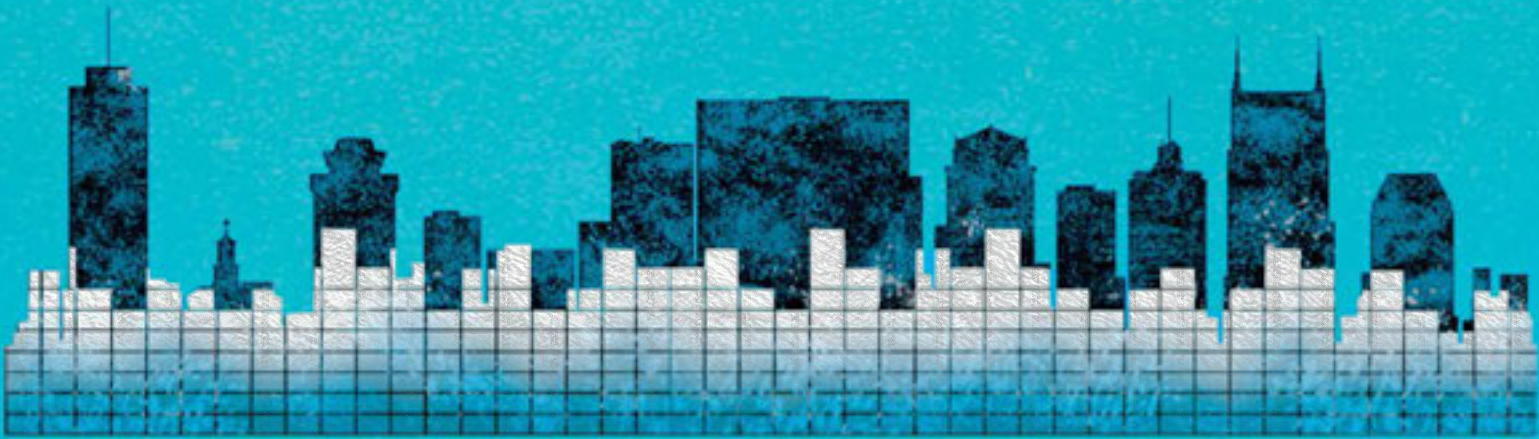


METROPOLITAN NASHVILLE AIRPORT AUTHORITY
ANNUAL REPORT FISCAL YEAR 2016
JULY 1, 2015 THROUGH JUNE 30, 2016



BNA





TABLE OF CONTENTS

LETTER FROM CEO	4
PEOPLE	6
ABOUT MNA	8
CLIMB	10
BALANCE	12
IMAGINE	14
VIBE	16
INVOLVE	18
EMBRACE	20
TRANSFORM	22
FINANCIALS	24
BY THE NUMBERS	28



ROBERT R. WIGINGTON, IAP
PRESIDENT AND
CHIEF EXECUTIVE OFFICER
MNA



ROBERT J. JOSLIN
BOARD OF COMMISSIONERS
CHAIR
MNA

LANDMARK

If I had to pick one word to describe Fiscal Year 2016 for the Metropolitan Nashville Airport Authority (MNA) it would be: *Landmark*.

This year was a historic one for MNA and our airports. While the record-breaking passenger numbers often made the headlines, 2016 will be remembered as a year of pivotal moments that will dramatically impact what air travel looks like in Middle Tennessee for decades to come.

The single biggest moment in FY 2016 took place behind the scenes. Following the renegotiation of our 30-year airline use-and-lease agreement, we began the transition to a new business model. The new agreement took effect July 1, 2016, and lays the foundation for how we operate, fund and develop BNA. It enables the Airport Authority to transform into a more forward-thinking, innovative and customer-driven enterprise. As a result, we have a better partnership with the airlines serving BNA, and MNA can now plan and build to accommodate unprecedented airline and passenger growth.

As has been the trend in recent years, the 2016 passenger numbers made it resoundingly clear that the need for change and growth is immediate. With each passing day, week and month, we seem to break another record. June 2016 was the busiest month in BNA history with 1,206,083 passengers, beating the record set in May 2016 that broke the previous 24-year-old record. In total, BNA served **more than 12.2 million passengers** this fiscal year, a whopping **9.6 percent increase** over the previous fiscal year—**over one million additional passengers in just one year and the third consecutive year of record-setting passenger growth**.

