Agenda of the MNAA Management Committee

Date/Time:	Wednesday, September 10, 2025, at 10:20 a.m.
Place:	Nashville International Airport – Tennessee Board Room
Management Committee Members:	Nancy Sullivan, Committee Chair Joycelyn Stevenson, Committee Vice Chair, Jimmy Granbery

I. CALL TO ORDER

II. PUBLIC COMMENTS

No requests for public comment received to date. Deadline is September 8, 2025 at 9:00 a.m.

III. APPROVAL OF MINUTES

August 6, 2025 Minutes of the MNAA Management Committee Meeting

IV. CHAIR'S REPORT

V. ITEMS FOR APPROVAL

1. FY25 CEO Performance Evaluation
2. FY26 CEO Performance KPIs

VI. INFORMATION ITEMS

1. 2025 CEO Compensation Benchmarking Study – Review & Deliberate
2. CEO Succession Manual

VII. ADJOURN

Minutes of the MNAA Management Committee

Date: August 6, 2025 Time: 9:55 a.m.	Location: Metropolitan Nashville Airport Authority Tennessee Boardroom
Committee Members Present:	Nancy Sullivan, Committee Chair, and Jimmy Granbery
Committee Members Absent:	Joycelyn Stevenson, Committee Vice Chair
Other Board Members Present:	Bobby Joslin, Andrew Byrd, Glenda Glover, and Glenn Farner
MNAA Staff & Guests Present:	Doug Kreulen, Cindy Barnett, Lisa Lankford, Trish Saxman, Marge Basrai, Kristy Bork, John Cooper, Adam Floyd, Eric Johnson, Lisa Leyva, Carrie Logan, Rachel Moore, Ted Morrissey, Stacey Nickens, Brandi Porter, Josh Powell, and Robert Ramsey

I. CALL TO ORDER

Chair Sullivan called the meeting of the MNAA Management Committee to order at 9:55 a.m. pursuant to Public Notice dated August 3, 2025.

II. PUBLIC COMMENTS

Chair Sullivan stated there were no public comment requests received.

III. APPROVAL OF MINUTES

Chair Sullivan asked for a motion to approve the May 14, 2025 Minutes of the Management Committee meeting. Commissioner Granbery made a motion and Chair Sullivan seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Commissioner Granbery – Yes

The motion was passed with a vote of 2 to 0.

IV. CHAIR'S REPORT

Chair Sullivan had no Chair's report.

V. Items for Approval

1. Small Business Program – MNAA Resolution 2025-13

President Kreulen stated on April 17, 2025 the FAA designated a current list of Required Federal Contract Provisions as "historical". On April 24, 2025 the Secretary of Transportation issued a letter "to clarify and reaffirm pertinent legal requirements to outline the Department's (DOT) expectations, and to provide a reminder of your responsibilities and the consequences of noncompliance with Federal law and the terms of your financial assistance agreements." On April 25, 2025, the FAA issued notice of modification of Airport Improvement Program (AIP) grant assurances effective April 25, 2025 that prohibit programs discriminating based on race, color, national origin, sex or religion. On April 28, 2025 the FAA published the 2025 Grant Agreement template, including certification that sponsors do not "operate any programs promoting diversity, equity & inclusion initiatives that violate applicable Federal anti-discrimination laws." On May 15, 2025 the Board approved Resolution 2025-12, with the following requirements: 1) no goal for the Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Enterprise (ACDBE) Programs (federal) in both solicitations and contracts; 2) no goal for the Small, Minority and Woman-Owned Business Enterprise (SMWBE Program (local) Program in both solicitations & contracts; 3) and no scoring criteria related to any of the above programs. To ensure MNAA has a program that supports small businesses and maintains compliance with Executive Order 14173, the Letter to Grant Applicants, and the updated Grant Assurances, MNAA's SMWBE Program must avoid the presumption of race-and-gender preferences. Resolution 2025-13, presented for approval, 1)affirms the Board's commitment of encouraging the use of small businesses & creating opportunities for small businesses to successfully participate in MNAA contracts; 2)discontinues MNAA's SMWBE Program including ceasing enforcement of prior race-and-gender commitments; and 3) creates MNAA's Small Business Program (SBP). The Staff will develop the SBP with full deployment by the end of Fiscal Year 2026 and will continue to monitor and respond as further Federal guidance is received.

