



louisville arena authority

**Board of Directors
November 17, 2025
9:00 am EST**

In Person and Zoom Meeting

MINUTES

Directors in Attendance: Mr. Nick Bhatta, Mr. Duran Hall, Ms. Emma Hutchens, Ms. Kristin Pichel, Mr. Deepak Tiwari, Dr. Dawn Wade, Ms. Nicole Yates, President Brent Ackerson, Chair Leslie Geoghegan, Vice Chair Darrin McCauley

Directors Absent: Mrs. Shannon Cales, Ms. Rhonda Hatfield-Jeffers, Ms. Seema Singal, Mr. Marcus Withers

Consultants and Staff: Mr. Eric Granger, KFC Yum! Center General Manager; Mr. Chris Reece, KFC Yum! Center Finance Director; Mr. Charles Wilkerson III, KFC Yum! Center Marketing Manager, Mrs. Quaja Wimbleduff, KFC Yum! Center Sales Manager; Mr. Brian Gaskill, Sodexo Live! Regional Vice President; Mr. John Egan, General Counsel; Mr. Chip Sutherland, Baird; Mr. Michael Oldiges, Baird

Welcome: Chair Geoghegan

Roll Call: Ms. Quaja Wimbleduff

Chair Geoghegan declared a quorum and convened the meeting.

DISCUSSION ITEM: Acknowledgement of Past Board

Chair Geoghegan thanked Dr. Jody Prather for his service to the board for the past two years and for leading the Strategic Planning Committee.

DISCUSSION ITEM: Acceptance of September 15, 2025, Minutes

Chair Geoghegan asked for a motion to approve the minutes from the September 15th board meeting. A motion to approve the minutes as presented was made by Ms. Emma Hutchens and seconded by Ms. Kristin Pichel. The motion passed unanimously.

DISCUSSION ITEM: Dean Dorton Report

Simon Keemer and Lizzie Gar of Dean Dorton presented the financial review of AEG Management - Louisville for the fiscal year ending on June 30, 2025. They presented an overview of an

unmodified clean opinion, signifying the review went well. A more detailed review was given to the Finance Committee last Friday.

The Finance Committee brought forth a motion to approve the Dean Dorton AEG Management – Louisville financial review. Since the motion was coming from a committee, it did not require a second. Chair Geoghegan called for discussion. Hearing none, the vote was taken, and the motion passed unanimously with no abstentions.

DISCUSSION ITEM: Strategic Planning Committee

Chair Geoghegan gave an update stating that Forward Associates is reviewing collected data and developing options for the arena. Weekly or semi-weekly meetings are being held with internal teams to discuss various options and fine-tune questions to determine what will or will not work. Forward Associates is planning a January site visit aligned with the Board meeting to present progress and preliminary recommendations. Forward Associates was also asked to provide a high-level estimate of four-year implementation costs, with clearer revenue offsets anticipated at the next meeting.

Mr. Granger stated that the arena operations team is coordinating with Forward Associates to align timing and goals of the current five-year CapEx plans with potential renovation project phases as well as to capture efficiencies. Forward Associates is planning a site visit in January, coinciding with UofL men's and women's basketball games, which is an important part of their evaluation process. They plan to observe fan circulation and food and beverage access during both basketball games to support their understanding of the similarities and differences among all event types.

Dr. Wade asked about the Strategic Planning Committee process for selecting recommendations to implement for not only the current needs of the arena but also for the future. Survey results will be analyzed to understand fan preferences and anticipated spending levels by type of experience. Forward Associates will also provide recommendations based on trends, informing concept development and revenue projections. Multiple options may be proposed for each space, with some eliminated based on feasibility, cost, or limited impact. While not all concepts will directly generate revenue, each should enhance revenue potential and / or the fan experience.

DISCUSSION ITEM: Financial Report by Legends Global

Mr. Eric Granger reported on the financial performance of arena operations for August and September 2025. August had 3 concerts as budgeted and concluded with a net operating profit of \$105K, representing a positive variance of \$133K, driven by administrative savings and the Shane Gillis overperforming in both ticket sales and food and beverage. September event activity was limited due to a concert cancellation, with three volleyball games, and a four-day LTD Summit. Based on their positive experience, the LTD Summit has been rebooked for next year. The month ended with a negative variance to budget of \$137K due to the concert cancellation and volleyball attendance being below budget. Year-to-date the arena is at a \$37K positive variance. Looking at the rolling forecast, based on the first 3 months of actuals and forecasted projections for the rest of the year, the arena is projected to close the fiscal year approximately \$55K above budget due to the event mix, the number of confirmed events, and increased basketball attendance.