BNA passenger traffic is expected to grow to more than 20 million by 2035. With the new airline agreement, we now have the ability to get in front of this growth with a new vision for BNA. It is paramount that we respond now to prepare for the future needs of our region.

BNA Vision, our dynamic growth and expansion plan, is designed to significantly increase capacity, create bold new spaces within BNA, build a state-of-the-art international arrivals building, and connect the airport to the future regional multi-modal transit. *BNA Vision* will be completed over the next five-to-seven years with *no local tax dollars*.

During this time of change and growth, it is critical that we continue our passion for great customer service by providing the *Nashville Airports Experience* our travelers enjoy and expect. Just recently, BNA was ranked the 9th Best Domestic Airport by *Travel + Leisure* as part of its World's Best Awards 2016 and *TheStreet* named BNA one of the "Best Airports in the World." With *BNA Vision*, our goal is to ensure we continue to deliver the *Nashville Airports Experience* on a world-class level.

2016 will go down as a turning point for MNA. Driving our current success, and the key to our future, is the continued dedication and commitment of every MNA team member and each person who works at our airports. They are the reason we can provide the welcoming environment and exceptional experience that traditionally characterize our airports.

Looking back on 2016, I could not be more proud of all we have accomplished during the year, and I cannot wait to see the heights we will reach in the future.



Robert R. Wigington, IAP
President and Chief Executive Officer
Metropolitan Nashville Airport Authority



BOARD OF COMMISSIONERS



ROBERT J. JOSLIN
CHAIR
JOSLIN AND SON SIGNS



AMANDA FARNSWORTH
RETIRED, J.J.B. HILLIARD,
W.L. LYONS, INC.



A. DEXTER SAMUELS, PH.D.
VICE CHAIR
MEHARRY MEDICAL COLLEGE



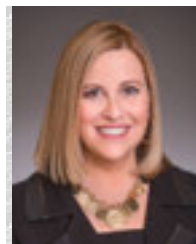
BILL FREEMAN
FREEMAN WEBB COMPANY



TREY B. HARWELL
SECRETARY
NEAL & HARWELL



NICOLE R. MAYNARD
J.P. MORGAN CHASE



MEGAN BARRY
MAYOR, METROPOLITAN GOVERNMENT
OF NASHVILLE & DAVIDSON COUNTY



KABIR SINGH SANDHU, P.E.
R.C. MATHEWS CONTRACTOR

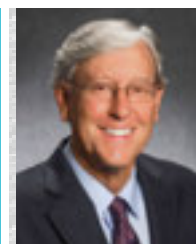


ROD ESSIG
CREATIVE ARTISTS AGENCY



DEBORAH WRIGHT
AMENACORP BUSINESS SERVICES

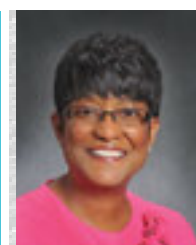
EXECUTIVE MANAGEMENT TEAM



ROBERT R. WIGINGTON, IAP
PRESIDENT AND
CHIEF EXECUTIVE OFFICER



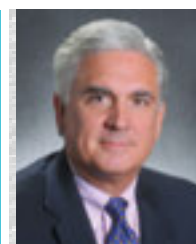
WALT MATWIJEC
ASSISTANT VICE PRESIDENT,
CONTINUOUS IMPROVEMENT



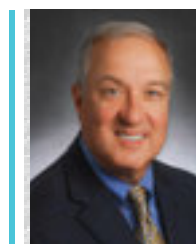
VANESSA HICKMAN
VICE PRESIDENT AND
CHIEF ADMINISTRATIVE OFFICER



ROBERT RAMSEY
CHIEF ENGINEER AND VICE
PRESIDENT, DEVELOPMENT AND
ENGINEERING



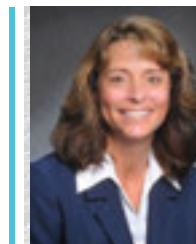
TOM JURKOVICH
VICE PRESIDENT, STRATEGIC
COMMUNICATIONS AND
EXTERNAL AFFAIRS



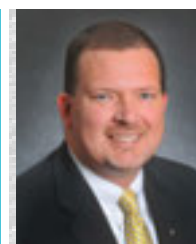
STAN VAN OSTRAN
VICE PRESIDENT AND
CHIEF FINANCIAL OFFICER



