

ITEM : FINANCE COMMITTEE WORK PLAN

2025 Committee Goals and Objectives

1. **Statement of Purpose:** To create a platform for sharing of information among airports that improves the economic health of the airport industry.
2. **Finance Committee Long-term Goal**
Support the ACI-NA strategic initiative to develop a long-term funding strategy for airports to achieve financial autonomy in the face of government policy and regulatory creep, by enhancing the ability of airports to continue necessary infrastructure improvements and communicating the airport value proposition (economic impact, contribution to GDP, jobs, etc.).
3. **Meetings Schedule**
 - a. 19th ACI-NA Airport CFO Summit - February 25-27, 2025 in San Francisco, CA
 - b. 2025 Business of Airports Conference - June 23-25, 2025 in Arlington, TX
 - June 23, 2025 - working group/steering group in-person meeting
 - c. 2025 ACI-NA Annual Conference & Exhibition - October 25-28, 2025 in Toronto, Canada
 - Finance Workshop - October 25, 2025
 - d. Finance Committee Leadership Meeting - December 9, 2025 at ACI-NA Office in Washington, DC
 - e. Finance Committee Steering Group Meeting - December 10, 2025 at ACI-NA Office in Washington, DC
4. **ACRP Project Coordination**
 - a. Prepare ACRP Problem Statements addressing airport financial issues.
 - b. Brief the Committee on upcoming ACRP projects to ensure participation in project panels.
5. **Support ACI-NA Initiatives for Legislative Change**
 - a. Support the campaign to preserve the tax exemption of municipal bonds.
 - b. Support eliminating AMT on airport bonds.
 - c. Support uncapped PFC and PFC program enhancements.
 - d. Support AIP program enhancements.
6. **Communication Platforms**
 - a. Continue monthly CFO calls to facilitate information exchange among airport members.
 - b. Conduct monthly steering group and working group calls to facilitate information exchange among members of the steering group and working groups to continue to advance the 2025 work plan projects.
 - c. Conduct periodic webinars as supplemental information exchange regarding urgent issues or general topics of interest.

- d. Enhance the capabilities and use of the Finance Committee Resource Library as a central place for committee members to access resource materials, sample documents, and survey reports.
- e. Establish liaisons with other ACI-NA Committees to keep abreast of common issues.

2025 Working Group Goals and Objectives

1. Accounting and Financing Working Group

Working Group Chair: Abel Palacios, Dallas Fort Worth International Airport

- 1) Continuously monitor topics at all stages of the GASB's standard setting process to ensure timely communication to ACI-NA Finance Committee members, solicit input, and submit comment letters on issues of particular significance to airports and sharing with the Governmental Accounting Standards Advisory Council (GASAC)
- 2) Provide 1 - 2 continuing professional education opportunities during the year for ACI-NA Finance Committee members.
 - Accounting for Rates and Charges, including discussion on different types of rate models
 - PFC workshop – what is applicable, application process, amendment process. Mike Scott offered to be off assistance for this
 - Capital markets update – Late in the year
 - Revenue Diversion
 - General grant assurance language session
- 3) Commit to continuing dialogues among the working group discussion forum related to accounting and financing issues. In addition, meet at least twice a year with the discussion forum via teams/zoom for hot topics discussion to continue to establish relationships among the working group.
 - GASB 87 feedback session
 - Consider breaking up into small, medium, and large hub breakouts with a focus on small/medium
 - Planted questions specific to different size/hub airports
 - Encourage participation

2. Airport Business Working Group

Working Group Chair: Tony Conza, Tampa International Airport

Objective: To broaden its focus from airport-airline negotiations to encompassing all facets of business planning. The plan includes the following key action steps:

Action Steps:

- 1) Business Terms Survey:

- **Webinar:** Organize a webinar in early 2025 to discuss airport-airline business relations. This session will equip airport sponsors with information to prepare for airline negotiations and provide a platform for airports to share their experiences.
- **Survey Deployment:** Continue the rollout of the 2024-25 business terms survey following the webinar to gather comprehensive data on current practices and trends.