President Kreulen stated he met with Chair Sullivan and the reason this document is so important is because if you fail to comply with the Federal Government directives, and you receive Federal funds, then you may see such documents as these two. (Doug held up two documents.) One of the documents was on skydiving at John C. Tune. The airport worked on a legal battle for 6 years and may be able to appeal it, but the bottom line is the FAA director's determination here is that if the airport does not make skydiving happen, it may result in the loss of discretionary funding. President Kreulen stated a couple of days ago he received a grant agreement from the Federal Government FAA District Office out of Memphis; it is $9.7M to the road project, and in this document, it talks specifically about what we are discussing here. If the airport has not made the changes required, then the airport cannot certify the application, and

then the airport is not eligible to receive the funding. The deadline is August 16, 2025, Board day. Once Resolution 2025-13 is approved, the airport will sign the grant agreement and be eligible for the funding. We have been talking about this as theoretical, have done our due diligence, and now we have seen two documents where the FAA is using its authority and power to make sure we are following the rule of law.

President Kreulen requested the Management Committee recommend to the Board of Commissioners that it authorize the President and CEO to discontinue MNAA's SMWBE Program including ceasing enforcement of prior race-and-gender commitments, and create MNAA's Small Business Program (SBP), in accordance with Resolution 2025-13; and authorize the Chair and President and CEO to execute MNAA Resolution No. 2025-13.

Commissioner Byrd stated it does not look like we have a choice.

Chair Sullivan asked for a motion to approve Resolution 2025-13. Commissioner Granbery made a motion and Chair Sullivan seconded the motion.

Chair Sullivan asked Ms. Saxman for a roll call:

Chair Sullivan – Yes

Commissioner Granbery – Yes

The motion was passed with a vote of 2 to 0.

VI. INFORMATION ITEMS

1. FY25 Strategic Goals Accomplishments

President Kreulen stated the FY25 Strategic Goals Accomplishments are printed and at each of your seats for your review. The Staff has accomplished 92.8% Key Accomplishments. Vice Chair Granbery asked of the 92.8% accomplishments, which is fantastic, what is the single greatest item that was not achieved? President Kreulen replied that anything that was not achieved, we tend to roll those over, and one was matrix. We want more data-driven to provide better support to our customers. Vice Chair Granbery stated like a football analogy would be analytics. President Kreulen stated one of the challenges the Executive Staff is working on is the matrix and ultimately, the operations team is trying to design an integrated operations center. That is really the brains of the airport on its day-to-day

operations. We have a really good communications center and everybody in this future center will help make decisions.

2. FY26 Strategic Goals & Objectives

President Kreulen stated the FY26 Strategic Goals & Objectives were published July 16, 2025. This impacts all employees and is the scorecard of how he will be evaluated in FY26.

3. FY26 CEO Key Performance Indicators (KPIs)

President Kreulen stated the FY26 CEO Key Performance Indicators this is the standard key card for the CEO performance. Next month we will come back and evaluate the CEO FY25 Performance. What changed in this document are our revenue and expenses. The rest of this is what the goals that you set for me in the previous year and how they continue to roll forward. This year until we adjust the budget, the CEO must generate $367M and keep expenses less than $203M. Secretary Byrd asked if this is the budget for him. President Kreulen replied it is the budget for 2026. He stated if he meets the budget, he is eligible for 90% of the bonus; if he exceeds the budget, he is eligible for 100% of the bonus. Those are the criteria that the Board has established over the past several years. When you start going to financial responsibility and strengths, that is the financial health of the organization that includes the Senior Debt Coverage, the Subordinate Debt Coverage, Days Cash on Hand, Pension Funding and OPEB Funding. When the Board reviews the FY25 evaluation this is the criteria you came up with last year. Before the CEO was evaluated on airport satisfaction and was split out as to how we are doing as an airport and how are the employees rating. This year in 25 we were at 92.8%, normally we are in the 86% - 87% range. This is for you to review and come back and evaluate the CEO performance.

4. Plante Moran FY25 Pre-Audit Letter

President Kreulen stated the Plante Moran FY25 Pre-Audit Letter has been included in your Management Committee packet. Plante Moran meet with Chair Sullivan regarding Plante Moran's responsibilities under generally accepted auditing standards and planned scope and timing of the audit. The key point to this letter is giving their express opinion about whether the financial statements prepared by management with the Board's oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting standards. If any Commissioner has

any concerns related to the audit, there is a phone number for Plante Moran that you can call, and they can respond to any questions you may have regarding the audit.

Vice Chair Granbery stated he does not believe that document as in the packet. President Kreulen replied he will get that document to the Commissioners. Secretary Byrd asked if the CEO's salary will be approved in September. President Kreulen replied yes. Commissioner Farner stated there are no guarantees.

President Kreulen concluded the presentation of the informational items.

VII. ADJOURN

There being no further business brought before the Management Committee, Chair Sullivan adjourned the meeting at 10:08 a.m.