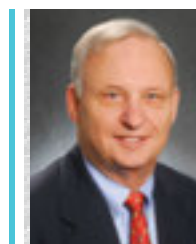
DOUG KREULEN
SENIOR VICE PRESIDENT AND
CHIEF OPERATING OFFICER



CHRISTINE VITT
VICE PRESIDENT, STRATEGIC
PLANNING AND SUSTAINABILITY



MICHAEL LEE
VICE PRESIDENT AND CHIEF
COMMERCIAL OFFICER



ROBERT WATSON
SENIOR VICE PRESIDENT
AND CHIEF LEGAL OFFICER

ABOUT MNAA

The Metropolitan Nashville Airport Authority (MNAA) was established in 1970 and owns and operates Nashville International Airport (BNA) and John C. Tune Airport (JWN). With more than 12.2 million passengers visiting each year, BNA is the fourth-fastest-growing airport among the top 50 airports in North America. BNA currently serves 440 flights daily to more than 50 nonstop markets. It is now the 33rd busiest airport in the U.S.

MNAA is a quasi-governmental entity overseen by a 10-member Board of Commissioners. Financially self-sufficient, MNAA receives no local tax dollars or state general funds. Nine of the commissioners are appointed by the mayor of the Metropolitan Government of Nashville and Davidson County and approved by the Metropolitan Council. All commissioners serve as volunteers for four-year terms without compensation. The mayor is the tenth member.

ACCOLADES

- BNA broke passenger records for the third consecutive year with 12.2 million travelers in FY 2016
- BNA contributes more than \$3.5 billion in total economic impact
- BNA provides nearly 38,000 jobs annually to the regional economy
- JWN contributes almost \$21 million in total economic impact and 200 jobs
- *TheStreet* named BNA one of the "Best Airports in the World"
- BNA was ranked #9 on *Condé Nast Traveler's* "Top 10 Domestic Airports" list
- *Lonely Planet* named BNA one of the "Top 8 Airports in the World for a Long Layover"
- Expedia.com named BNA #1 among the "Top 10 US Airports to Rent a Car"
- JWN was named the 2016 Airport of the Year by the Tennessee Aeronautics Commission
- JWN was awarded the 2016 SEC-AAAE General Aviation Project of the Year for its renovation
- MNAA was awarded the 2016 ACI-NA Environmental Achievement Award in the Innovative/Special Projects Award Category



CLIMB

FLIGHTS ADDED IN FY 2016

CANCUN - AMERICAN AIRLINES
ORLANDO - FRONTIER
CHICAGO O'HARE - FRONTIER
PHILADELPHIA - FRONTIER
TORONTO - WESTJET
TUPELO - CONTOUR AIRLINES
BOSTON - JETBLUE
FORT LAUDERDALE - JETBLUE
SEATTLE - ALASKA AIRLINES
SAN FRANCISCO - UNITED
MUSCLE SHOALS - BOUTIQUE AIR

Move through the clouds. Strive for something greater. That's what happened in FY 2016 when BNA eclipsed passenger records for the third consecutive year. BNA experienced an **all-time high of 12.2 million passengers**—a nearly 10 percent increase over 2015. How? By aggressively attracting new airlines—*Alaska Airlines, JetBlue, Westjet, Contour Airlines* and *Boutique Airlines*—and new nonstop service to meet the region's growing air service needs. It's thanks to the hard work of MNAA leaders, the teamwork of the *Nashville Air Service Coalition*, and an unrelenting commitment from the Middle Tennessee community to keep BNA a world-class airport.



