enplaned Passenger Market Share

In connection with the Authority's continuing disclosure undertaking relating to the Series 2003B Bonds (the "2003B Bonds Undertaking"), the Series 2015 Bonds (the "2015 Bonds Undertaking") and the Series 2022 Bonds (the "2022 Bonds Undertaking"), the following table presents enplaned passengers at the Airport by Signatory Airlines, Non-Signatory Airlines, and total enplaned passengers for the past five Fiscal Years with the associated market share for each Fiscal Year.

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Nashville International Airport
Enplaned Passenger Market Share⁽¹⁾
Fiscal Years 2021 – 2025

	2021 ⁽⁴⁾	% of Total	2022	% of Total	2023 ⁽⁵⁾	% of Total	2024	% of Total	2025	% of Total
Signatory Airlines:										
Alaska Airlines	64,928	1.3%	102,762	1.1%	113,995	1.0%	156,015	1.3%	188,748	1.5%
Allegiant Air	136,565	2.7%	252,591	2.7%	407,726	3.7%	464,553	3.9%	337,838	2.7%
American Airlines ⁽²⁾	725,481	14.1%	1,471,530	16.0%	1,569,654	14.4%	1,677,822	14.2%	1,678,711	13.6%
Delta Air Lines Inc.	503,867	9.8%	1,105,082	12.0%	1,336,379	12.2%	1,409,111	11.9%	1,499,794	12.1%
Frontier Airlines	73,885	1.4%	118,912	1.3%	163,960	1.5%	123,100	1.0%	112,303	0.9%
JetBlue	44,914	0.9%	149,302	1.6%	228,078	2.1%	163,373	1.4%	154,510	1.2%
Southwest Airlines	3,091,692	60.0%	4,945,583	53.7%	5,575,049	51.1%	6,103,524	51.6%	6,646,369	53.7%
Spirit Airlines	171,669	3.3%	268,835	2.9%	417,971	3.8%	529,431	4.5%	488,094	3.9%
United Airlines ⁽³⁾	306,115	5.9%	691,107	7.5%	835,968	7.7%	909,899	7.7%	938,919	7.6%
Subtotal	5,119,116	99.4%	9,105,704	98.8%	10,648,780	97.5%	11,536,828	97.5%	12,045,286	97.2%
Non-Signatory Airlines:										
Air Canada	-	-	5,854	0.1%	50,396	0.5%	27,715	0.2%	72,143	0.6%
Air Canada d/b/a Jazz Air	-	-	16,356	0.2%	7,807	0.1%	4,765	0.0%	15,770	0.1%
British Airways	-	-	11,577	0.1%	55,208	0.5%	65,979	0.6%	76,406	0.6%
Contour Airlines	9,741	0.2%	20,091	0.2%	26,363	-	22,889	0.2%	11,947	0.1%
Sun Country	16,868	0.3%	25,007	0.3%	36,877	0.3%	45,661	0.4%	44,742	0.4%
WestJet Airlines	-	-	16,487	0.2%	35,979	0.3%	54,747	0.5%	71,674	0.6%
All Others (includes Charters)	5,933	0.1%	16,634	0.2%	58,489	0.5%	67,620	0.6%	47,410	0.4%
Subtotal	32,542	0.6%	112,006	1.3%	271,119	2.2%	289,376	2.5%	340,092	2.8%
Total	5,151,658	100%	9,217,710	100%	10,919,899	100%	11,826,204	100%	12,385,378	100%

⁽¹⁾ Numbers may not add up due to rounding.

⁽²⁾ American Affiliates.

⁽³⁾ United Affiliates.

⁽⁴⁾ As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on enplaned passenger market share at the Airport in Fiscal Year 2021.

⁽⁵⁾ FY23 enplanements were amended down in FY24 due to an error found after the enplanements were published.

Source: The Metropolitan Nashville Airport Authority (2025 ACFR, 2024 ACFR, 2023 ACFR, 2022 ACFR, and 2021 ACFR).

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

Landed Weight

In connection with the 2003B Bonds Undertaking, 2015 Bonds Undertaking, and the 2022 Bonds Undertaking, the following table presents landed weight at the Airport by Signatory Airlines and Non-Signatory Airlines, passenger carrier landed weight, cargo and miscellaneous landed weight, total landed weight, and the percentage of passenger landed weight for the past five Fiscal Years with the associated market share for each Fiscal Year.

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Nashville International Airport
Passenger, Cargo, and Miscellaneous Landed Weight Market Share (in 000s)⁽¹⁾
Fiscal Years 2021 – 2025

	2021 ⁽⁴⁾	% of Total	2022	% of Total	2023	% of Total	2024	% of Total	2025	% of Total
Signatory Airlines:										
Alaska Airlines	93,408	1.2%	100,654	1.0%	110,669	0.9%	164,433	1.2%	196,514	1.4%
Allegiant Airlines	248,448	3.3%	317,469	3.0%	496,404	4.0%	525,477	3.9%	359,736	2.6%
American Airlines ⁽²⁾	945,038	12.6%	1,693,950	16.2%	1,779,567	14.3%	1,908,020	14.1%	1,931,802	13.7%
Delta Air Lines Inc.	871,462	11.6%	1,260,848	12.1%	1,461,428	11.8%	1,525,552	11.3%	1,695,158	12.0%
Frontier Airlines	82,863	1.1%	118,797	1.1%	172,070	1.4%	135,636	1.0%	118,907	0.8%
JetBlue	71,669	1.0%	183,497	1.8%	294,044	2.4%	194,172	1.4%	166,899	1.2%
Southwest Airlines	4,463,892	59.4%	5,456,214	52.2%	6,168,540	49.7%	6,955,019	51.5%	7,493,148	53.2%
Spirit Airlines	201,041	2.7%	288,542	2.8%	434,883	3.5%	557,023	4.1%	538,245	3.8%
United Airlines ⁽³⁾	442,277	5.9%	813,331	7.8%	992,581	8.0%	1,045,775	7.7%	1,077,060	7.6%
Subtotal	7,420,098	98.8%	10,233,302	98.0%	11,910,186	96.0%	13,011,107	96.2%	13,577,469	96.3%
Non-Signatory Airlines:										
Air Canada	-	-	9,204	0.1%	29,226	0.2%	5,635	0.0%	51,391	0.4%
Air Canada d/b/a Jazz Air	-	-	20,752	0.2%	38,491	0.3%	31,451	0.2%	18,405	0.1%
British Airways	-	-	25,200	0.2%	128,525	1.0%	132,510	1.0%	153,590	1.1%
Contour Airlines	31,201	0.4%	52,296	0.5%	74,160	0.6%	69,978	0.5%	32,314	0.2%
Sun Country	34,377	0.5%	51,273	0.5%	107,159	0.9%	64,859	0.5%	67,518	0.5%
SkyWest	-	-	-	-	-	-	5,311	0.0%	7,379	0.1%
WestJet Airlines	405	0.0%	19,363	0.2%	34,373	0.3%	54,478	0.4%	78,882	0.6%
All Others (includes Charters)	29,048	0.4%	49,861	0.5%	91,827	0.7%	141,460	1.0%	102,511	0.7%
Subtotal	95,031	1.3%	227,949	2.2%	503,761	4.0%	505,682	3.6%	511,990	3.7%
Total Passenger Carrier Weight (000s)	7,515,129	100%	10,461,251	100%	12,413,947	100%	13,516,789	100%	14,089,459	100%
Cargo & Misc. Carrier Weight (000s)	354,109		582,109		504,127		306,770		305,142	
Total Weight All Aircrafts (000s)	7,869,238		11,043,360		12,918,074		13,823,559		14,394,601	
% Passenger Carrier Weight	96%		95%		96%		98%		98%	

