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City of Detroit

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TO: Jason Watt, Director
Airport Department

FROM: David Whitaker, Director
Legislative Policy Division 

DATE: March 13, 2019

RE: 2019-2020 Budget Analysis

Attached is our budget analysis regarding your department's budget for the upcoming 2019-2020 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on **Wednesday, March 20, 2019 at 3:00 pm**. We would then appreciate a written response to the issues/questions prior to your budget hearing. Please forward a copy of your responses to the Councilmembers and the City Clerk's Office as well.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

Attachments
Issues and Questions

cc: Councilmembers
Auditor General's Office
Dave Massaron, Acting Chief Financial Officer
John Wallace, Chief Financial Officer
Tanya Stoudemire, Budget Director
Stephanie Washington, Mayor's Office

Airport (10)
FY 2019-20 Budget Analysis by the Legislative Policy Division

Issues and Questions

- 1) According to the proposed 2019-2020 budget, the Airport Department will receive a General Fund contribution of \$1.6 million.
 - a) How will the funds be spent?
 - b) What are the reasons for the slight increase of \$178,961?
- 2) Does the Airport Department have any Revenue Initiatives for FY 2019-2020?
- 3) Does the Airport Department have any Expenditure Initiatives for FY 2019-2020?
- 4) How much does the Airport Department pay annually for water costs?
 - a) Does the Drainage Fee effect the Airport Department?
- 5) It is a goal of the Airport Department to increase local youth exposure to the aviation industry and potential career opportunities.
 - a) How does the Airport Department plan to do this?
 - b) Are there any future plans for a flight school at the Airport?
- 6) It is a goal of the Airport Department to promote community development.
 - a) How does the Airport Department plan to do this?
 - b) Does this include employment opportunities for the community at the Airport Department?
- 7) Activities and events at the Airport Department are not very well publicized. What is the FY 2019-2020 Marketing Strategy for the Airport Department?
- 8) Does the Airport Department have any Capital Projects for FY 2019-2020?
- 9) According to the Mayor's budget address, the City is getting a new camera system for security purposes.
 - a) Would the Airport Department benefit from becoming a part of the new camera system in the City?
 - b) If so, how would the camera system benefit the Airport Department?

AIRPORT (10)

AGENCY PLAN: MISSION, GOALS AND ACTIVITY SUMMARY

MISSION:

The Airport Department continues to evolve by bringing costs in line with revenue and improving services. The emerging strategy is to accelerate the growth of Detroit as a commercial and industrial transportation center and maximize the Coleman A. Young Airport's economic benefit to our community and region.

DESCRIPTION:

The Airport Department by City Ordinance, Section 4-1-2, acquires and holds aviation facilities, develops and operates them, leases these facilities; represents the city in all aviation matters affecting the interest of the city and manages all city properties and equipment devoted to aviation activities.

The Department's main holding is the Coleman A. Young Airport. The Airport covers 300 acres of land, which includes: two runways, the Air Carrier Terminal, Executive Terminal (including 14 large hangars), 129 small aircraft hangars with 145 based aircraft. Coleman A. Young Airport handles 75,000 aircraft operations.

Currently, airport staff administers, operates, and maintains the airport. In addition, there are more than 100 personnel employed at the Coleman A. Young Airport. The primary employers are the Airport Department, Midwest Air Traffic Control, FAA, AvFlight Corporation (Fixed Based Operator), Air Eagle, Certified Aircraft Rescue Firefighting (ARFF), City Aviation, Civil Air Patrol, Tuskegee Airmen, Friends of Detroit City Airport, the Detroit Fire Department and the Detroit Aircraft Corporation.

AGENCY GOALS:

1. Enhance the Airport's image as a premier gateway to Metropolitan Detroit.
2. Provide a safe and secure operating environment for our customers.
3. Eliminate subsidization of Coleman A. Young Airport by the General Fund.
4. Promote community development.
5. Increase local youth exposure to the aviation industry and potential career opportunities.

Department Name: Airport Department
 Department #: 10

Budget Summary:

	FY 2018 Actual		FY 2019 Adopted Budget		FY 2020 Recommended Budget	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	-	1,559,811	-	2,213,276	-	2,347,737
Total Expenditures	-	2,276,671	-	2,213,276	-	2,347,737
Net Tax Cost	-	716,861	-	-	-	-

	FY 2021 Forecast		FY 2022 Forecast		FY 2023 Forecast	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	-	2,347,737	-	2,347,737	-	2,347,737
Total Expenditures	-	2,347,737	-	2,347,737	-	2,347,737
Net Tax Cost	-	-	-	-	-	-

Positions (by FTE):	1/1/2019 Actual	FY 2019 Adopted	FY 2020 Recommended	FY 2021 Forecast	FY 2022 Forecast	FY 2023 Forecast
	General Fund	-	-	-	-	-
Non-General Fund	4	4	4	4	4	4
Total Positions	4	4	4	4	4	4

AIRPORT (10)

ACTIVITY DESCRIPTION:

The Airport Department acquires, develops, operates and leases aviation facilities; represents the City in all aviation matters affecting the City's interest; and manages all City properties and equipment devoted to aviation activities (with the exception of the Detroit Police Department aircraft).