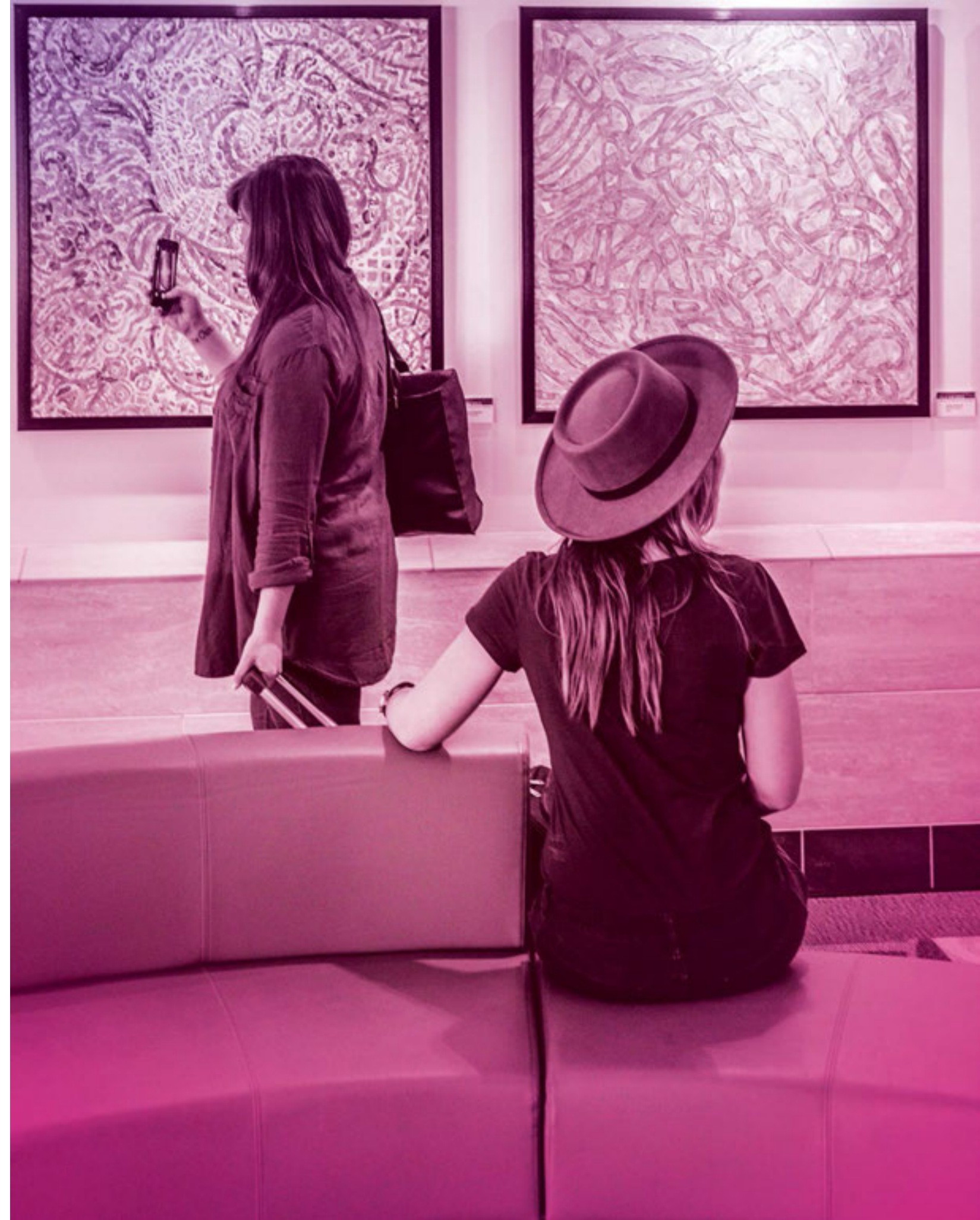
BALANCE

Sustainability. Invent ways to honor the resources that fuel us. MNAA embodied this when it transformed a former rock quarry into the largest geothermal lake plate cooling system in North America. Remarkable in its scope and ingenuity, the system cools the entire BNA terminal by submerging geothermal heat exchangers in the quarry lake and circulating the water to the terminal's central plant. The results are as groundbreaking as the idea, providing savings of 1.3 million kilowatt-hours, 30 million gallons of potable water, and nearly \$500,000 per year in utility costs. MNAA received the 2016 **Environmental Achievement Award** from Airports Council International-North America for this remarkable project. BNA also opened new solar-powered electric vehicle charging stations. Initiatives like these position MNAA at the forefront of the airport industry and the region.



IMAGINE

Set the stage. Showcase the finest regional art. And clear the way for the creative soul of Nashville. Led by the dynamic **Arts at the Airport** program, this philosophy makes BNA unique among airports. Travelers are greeted with the sounds of live performances—from country and blues to jazz and rock n’ roll. Nearly 240 original pieces by local artists, ranging in style and medium, enliven the terminal. In 2016, BNA continued its award-winning partnership with Bonnaroo Music & Arts Festival by inviting five artists to install Bonnaroo-themed skylight exhibits. Through these collaborations and others with groups such as the National Museum of African American Music, BNA welcomes travelers with diverse art that reflects Music City’s spirit.