⁽¹⁾ Numbers may not add up due to rounding.

⁽²⁾ American Affiliates.

⁽³⁾ United Affiliates.

⁽⁴⁾ As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on passenger, cargo and miscellaneous landed weights at the Airport in Fiscal Year 2021.

Source: The Metropolitan Nashville Airport Authority (2025 ACFR, 2024 ACFR, 2023 ACFR, 2022 ACFR, and 2021 ACFR).

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

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Aircraft Activity

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

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Nashville International Airport
Average Daily Scheduled Arrivals and Departures⁽¹⁾⁽²⁾
Fiscal Years 2021 to 2025 (June data)

Signatory Airlines	2021		2022		2023		2024		2025	
	Average Flights ⁽⁸⁾⁽⁹⁾	% of Total	Average Flights	% of Total	Average Flights	% of Total	Average Flights	% of Total	Average Flights	% of Total
Alaska Airlines	4	0.8%	4	0.8%	5	0.9%	8	1.3%	8	1.2%
Allegiant	16	3.3%	17	3.3%	22	3.9%	20	3.2%	21	3.1%
American Airlines ⁽³⁾	82	16.9%	84	16.1%	94	16.6%	102	16.3%	99	14.8%
Delta Air Lines	60	12.4%	60	11.5%	65	11.5%	79	12.7%	89	13.3%
Frontier Airlines	4	0.8%	4	0.8%	5	0.9%	5	0.8%	5	0.7%
JetBlue Airways	8	1.7%	13	2.5%	11	1.9%	8	1.3%	10	1.5%
Southwest Airlines	242	50.0%	242	46.3%	265	46.7%	302	48.4%	336	50.1%
Spirit Airlines	10	2.1%	15	2.9%	19	3.4%	26	4.2%	25	3.7%
United Airlines ⁽⁴⁾	40	8.3%	52	9.9%	50	8.8%	48	7.7%	50	7.5%
Subtotal	466	96.3%	491	94.1%	536	94.6%	598	95.9%	643	95.9%

Non-Signatory Airlines	2021		2022		2023		2024		2025	
	Average Flights ⁽⁸⁾⁽⁹⁾	% of Total	Average Flights	% of Total	Average Flights	% of Total	Average Flights	% of Total	Average Flights	% of Total
Air Canada ⁽⁵⁾	-	-	5	1.0%	3	0.5%	3	0.5%	7	1.0%
British Airways	-	-	2	0.4%	2	0.4%	2	0.3%	2	0.3%
Cape Air	8	1.7%	7	1.3%	7	1.2%	-	-	-	-
Contour Airlines	-	-	8	1.5%	9	1.6%	9	1.4%	2	0.3%
WestJet Airlines ⁽⁶⁾	-	-	3	0.6%	3	0.5%	4	0.6%	6	0.9%
All Others ⁽⁷⁾	10	2.1%	7	1.3%	7	1.2%	8	1.3%	10	1.5%
Subtotal	18	3.8%	32	6.1%	31	5.4%	26	4.1%	27	4.0%
TOTAL	484	100%	523	100%	567	100%	624	100%	670	100%

- (1) Certain airlines, including Air Wisconsin, Mesa Airlines, Republic, and Various/Trans State Airlines are affiliates of various airlines and their flights are included with the flights for the main carrier.
- (2) Numbers may not add up due to rounding.
- (3) Includes flights for American Airlines affiliates, including American Eagle.
- (4) Includes flights for United Airlines, including Continental Express (doing business as ExpressJet and United/Skywest).
- (5) Includes flights for Air Canada affiliates, including Air Georgian (doing business as Air Canada) and Air Canada (doing business as Jazz Air).
- (6) Includes flights for Westjet affiliates, including Westjet/Encore.
- (7) Includes charters.
- (8) As a result of the COVID-19 pandemic, international travel was not permitted for part of Fiscal Years 2021 and 2022.
- (9) As a result of the COVID-19 pandemic, the disruption in aviation and passenger traffic had a significant effect on average daily scheduled arrivals and departures at the Airport in Fiscal Year 2021.

Source: The Metropolitan Nashville Airport Authority.

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

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

Nashville International Airport Daily Departures⁽¹⁾ Fiscal Years 2020 – 2025

Year	Daily Departures
2020	120
2021	242
2022	265
2023	286
2024	312
2025	335

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

Source: The Metropolitan Nashville Airport Authority.