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Andrew W. Byrd, Board Secretary

STAFF ANALYSIS
Management Committee

Date: September 10, 2025

Facility: Metropolitan Nashville Airport Authority (MNAA)

Subject: FY25 CEO Performance Evaluation

I. Recommendation

The President and CEO requests that the Management Committee recommend to the Board of Commissioners that it:

1) Review and evaluate the CEO's FY25 Performance, and;

2) Determine, at their sole discretion, the CEO's FY25 performance and award to the CEO.

II. Analysis

A. Background

The President and CEO's employment agreement, effective September 20, 2023, Section 3, Compensation, states:

(a) Base Salary. The Executive will receive an annual base salary of $600,000 (the "Base Salary," as modified pursuant to the next sentence), effective September 1, 2023, payable in accordance with the Company's customary payroll practices (including, but not limited, to practices regarding timing and withholding) as may be in effect from time to time during the term of this Agreement. Annually, the Executive will provide the Board with a survey of CEO salaries at the top 30 airports in the United States. Based on that survey, the Executive's Base Salary may be increased by the Board in its sole discretion, and may be decreased, including as part of a temporary, uniform reduction in salary for all executive officers of the Company that is undertaken in the Board's reasonable business judgment, based on the Company's financial performance or a reasonably anticipated economic downturn. The Executive will not be entitled to a Cost-of-Living Adjustment (COLA).

(b) Bonuses. The Executive will be eligible for an annual cash bonus at a target payout level of 40% of Base Salary per fiscal year (the "Target Bonus," as modified pursuant to the next sentence), based upon the Executive's ability to meet or exceed the targeted expectations applicable to his position, as the Board in its sole discretion determines and in accordance with and subject to the terms of any applicable performance based metrics, compensation plan or program. The Executive's Target Bonus amount may be increased by the Board in its sole discretion. For partial fiscal years of service, any annual bonus that the Executive may receive will be pro-rated based on the number of days the Executive was employed during such fiscal year. Notwithstanding the

forgoing, the Executive must remain continuously employed through the bonus payment date to be eligible to receive an annual bonus for a given fiscal year. The Target Bonus shall be payable in the fiscal year following the fiscal year in which the performance objectives for such Target Bonus are measured, but no later than October 15 of such following fiscal year.

The Board approved FY25 CEO Key Performance Indicators (KPIs) on October 16, 2024.

The following reference documents are attached:

- Attachment 1: FY25 Key Performance Indicator Results
- Attachment 2: FY25 Amended Budget Board Approval
- Attachment 3: USI Consulting Group June 30, 2025 Pension/OPEB Valuation Report
- Attachment 4: ASQ April - June 2025 Customer Satisfaction Results
- Attachment 5: Flex Surveys FY25 Employee Satisfaction Results
- Attachment 6: FY25 Strategic Goals & Objectives Accomplishments

The ADK Consulting & Executive Search CEO Compensation Benchmarking Study was provided to the Management Committee in advance of this meeting.

B. Impact/Findings

The President and CEO presented the FY25 preliminary KPI results to the Management Committee on August 6, 2025, demonstrating financial and operational performance.

The overall score for FY25 is 93.75% bonus eligibility.

NOTE: Operating Revenue and Expense results are pending year-end close.

C. Strategic Priorities

- Invest in BNA/JWN
- Plan for the Future
- Prepare for the Unexpected

D. Options/Alternatives

The Board of Commissioners may establish alternate criteria for determining the CEO's performance.

FY25 CEO Key Performance Indicators (KPIs)

Board Approved FY25 KPIs: October 16, 2024

Board Approved Amended FY25 Budget: April 17, 2024 & April 16, 2025

BNA Nashville International Airport

KPI Evaluation Criteria	90% Eligibility	100% Eligibility	110%+ Eligibility	Actual	Results	
Financial (50%)				**Financial**		
Operating Income (BNA+JWN+MPC) (25%)						CFO Input
Operating Revenue	Meets budget: $333.0M	5% over budget: $349.7M	10% over budget: $366.3M	Projected below budget	0%	
Operating Expense	Meets budget: $199.8M	5% under budget: $189.8M	10% under budget: $179.8M	Projected meet budget	110%	
Fiscal Responsibility / Strength (25%)						
Senior Debt Coverage	1.25	1.3 - 1.5	Greater than 1.5	5.08	110%	
Sr/Subordinate Debt Coverage	1.1	1.2 - 1.25	Greater than 1.25	2.82	110%	
Days Cash on Hand	500 days (OS)	550 - 650 day (Policy)	Greater than 650 days	1262 days	110%	
Pension Funding	80% - 89%	90% - 100%	Greater than 100%	105.2%	110%	
OPEB Funding	80% - 89%	90% - 100%	Greater than 100%	196.9%	110%	
Operational (50%)				**Operational**		
Overall Airport Satisfaction (15%)	80% - 84% top 2 box	85% - 90% top 2 box	Greater than 90% top 2 box	87%	100%	CSO Input
Average Employee Satisfaction (10%)	3.0 - 3.5 rating	3.6 - 4.0 rating	Greater than 4.0 rating	3.8	100%	
Strategic Goals (25%)	Meets expectations:	Exceeds expectations:	Outstanding:			
Invest in BNA/JWN	70% - 79%	80% - 90%	Greater than 90%	92.8%	110%	
Plan for the Future						
Prepare for the Unexpected						
				Total	**93.75%**	