V I B E

Capture the personality of a city. Know its essence. And deliver that specific thing that makes it special, that makes it truly Nashville. That's the MNAA team's charge: provide the *Nashville Airports Experience* (NAE)—exceptional hospitality and outstanding customer service unique to Music City—all day, every day. That means welcoming travelers with Nashville's signature warmth, giving them a taste of the Music City experience they love. In FY 2016, BNA's evolving restaurant program added Berry Field Bistro, Hissho Sushi and Tennessee Brew Works. Blended with pioneering initiatives like "Drinks on the Go," MNAA achieves its NAE mission, leaving lasting impressions with tens of millions annually. **Music, food, art, friendliness. It's who we are.**



INVOLVE

Open doors. Offer all access to opportunity. Different perspectives make us successful. In FY 2016, MNAA invested \$11.6 million in contracts with Small, Minority and Woman-owned Business Enterprises (SMWBE)—totaling **more than \$47 million** in the past five years. More than 250 local business representatives attended the 2016 *Business Taking Off* event to learn about upcoming construction and service opportunities. MNAA's 2016 Black History Month Music Series showcased the sounds of the American Civil Rights Movement. Events like First in Flight celebrated diversity by honoring the first ever African-American, all-female flight crew who flew into BNA from Atlanta in 2009. Embracing diversity is integral to MNAA's identity and core values, now and into the future.



EMBRACE

Be active. Give back. MNAA does not simply manage the region's two airports. MNAA is a leading player in Nashville's rich tradition of community organizations and volunteerism working together for the greater good. In 2016, MNAA raised \$50,000 for *Japan-America Society of Tennessee's Nashville Cherry Blossom Festival*, the *National Museum of African American Music* and the *Nashville Public Library Foundation* through its annual Aviation Golf Classic. MNAA employees contributed more than \$42,500 toward the *Metro Employees Consolidated Charities Campaign*, and MNAA continued its ongoing relationship with *Donelson Middle School* as a *PENCIL Partner*. MNAA staff serve on boards of public service organizations, and volunteer for hundreds of Tennessee nonprofit and charitable organizations. They want to do more than just their job—they desire to extend their hands and help fellow Nashvillians in need.



