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March 7, 2023

TO: Jason Watt, Director
Airport Department

FROM: David Whitaker, Director 
Legislative Policy Division

SUBJECT: 2023-2024 Budget Analysis

Attached is our budget analysis regarding the Coleman A. Young International Airport's budget for the 2023-2024 Fiscal Year.

Please be prepared to respond to the issues/questions raised in our analysis during your scheduled hearing on Monday, March 13, 2023, at 11:30 am. We would then appreciate a written response to the issues/questions at your earliest convenience before or after your budget hearing. Please forward a copy of your response to the Council Members, the City Clerk's Office, and the Legislative Policy Division.

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

Thank you for your cooperation in this matter.

Attachments

cc: Council Members
Auditor General's Office
Jay Rising, Chief Financial Officer
Tanya Stoudemire, Chief Deputy Chief Financial Officer
Steve Watson, Budget Director
Brad Dick, Group Executive
Anita Hoskins, Budget Analyst
John Wallace, Agency OCFO

Airport (10)
(Coleman A. Young International Airport)

Issues and Questions

1. Please briefly explain the new expense initiatives the Airport Department is planning to implement in FY 2024. Please provide which appropriation/cost center the new initiatives will affect in FY 2024.
2. Please briefly explain the new capital funding requests the Airport Department is planning to implement in FY 2024. Please provide which appropriation/cost center the new requests will affect in FY 2024.
3. Please briefly explain the operational reform and savings proposals the Airport Department is planning to implement in FY 2024. Please provide which appropriation/cost center the new reforms/proposals will affect in FY 2024.
4. Please briefly explain the new revenue initiatives/proposals the Airport Department is planning to implement in FY 2024. Please provide which appropriation/cost center the new initiatives/proposals will affect in FY 2024.
5. What are your projected performance metrics for each division/operational program in the current fiscal year? What are your target metrics for each division/operational program fiscal year 2024?
6. According to the Office of the Chief Financial Officer (OCFO), the Airport Department had two (2) vacancies through December 2022.
 - a. Please indicate your number of vacancies as of March 6, 2023.
 - b. What are the titles of the vacant positions?
 - c. What is the difficulty of filling the vacancies?
 - d. Please briefly explain the Airport Department's strategy to fill the vacant positions or why they will remain vacant.
7. For FY 2024, Salaries and Wages will increase by \$173,402 from \$705,940 in FY 2023 to \$879,342. Please explain the cause for the increase.
8. For FY 2024. Professional & Contractual Services will increase by \$800,001 from \$738,375 in FY 2023 to \$1,538,376. Please explain the cause for the increase.
9. For FY 2024, Operating Services will increase by \$52,637 from \$1,672,519 in FY 2023 to \$1,725,156. Please explain the cause for the increase.
10. The Federal Aviation Administration (FAA) approved Detroit's first Airport Layout Plan in 30 years which is expected to unlock more than \$100 million in federal funds over the course of the next 10 years. Can you please provide an update on the FAA'S approval and the Airport Improvement Plan and the following projects?
 - a. More hangars
 - b. Reactivating fire unit

- c. Aerospace high school return
- d. Mini take buyouts

11. Please provide an update on the feasibility study for the McNichols Tunnel.

AIRPORT (10)

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.

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 main holding is the Coleman A. Young Airport, 300 acres of land with two runways; the Air Carrier Terminal; Executive Terminal (including 14 large hangars); and 129 small aircraft hangars with 145 based aircraft. Coleman A. Young Airport handles 75,000 aircraft operations annually.

Currently, the Airport staff administers, operates, and maintains the Airport. There are more than 100 personnel of primary employers, Midwest Air Traffic Control, FAA, AvFlight Corporation (Fixed Base 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.

Operating Programs and Services

- **Airport Operation & Air Traffic Control Services** operates 24-hours.
- **Aircraft Rescue Fire Fighting Services (ARFF)** operates on demand.
- **Airport Storage** provides spaces to store aircrafts Indoors and outdoors (Hangars, T-Hangers, Small, Medium, Large).
- **Heated Executive Bays** are provided for Medium Sized Jet Aircrafts.
- **Aircraft Tie Downs** minimize the possibility of movement from a parked non-hangered aircraft.
- **FBO and Fuel Storage Services** are provided for Avflight Corporation Fixed Base Operator.
- **MyFlight Helicopter Tour** operates Wednesday-Sunday 10am-10:30pm.
- **Civil Air Patrol (CAP) Program** is an Airforce after school program allowing highschoolers to learn to fly for free.

