

AVIATION BOARD BACKGROUND LETTER

Aviation Board Meeting Date: August 22, 2022

To: Chair Richmond and Aviation Board Members

Cc: Mitch Reynolds, Mayor

From: Ian Turner, Airport Director

Subject: 22-1070 – 2023 Airport Schedule of Fees

Summary:

The 2023 Airport Schedule of Fees approves the rates and fees charged to all users of airport facilities, services, and products available to tenants, passengers, and the public.

Previous Action:

This is an annual action.

Background:

The 2023 Airport Schedule of Fees is set based on many factors including the actual cost of services provided, cost recovery rates, fair market value, inflation factors, and appraisals; to name a few. These rates and fees drive the mid-term and long-term financial success of the airport by making incremental adjustments as necessary. For 2023, the most substantial changes to our Airport Schedule of Fees are driven by the increase in the Consumer Price Index – All Urban Consumers, which rose 8.53% from July of 2021 to July of 2022, and the reduction in the planned number of scheduled airline flights for 2023.

Financial Implications:

The increases in our landing fee and terminal fees are a central portion of our budgeting process. Even with the increased rates, as proposed, less revenue than expenses is projected in 2023. Further discussion on this impact is available with the 2023 Airport Operating Budget item, later in the agenda.

Stakeholder Process:

The Aviation Board is authorized to set this fee schedule on an annual basis.



Alternatives:

The 2023 Airport Schedule of Fees could be:

1. Adopted, with amendments
2. Denied, with direction for changes

Staff Recommendation:

It is the recommendation of staff to approve this item.

Attachments:

2023 Airport Schedule of Fees