CITY OF DETROIT
 BUDGET DEVELOPMENT
 EXPENDITURES BY SUMMARY CATEGORY - ALL FUNDS

Department # - Department Name Summary Category	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
Salaries & Wages	344,879	343,378	350,246	357,251	364,396
Employee Benefits	129,294	120,939	121,677	122,429	123,196
Professional & Contractual Services	155,000	218,375	218,375	218,375	218,375
Operating Supplies	71,500	71,500	63,894	56,137	48,225
Operating Services	1,487,511	1,568,729	1,568,729	1,568,729	1,568,729
Equipment Acquisition	-	-	-	-	-
Capital Outlays	-	-	-	-	-
Fixed Charges	22,092	22,092	22,092	22,092	22,092
Other Expenses	3,000	2,724	2,724	2,724	2,724
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
 BUDGET DEVELOPMENT
 REVENUES BY SUMMARY CATEGORY - ALL FUNDS

Department # - Department Name Summary Category	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
Grants, Shared Taxes, & Revenues	-	-	-	-	-
Revenues from Use of Assets	528,000	482,000	482,000	482,000	482,000
Sales & Charges for Services	256,000	226,000	226,000	226,000	226,000
Contributions & Transfers	1,426,776	1,605,737	1,605,737	1,605,737	1,605,737
Miscellaneous	2,500	34,000	34,000	34,000	34,000
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
 BUDGET DEVELOPMENT
 EXPENDITURES BY SUMMARY CATEGORY - FUND DETAIL

Department # - Department Name Fund # - Fund Name Summary Category	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
5002 - Airport Operation & Maintenance	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
Salaries & Wages	344,879	343,378	350,246	357,251	364,396
Employee Benefits	129,294	120,939	121,677	122,429	123,196
Professional & Contractual Services	155,000	218,375	218,375	218,375	218,375
Operating Supplies	71,500	71,500	63,894	56,137	48,225
Operating Services	1,487,511	1,568,729	1,568,729	1,568,729	1,568,729
Fixed Charges	22,092	22,092	22,092	22,092	22,092
Other Expenses	3,000	2,724	2,724	2,724	2,724
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
 BUDGET DEVELOPMENT
 REVENUES BY SUMMARY CATEGORY - FUND DETAIL

Department # - Department Name Fund # - Fund Name Summary Category	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
5002 - Airport Operation & Maintenance	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
Revenues from Use of Assets	528,000	482,000	482,000	482,000	482,000
Sales & Charges for Services	256,000	226,000	226,000	226,000	226,000
Contributions & Transfers	1,426,776	1,605,737	1,605,737	1,605,737	1,605,737
Miscellaneous	2,500	34,000	34,000	34,000	34,000
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
 BUDGET DEVELOPMENT
 FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
 EXPENDITURES

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
5002 - Airport Operation & Maintenance	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
00223 - Airport Operations Appropriation	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
100010 - Airport Administration	861,565	1,030,379	1,037,985	1,045,742	1,053,654
100020 - Airport Maintenance	1,351,711	1,317,358	1,309,752	1,301,995	1,294,083
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
 BUDGET DEVELOPMENT
 FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
 REVENUES

Department # - Department Name Fund # - Fund Name Appropriation # - Appropriation Name Cost Center # - Cost Center Name	FY2019 Adopted	FY2020 Recommended	FY2021 Forecast	FY2022 Forecast	FY2023 Forecast
10 - Airport Department	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
5002 - Airport Operation & Maintenance	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
00223 - Airport Operations Appropriation	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
100010 - Airport Administration	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737
Grand Total	2,213,276	2,347,737	2,347,737	2,347,737	2,347,737

CITY OF DETROIT
FY2020 - 2023 Positions - Mayor

10000-Airport Appropriation Cost Center Job Code and Title	FY 2018-19 FTE Budget	FY 2019-20 FTE Mayor	FY 2020-21 FTE Forecast	FY 2021-22 FTE Forecast	FY 2022-23 FTE Forecast
00223-Airport Operations Appropriation					
100010-Airport Administration					
010179.Airport Director	1	1	1	1	1
010710.General Manager - Airport	1	1	1	1	1
012273.Administrative Assistant IV	1	0	0	0	0
43601104.Administrative Assistant IV	0	1	1	1	1
544051.Airport Operations Manager	1	1	1	1	1
Total 100010-Airport Administration	4	4	4	4	4
Total 00223-Airport Operations Appropriation	4	4	4	4	4
Agency Total	4	4	4	4	4