Schedule of Revenues, Expenses and Changes in Net Position

In connection with the 2003B Bonds Undertaking, the 2015 Bonds Undertaking, and the 2022 Bond Undertaking, the following table presents the Authority's schedule of revenues, expenditures, and change in net position for Fiscal Years 2021 through 2025 and reflects financial information for the Airport, the John C. Tune Airport (the "Reliever Airport")¹, and the MNAA Properties Corporation ("MPC"). MPC revenues and expenses are not included in the definition of Airport Revenues or the definition of Operating Expenses, respectively, except that ground rent payments and management fees by MPC and its subsidiaries to the Authority are included in Airport Revenues. As such, the following table should be read together with the Authority's financial statements, which presents the condensed financial information for the Airport, the Reliever Airport, and its blended component unit, MPC. Such information is presented in accordance with GASB Statement No. 61, The Financial Reporting Entity: Omnibus, An Amendment of GASB Statements No. 14 and 34. There are no separately issued financial statements for the Airport, the Reliever Airport, and MPC. See the 2025 Audited Financial Statements.

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

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Schedule of Revenues, Expenses and Change in Net Position⁽¹⁾⁽²⁾⁽³⁾ Fiscal Years 2021 - 2025 (Unaudited)

	2021 ⁽⁴⁾	2022	2023	2024	2025
Operating Revenues:					
Terminal building rental and fees	\$ 22,445,648	\$ 31,951,063	\$ 34,898,168	\$ 47,725,771	\$ 66,386,710
Landing and related fees	26,818,385	26,498,354	32,321,272	54,194,103	51,726,343
Parking	28,175,988	78,086,608	99,244,129	111,147,005	113,203,532
Car rental	12,656,024	20,451,716	24,495,923	25,502,274	26,355,596
Space rental	15,469,797	20,142,386	22,967,443	17,395,073	24,745,370
Concession	9,411,265	16,785,708	18,063,697	24,011,968	20,848,570
Ground transportation	3,919,824	10,987,529	14,960,927	16,911,757	18,176,625
Other	9,722,628	5,325,500	7,650,805	5,725,716	5,016,484
Total Operating Revenues	128,619,559	210,228,864	254,602,364	302,613,667	326,459,230
Operating Expenses:					
Salaries, wages and fringe benefits	25,133,488	37,663,363	39,212,410	49,830,121	51,756,371
Professional and other contractual services	16,490,438	22,550,510	26,009,193	29,165,587	41,786,237
Shuttle bus services	3,078,359	6,412,141	7,434,123	13,254,850	17,206,032
Janitorial services	7,100,572	8,782,457	11,856,848	15,826,096	15,791,577
Parking management	4,756,226	9,311,704	12,359,364	13,135,892	15,137,226
Utilities	5,598,234	7,002,019	8,640,221	8,779,086	11,249,251
Materials and supplies	3,674,391	4,857,791	6,631,337	9,431,679	8,679,362
Repairs and maintenance services	3,579,268	4,582,890	4,561,149	8,635,281	8,100,182
Insurance	1,913,299	2,148,338	3,481,751	5,318,692	5,198,729
Other	3,210,854	9,654,412	5,679,442	5,662,165	5,705,551
Total Operating Expenses	74,535,129	112,965,625	125,865,838	159,039,449	180,610,518
Provision for Depreciation	53,383,630	79,273,711	85,872,221	117,553,933	141,889,461
Nonoperating Revenues:					
Investment income (loss)	1,647,674	(4,756,436)	31,040,249	62,087,598	62,149,267
Passenger facility charges	20,253,069	35,678,032	41,531,943	44,734,128	46,775,211
Customer facility charges	8,365,388	12,939,489	15,494,211	17,283,641	25,801,636
Other nonoperating revenues (expenses)	36,580,521	28,345,443	39,271,115	39,194,429	14,551,134
Total Nonoperating Revenues	66,846,652	72,206,528	127,337,518	163,299,796	149,277,248
Nonoperating Expenses:					
Debt-related expenses	49,322,732	50,168,719	70,545,732	79,534,325	81,214,909
Other nonoperating expenses	2,160,638	(67,615)	-	-	-
Total Nonoperating Expenses	51,483,370	50,101,104	70,545,732	79,534,325	81,214,909
Capital Contributions	31,356,438	29,762,836	58,983,376	33,822,954	34,469,692
Increase in Net Position	47,420,520	69,857,788	158,639,467	143,608,710	106,491,282
Total Net Position – End of Year	\$ 828,569,702	\$ 898,427,490	\$ 1,057,066,957	\$ 1,200,675,667	\$ 1,307,166,949

(1) This table presents the Authority's revenues, expenses and change in net position in accordance with the presentation in the 2025 ACFR. Expenses and Change in Net Position presented in the Statistical Sections (unaudited) of the Authority's Annual Comprehensive Financial Reports (the "Statistical Sections") differ from this table. Specifically, certain other operating expenses, other nonoperating revenues, other nonoperating expenses, and capital contributions are presented differently, but there is no difference between the total net position in each Fiscal Year presented in this table and the Statistical Sections.

(2) This table presents the Authority's schedule of revenues, expenses and change in net position for Fiscal Years 2021 through 2025 and reflects financial information for the Airport, the Reliever Airport, and the MPC. **MPC revenues and expenses are not included in the definition of Airport Revenues or the definition of Operating Expenses, respectively, except that ground rent payments and management fees by MPC and its subsidiaries to the Authority are included in Airport Revenues.** As such, the following table should be read together with the Authority's financial statements, which present the condensed financial information for the Airport, the Reliever Airport, and its blended component unit, MPC. Such information is presented in accordance with GASB Statement No. 61, The Financial Reporting Entity: Omnibus, An Amendment of GASB Statements No. 14 and 34. There are no separately issued financial statements for the Airport, the Reliever Airport, and MPC.

(3) As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on operating revenues/operating expenses at the Airport in Fiscal Year 2021.

(4) Beginning with Fiscal Year 2025, the Authority has modified how it presents its Schedules of Revenues, Expenses and Change in Net Position, by adding additional categories of Operating Revenues and Operating Expenses. Prior Schedules of Revenues, Expenses and Change in Net Position may not be exactly comparable to the Schedules presented in this table, however, the final results (i.e., Total Operating Revenues, Total Operating Expenses, Provision for Depreciation and Total Net Position) are the same.