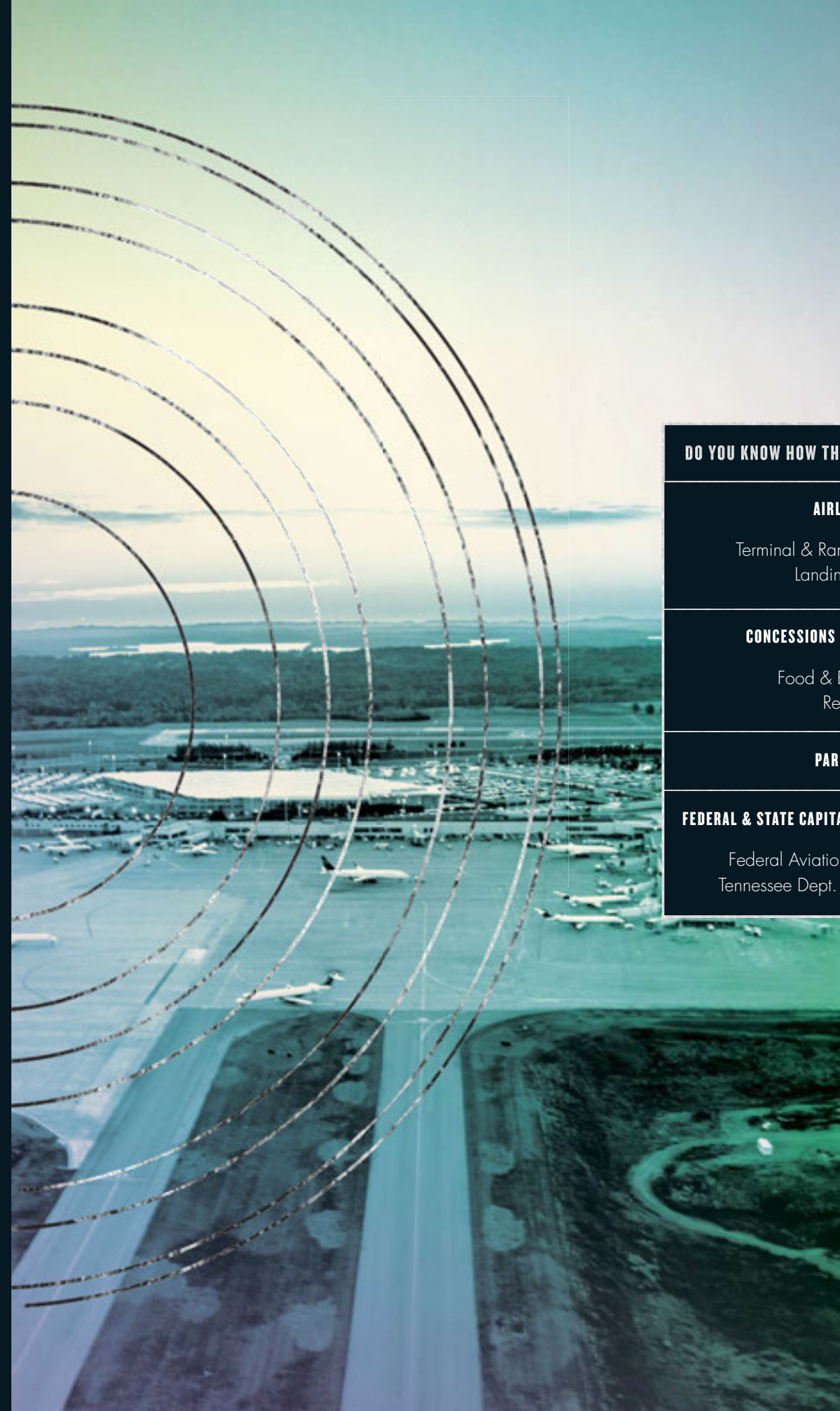
TRANSFORM

Look ahead. Anticipate needs. Make bold decisions to create something better. In July 2016, MNAA unveiled **BNA Vision**—a major growth and expansion plan to accommodate the region’s booming population growth and BNA’s record-breaking passenger increases. *BNA Vision* is an innovative undertaking, calling for a new six-story parking facility, expanded ticketing and baggage areas, new gates and increased concourse capacity, among other changes. The grand lobby, state-of-the-art International Arrivals Building, and potential for an on-site hotel and multi-modal transit option are evidence that MNAA is anticipating world travelers arriving in Nashville for decades to come. Because of MNAA’s self-sufficient financial strength, *BNA Vision* will be completed with no local tax dollars and phased-in over the next five to seven years. **The time is now, and with BNA Vision, our future is limitless.**



FINANCIALS

MNAA is financially self-sufficient and does not receive any local tax dollars or state general funds. MNAA relies on user fees and airport revenues to support, operate, maintain and improve facilities at both JWN and BNA.



DO YOU KNOW HOW THE AIRPORT IS FUNDED?

