THE SPORTS AUTHORITY OF THE
METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY

FINANCE COMMITTEE MEETING - MINUTES

150 2ND AVENUE NORTH, NASHVILLE 37201 ~ CONFERENCE ROOMS 215/216
WEDNESDAY, JULY 16, 2025 ~ 10:30AM

Attendees

Finance Committee Members: Dan Hogan (Chair), Aaron McGee (Secretary/Treasurer-Board of Directors), Don Deering
Board Members: Jad Duncan (Vice-Chair), Russ Pulley, Emmett Wynn
Staff: Monica Fawknotson (Executive Director), Valda Barksdale, Brandon Little, Melissa Wells, Josh Thomas (Metro Legal), Sam Keen (Metro Legal)
Visitors: Kevin Brown (Metro Finance), Jon Cooper (Predators), Keith Hegger (CFO, Predators), Heather Hill (Cumming Group), Shannon Myers (SVP & CFO, Titans), Doug Scopel (Sounds)

Call to Order
Finance Committee Chair Dan Hogan called the Finance Committee meeting of the Sports Authority to order and welcomed all in attendance.

Public Comment Period Pursuant to TN Open Meetings Act, Tenn. Code Ann. § 8-44-101
There were no sign-ups for public comments.

Consider Approval of March 20, 2025 Finance Committee Meeting Minutes
Chair Hogan asked if there were questions or comments pertaining to the March 20, 2025 meeting minutes. There being none,

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously approved the March 20, 2025 Meeting Minutes.

Consider a Resolution Authorizing Reimbursement of Funds to Powers Management, LLC for Costs Associated with Hosting the 2025 SEC Tournament

Keith Hegger, CFO, Predators, reported on the success of the SEC Men's Basketball Tournament. The tournament included two new teams this year and one additional session which bolstered over 100,000 attendees, the largest attendance to date. A few other tournament highlights included 14 out of the 16 teams advancing to the NCAA tournament and the ESPN Selection Sunday Show broadcast from the Bridgestone Arena Plaza showcasing downtown Nashville.

Mr. Hegger noted that the 2025 Invoice Packet requesting reimbursement of $1,417,611 for 2025 SEC Tournament expenses will come from the bottom-line of the Waterfall Agreement.

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously approved the Resolution Authorizing Reimbursement of Funds to Powers

Management, LLC for Costs Associated with Hosting the 2025 SEC Tournament.

Consider a Resolution Approving both the First Amendment to the Lease Agreement for Bridgestone Arena and the First Amendment to the Southeastern Conference Basketball Tournaments Agreement

Mr. Hegger additionally reported that the proposed amendments have been requested to address expenses associated with the addition of two teams, an additional session, continued increase in labor markets and cost, labor market changes, and to stay competitive. The request today is to both agreements to address current, as well as anticipated, increases in expenses. Executive Director Fawknotson reminded the group that the lease agreement involves four parties: Sports Authority, Powers Management (Predators), Nashville Sports Council and Nashville Convention & Visitors Corporation. All four parties will be required to sign the proposed amendment. Director Deering requested clarification of the Nashville Sports Council's (NSC) tournament involvement to which Executive Director Fawknotson reported Bridgestone Arena is the host of the tournament and NSC is hired by the SEC to run the tournament.

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously approved the Resolution Approving both the First Amendment to the Lease Agreement for Bridgestone Arena and the First Amendment to the Southeastern Conference (SEC) Basketball Tournaments Agreement

Discussion and Consideration of Potential Amendments to the Executive Director's Contract

Director Deering reported that during the Personnel Committee meeting earlier that morning, the following proposed amendments to the Executive Director's contract were considered:

1. Change annual salary to $235,000
2. Change title from Executive Director to President/CEO
3. Extend contract to one additional year to expire on October 31, 2029

The recommended amendments are based on staff research and comparisons of other similar Sports Authorities. Additionally, the recommended changes are the result of additional responsibilities (there are now seven facilities, including a major construction project of the New Nissan Stadium), correction of delays in previous salary adjustments. Metro Legal has reviewed the proposed changes.

The funding needed to cover the additional salary and benefits will come from Fund 30289 and there are sufficient funds available. Chair Hogan reiterated that the Sports Authority is in a good position to maintain the supplementary compensation on an annual basis.

Legal Counsel Thomas noted as a point of consideration, that the bylaws reference President only-not CEO, and given the Sports Authority is a nonprofit, a CEO title may not be appropriate. Director Deering concurred. Director McGee questioned whether removing the CEO title will impact the new salary recommendation to which Chair Hogan indicated it will not.