Chair Geoghegan explained that Other Income on the AEG Management income statement includes interest income generated from advanced ticket sales which create cash balances that earn interest. Stock Yards Bank was recently able to provide a higher interest rate on nightly sweep of our operating account. Chair Geoghegan emphasized to the Board that there is an ongoing focus on optimizing as many sources of income as possible.

Discussion followed about the process to determine what concession stands are open for certain events.

The LAA annually asks Legends Global to prepare a five-year CapEx forecast based on the existing thirty-year capital plan, updated for current conditions, completed work, and asset life cycles. Projects completed or underway for 2025 are identified in the plan. The forecast focuses on years 2026–2030, with higher costs anticipated in 2030 due to many assets having a 20-year life expectancy. The forecast also includes a projected budget for the Guest Experience Project investments tied to the strategic planning initiative, with all projects remain subject to Board approval. Chair Geoghegan stated these figures are high-level estimates, with plans to refine numbers over the next three to six months. The five-year CapEx forecast does not include potential redundancies related to the Guest Experience Project, where some CapEx projects could be integrated into those plans. Actual savings will be realized once specific projects are prioritized and initiated. The forecast does not yet account for potential revenue from the Guest Experience Project. Revenue opportunities will be included in the models the Board will consider when making decisions regarding the Guest Experience project.

DISCUSSION ITEM: Finance Report for LAA

Mr. Chip Sutherland presented the LAA Finance Report. Mr. Sutherland and Chair Geoghegan met with the Department of Revenue to get feedback on the 2024 TIF. The two-square-mile arena TIF footprint saw a 2% increase in the 2024 sales tax base, exceeding the state average and yielding an increment of \$17.1 million in sales tax revenue to the LAA. Property tax is projected to be slightly up, with final audit number expected by early December. The Department of Revenue categorizes the TIF contributors into four categories: top 50 producers, hotels, restaurants, and all others. The Board received the TIF payment in November 2025 for the increment from January 1, 2024 to December 31, 2024. The top 50 contributed \$17 million of \$38 million total in sales tax in the TIF, while hotels and restaurants together accounted for about \$16 million which was almost twice as much as it was in 2012, highlighting the impact of the arena on downtown activity and tourism. The feedback from the Department of Revenues allowed the Finance Committee to better project the 2025 TIF amount for the FY2026 budget.

LAA revenues are slightly off budget due to timing of sponsorship revenue; however, interest income is exceeding budget, with year-end projections anticipating more than a 65% positive variance. The \$13 million CapEx investment, primarily related to the roof project, drives the reported negative cash flow year-to-date. The CapEx plan for 2025-2030 includes both routine facility needs and projected guest experience investments. Approximately \$130 million in CapEx is planned over the next six years, to be funded with arena cash rather than new debt. The LAA

has approximately \$46 million in the Excess Net Cash Flow Account and \$19 million in the Renovation and Replacement Fund. Overall, current results reflect strong management, with interest income being reinvested into critical capital projects.

The LAA will make a December 1, 2025 debt service payment of approximately \$13.1 million, reflecting \$5.8m for principal and \$7.3 for interest. As a reminder to the Board, TIF funds can only be used for debt service, while revenues from Metro, UofL, and the arena may be used for debt service, capital, or operations. Currently, non-TIF revenues help cover the portion of debt service not funded by the TIF, with remaining funds directed to capital needs. Once TIF revenues exceed debt service requirements, excess amounts can be applied to prepay debt, as they cannot be used for other purposes. This approach will be presented to the State Legislative Committee in December.

Updated financial modeling shows sufficient funding even after debt payoff, with continued balances in the Repair and Replacement Fund for the following 10 years and ongoing arena revenues supporting self-sufficiency. The model extends through 2052 and does not fully include additional potential revenue sources that should be realized through the Guest Experience Project. The goal is to balance investments and debt repayment while ensuring long-term sustainability without requiring additional funding from the state or city. Even with these assumptions, the model still shows the ability to shorten the debt term by one year. Overall, the forecast suggests that while the arena required government support to be built and stabilized, it can become self-sustaining over time and ultimately return TIF revenues to the State / Metro for other uses once the debt is retired.

Mr. Sutherland presented the proposed LAA 2026 Budget. A motion to approve comes from the Finance Committee, needing no second. After brief discussion, Chair Geoghegan called for the vote, which passed unanimously with no abstentions.

DISCUSSION ITEM: Executive Session

Chair Geoghegan informed the Board that there was a need to go into Executive Session. Mr. John Egan cited that under KRS 61.810(1)(n) the Board could go into Executive Session to evaluate proposals for procurement which has been reviewed and approved by the Procurement and Finance Committees for consideration by the Board. A motion was made by Ms. Pichel and seconded by Ms. Hutchens to go into Executive Session. The motion passed unanimously, and the meeting moved to Executive Session.