Revenue and Expense budgets for BNA, JWN and MPC approved by Board April 2024; BNA amendment approved by Board April 16, 2025
Pension Funding based on 3-yr smoothed actuarial basis; OPEB funding based on market basis, Provided to Finance Committee August 6, 2025
Customer Satisfaction survey conducted by independent consultant (ASQ), Conducted April - June 2025
Employee Satisfaction survey conducted by independent consultant (Flex Survey), Conducted April - May 2025
Stratetic Goals & Objectives accomplishments provided to Management Committee August 6, 2025

Current as of August 26, 2025

Attachment 1

Attachment 2

FY25 Amended BNA O&M Budget

Total Operating Revenue:
$324,668,000

Total Operating Expense:
$195,705,000

Income before Depreciation & Grants:
$141,556,000

Budget Period:
July 1, 2024 – June 30, 2025

BNA Summary ($000)	Approved Budget FY25	Amended Budget FY25	Variance $	Variance %
Non-Airline Revenue	$217,080	$209,125	($7,955)	(3.7%)
Signatory Airline Revenue	$124,575	$115,543	($9,032)	(7.3%)
Total Operating Revenue	$341,655	$324,668	($16,987)	(5.0%)
Operating Expense	($195,705)	($195,705)	$0	0%
Net Non-Operating Revenue	$4,938	$12,593	$7,655	155.0%
Income before Depreciation & Grants	$150,888	$141,556	($9,332)	(6.2%)

FY25 JWN O&M Budget

Total Operating Revenue:
$3,011,000

Total Operating Expense:
$2,296,000

Income before Depreciation, Grants and Transfers from MNAA:
$893,000

Budget Period:
July 1, 2024 – June 30, 2025

JWN Summary	Amended Budget FY24	Budget FY25
Operating Revenue	$2,804,000	$3,011,000
Operating Expense	($2,457,000)	($2,296,000)
Non-Operating Revenue	$76,000	$178,000
Income before Depreciation, Grants and Transfers from MNAA	$423,000	$893,000

FY25 MPC O&M Budget

Total Operating Revenue:
$5,345,000

Total Operating Expense:
$1,845,000

Income before Depreciation:
$3,428,000

Budget Period:
July 1, 2024 – June 30, 2025

MPC Summary	Budget FY24	Budget FY25
Operating Revenue	$3,711,000	$5,345,000
Operating Expense	($1,681,000)	($1,845,000)
Non-Operating Revenue	$258,000	$516,000
Non-Operating Expense	($347,000)	($588,000)
Income before Depreciation	$1,941,000	$3,428,000

	Revenue	Expenses	Board Approval
BNA	$ 324,688,000	$ 195,705,000	April 16, 2025
JWN	$ 3,011,000	$ 2,296,000	April 17, 2024
MPC	$ 5,345,000	$ 1,845,000	April 17, 2024
Total	**$ 333,044,000**	**$ 199,846,000**	

Attachment 3

Retirement
Funded Status – Actuarial Assets

	6/30/2024 (actual)	9/30/2024 (estimated)	12/31/2024 (estimated)	3/31/2025* (estimated)	6/30/2025* (actual)
Accrued Liability	$85.7	$85.9	$85.7	$81.2	$80.7
Actuarial Assets	$81.4	$84.8	$82.6	$82.4	$84.9
Shortfall/(Excess)	$4.3	$1.1	$3.1	$ (1.2)	$(4.2)
Funded Percentage	95%	99%	96%	101%	105%
Discount Rate	5.5%	5.5%	5.5%	6.0%	6.0%

Shortfall amount is the estimated cash required to remain 100% funded at that date.
Actuarial Asset Value is 3 year smoothing of investment gains/losses
*115% PubG-2010
Amounts in millions

8

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OPEB
Estimated Funded Status