Source: The Metropolitan Nashville Airport Authority (2024 ACFR, 2023 ACFR, 2022 ACFR, 2021 ACFR, and 2020 ACFR).

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Historical Debt Service Coverage

In connection with the 2003B Bonds Undertaking, the 2015 Bonds Undertaking, and the 2022 Bonds Undertaking, the following table presents the historical debt service coverage on the Senior Bonds and the Subordinate Bonds for past five Fiscal Years.

Senior and Subordinate Debt Service Coverage⁽¹⁾⁽²⁾ Fiscal Years 2021-2025 (Unaudited)

	2021	2022	2023	2024	2025
Airport Revenues (Operating Revenues) ⁽³⁾	\$ 126,970,037	\$ 206,527,526	\$ 249,805,070	\$ 307,595,670	\$ 332,172,808
Add: Investment Income ⁽³⁾	2,625,560	2,358,569	12,061,178	26,428,966	31,871,605
Revenues Available for Debt Service	129,595,597	208,886,095	261,866,248	334,024,636	364,044,413
Less: Operating Expenses ⁽⁴⁾	(82,946,055)	(97,494,908)	(124,803,545)	(153,874,683)	(173,693,395)
Less: Relief Funds Applied to Operating Expenses ⁽⁴⁾	3,988,211	2,026,935	3,280,617	-	-
Net Revenues	\$50,637,753	\$113,418,122	\$140,343,320	\$180,149,953	\$190,351,018
Senior Debt Service					
Interest	\$ 9,859,235	\$ 9,619,735	\$ 11,564,563	\$ 23,455,438	\$ 34,603,513
Principal	4,835,000	5,080,000	5,320,000	5,570,000	5,835,000
Less: PFC Revenues Applied to Debt Service ⁽⁵⁾	-	(688,478)	(688,531)	(3,294,767)	(7,515,701)
Less: Relief Funds Applied to Debt Service ⁽⁴⁾	(8,934,541)	(7,865,937)	(8,308,528)	(16,301,878)	(938,871)
Total Senior Debt Service	\$ 5,759,694	\$ 6,145,320	\$ 7,887,504	\$ 9,428,793	\$ 31,983,941
Senior Debt Service Coverage	8.79x	18.46x	17.79x	19.11x	5.95x
Subordinate Debt Service					
Interest	\$ 22,830,050	\$ 27,295,973	\$ 27,870,419	\$ 41,569,800	\$ 44,354,250
Principal	-	-	-	-	10,885,000
Less: PFC Revenues Applied to DebtService ⁽⁵⁾	-	-	-	(18,210,132)	(25,013,664)
Less: Relief Funds Applied to Debt Service ⁽⁴⁾	(17,240,578)	(15,172,652)	(15,675,036)	(16,067,164)	(4,615,932)
Total Subordinate Debt Service	\$ 5,589,472	\$ 12,123,321	\$ 12,195,383	\$ 7,292,504	\$ 25,609,654
Subordinate Debt Service Coverage	9.06x	9.36x	11.51x	24.70x	7.43x
Senior and Subordinate Debt Service Coverage	4.46x	6.21x	6.99x	10.77x	3.31x

- ⁽¹⁾ This table presents the debt service coverage for the Authority's outstanding Senior Bonds and Subordinate Bonds in accordance with the Senior Bond Resolution and the Subordinate Bond Resolution, respectively, and differs from the debt service coverage presented in the Statistical Information Sections. Specifically, the debt service coverage calculations in the Statistical Information Sections include different sources of available revenues, expenses and associated debt service. Does not include amounts paid to Bank of America, N.A. pursuant to the Note Purchase Agreement.
- ⁽²⁾ The numbers for Fiscal Years 2021 through 2024 have been recalculated as compared to the Authority's prior publication of those numbers. The modification of the numbers was necessary to match how the rate covenant is required to be calculated under the Senior Bond Resolution and the Subordinate Bond Resolution.
- ⁽³⁾ Includes annual operating revenues and investment income derived from the Airport and Reliever Airport.
- ⁽⁴⁾ Includes annual operating expenses related to the Airport and the Reliever Airport. Relief funds include Coronavirus Aid, Relief, and Economic Security ("CARES"), Coronavirus Response and Relief Supplemental Appropriations ("CRRSA"), and American Rescue Plan Act ("ARPA") funds.
- ⁽⁵⁾ Includes amounts transferred from PFC Revenues to pay debt service on the Series 2015 Senior Bonds, the Series 2019 Subordinate Bonds, and the Series 2022 Senior Bonds.

Source: The Metropolitan Nashville Airport Authority.

Metropolitan Nashville Airport Authority Annual Disclosure Report

Airlines Serving the Airport

In connection with the 2022 Bonds Undertaking, the following table presents the Airlines serving the Airport as of June 30, 2025:

Passenger Airlines			Cargo Carriers	
Signatory	Regional Affiliates ⁽¹⁾	Non-signatory ⁽⁷⁾	Signatory	Non-signatory
Alaska Airlines	Air Wisconsin ⁽³⁾	Aer Lingus	Federal Express	Air Transport Int'l
Allegiant Air	Commutair ⁽³⁾	Air Canada / Jazz Aviation ⁽⁶⁾		Airborne Express
American Airlines	Endeavor Air ⁽²⁾	Air Canada Rouge ⁽⁶⁾		Amazon Prime
Delta Air Lines	Envoy ⁽⁴⁾	Air Georgian		Atlas Air
Frontier Airlines	GoJet Airlines ⁽³⁾	Avelo Airlines		DHL
JetBlue	Mesa Airlines ⁽³⁾	Breeze Airways		Kalitta Air
Southwest Airlines	Republic Airways ⁽⁵⁾	British Airways ⁽⁶⁾		Mountain Air Cargo
Spirit Airlines	SkyWest Airlines ⁽⁵⁾	Contour Airlines		Silkway West
United Airlines		Flair Airlines		Southern Air
		Icelandair		
		Sun Country		
		Swift Air		
		VivaAerobus ⁽⁶⁾		
		WestJet		
		WestJet Encore		

⁽¹⁾ Subject to the provisions of the Signatory Airline Agreements, certain Signatory Airlines have designated one or more regional airlines as an Affiliate (as defined in the Signatory Airline Agreements). As such, the Landing Fees, Terminal Rents (both as defined in the Signatory Airline Agreements) and other charges due on account of each Affiliate's use of Airport facilities or services are calculated as if the Affiliate were a Signatory Airline.