The Board came out of Executive Session at 10:35 am.

DISCUSSION ITEM: Procurement Committee Recommendations

Chair Geoghegan presented the motions from the Procurement Committee and Finance Committee which recommended awarding contracts related to certain CapEx projects. Mr. Granger reviewed those proposals with the Board. Chair Geoghegan called for any further discussion which there was none. The vote was called and passed unanimously.

DISCUSSION ITEM: 2026 Board and Finance Committee Meeting Dates

Chair Geoghegan presented the Board with a list of proposed meeting dates for the Board and the Finance Committee for 2026. A motion to approve the 2026 meeting dates as presented was made by Ms. Emma Hutchens and seconded by Ms. Kristin Pichel. The motion passed unanimously.

DISCUSSION ITEM: General Counsel

No General Counsel update per Mr. Egan.

DISCUSSION ITEM: Marketing & Events Update

Mr. Charles Wilkerson III provided a marketing update highlighting recent milestones and upcoming initiatives at the KFC Yum! Center. Nate Bargatze set a new all-time attendance record for a comedy show at the arena, surpassing the previous record established by Shane Gillis two months earlier.

The arena also celebrated its 15th Anniversary with a series of events. A Plaza Party was held on October 10 in conjunction with the Zach Top concert and featured a happy hour garden, live music, and a 15th anniversary toast. In addition, a Stakeholders & Supporters reception took place in the Spirit Room on October 24, bringing together past and current LAA Board members and key partners to reflect on the past fifteen years and look ahead to continued growth, economic impact, and memorable events.

As part of the anniversary celebration, the KFC Yum! Center launched its season of giving. On November 23, the arena will host its 15th Birthday Bash: Movie & More, featuring a free screening of *The Grinch* along with fun activations, including an appearance by a Harlem Globetrotter, face painting, balloon artists, and a food drive. The arena team will also volunteer with Wayside Christian Mission on December 2 and December 3 to serve meals and assist in the warehouse. Additionally, the arena will host a Winter Weather Collection on December 17 during the UofL Women's basketball game.

Mr. Granger provided a roof update, noting that the main roof is nearly 100% complete and the three lower roofs are expected to be completed within a week. Work will begin this week on the north end metal roof, with a media advisory issued last Friday regarding the new metal panel system and related lane closures. The new panels echo the look of bourbon barrel staves, improve durability, help prevent leaks, and provide a more modern profile. This new roof is covered under the thirty-year warranty. The project is anticipated to be completed by mid-January, pending weather.

Upcoming events at the KFC Yum! Center include two Billy Strings shows, Lindsey Stirling, The Harlem Globetrotters, We Them Ones Comedy Tour, Cody Johnson, WWE SmackDown, Winter Jam, Matt Rife, Brandon Lake, Ringling Bros. Circus, and "Weird Al" Yankovic. Additional

events include Playbook Sports in February, WGU Commencement on June 6, and the NCAA Men's First and Second Rounds in March, 2027.

Mr. Brian Gaskill provided a Sodexo Live! update. Sodexo Live! partnered with Ali Hinke at the Superstar Market Cherry Pickins' to provide 150 meals to families in need for Thanksgiving. The Hall of Honor in the Jim Host lobby was transitioned into the Cardinal Collective Team Store, featuring NIL merchandise, custom jerseys, and a variety of other merchandise. The store generated \$23,000 in revenue during its first week, exceeding the performance of the prior store in Section 119. The former team store on the main concourse was converted into a Fastbreak Grab & Go, generating approximately \$12,000 during its first three events. Additionally, Sections 102 KFC and 120 Pizza Hut were converted to self-order and pickup locations using Tapin2 technology, improving throughput and service speed, though transaction data is limited due to the small number of events. Sodexo Live! also established new partnerships with Please & Thank You, In-Season Harvest Kitchen, and Summer Snow Shaved Ice, and, in conjunction with Learfield, added partnerships with Goodwood Brewing Co.'s 1798 and Surfside Vodka & Iced Tea. Finally, a new YETI program was launched, offering branded UofL dunking bird YETIs in three colors, with 740 units sold during the first game, generating \$43,000 in revenue.

DISCUSSION ITEM: Adjournment

Chair Geoghegan entertained a motion to adjourn. A motion was made by Dr. Dawn Wade and seconded by Vice Chair McCauley to adjourn the meeting. The motion passed unanimously with no abstentions. Chair Geoghegan adjourned the meeting at approximately 10:50 am.

Respectfully submitted,

Nicole Yates