	6/30/2024 (actual)	9/30/2024 (estimated)	12/31/2024 (estimated)	3/31/2025* (estimated)	6/30/2025* (actual)
Accrued Liability	$25.5	$25.7	$25.5	$26.4	$23.5
Market Assets	$43.2	$45.4	$44.2	$43.9	$46.3
Shortfall/(Excess)	$ (17.7)	$ (19.7)	$ (18.7)	$ (17.5)	$(22.8)
Funded Percentage	169%	177%	173%	166%	197%

Shortfall amount is the estimated cash required to remain 100% funded at that date.
6% Discount Rate
*115% PubG.H-2010 Mortality Table

Amounts in millions

3

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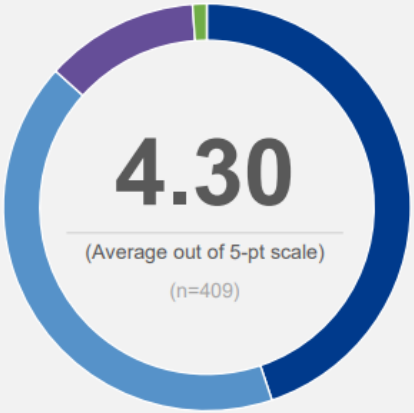
BNA – Airport Performance

Satisfaction: Overall & by Segments – Q2 2025

Overall Satisfaction



Score Distribution

Excellent	Very Good	Good	Fair	Poor
45%	42%	12%	1%	0%

Overall Satisfaction by:

Main Reason for Travel	Business	n=93 4.26
	Leisure	n=161 4.45
	Personal	n=155 4.18
Traffic Type	Domestic	n=395 4.30
	International	n=14 4.56
Connection	Direct Flight	n=310 4.32
	Connecting PAX	n=99 4.26
Group Composition	Alone	n=190 4.25
	In Group	n=219 4.35
Flight Status	On Time	n=344 4.34
	Delayed	n=57 4.12
Perception of Crowd*	Not crowded (T2)	n=199 4.45
	Crowded (B2)	n=94 4.05

Base (n): Respondents providing a valid response
Q10. Based on your experience today, please rate THIS airport – Overall Satisfaction
Note: The green and red values indicate that the segment's performance is higher or lower at a statistically significant level (95%). Each segment's performance is compared to that of the rest of the groups, i.e., TOTAL others (excluding their own segment).
**T2 and B2 respectively refer to respondents who selected the top 2 boxes (Not at all crowded, Not crowded) and the bottom 2 boxes (Crowded, Very crowded) on the 5-pt scale.*

