



louisville arena authority

Board of Directors

January 26, 2026

9:00 am EST

In Person and Zoom Meeting

MINUTES

Directors in Attendance: Mr. Tommy Floyd, Mr. Duran Hall, Ms. Rhonda Hatfield-Jeffers, Ms. Emma Hutchens, Mr. John McConnell, Ms. Kristin Pichel, Ms. Seema Singal, Dr. Dawn Wade, Ms. Nicole Yates, Councilmember Kevin Kramer, Vice Chair Darrin McCauley, Chair Leslie Geoghegan

Directors Absent: Mr. Nick Bhatta, Mrs. Shannon Cales, Mr. Deepak Tiwari, Mr. Marcus Withers

Consultants and Staff: Mr. Eric Granger, KFC Yum! Center General Manager; Mr. Chris Reece, KFC Yum! Center Finance Director; Mrs. Sandra Moran, KFC Yum! Center Marketing Director; 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: Mr. Eric Granger

Chair Geoghegan declared a quorum and convened the meeting.

DISCUSSION ITEM: Acknowledgement of New Board Members

Chair Geoghegan welcomed three new Board members, Tommy Floyd, Councilman Kevin Kramer, and John McConnell. Each new Board Member introduced themselves.

DISCUSSION ITEM: Acceptance of November 17, 2025, Minutes

Chair Geoghegan asked for a motion to approve the minutes from the November 17th Board meeting. A motion to approve the minutes as presented was made by Mr. Duran Hall and seconded by Ms. Emma Hutchens. The motion passed unanimously.

DISCUSSION ITEM: Financial Report by Legends Global

Mr. Christopher Reece reported on the Financial performance for arena operations during October 2025 and November 2025. In October the arena hosted 3 concerts, 3 family shows, and 2 University of Louisville Men's Basketball exhibition games. The arena finished October with a

\$579K net operating profit - a positive variance to budget of over \$96K. Year-to-date, the October income statement had a \$13K net operating profit - a positive variance to budget of \$133K. Overall, it's a \$339K positive variance to this time last year. Some of the notable variances include reimbursable event expenses. The team budgeted conservatively in that category, which can occasionally result in fluctuations. The \$60,000 negative variance in food and beverage revenue reflects the required profit share to UofL related specifically to the Kansas exhibition game. It's not typical to budget for an exhibition matchup of that scale.

In November the arena hosted 3 concerts, 6 University of Louisville Men's basketball games, 6 University of Louisville Women's basketball games, and 1 University of Louisville Women's Volleyball game. The arena also hosted three community events, including Norton's Movie Night, which was the largest movie night to date. November ended with a \$107K net operating profit - a positive variance to budget of \$92K. Year-to-date, the November income statement had a \$120K net operating profit - a positive variance to budget of \$225K Overall, the performance YTD was just slightly less to this time last year. Another notable variance related to UofL's revenue share, due to six well-attended basketball games. The positive administrative expense variances reflect staff openings, operational efficiencies, and cost-cutting measures that have been implemented.

The arena is expected to end the fiscal year with around a \$1,764,000 Net Operating Profit, which is a negative budget variance of \$42K. Mr. Granger and Mr. Reece reevaluate fiscal year-end projections prior to each Board meeting. Their review involves approximately 60 events, analyzing attendance history, ticket sales trends, and current booking status. Naturally, some events do not materialize as anticipated, while others are added. One of the most significant examples previously discussed was the Jonas Brothers concert scheduled for January. That event did not move forward due to scheduling conflicts related to one member's film commitments, which prevented tour dates from aligning. That cancellation is reflected in the variance. There is the normal number of TBDs in the forecast for this time in the budget year.

Councilman Kevin Kramer inquired about the Jonas Brothers cancellation. Mr. Granger explained that the arena held a date for the Jonas Brothers with the understanding that it was a confirmed concert; however, the event ultimately did not move forward. No compensation or revenue was lost because of holding the date. If another event had been prepared to confirm that same date, the arena team would have issued a 24-hour notice requiring confirmation from the Jonas Brothers or released the date to the challenging event.

DISCUSSION ITEM: Marketing & Events Update

Mrs. Sandra Moran gave the marketing and event recap for calendar year 2025.

- The KFC Yum! Center had over 792K people in attendance, \$16.7 million in gross ticket sales (Non-UofL), and 113 events in 2025.
- The KFC Yum! Center had nine sold out concerts.
- Brooks and Dunn and Kid Rock were two back- to-back full arena sellouts. The concerts were the top performing stop on their entire tour.
- In April 2025, the KFC Yum! Center hosted the first-ever LOVB Finals.