AIRLINES

Terminal & Ramp Rental Fees
Landing Fees

CONCESSIONS & CAR RENTALS

Food & Beverage
Retail

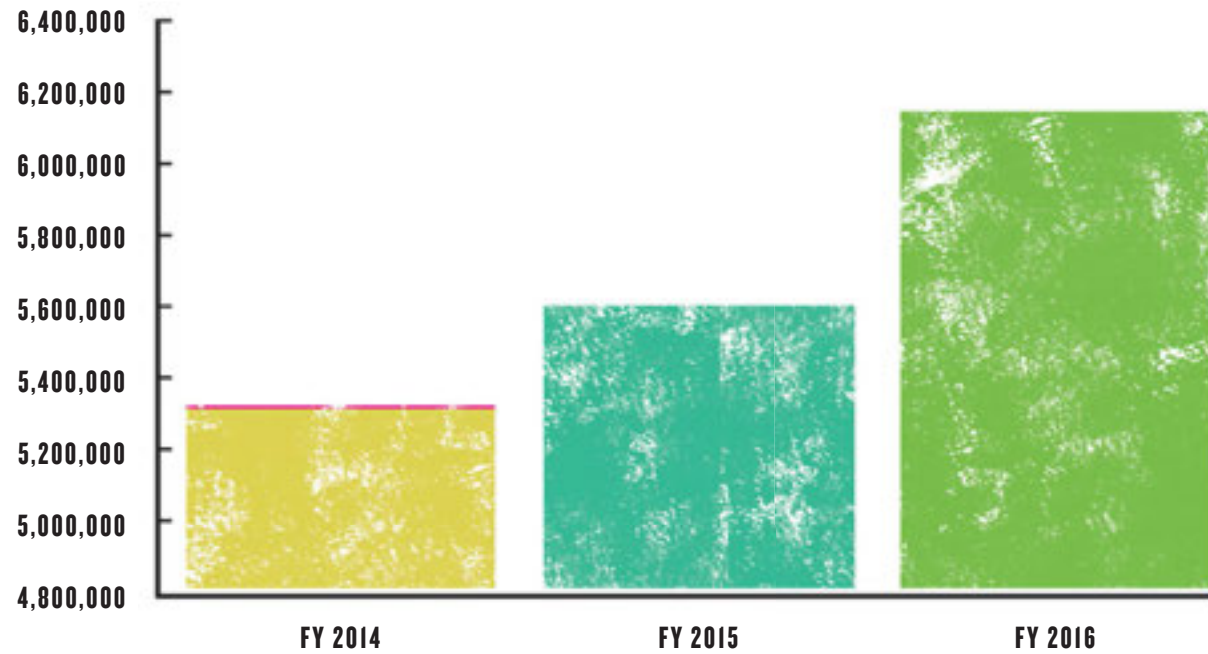
PARKING

FEDERAL & STATE CAPITAL IMPROVEMENT GRANTS

Federal Aviation Administration
Tennessee Dept. of Transportation

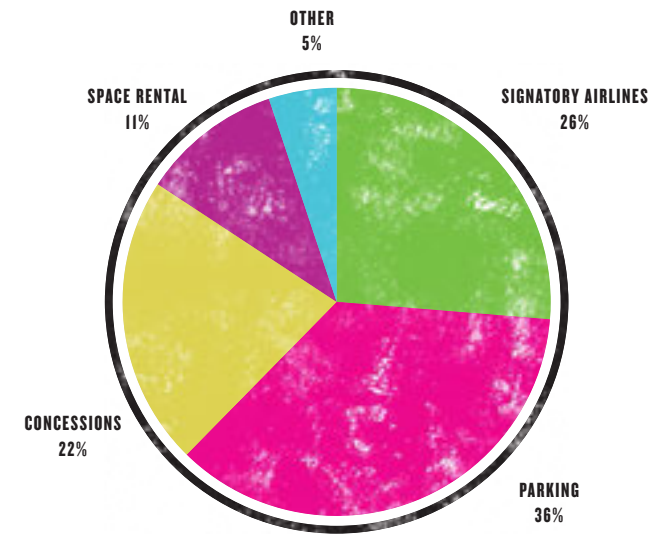
OPERATING ACTIVITIES

ENPLANEMENTS
PERCENT INCREASE OVER PREVIOUS YEAR

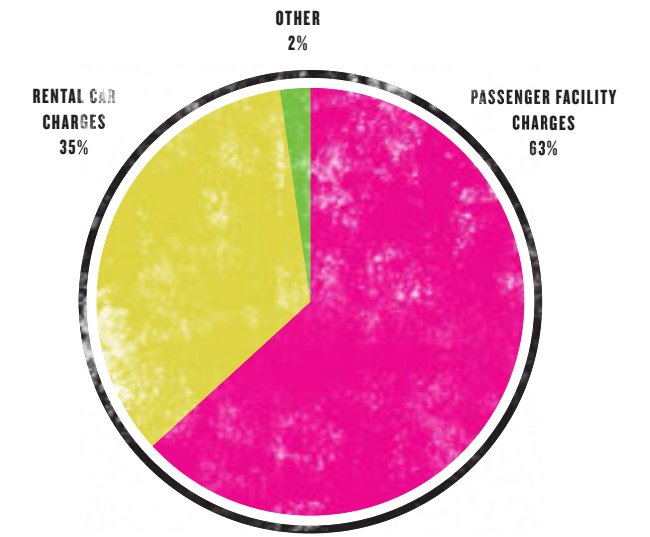


OPERATING & NON-OPERATING REVENUES

FY 2016 OPERATING REVENUES

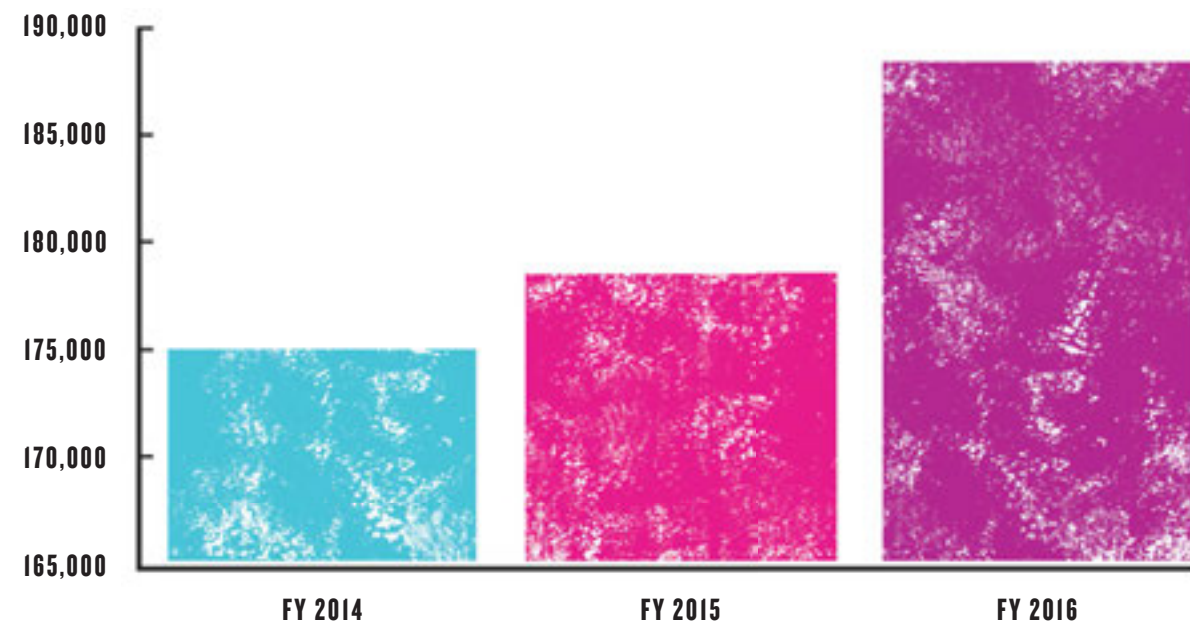


FY 2016 NON-OPERATING REVENUES

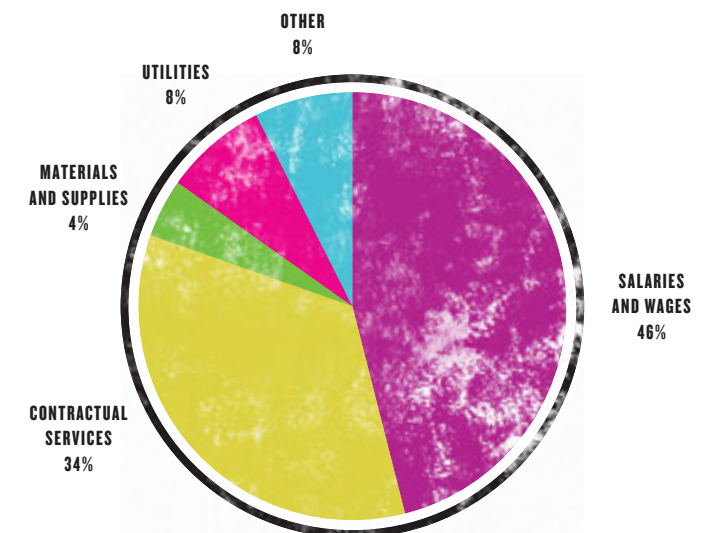


OPERATING EXPENSES

TOTAL AIRCRAFT OPERATIONS (000)



FY 2016 OPERATING EXPENSES



BY THE NUMBERS

NASHVILLE INTERNATIONAL AIRPORT

4 RUNWAYS

12 AIRLINES

MORE THAN 50 NONSTOPS

440 DAILY FLIGHTS

45,423 TONS OF CARGO IN FY 2016

MORE THAN 12.2 MILLION PASSENGERS IN FY 2016

888,000 SQ FT OF TERMINAL SPACE

JOHN C. TUNE AIRPORT

4 EXECUTIVE HANGARS

125 T-HANGARS

8,000 SQ FT OF OFFICE SPACE

21K & 18K SQ FT CLEAR SPAN HANGARS

38,000 SQ FT OF AIRCRAFT PARKING AND APRON SPACE





FLYNASHVILLE.COM



Metropolitan Nashville Airport Authority™

ONE TERMINAL DRIVE | SUITE 501 | NASHVILLE, TN 37214-4114 | (615) 275-1600

