

261925

Option 1

Arizona Express Airlines
Air Service to be provided at Ely, NV(ELY)
1 RT to Las Vegas every day
Calculation of Subsidy Requirement

Departures @ 98%	EKO-ELY	0
	ELY-VGT	360
	Total	360

Block Hours	EKO-ELY	0
	ELY-VGT	414
	Total	414

Operating Revenue					
	# of PAX		Average Fare		
Passengers: EKO-ELY	0	X	\$ 89.00	=	\$ -
Passengers: ELY-VGT	2,160	X	\$ 89.00	=	\$ 192,240.00
Freight:			@ 2% of PAX revenue	=	\$ 3,844.80
Total Operating Revenue					\$ 196,084.80

Direct Operating Expenses					
Aircraft Lease	\$ 223,670.00	X (% utilized on this route)	60%	=	\$ 134,202.00
Insurance	\$ 52,600.00	X (% utilized on this route)	60%	=	\$ 31,560.00
Flying Operations Crew	\$ 298.00	per hour X (block hours)	414	=	\$ 123,372.00
Flying Operations Other	\$ 68.00	per hour X (block hours)	414	=	\$ 28,152.00
Fuel & Oil: SLC-VEL	\$ 116.00		414	=	\$ 48,024.00
Maintenance	\$ 268.00	per block hour	414	=	\$ 110,952.00
Total Direct Operating Expenses					\$ 476,262.00

Indirect Operating Expenses					
Advertising				=	\$ 5,000.00
Customer Service				=	\$ 103,780.00
Passenger Overhead				=	\$ 56,980.00
Administration				=	\$ 85,680.00

Total Indirect Operating Expenses \$ 251,440.00

Total Operating Expenses \$ 727,702.00

Operating Loss \$ 531,617.20

Profit Element @ 5% \$36,385.10

Subsidy Requirement \$ 568,002.30

Subsidy / Departure \$ 1,577.78

Subsidy / Passenger \$ 262.96