- The KFC Yum! Center hosted the second-largest WWE Raw event, May 12, in the arena's history with over 10,000 fans.
- The arena had two major milestones in comedy shows:
 - In August, Shane Gillis broke the all-time venue record for the top-selling comedy show ever. It broke the three-year-old record set in 2022.
 - Two months later, in October, Nate Bargate shattered that record. It was the highest-selling comedy event that the arena ever hosted, drawing more than 19,000 fans.
- The arena hosted two Norton's Movie Nights: Shrek on March 30th and The Grinch on November 23rd. November Norton's Movie Night was the largest movie night the arena has hosted.
- The KFC Yum! Center celebrated its 15th Year Anniversary:
 - Zach Top 15th Anniversary Concert
 - Announced a \$100 million renovation plan over the next five years
 - Launched the largest capital project, Full Roof Replacement, ever approved by the LAA Board
 - Initiated a fall 2025 market study to reimagine the arena's future
 - Engaged Forward Associates for the first major long-term planning project since 2010.
 - The University of Louisville basketball teams have played a major part in the arena's first fifteen years:
 - The UofL Men's Basketball team has welcomed more than 4.5 million fans over the past fifteen years, not including the 2025-26 season.
 - Attendance at the UofL Women's Basketball team games is ranked among the top ten in the country every year.
- One of the key advantages Legends Global brings to the venue is its Insights platform. This program enables the arena staff to better understand its' customers and identify opportunities for improvement. Following each event, a post-event survey is distributed to all ticket holders, measuring the entire customer journey, from arrival in the city through their experience inside the venue and departure.
 - The KFC Yum! Center ranks very highly amongst the Legend's Global portfolio.
 - The arena is one of the top large arenas as far as customer ratings.
 - The arena has an 88% positive guest satisfaction.
 - The KFC Yum! Center has a 4.60 in Google Review and is shown as "Best in Class."
 - The arena received a 39 Net Promoter Score (NPS), which is a strong result within our industry. The slight decline this year was primarily attributable to isolated audio-visual and sound issues related to touring production elements.
 - The KFC Yum! Center scores highly across nearly all measured categories in the survey. Food and beverage value scores slightly lower, which is consistent with broader industry trends regarding pricing perceptions.
 - The surveys are a valuable resource that the arena team reviews carefully and uses to guide policy updates, operational improvements, and enhance overall performance.
- The KFC Yum! Center participates in a programmatic advertising initiative with Legends Global that runs ongoing campaigns to promote events at the venue. The program has

delivered strong results, including a 12x return on spend and \$248,000 in ticket sales over the past six months through prospecting and retargeting ads

Upcoming events at the KFC Yum! Center includes three sold-out shows: Cody Johnson, Megan Moroney, and Forrest Frank. Riley Green has sold out the lower bowl and has opened upper bowl seats. The arena is hosting Matt Rife for the first time. Disney on Ice returns the KFC Yum! Center. Ringling Bros. Circus has returned for the first time in over a decade. Two of our top selling events right now are Christian concerts: Brandon Lake and Forrest Frank. The arena has noticed a spiked in attendance and overall performance for Comedy and Christian events.

Ms. Moran highlighted key Sodexo Live! food and beverage 2025 successes. Top-grossing events included Brooks & Dunn, Kid Rock, UofL vs. Kentucky, UofL vs. Pittsburgh, and Shane Gillis. The highest per caps were Kid Rock, Brooks & Dunn, Billy Strings (both nights), and Zach Top. The arena sold over 11,000 bottles of alcohol and exceeded 31,000 self-checkout transactions, reflecting growth from expanded self-checkout locations. The top selling items include KFC and Pizza Hut. Most notably Sodexo Live! through the NPO (not for profit groups) partnership program supporting local nonprofits that staff events, nearly \$800,000 has been donated back to the community

Chair Geoghegan asked Mr. Granger for a roof update. Substantial completion for the roof is targeted for this Thursday (1/29/2026), though it may be pushed back with the cold weather we are currently experiencing. The roof is nearly 100% complete, with only a small section above the team store remaining due to recent scaffold removal. That work will be finished this week and primarily consists of punch-list items, with a few tasks deferred until warmer weather in early spring.

This Thursday (1/29/2026) was scheduled to be the final crane operation requiring the closure of Third Street, after which the crane will be disassembled and removed. The crane removal will likely be pushed to next week due to the weather. Overall, the project is nearing completion and remains 100% on budget. We have received favorable comments on the look of the new roof.

DISCUSSION ITEM: Finance Report for LAA

Mr. Chip Sutherland presented the LAA Finance Report.

