

## **ACI Finance Committee Participation Plan**

(Updated January 2011)

1) **Committee Name:**

- a) ACI-NA Finance Committee

2) **Definition:**

- a) Airport Employee - For purposes of this document, Airport employee means a person employed by and airport authority, or by a governmental body (e.g., city, county, port) or an airport third party operator (e.g. BAA) whose job is to provide financial support for the airport.

3) **Committee Purpose:**

- a) To share ideas and exchange information among fellow Airport Finance and Business professionals.
- b) To initiate and complete an Annual work plan of projects that will benefit the Airport industry as it relates to Financial and Airport business matters.
- c) To actively provide the ACI Board and other ACI Committees with input to key financial and business legislative and/or policy matters, and to coordinate selected initiatives.
- d) To assist ACI with the coordination of the Mid Year ACI-NA Conference (currently called the Economics and Finance Conference) each year.
- e) To plan and hold an Airport CFO Summit each year to share ideas and best practices.
- f) To actively support financial benchmarking initiatives so that Airports can be more accurately compared.
- g) To actively support ACRP Finance initiatives and report progress to the Committee.

4) **Committee Officers/Leadership Team:**

- a) **Chair** – One year term; should have a minimum of three years on the Steering Group, and must be an Airport employee.
- b) **Vice-Chair** – One year term; should have a minimum of two years on the Steering Group and must be an Airport employee. The Vice-Chair normally becomes the Chair in the following year subject to an affirmative vote of the majority of Steering Group members at the Annual Meeting.
- c) **Second Vice-Chair** - One year term; should have a minimum of one year on the Steering Group and must be an Airport employee. The Second Vice-Chair normally becomes the Vice-Chair in the following year subject to an affirmative vote of the majority of Steering Group members at the Annual Meeting.
- d) **Associate Member Representative** – One year term; should have a minimum of one year on the Steering Group and must be elected at the Annual Meeting by an affirmative vote of the majority of Steering Group members at the Annual Meeting.
- e) **Board Liaison Representative** – Appointed by the ACI-NA Chairman each year.
- f) **Commissioner's Liaison**– A member of the Commissioner's Committee may be nominated by that Committee to serve as a liaison between the Finance Committee and the Commissioner's Committee.

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5) **Committee Membership:**

- a) Any employee of an Airport Member or Associate Member of ACI-NA can join the Finance Committee by notifying the appropriate ACI support person who will place them on the distribution list.

6) **Committee Meetings:**

- a) The Finance Committee shall meet a minimum of two times per year at the Annual Conference and the Mid-Year Conference and may meet more frequently as determined by the Committee Officers/Leadership Team.

7) **Nomination and Election Process –**

- a) By August 15 of each year, an ad-hoc Nomination Committee, chaired by the Past Finance Committee Chair, shall request ACI to circulate a request for nominations for the open Steering Group and Officer/Leadership positions.
- b) The Nomination Committee shall be chaired by the Past Chair of the Finance Committee and shall include the Finance Committee Chair, Vice-Chair, Second Vice -Chair, Associate Member Representative, and up to 2 other Airport Steering Group Members and 1 Associate Member Representative.
- c) Any Finance Committee member may self-nominate for any open position(s) on the Steering Group or for consideration to be an Officer or Associate Member Representative subject to the leadership requirements mentioned above.
- d) The Nomination Committee shall review the candidates and make recommendations to the Steering Group attending the Annual Meeting. If more nominations are received than there are spots available, then the Nomination Committee shall make recommendations based on the person's experience, size of airport, type of business, diversity, etc.
- e) An election of Officers, Associate Member Representative and open Steering Group positions will be held at the Finance Committee Steering Group Meeting at the ACI Annual Meeting. The nominees for each Officer and Associate Member Representative shall be voted collectively through a voice vote. The nominees for new Steering Group members shall be voted collectively through a second voice vote.
- f) Terms shall run from January 1 through December 31 each year.
- g) If the Chair resigns during the year, then the Vice Chair will assume the Chair position for the remainder of that term, and may serve in this position for an additional year.
- h) If the Vice Chair resigns during the year, then the Second Vice Chair will assume the Vice Chair position for the remainder of that term, and may serve in this position for an additional year.
- i) If the Second Vice Chair resigns during the year, then a special election may be held for that position. The Nomination Committee shall handle this process as discussed above. The vote may be handled through email or conference call.