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Attachment 5

BNA

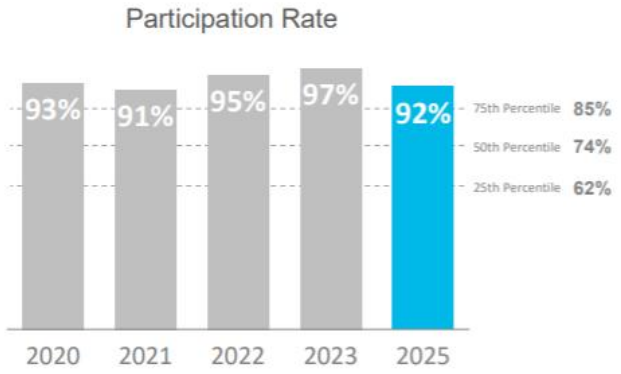
2025 Employee Engagement Survey

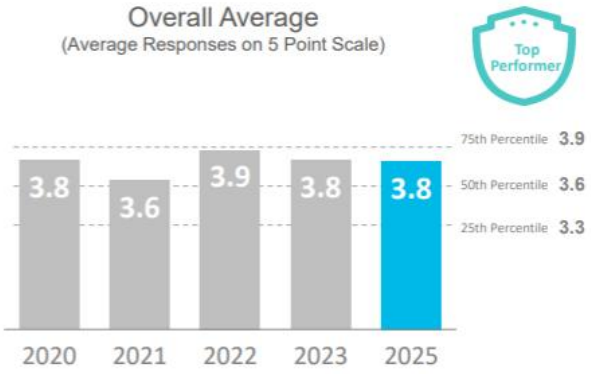
Survey Overview

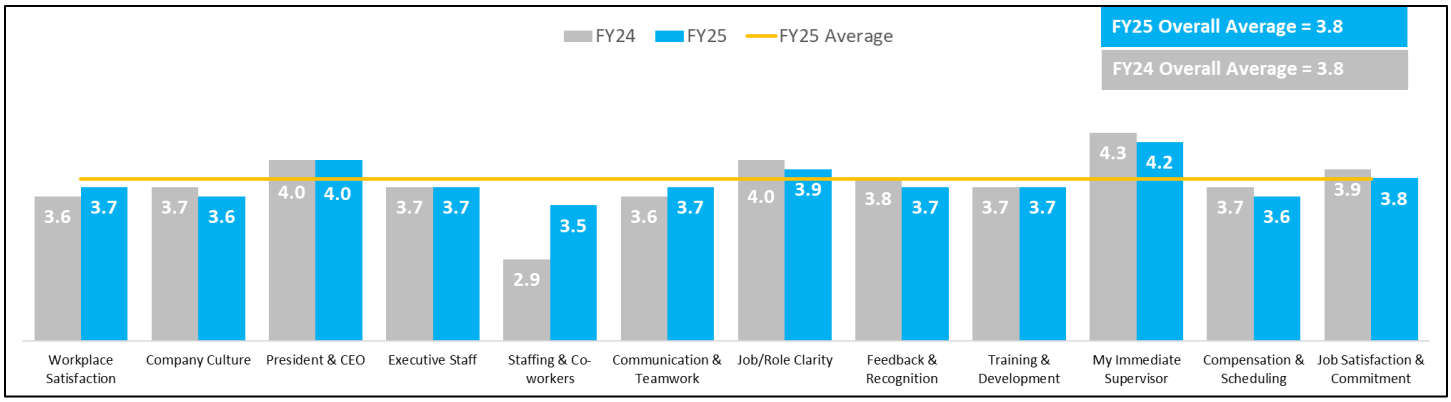
Survey Period:	Apr 23 - May 07, 2025	
Survey Method:	Online	
Total Employees:	452	+103 (+30%) vs. 2023
Total Surveys:	414	+76 (+22%) vs. 2023
Minimum Sample:	5+	

The following report was created to provide management with insights into the wants and needs of employees across all of the leading indicators of workplace satisfaction, engagement and retention.

Other than the Engagement metric, the questionnaire was implemented with a 5-point scale, ranging from (1) Strongly Disagree to (5) Strongly Agree. To allow for ease of analysis and comparison, overall averages were calculated for each question and section within the survey.







	2018	2019	2020	2021	2022	2023	2025
Employees	296	299	322	297	315	349	452
Participated	273	291	298	269	299	338	414
Date	Apr 2018	Mar 2019	Sep 2020	Aug 2021	Jul 2022	Aug 2023	May 2025
Fiscal Year	FY19	FY20	FY21	FY22	FY23	FY24	FY25

Attachment 6

FY25 Strategic Goals & Objectives

BNA
BJWN

Invest in BNA/JWN

1. **Achieve Financial Commitments** (Basrai)
   - ✓ Issue a new Short Term Credit Facility by December 31, 2024, and prepare for a FY25 or early FY26 bond issuance
   - ✓ Ensure debt service coverage and days cash on hand are maintained above policy requirements
   - ✓ Continually update funding model to ensure adequate access to capital
2. **Continue to Develop BNA Concessions Program** (Johnson)
   - ✓ Complete 8 concessions in Concourse D by July 2, 2025
   - ! Develop and issue concessions solicitation for Concourse A
   - ✓ Develop and issue solicitation for Mezzanine Lounge(s)
   - ✓ Develop plan to increase advertising revenue by December 15, 2024
3. **Organizational Review** (Cooper, Lankford)
   - ! Complete comprehensive review of Human Resources, Business Diversity Development and Procurement and develop plan to continue improvement of long-range department performance (Cooper)
   - ! Develop requirements, including recommended roles and required resources, for analytical data center by January 31, 2025 (Lankford)
4. **Improve Procurement Efficiency and Service** (Cooper)
   - ! Complete comprehensive review of Procurement Program, including verification of compliance with all local, state and federal requirements, benchmarking against other large hub airports, and evaluation of efficiency and transparency
   - ○ Update Procurement Policy and Procedure Manual and implement updates
   - ○ Implement new credit card program to support corporate credit card/p-card policy by December 31, 2024
5. **Continue Advocacy of State Support for Long-range Capital Funding** (Lankford)
   - ! Complete BNA/JWN Economic Impact Study and coordinate with State of Tennessee and TAACA
6. **Attract and Retain the Best Employees** (Cooper)
   - ✓ Complete compensation survey, specialty/shift-differential pay, and provide recommendations to CEO by January 31, 2025
   - ✓ Evaluate and develop proposal for improvements to supplemental benefits
   - ✓ Conduct recruiting outreach with industry professional organizations and institutions to establish a pipeline of critical skill needs
7. **Sponsorships and Marketing** (Lankford)
   - ✓ Implement Sponsorship Portal and develop reporting for sponsorship spend
   - ! Determine effectiveness of sponsorship and marketing spend
8. **Improve Customer Experience** (Floyd)
   - • Develop plan that merges customer service and customer experience to provide proactive and urgent response to all facets of customer journey, including required roles and resources by December 15, 2024