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously approved recommendation of the following amendments to the Executive Director's Contract:

1. **Change annual salary to $235,000**
2. **Change title from Executive Director to President**
3. **Extend contract for one additional year to expire on October 31, 2029**
4. **Changes to be retroactively effective July 1, 2025**

Consider a Resolution Approving Expenses Related to Sports Authority Staff and Board Member Professional Development

Executive Director Fawknotson reported that the Finance Committee is asked to consider a resolution approving funding for professional development for both staff and board. Staff recommends that an amount equal to 3-4% of staff salaries be allocated for Professional Development funding with an additional $1,500 designated for Sports Authority Board Lunch & Learn opportunities. She noted that the Personnel Committee recommends approval and the full board will consider the resolution during tomorrow's meeting. The proposed resolution requests an amount not to exceed $20,000 for FY26 from the Waterfall Fund 30289.

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously recommended approval of a Resolution Approving Expenses Related to Sports Authority Staff and Board Member Professional Development.

Consider a Resolution Authorizing Expenses Paid to Capital Project Solutions, Inc (CPS) for Services Related to Sports Authority Obligations at First Horizon Park and Authorizing Future Emergency Maintenance Expenses

Executive Director Fawknotson reported that recently staff, on a game day, was made aware of several exposed irrigation lines outside of First Horizon Park on property owned by the Sports Authority. Recognizing the urgency due to trip hazards, staff contacted Capital Project Solutions (CPS) which came out the following day to pull the irrigation lines with help from Brandon Little, Special Events Coordinator, and Sounds staff. The Finance Committee is asked to consider the resolution which authorizes reimbursement of expenses to CPS in the amount of $1,940 for the removal of the lines. The resolution also authorizes funding for future emergency maintenance expenses related to Sports Authority obligations in an amount not to exceed $5,000 per incident.

Upon a motion made by Director McGee and seconded by Director Deering, the Finance Committee unanimously recommended approval of a Resolution Authorizing Expenses Paid to Capital Project Solutions, Inc (CPS) for Services Related to Sports Authority Obligations at First Horizon Park and Authorizing Future Emergency Maintenance Expenses

Consider a Resolution Approving the Redetermination of the Pro Rata Funding Percentages as Provided in the Construction Funds Trust Agreement (CFTA) for the New Enclosed Football Stadium

Legal Counsel Thomas led the discussion by referencing a letter from Bass Berry & Sims who served as Bond Counsel on the New Enclosed Football Stadium. The letter explains that the CFTA establishes funding percentage contributions from the State, Sports Authority, PSL sales and StadCo/Titans. These monthly contributions pay for stadium construction costs and are funded through pro-rata draws from each funding source. Because the PSL funds have earned significant interest and are well in excess of the amount that originally determined the pro-rata funding percentage for the PSL account, StadCo is proposing the following remedy: First: Pause all draws from the State, Sports Authority and StadCo until all PSL Funds have been spent. Second: Once all PSL funds have been spent, pro rata funding will revert back to the original percentages.

Shannon Myers, SVP & CFO, Titans added that this reordering does not change the amount funded by the Sports Authority, nor does it accelerate its contributions and it will not limit StadCo's obligation to fund its share of construction cost. Pausing withdrawals from the other sources may benefit them by allowing those sources to gain interest. Director Hogan inquired about the amount of the surplus to which Ms. Myers stated it is over $10m and earns monthly interest. Vice-Chair Duncan requested clarification regarding the source of the surplus to which Ms. Myers stated it is due to the interest gained as well as acquiring the PSLs from the Sports Authority earlier than anticipated.

Director Pulley requested clarification regarding the bonds issued to which Counsel Thomas stated the bonds issued by the Sports Authority were Revenue Bonds and those issued by the State were General Obligation Bonds.

Upon a motion made by Director Deering and seconded by Director McGee, the Finance Committee unanimously recommended approval of a Resolution Approving the Redetermination of the Pro Rata Funding Percentages as Provided in the Construction Funds Trust Agreement (CFTA) for the New Enclosed Football Stadium

Adjourn

Chair Hogan noted that Finance Committee recommendations will go before the full board for final approval during tomorrow’s meeting at GEODIS Park.

There being no other business the committee adjourned.

Respectfully submitted, Valda Barksdale, The Metro Sports Authority
Audio File Path:
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