The Finance Committee has been working with Standard & Poor's on the forthcoming rating update, with expectations of maintaining the arena's current best-in-grade rating.

The primary focus of the Finance Committee meeting was a review of the financials included in the Board packet, comparing the FY25 budget to actual results. The board was reminded that the arena operates on a calendar year while Legends Global follows a fiscal year. The financial overview outlined arena-generated revenues, governmental partner revenues supporting debt service, and how overall profitability contributes to the 30-year Capital Improvement Plan and the Guest Experience Project investment plan.

Arena revenues were budgeted at \$13.9 million and came in slightly under budget due to timing of sponsorship payments, which were received at the end of 2024 but had been budgeted for 2025. Maximizing returns on excess cash flow generated around \$3.9 million in interest income, a positive variance to budget of about \$1.7 million, giving the LAA an important revenue stream.

Capital expenses, including the major roof repair, were budgeted at \$13.6 million, with actuals around \$10.6 due to the billing timeline. Due to the unusually large capital expenses in 2025, attributable to the roof project, the LAA reported a negative cash flow before debt service, yet it was a \$1.4 million positive variance to budget. The UofL supplemental revenue, established under the 2017 amendment to the agreement, was received as anticipated. Metro Government's contribution of \$10.8 million is fixed as part of their annual budget. Notably in the TIF revenue, the sales tax portion of the TIF was about a half a million dollars less than budget. The LAA hasn't received the property tax portion of the TIF yet. The Department of Revenue is responsible for the delay, and the Finance Committee remains in close contact with Commonwealth Department of Revenue Executive Director Gary Morris.

Total debt service for the year was just under \$20.5 million, which includes both interest payments and a scheduled principal payment of approximately \$5.8 million. After incorporating governmental revenues, net cash flow was positive around \$8.7 million, a \$246K negative variance to budget. The annual debt service will continue to increase in future years, from around \$20 million to almost \$30 million.

The income statement has been restructured into two sections. The top section reflects operations of the KFC Yum! Center excluding all TIF-related activity, providing a view of arena operations on a standalone basis. The lower section incorporates the impact of debt service, including TIF revenues, Metro Government contributions, and supplemental UofL payments.

The Renovation and Repair account currently holds \$18.2 million, with additional Excess Net Cash funds available of \$46.8 million. Under the bond indenture, all revenues from the state, Metro, and the arena flow through designated funds. After debt service and capital expenses are met, it may be directed toward debt prepayment, operational support, or renovation repair fund – depending on the source of funds. The projected five-year budget for Capital Expenditures and Guest Experience investments totals approximately \$130 million, inclusive of 2025. This estimate includes a high-level projection for the Guest Experience Project; however, redundancies between the Capital Plan and the Guest Experience Project have not yet been removed, so the total may decrease. This represents the best current estimate.

A summary of the activity within the Renovation & Repair Fund was presented, which included the beginning balance, roof-related expenses from September 2025 through January 2026. The LAA is allowed to make an annual contribution to the Renovation & Repair Fund under the 2017 amendment to the Bond Indenture. The annual contribution specified at \$2.5 million and adjusted for inflation beginning in 2020, means that Maximum Annual R&R Deposit that the LAA can transfer as of 12/31/2026 is \$3.157 million.

The Finance Committee discussed replenishing the Renovation & Repair Fund that was spent on Capex this year by transferring from the excess net cash flow fund, which would increase the R&R balance to roughly \$28 million in anticipation of the investment for the Guest Experience Project.

DISCUSSION ITEM: Motions from Finance Committee

Chair Geoghegan stated that there are two motions coming from the Finance Committee.

The first motion is to transfer almost \$3.2 million from excess funds into the R&R Fund. 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.

The second motion was to transfer \$11,036,747 into R&R Fund from the excess cash flow to replenish the Fund for the 2025 capital distributions. 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. The LAA will have to get final approval from Assured Guaranty prior to making this transfer.

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)(g) the Board could go into Executive Session. A motion was made by Mr. Duran Hall and seconded by Dr. Dawn Wade to go into Executive Session. The motion passed unanimously, and the meeting moved to Executive Session at 9:46 am.

The Board came out of Executive Session at 12:11 pm with no action taken.

DISCUSSION ITEM: General Counsel

No General Counsel update per Mr. Egan.

DISCUSSION ITEM: Adjournment

Chair Geoghegan entertained a motion to adjourn. A motion was made by Ms. Nicole Yates and seconded by Mr. Duran Hall to adjourn the meeting. The motion passed unanimously with no abstentions. Chair Geoghegan adjourned the meeting.

Respectfully submitted,

Nicole Yates