⁽²⁾ Doing business as Delta Air Lines.

⁽³⁾ Doing business as United Airlines.

⁽⁴⁾ Doing business as American Airlines.

⁽⁵⁾ Doing business as American Airlines, Delta Air Lines and United Airlines.

⁽⁶⁾ Foreign flag carrier.

⁽⁷⁾ As a result of the COVID-19 pandemic, international travel was not permitted for parts of Fiscal Years 2020, 2021 and 2022.

Source: The Metropolitan Nashville Airport Authority.

Enplaned Passenger Traffic

Enplaned Passengers and O&D Enplaned Passengers. In connection with the 2022 Bonds Undertaking, the following table presents enplaned passengers, O&D enplaned passengers, year-over-year growth of enplaned passengers and O&D enplaned passengers, and percent of O&D enplaned passengers for the past ten Fiscal Years.

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Metropolitan Nashville Airport Authority
Annual Disclosure Report

Enplaned Passengers and O&D Enplaned Passengers
Fiscal Years 2016 – 2025⁽²⁾

Fiscal Year	Enplaned Passengers	Year-Over-Year Growth	O&D Enplaned Passengers⁽¹⁾	Year-Over-Year Growth	Percent of O&D Enplaned Passengers
2016	6,141,092	9.6%	5,044,163	10.6%	82.1%
2017	6,790,099	10.6%	5,617,042	11.4%	82.7%
2018	7,466,332	10.0%	6,154,523	9.6%	82.4%
2019	8,596,307	15.1%	6,953,983	13.0%	80.9%
2020	6,858,395	-20.2%	5,914,305	-15.0%	86.2%
2021	5,151,658	-24.9%	4,086,178	-30.9%	79.3%
2022	9,217,710	78.9%	7,812,956	91.2%	84.8%
2023	10,919,899	18.5%	9,257,487	18.5%	84.8%
2024	11,826,204	8.3%	9,864,265	6.6%	83.4%
2025	12,385,378	4.7%	9,978,656	1.2%	80.6%

⁽¹⁾ The Authority also receives O&D passenger data directly from the airlines that operate at the Airport, and that data may differ from the U.S. DOT data presented in this table.

⁽²⁾ As a result of the COVID-19 pandemic, the disruption in aviation activity and passenger traffic had a significant effect on enplaned passengers and O&D enplaned passengers at the Airport in Fiscal Years 2020 and 2021.

Source: The Metropolitan Nashville Airport Authority.

Subordinate Bonds

The following is the annual financial information and operation data required under the Authority's continuing disclosure undertaking with respect to the \$254,435,000 in aggregate principal amount of Subordinate Airport Revenue Bonds, Series 2019A (Non-AMT) and \$665,150,000 in aggregate principal amount of Subordinate Airport Revenue Bonds, Series 2019B (AMT) (the "2019 Subordinate Bonds Undertaking"). The Subordinate Series 2019 Bonds are the only Subordinate Bonds outstanding under the Subordinate Bond Resolution as of the date of this Report (the "Outstanding Subordinate Bonds").

Airlines Serving the Airport

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Airlines Serving the Airport" herein for the table presenting the Airlines serving the Airport as of June 30, 2025.

Enplaned Passenger Traffic

Enplaned Passengers and O&D Enplaned Passengers. In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Enplaned Passenger Traffic - Enplaned Passengers and O&D Enplaned Passengers" herein for the table presenting enplaned passengers, O&D enplaned passengers, year-over-year growth of enplaned passengers and O&D enplaned passengers, and percent of O&D enplaned passengers for the past ten Fiscal Years.

Enplaned Passenger Market Share

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

Landed Weight

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

Schedule of Revenues, Expenses and Changes in Net Position

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Schedule of Revenues, Expenses and Changes in Net Position" herein for the table presenting the Authority's schedule of revenues, expenses and change in net position for Fiscal Years 2021 through 2025.

Historical Debt Service Coverage

In connection with the 2019 Subordinate Bonds Undertaking, see "SENIOR BONDS – Historical Debt Service Coverage" herein for a table presenting Senior Bonds and Subordinate Bonds debt service coverage for Fiscal Years 2021 through 2025.

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This section contains the following subsections:

Passenger Facility Charges

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

Independent Auditor's Report

To Management and the Board of Commissioners
 Metropolitan Nashville Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the business-type activities and the aggregate remaining funds of the Metropolitan Nashville Airport Authority (the "Authority"), a component unit of the Metropolitan Government of Nashville and Davidson County, Tennessee, as of and for the years ended June 30, 2025 and 2024 and the related notes to the basic financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated November 13, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

To Management and the Board of Commissioners
Metropolitan Nashville Airport Authority

Purpose of this Report

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

Plante & Moran, PLLC

November 13, 2025

Report on Compliance for the Passenger Facility Charge Program and Report on Internal Control Over Compliance Required by the *Passenger Facility Charge Audit Guide for Public Agencies* and 14 CFR 158.63

Independent Auditor's Report

To the Board of Commissioners
Metropolitan Nashville Airport Authority

Report on Compliance for the Passenger Facility Charge Program

Opinion on the Passenger Facility Charge Program

We have audited the Metropolitan Nashville Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and the requirements in 14 CFR 158.63 (collectively, the "Guide") that could have a direct and material effect on the Authority's passenger facility charge program for the year ended June 30, 2025. The Authority's passenger facility charge program is identified in the schedule of collections and expenditures of passenger facility charges.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended June 30, 2025.