Plan for the Future

9. **Improve Airport Access** (Ramsey)
   - ✓ Complete, manage and maintain Roadway/Traffic Management Model
   - ! Finalize Future Parking/Garage(s) Plan for 70M passengers
10. **Enhance Airline Efficiency** (Ramsey, Floyd, Johnson)
    - ✓ Complete design and begin construction of improvements to Baggage Handling System (Ramsey)
    - ✓ Complete construction of Concourse D Extension by July 2, 2025 (Ramsey)
    - ✓ Complete design of Concourse A and award CMAR contract for enabling to begin July 3, 2025 (Ramsey)
    - ✓ Award design/build contract for Central Ramp (Ramsey)
    - ✓ R/W 2L Proposed Extension (Ramsey, Johnson)
      - ✓ Develop real estate acquisition plan for the R/W 2L proposed extension (Johnson)
      - ✓ Respond to FAA Agency Review decision (Continue EIS or begin EA) (Ramsey)
    - ✓ Coordinate improvements to Air Traffic Control Procedures (Floyd)
11. **Expand Air Service** (Powell, Floyd)
    - ✓ Continue to pursue International Air Service and obtain at least one new transoceanic route (Lankford)
    - ✓ Develop Corporate Engagement plan for each airline at BNA (Lankford)
    - ✓ Facilitate improvements to Customs and Border Protection service (Floyd)
12. **Create Terminal II Strategic Plan** (Ramsey, Basrai, Lankford)
    - ✓ Refine preferred site concepts for Terminal II and CONRAC (Ramsey)
    - ✓ Develop Terminal II Tenant Relocation Plan (Ramsey)
    - ✓ Obtain Board approval to raise Customer Facility Charges (CFCs) to support financing of new Consolidated Rental Car Center (CONRAC) at BNA (Basrai)
    - ✓ Develop plan for the funding of New Horizon and Terminal II (Basrai)
    - ✓ Develop/produce community storyline for New Horizon and Terminal II Plans (Lankford)
13. **Airport Authority Long-Range Planning** (Ramsey, Johnson)
    - ✓ Create an Airport Authority Long-Range Facility/Campus Plan (Ramsey)
    - ✓ Initiate and manage development of a new Airport Master Plan (Critical Facilities: Centralized Receiving & Distribution, Air Freight, ARFF Stations, Fuel Storage, Future Airfield) (Ramsey)
    - ✓ Develop plan to purchase additional real estate (Johnson)
14. **Expand John C. Tune Airport** (Floyd, Johnson)
    - ✓ Complete solicitation and execute lease for 2nd FBO
    - ! Complete solicitation and execute lease or contract for Midfield Development (Johnson)

Prepare for the Unexpected

15. **Succession Planning** (Cooper, Floyd)
    - ✓ Complete solicitation for Human Resources Information System (HRIS), including Performance Management, and develop plan for funding and implementation (Cooper)
    - ✓ Begin development of comprehensive plan for organizational development, including training for new managers and defining requirements for leadership positions (Cooper)
    - – Develop & publish Talent, Excellence, and Diversity Plan (Cooper)
    - ✓ Develop 24/7 duty roster (Floyd)
16. **Business Diversity Leadership** (Cooper)
    - – Publish certified SMWBE, DBE and ACDBE Performance for community distribution
    - ✓ Complete actions in response to five 2021 Disparity Study findings, including B2Gnow enhancements
17. **2nd Water Line to Airport** (Ramsey)
    - ✓ Complete construction of redundant water line by June 30, 2025
18. **Compliance** (Legal)
    - – Develop recommendation for updated Board and Staff Ethics policies by October 15, 2024
    - – Develop recommendation for updated Board bylaws by December 15, 2024
    - X Develop recommendation for comprehensive Compliance Program by March 15, 2025
    - ✓ Provide quarterly updates and recommendations to executive staff on legal issues and challenges impacting airports
19. **Operational Excellence** (Floyd)
    - ✓ Develop FAR 139 program to be used as benchmark for large hub airport performance for annual preparation
    - ! Develop TSA 1542 program to be used as benchmark for large hub airport performance for annual preparation
20. **Media Response Plan** (Lankford)
    - ✓ Develop real-time Media Response Plan to improve media accuracy

FY25 Year-End Rating: 92.8%

✓ Met Goal
! Partially Met Goal
○ Did not Meet Goal
– Partially Met Goal/Re-Evaluate
X Hold / Stop / Re-evaluate

Issued: July 8, 2024
Updated with scoring: July 3, 2025

STAFF ANALYSIS
Management Committee

Date: September 10, 2025

Facility: Metropolitan Nashville Airport Authority (MNAA)

Subject: FY26 CEO Key Performance Indicators (KPIs)

I. Recommendation

The President and CEO requests that the Management Committee recommend to the Board of Commissioners that it:

1) Review and evaluate the proposed FY26 CEO Key Performance Indicators (KPIs), and

2) Approve the proposed FY26 CEO KPIs.