8) **Finance Committee Steering Group:**

- a) The Finance Committee Steering Group shall consist of up to 22 members, with a minimum of 17 (or 70%) being from Airports, including:
  - i) 6 Finance Committee Officers/Leadership Team

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- ii) 1 Finance Committee Past Chair
  - iii) 10-13 Airport Representatives
    - (1) Should includes chairs of any Working Group
    - (2) Only one representative from each airport
    - (3) Up to 2 Canadian airports, if interested
  - iv) 2-5 Associate Member representatives
  - v) 1 ex-officio representative from the FAA (not part of 22)
  - vi) Ex-officio representatives from past Committee Chairs (not part of 22) for up to 3 years following the end of the year in which they held the Immediate Past Chair position.
- 9) **Steering Group Terms** –
- a) Steering Group members may serve a term of up to 4 consecutive 1 year terms, after which, the member must take one year off, subject to the following exceptions:
  - b) Time served as an Officer, Associate Member Representative or Past Chair is not included as part of the 4 one-year terms.
  - c) The Finance Committee desires that the Steering Group has staggered terms so that approximately 25% of the membership is up for nomination each year. Accordingly, as part of the first year nomination process, Steering Group members shall be give terms of one to four one-year terms, first based on the nominee’s preference, and then as determined by the Officers. Members with initial partial terms may be renominated to serve one additional 4 year term.
  - d) If a Steering Group vacancy arises during the year, the position shall remain vacant until the next election period.
  - e) The Finance Steering Group shall meet a minimum of three times per year: at the Annual ACI Conference, the Mid Year ACI Conference, and at least one other time as determined by the Committee Officers. ACI staff will give advance notice of Finance Steering Group meetings which shall be open to any Committee member that wishes to attend.

10) **Finance Working Groups:**

- a) Initially, there shall be four Working Groups of the Finance Committee. A brief description of their mission follows:
  - i) **Strategic Planning and Performance Management Working Group** -

To promote the implementation of best practices in strategic planning, continuous forecasting/budgeting, performance measurement, enterprise risk management, and benchmarking principles and techniques at airports. Standardize, improve, and implement related industry surveys.

- ii) **Airport/Airline Business Working Group** –

The objectives of the Airline Business / Airline Use Agreement Working Group (Working Group) are to: develop a compilation of emerging trends and best practices for use in discussions between airports and airlines; to catalogue expertise and experience as resources for other committees; and to address other pertinent goals related to the various facets of airport and airline relationships. The Working Group emphasizes venues for direct dialogue with airline representatives.

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iii) Accounting/Financing Working Group –

To identify accounting and financial reporting issues which will impact airports, with an underlying goal of developing standard industry best practice approaches to key issues for airports. This working group will develop and communicate best practice reporting approaches through accumulation of data from a number of member airports and through communication with external agencies as appropriate, i.e. GASB, GFOA, FAA, Rating Agencies, etc. Input may also be sought through other industry subject matter experts (e.g., Accounting/CPA Firms, Financial Advisors).

iv) Alternative Airport Business Models Working Group –

Owing to historic underfunding of airport capital needs and unnecessary restrictions on airports' ability to raise their own capital, the ACI-NA Board of Directors has established a goal of reducing the federal role in airport finance. The working group will provide analysis, assistance and support to ACI-NA staff and the Board of Directors as they seek to develop alternative airport business models for airports in the US and Canada.

- b) New Working Groups may be initiated as deemed necessary by the Finance Committee Officers/Leadership Team.
- c) Working Groups may be discontinued or inactivated if there are no pertinent issues to be discussed or the subcommittee does not have an Annual Work Plan.
- d) Working Groups shall have a chair, who will be appointed by the Officers/Leadership Team. Working Group chairs must be an Airport member and may serve for up to three years. The Working Group Chair will be responsible for identifying an Annual Work Plan for the Working Group and presenting the Work Plan and progress reports at the Steering Group meetings.
- e) All Finance Steering Group members are strongly encouraged to actively participate in at least one Working Group or designated Steering Group project.
- f) Any member of the Finance Committee, even if not on the Steering Group, may request to participate in a Working Group.