Basis for Opinion on the Passenger Facility Charge Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

To the Board of Commissioners
Metropolitan Nashville Airport Authority

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

Plante & Moran, PLLC

November 13, 2025

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2025

	Amended Amount Approved	Cumulative Total June 30, 2024	Quarter Ended				Total FY 2025	Life-to-date Cumulative
			September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025		
COLLECTIONS:								
PFC Revenue Received	\$ 1,551,658,359	\$ 545,298,364	\$ 13,427,332	\$ 10,351,895	\$ 10,674,107	\$ 12,815,243	\$ 47,268,577	\$ 592,566,941
Interest Earned/Fees Incurred	N/A	36,895,953	2,529,947	1,749,183	2,074,179	1,855,668	8,208,977	45,104,930
Total Collections	\$ 1,551,658,359	\$ 582,194,317	\$ 15,957,279	\$ 12,101,078	\$ 12,748,286	\$ 14,670,911	\$ 55,477,554	\$ 637,671,871
EXPENDITURES (REFUNDS):								
APPLICATION 1:								
Taxiway C Extension	\$ 6,118,900	\$ 6,118,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,118,900
Land Acquisition for ASR (P, F, I - 2003 PFC)	6,806,412	6,806,412	-	-	-	-	-	6,806,412
Land Acquisition (P, F, I - 2003 PFC)	13,986,000	13,986,000	-	-	-	-	-	13,986,000
Runway 2C/20C Relocation	41,343,955	41,343,955	-	-	-	-	-	41,343,955
Runway 13/31 Extension	7,541,800	7,541,800	-	-	-	-	-	7,541,800
Runway 2C/20C Extension	8,840,000	8,840,000	-	-	-	-	-	8,840,000
Total	84,637,067	84,637,067	-	-	-	-	-	84,637,067
APPLICATION 2:								
Concourse Connector (P, F, I - 2003 PFC)	4,814,500	4,814,500	-	-	-	-	-	4,814,500
International Arrivals Building (P, F, I - 2003 PFC)	6,898,801	6,898,801	-	-	-	-	-	6,898,801
Total	11,713,301	11,713,301	-	-	-	-	-	11,713,301
APPLICATION 3 - MUFIDS								
Total	1,439,174	1,439,174	-	-	-	-	-	1,439,174
APPLICATION 4 - Curbside Expansion								
Total	17,641,859	17,641,859	-	-	-	-	-	17,641,859
APPLICATION 5:								
ARFF Facility Expansion	55,000	55,000	-	-	-	-	-	55,000
Moving Sidewalk, Concourse A	1,101,204	1,101,204	-	-	-	-	-	1,101,204
Outbound Baggage Conveyor System	1,495,482	1,495,482	-	-	-	-	-	1,495,482
Total	2,651,686	2,651,686	-	-	-	-	-	2,651,686
APPLICATION 6:								
Airfield Lighting Control Panel	443,438	443,438	-	-	-	-	-	443,438
Airport Operations Center Relocation	2,158,667	2,158,667	-	-	-	-	-	2,158,667
Runway Deicer Truck	228,300	228,300	-	-	-	-	-	228,300
SMGCS (2)	1,329,594	1,329,594	-	-	-	-	-	1,329,594
Total	4,159,999	4,159,999	-	-	-	-	-	4,159,999
APPLICATION 7 - Air Cargo Ramp								
Total	2,094,000	2,094,000	-	-	-	-	-	2,094,000
APPLICATION 8:								
Air Cargo Ramp Expansion	846,000	846,000	-	-	-	-	-	846,000
Airfield Pavement Rehabilitation	1,249,012	1,249,012	-	-	-	-	-	1,249,012
Airport Master Plan	169,635	169,635	-	-	-	-	-	169,635
BIDS (3)	353,758	353,758	-	-	-	-	-	353,758
Terminal Access Roadway - Design	451,037	451,037	-	-	-	-	-	451,037
Radio Communication System	980,951	980,951	-	-	-	-	-	980,951
Terminal Apron Reconstruction	172,223	172,223	-	-	-	-	-	172,223
Update Noise Exposure Maps	106,272	106,272	-	-	-	-	-	106,272
Total	4,328,888	4,328,888	-	-	-	-	-	4,328,888

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2025

APPLICATION 9:

ARFF Vehicle	493,143	493,143	-	-	-	-	-	493,143
Airfield Hold Bar Modifications	420,391	420,391	-	-	-	-	-	420,391
Airfield Pavement Rehabilitation	1,763,421	1,763,421	-	-	-	-	-	1,763,421
Westside Infrastructure and Utility Development	677,004	677,004	-	-	-	-	-	677,004
Elevator on A Concourse	207,040	207,040	-	-	-	-	-	207,040
Live Scan Fingerprint Equipment	49,374	49,374	-	-	-	-	-	49,374
Total	3,610,373	3,610,373	-	-	-	-	-	3,610,373

APPLICATION 10:

1500 Gallon ARFF Vehicle	72,486	72,486	-	-	-	-	-	72,486
Airfield Pavement Rehabilitation - East	535,748	535,748	-	-	-	-	-	535,748
Airport Vehicle Driving Simulator	73,571	73,571	-	-	-	-	-	73,571
Land Acquisition RW Ext. Approach	468,000	468,000	-	-	-	-	-	468,000
Public Address System	789,116	789,116	-	-	-	-	-	789,116
Security Enhancements	378,750	378,750	-	-	-	-	-	378,750
Widen Three Taxiway Fillets	274,012	274,012	-	-	-	-	-	274,012
Total	2,591,683	2,591,683	-	-	-	-	-	2,591,683

APPLICATION 11:

Aircraft Rescue and Firefighting Equipment	345,529	345,529	-	-	-	-	-	345,529
Pavement Sweeper	99,643	99,643	-	-	-	-	-	99,643
Snow Removal Equipment	418,887	418,887	-	-	-	-	-	418,887
Runway 13/31 W of 2L/20R	220,765	220,765	-	-	-	-	-	220,765
Airfield Construction	18,935	18,935	-	-	-	-	-	18,935
Taxiway Kilo West and Lima Rehab	352,061	352,061	-	-	-	-	-	352,061
Taxiway Lima between T4 & T6	230,400	230,400	-	-	-	-	-	230,400
Reconstruction Taxiway Tango 6 at Terminal Ramp	188,894	188,894	-	-	-	-	-	188,894
Reconstruction Taxiway Tango 6 at Juliet	428,576	428,576	-	-	-	-	-	428,576
Reconstruction Taxiway Tango 6 at Terminal Ramp	844,829	844,829	-	-	-	-	-	844,829
Reconstruction Taxiway Tango 2	164,855	164,855	-	-	-	-	-	164,855
Rehabilitate Taxiway Alpha North	217,278	217,278	-	-	-	-	-	217,278
Shoulder Replacement Runway 2L-20R	593,673	593,673	-	-	-	-	-	593,673
Upgrade Trench Drain at De-Icing Area	14,673	14,673	-	-	-	-	-	14,673
Runway 2R20L & Taxiway H Add'l Work	798,122	798,122	-	-	-	-	-	798,122
Airfield Pavement Rehab (Ph. 1-5), Runway 2R/20L J & C Repair	2,160,724	2,160,724	-	-	-	-	-	2,160,724
Airfield Resigning	515,467	515,467	-	-	-	-	-	515,467
Engineering Study to Develop Land North of 13/31	36,000	36,000	-	-	-	-	-	36,000
Noise Mitigation (Principal)	24,065,949	24,065,949	-	-	-	-	-	24,065,949
Noise Mitigation (F&I)	30,381,472	22,435,287	-	-	-	-	-	22,435,287
Relocate Electrical Vault on Westside	501,004	501,004	-	-	-	-	-	501,004
Runway 2C/20C Extension Part B	4,646,757	4,646,757	-	-	-	-	-	4,646,757
Runway 2C/20C Extension Part B (F&I)	6,694,961	6,694,960	-	-	-	-	-	6,694,960
Storm Water Treatment Facility Engineering Study/Upgrade	100,055	100,055	-	-	-	-	-	100,055
Two Elevators in Terminal Building	691,166	691,166	-	-	-	-	-	691,166
Widen Taxiway Fillets at Taxiways L2, K2, T3, LIMA KILO	356,096	356,096	-	-	-	-	-	356,096
Total	75,086,771	67,140,585	-	-	-	-	-	67,140,585

APPLICATION 12:

Runway 13-31 Reconstruction	5,355,535	5,355,535	-	-	-	-	-	5,355,535
MUFIDS	2,672,278	2,672,278	-	-	-	-	-	2,672,278
Design of 2L-20R and 2R-20L Runway Safety Areas	146,767	146,767	-	-	-	-	-	146,767
ARFF Building Expansion	186,384	186,384	-	-	-	-	-	186,384
Ticketing Level Canopy Extension	501,250	501,250	-	-	-	-	-	501,250
Retaining Wall on Taxiways Juliet and Lima	65,421	65,421	-	-	-	-	-	65,421
Hangar Lane Access Improvements	151,583	151,583	-	-	-	-	-	151,583

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2025

General Aviation Master Plan	27,058	27,058	-	-	-	-	-	27,058
Loading Bridges (4)	309,527	309,527	-	-	-	-	-	309,527
Replace Oshkosh Snow Broom	40,620	40,620	-	-	-	-	-	40,620
Master Drainage Plan/Deicing Runoff Plan	277,567	277,567	-	-	-	-	-	277,567
Lighting Upgrade on Airfield 2L & 13/31	122,635	122,635	-	-	-	-	-	122,635
Surface Sweeper	154,844	154,844	-	-	-	-	-	154,844
Exhibit A Property Map	20,011	20,011	-	-	-	-	-	20,011
Airport Rotating Beacon	8,892	8,892	-	-	-	-	-	8,892
Lightning Protection for Apron Lights	5,158	5,158	-	-	-	-	-	5,158
Total	10,045,530	10,045,530	-	-	-	-	-	10,045,530
APPLICATION 13:								
Security Checkpoint - Design & Construction	3,300,000	3,300,000	-	-	-	-	-	3,300,000
Terminal Renovation - Not to Exceed Eligible Portion of Phase I	10,000,000	10,000,000	-	-	-	-	-	10,000,000
Reconstruct Taxiway Bravo South Design	22,853	22,853	-	-	-	-	-	22,853
Reconstruct Taxiway Alpha South Design	76,000	76,000	-	-	-	-	-	76,000
Outbound Baggage Conveyor System Design & Construction	417,838	417,838	-	-	-	-	-	417,838
Access Control System Replacement	729,755	729,755	-	-	-	-	-	729,755
Construct 2L-20R Runway Safety Area	407,240	407,240	-	-	-	-	-	407,240
Pavement Management and Modification of Standards Identification Study	51,390	51,390	-	-	-	-	-	51,390
Runway Weather Information System (RWIS)	6,915	6,915	-	-	-	-	-	6,915
Construct 2R-20L Runway Safety Area	472,899	472,899	-	-	-	-	-	472,899
Aircraft Flight Track Monitoring System	120,376	120,376	-	-	-	-	-	120,376
Total	15,605,266	15,605,266	-	-	-	-	-	15,605,266
APPLICATION 14:								
In-Line EDS	6,340,079	6,340,079	-	-	-	-	-	6,340,079
In-Line EDS Financing	174,919	174,919	-	-	-	-	-	174,919
Reconstruct Taxiway Bravo South Construction	244,994	244,994	-	-	-	-	-	244,994
Rehabilitate FIS Facility	476,141	476,141	-	-	-	-	-	476,141
Reconstruct Taxiway Alpha South Construction	223,718	223,718	-	-	-	-	-	223,718
Terminal Renovations Phase II 2009A Bond	31,483,696	31,483,696	-	-	-	-	-	31,483,696
Terminal Renovations Phase II 2009A Bond Financing	10,640,404	10,640,404	-	-	-	-	-	10,640,404
Westside Spill Gates	15,931	15,931	-	-	-	-	-	15,931
TARI Phase I - Road & Bridge Work	11,815,394	11,815,394	-	-	-	-	-	11,815,394
Total	61,415,276	61,415,276	-	-	-	-	-	61,415,276
APPLICATION 15:								
Reconstruct Runway 2L-20R	4,010,198	4,010,198	-	-	-	-	-	4,010,198
Reconstruct Runway 2L-20R Financing	2,752	2,752	-	-	-	-	-	2,752
Sprinkler System in Utility Tunnels	106,299	106,299	-	-	-	-	-	106,299
Terminal Roof Replacement	173,447	173,447	-	-	-	-	-	173,447
Total	4,292,696	4,292,696	-	-	-	-	-	4,292,696
APPLICATION 16:								
Upgrade Security Camera System	187,500	187,500	-	-	-	-	-	187,500
Airport Master Plan Update	1,472,042	1,472,042	-	-	-	-	-	1,472,042
Upgrade Stormwater Treatment Plant	120,000	120,000	-	-	-	-	-	120,000
Reconstruct Taxiways T4 & Sierra	3,226,155	3,226,155	-	-	-	-	-	3,226,155
Total	5,005,697	5,005,697	-	-	-	-	-	5,005,697
APPLICATION 17:								
Reconstruct Taxiway Kilo	2,569,517	2,569,517	-	-	-	-	-	2,569,517
LED Taxiway Lighting Upgrade 2L	-	-	-	-	-	-	-	-
PCI Airfield Inspection	48,483	48,483	-	-	-	-	-	48,483
Total	2,618,000	2,618,000	-	-	-	-	-	2,618,000