II. Analysis

A. Background

On December 13, 2017, the Board approved the President and CEO's initial employment agreement for a 3-year term from December 1, 2017 – November 30, 2020. On February 25, 2020, a 1-year extension was approved, expiring December 1, 2021. On December 22, 2020, a 1 ½-year extension was approved, expiring June 30, 2023.

At the request of the Board, Jenner & Block LLP was retained in May 2022 to review prior benchmark studies and create a draft employment agreement. On July 20, 2022, the Board approved the employment agreement, effective July 1, 2022. The new agreement added more protection for the Authority and provided the Board with more control and flexibility. It defines the President and CEO's target bonus, based upon his ability to meet or exceed the targeted expectations applicable to his position, as the Board in its sole discretion determines and in accordance with and subject to the terms of any applicable performance-based metrics, compensation plan or program. The Board approved an amendment to the employment agreement on September 20, 2023, with updates to term and compensation.

At the request of the Board, the CEO proposed FY23 KPIs for determination of the CEO's bonus, which the Board approved on August 17, 2022. The Board approved FY24 KPIs on September 20, 2023. The Board approved FY25 KPIs on October 16, 2025. The President and CEO presented proposed FY26 KPIs to the Management Committee August 6, 2025.

B. Impact/Findings

The proposed FY26 KPIs are consistent with structure of the FY25 KPIs, based on 50% financial criteria and 50% operational criteria, and include rating criteria for 90%, 100% and greater than 100% eligibility. Criteria includes:

- Financial (50%)
    - Operating Income (25%)
    - Fiscal Responsibility/Strength (25%)
- Operational (50%)
    - Overall Airport Satisfaction (15%)
    - Average Employee Satisfaction (10%)
    - Strategic Goals (25%)

C. Strategic Priorities

- Invest in BNA/JWN
- Plan for the Future
- Prepare for the Unexpected

D. Options/Alternatives

The Management Committee could request the President & CEO or Board submit revised KPIs.

Attachment 1: Proposed FY26 CEO Key Performance Indicators, Submitted to Management Committee August 6, 2025; Updated with FY26 BNA O&M Budget Amendment for September 10, 2025 Finance Committee Review and September 17, 2025 Board approval

FY26 CEO Key Performance Indicators (KPIs)

Presented to Management Committee: August 6, 2025

BNA Nashville International Airport

KPI Evaluation Criteria	90% Eligibility	100% Eligibility	110%+ Eligibility	Actual	Results
Financial (50%)				**Financial**	
Operating Income (BNA+JWN+MPC) (25%)					CFO Input
Operating Revenue	Meets budget: $364.0M	5% over budget: $382.2M	10% over budget: $400.4M		
Operating Expense	Meets budget: $199.6M	5% under budget: $189.6M	10% under budget: $179.6M		
Fiscal Responsibility / Strength (25%)					
Senior Debt Coverage	1.25	1.3 - 1.5	Greater than 1.5		
Sr/Subordinate Debt Coverage	1.1	1.2 - 1.25	Greater than 1.25		
Days Cash on Hand	500 days (OS)	550 - 650 day (Policy)	Greater than 650 days		
Pension Funding	80% - 89%	90% - 100%	Greater than 100%		
OPEB Funding	80% - 89%	90% - 100%	Greater than 100%		
Operational (50%)				**Operational**	
Overall Airport Satisfaction (15%)	80% - 84% top 2 box	85% - 90% top 2 box	Greater than 90% top 2 box		CSO Input
Average Employee Satisfaction (10%)	3.0 - 3.5 rating	3.6 - 4.0 rating	Greater than 4.0 rating		
Strategic Goals (25%)	Meets expectations:	Exceeds expectations:	Outstanding:		
Invest in BNA/JWN	70% - 79%	80% - 90%	Greater than 90%		
Plan for the Future					
Prepare for the Unexpected					
				Total	

Revenue and Expense budgets for BNA, JWN and MPC approved by Board April 16, 2025; BNA Budget Amendment recommended to Finance Committee September 10, 2025
Pension Funding based on 3-yr smoothed actuarial basis; OPEB funding based on market basis
Customer Satisfaction survey conducted by independent consultant (quarterly through fiscal year)
Employee Satisfaction survey conducted by independent consultant (planned for March 2026)

Current as of August 26, 2025

Attachment 1