2) Conference Planning:

- **Airline Roundtable:** The working group will maintain its tradition of hosting highly popular roundtable sessions with airlines. These sessions will feature representatives from major domestic carriers, low-cost airlines, and international operators. Anticipated discussion topics include:
 - Economic expectations under the new administration.
 - Recent trends in the airline industry, encompassing both passenger and cargo operations.
 - Current status and future outlook for air travel.
 - Negotiation strategies for airport agreements.
 - Enhancing communication and relationships between airports and airlines.
- **Maximizing Non-Airline Revenues:** The working group will conduct a comprehensive review of non-airline revenue sources. Topics to be explored include:
 - Auditing, optimizing, and improving parking revenues.
 - Evaluating rental car contractual relationships.
 - Strategies to expand terminal food, beverage, and retail revenues.
 - Land and real estate management.
 - Utility cost recovery.
 - Other revenue-enhancing initiatives.

These initiatives are designed to provide valuable insights and practical strategies for airports to enhance their business operations and foster stronger partnerships within the aviation industry.

3. **Financial Regulations and Policy Working Group**

Working Group Chair: Chris Wimsatt, Sacramento County Department of Airports

- 1) Advocate For Federal Policy beneficial to airports in the new Congress and Administration
 - a. Increasing the PFC - Work to quantify the impact of a PFC increase at a system-wide level and develop collateral for communicating to Congress and the Administration.
 - b. Advocate for continued tax-advantaged treatment of airport bonds as Congress takes on the expiration of the 2017 Tax Cuts and Jobs Act, and advocate for an expansion of the allowable use of Non-AMT bonds in an airport context
 - c. Advocate for increased CBP staffing in the federal budget for staffing at airports
- 2) Conduct a panel at the Business of Airports on trends and advancements in UAS and AAM, with a focus on how to charge for use of airport infrastructure.
- 3) Advocate for continuation and expansion of alternative financing, including but not limited to:
 - a. Renewal of TIFIA beyond the pilot that expires in 2025
 - b. Expansion of Public-Private-Partnership opportunities
 - c. AIPP (Airport Investment Partnership Program)

4. Procurement Working Group

Working Group Chair: Julia Hodge, Metropolitan Washington Airports Authority

- 1) Develop a benchmarking survey, reflecting user input on the metrics that would be of most immediate interest and which leverage other industry work, e.g., Airport Purchasing Group, in the area. Metrics may include attrition rate, average salaries at different levels, credentials required of staff, reporting structure, lifecycle timelines, solicitation thresholds, procurement methods, etc.
- 2) Begin development of an ACI-NA data repository for sharing Scope of Works (SOWs)/ Solicitations/ Contracts
- 3) Host a webinar (or two) showcasing innovation/case studies in how airports have used technology to improve efficiency/effectiveness in the procurement process (e.g., invite airports to share lessons learned through recent system implementations, use of AI, etc.) – and one on diversity in procurement. These webinars can be jointly hosted with the Business Information Technology Committee and/or the Business Diversity Committee.

5. Strategic Planning and Performance Management Working Group

Working Group Chair: Ronda Chu, San Francisco International Airport

Objective: Increase the response rate for the annual ACI-NA Financial Benchmarking Survey to support meaningful data collection and analysis

Action steps:

- 1) Content Relevance:
 - Conduct a pulse check to assess whether current metrics should be removed, updated, or expanded to address the evolving operating environment (e.g., impacts of autonomous technologies like Waymo).
 - Engage stakeholders to identify gaps or new areas of interest that align with current priorities.
- 2) Understanding Effort:
 - Gauge the level of effort required to complete the survey.
 - Explore ways to simplify and support the survey process for participants.
- 3) Stakeholder Engagement:
 - Collaborate with the CEO group to disseminate the survey's importance throughout their organizations.
- 4) Incentivize Participation:
 - Develop and implement incentives to boost response rates and engagement.
- 5) Participation Goals:
 - Target 100 U.S. airports and 15 Canadian airports for survey participation.

Data Presentation

Objective: Enhance the utility and accessibility of the data for stakeholders.

Action steps:

- 1) Data Categorization:
 - Develop frameworks to present data [by hub size, O&D vs. connecting, calendar vs. fiscal year, and region, etc] to enhance relevance and usability.

2) Case Studies:

- Showcase real-world examples of how the data has been applied to inform strategic decisions.

3) Insights Sharing:

- Present findings and conduct a deep dive into specific metrics or anomalies to uncover and share the “story” behind the numbers.
- Create dashboards or visualizations that allow stakeholders to explore the data.