

Chapter 2 - Airport Operational Revenue

Introduction

This chapter outlines some guidelines in keeping and maintaining records of budgets, operating costs, and revenue sources.

Revenue Sources

General aviation airports have a number of sources in which to produce self generating revenue. Some typical general aviation airport revenue sources can be outlined as follows:

1. Airport Sponsor / Fixed Based Operator Fees

- Ground rental fee (square feet/year)
- Hangar rental (square feet/year)
 - T-Hangar rate
 - Large hangar rate
 - Small hangar rate
- Ramp fees
 - Monthly tie-down
 - Transient aircraft tie-down
- Fuel Flowage fees
- Agricultural Operators fees

2. Land

- Industrial park rental
- Farming activities

3. Terminal Building

- Counter space (square feet/year)
- Office space (square feet/year)

Some expenses that general aviation airports incur can include the following:

- Administrative
- Building Maintenance
- Lighting / NAVAID Maintenance
- Grounds Maintenance
- Pavement Maintenance
- Aviation Equipment Maintenance
- Security
- Other Equipment Maintenance
- Roads/Parking Maintenance
- Utilities
- Line Services
- Insurance

Leases

Airport districts, airport authorities, and other political subdivisions that operate airports or landing fields may lease spaces or areas on those airports. The types of leases at general aviation airports are usually tailored to each specific airport and in most cases are all different. As per the Louisiana Revised Statutes, Title 2, all proposed airport lease agreements must be reviewed and approved by the LA DOTD Aviation Section prior to their execution. An **example of a typical airport lease and operating agreement** is located **on the enclosed CD**. For more information on lease terms and agreements, please refer to **Chapter 4 - Airport Real Estate**.

Rates and Charges

The rates and charges vary by location and types of operations. Air Carrier (AC) airports typically charge landing fees based on the aircraft's landing weight, whereas most General Aviation (GA) airports in Louisiana do not charge landing fees. However, there is no rule saying that GA airports can not charge landing fees. Other fees that are common to both AC and GA airports include, but are not limited to: Hangar fees, Ramp Tie-Down fees, Fuel Flowage fees and Terminal Building rental fees. Rates and charges should be fair and reasonable in comparison with industry standards. Fees for leases of ramp space, hangars and terminal buildings must be fair market value.

References

Louisiana Revised Statutes, Title 2 Aeronautics