Metropolitan Nashville Airport Authority
Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2025

APPLICATION 18:

Outbound Baggage and Check-in Counter Replacement	346,626	346,626	-	-	-	-	-	346,626
Reconstruct Taxiways B & T3	1,175,207	1,175,207	-	-	-	-	-	1,175,207
Total	1,521,833	1,521,833	-	-	-	-	-	1,521,833

APPLICATION 19:

Improve Stormwater Collection & Treatment System	945,499	945,499	-	-	-	-	-	945,499
Reconstruct Runway 13-31 West	3,479,416	3,479,416	-	-	-	-	-	3,479,416
Total	4,424,915	4,424,915	-	-	-	-	-	4,424,915

APPLICATION 20:

Reconstruct Taxiway Lima and Juliet East	1,882,125	1,882,125	-	-	-	-	-	1,882,125
Reconstruct Taxiway T3	1,407,796	1,407,796	-	-	-	-	-	1,407,796
Total	3,289,921	3,289,921	-	-	-	-	-	3,289,921

APPLICATION 21:

Reconstruct Taxiway Sierra-PayGo	2,225,000	2,225,000	-	-	-	-	-	2,225,000
Reconstruct Taxiway Sierra-Bond	4,375,000	-	-	-	-	-	-	-
Reconstruct Taxiway Sierra-Financing	3,500,000	1,636,051	57,576	57,576	57,576	57,574	230,302	1,866,353
AOA Fence Line Perimeter Road	1,270,000	826,861	-	-	-	-	-	826,861
Terminal Generator Replacement	925,000	831,835	-	-	-	-	-	831,835
Switchgear Replacement, Ph IV	2,835,000	1,297,785	-	-	-	-	-	1,297,785
Terminal Remote Group Check-in	500,000	10,680	-	-	-	-	-	10,680
AHU & IAB HVAC Replacement	737,000	691,224	-	-	-	-	-	691,224
Concourse Curtain Wall Replacement	900,000	44,837	-	-	-	-	-	44,837
Total	17,267,000	7,564,273	57,576	57,576	57,576	57,574	230,302	7,794,575

APPLICATION 22:

Reconstruct Taxiway Bravo/Taxiway Lima Intersection-Pay Go	4,900,000	3,763,074	-	-	-	-	-	3,763,074
Rehabilitate Taxiway Lima (2L to L2) including Lima/Alpha Intersection-Pay Go	6,850,000	5,331,763	-	-	-	-	-	5,331,763
Replace Stormwater Pipe-Pay Go	1,000,000	1,000,000	-	-	-	-	-	1,000,000
Rehabilitate Taxiway Lima (T-4 to 2L)-Pay Go	5,730,663	1,159,634	-	-	-	-	-	1,159,634
Reconstruct Taxiway Alpha South-Pay Go	13,100,000	10,964,362	-	-	-	-	-	10,964,362
Terminal Improvements, Phase 2-Jet Bridges-Pay Go	23,980,000	23,825,389	-	-	-	-	-	23,825,389
Terminal Improvements, Phase 2-Jet Bridges-Bond	8,420,000	-	-	-	-	-	-	-
Terminal Improvements, Phase 2-Jet Bridges-Financing	7,465,838	4,221,874	246,588	246,588	246,588	246,586	986,350	5,208,224
Terminal Improvements, Phase 2-Two additional elevators in terminal-Pay Go	1,000,000	865,044	-	-	-	-	-	865,044
Terminal Improvements, Phase 2-Concourse FIDS/PA/Visual Paging-Pay Go	4,760,000	3,992,295	-	-	-	-	-	3,992,295
Total	77,206,501	55,123,435	246,588	246,588	246,588	246,586	986,350	56,109,785

APPLICATION 23:

Terminal Expansion and Rehabilitation Bond Capital	494,830,515	-	-	-	-	-	-	-
Terminal Expansion and Rehabilitation Financing and Interest	644,180,408	20,288,667	7,196,607	7,196,607	7,196,607	7,196,605	28,786,426	49,075,093
Total	1,139,010,923	20,288,667	7,196,607	7,196,607	7,196,607	7,196,605	28,786,426	49,075,093

APPLICATION 24:

Terminal Access Road Improvement Bond Capital	51,818,494	-	-	-	-	-	-	-
Terminal Access Road Improvement Financing and Interest	56,538,828	-	-	-	1,894,713	631,571	2,526,284	2,526,284
Total	108,357,322	-	-	-	1,894,713	631,571	2,526,284	2,526,284

Total Expenditures, net	\$ 1,660,015,681	\$ 393,204,124	\$ 7,500,771	\$ 7,500,771	\$ 9,395,484	\$ 8,132,336	\$ 32,529,362	\$ 425,733,486
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Metropolitan Nashville Airport Authority
Notes to Schedules of Collections and Expenditures of Passenger Facility Charges
For the Year Ended June 30, 2025

1. General

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

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

2. Basis of Accounting

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

3. Contingency

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



FRONT/BACK COVER PHOTOS: Larry McCormack

*ABOVE: Approximately 15 pilots departed from **John C. Tune Airport® (JWN®)** with supplies to aid those affected by the flooding in North Carolina caused by Hurricane Helene.*

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