AIRPORT (10)

- **Friends of Detroit City Airport (FODCA) Program** focuses on community outreach & community programming.
- **Tuskegee Airman Museum Detroit Program** maintains vintage aircraft displays.
- **Young Eagles Program** introduces children to aviation through introductory flights and operates April – September.
- **Black Pilots of America (BPA) Program** offers flight training, aviation / aircraft safety seminars.
- **Detroit Public Schools Community District (DPSCD) Benjamin O. Davis Aerospace Technical High School** operates an Airport Laboratory.

Goals, Strategic Priorities and Related City Outcomes

Goals / Strategic Priorities	Timeframe	Related City Outcome
1. Enhance the Airport’s image as a premier gateway to Metropolitan Detroit.	October 2022 - December 2032	Vibrant & Beautiful City
2. Provide a safe and secure operating environment for our customers.	October 2022 - October 2025	Effective Governance
3. Improve the Airport’s financial self-sufficiency.	October 2022 - June 2027	Efficient & Innovative Operations
4. Promote community development.	October 2022 - October 2025	Economic Equity & Opportunity
5. Increase local youth exposure to the aviation industry and potential career opportunities.	October 2022 - September 2025	Economic Equity & Opportunity
6. Draft airport minimum standards document.	October 2022 - October 2023	Effective Governance
7. Reestablish aircraft rescue firefighting at the airport.	October 2022 - April 2024	Safer Neighborhoods

Budget By Service

Services	FY 2024 Mayor Proposed	FY 2024 Mayor Proposed FTE
Administration	\$3,037,262	12.0
Maintenance	\$1,442,553	-
Total:	\$4,479,815	12.0

AIRPORT (10)

Metrics and Data

Metrics	Data	Related Goal #
How many new hangars we can construct and move existing tenants into vs how many old hangars we have that then need to be demolished	To be collected	1
Track home acquisitions to ensure timelines are being met	To be collected	2
Track revenue to ensure budget estimates are being met	To be collected	3
Track how many programs are being offered and how many residents/students are participating	To be collected	4

Operating Budget Highlights

Initiative	FY 2024 Mayor Proposed	FY 2024 Mayor Proposed FTE
Airport Redevelopment Contract Increase	\$800,000	-
New Airport Community Outreach & PR Manager	\$161,475	1.0

Department Name: Airport Department

Department #: 10

Budget Summary:

	FY2022 Actual		FY2023 Adopted		FY2024 Mayor Proposed	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	-	2,679,249	-	3,447,141	-	4,479,815
Total Expenditures	-	2,426,795	-	3,447,141	-	4,479,815
Net Tax Cost	-	(252,454)	-	-	-	-

	FY2025 Forecast		FY2026 Forecast		FY2027 Forecast	
	General Fund	All Funds	General Fund	All Funds	General Fund	All Funds
Total Revenues	-	4,580,908	-	4,623,005	-	4,665,147
Total Expenditures	-	4,580,908	-	4,623,005	-	4,665,147
Net Tax Cost	-	-	-	-	-	-

Positions (by FTE):	2/10/2023 Actual	FY2023 Adopted	FY2024 Mayor Proposed	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast
General Fund	-	-	-	-	-	-
Non-General Fund	9	11	12	12	12	12
ARPA	-	-	-	-	-	-
Total Positions	9	11	12	12	12	12

**CITY OF DETROIT
BUDGET DEVELOPMENT
EXPENDITURES BY SUMMARY CATEGORY - ALL FUNDS
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name Summary Category	FY2023 Adopted	FY2024 Mayor Proposed	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
Salaries & Wages	705,940	879,342	896,929	910,383	924,038
Employee Benefits	241,714	244,348	249,557	253,458	256,944
Professional & Contractual Services	738,375	1,538,376	1,553,144	1,560,675	1,568,282
Operating Supplies	66,500	70,500	71,910	72,629	73,356
Operating Services	1,672,519	1,725,156	1,759,659	1,777,255	1,795,027
Fixed Charges	22,093	22,093	49,709	48,605	47,500
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
REVENUES BY SUMMARY CATEGORY - ALL FUNDS
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name Summary Category	FY2023 Adopted	FY2024 Mayor Proposed	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
Sales & Charges for Services	240,500	245,310	250,216	255,221	260,325
Revenues from Use of Assets	275,523	281,033	286,653	292,387	298,234
Contributions & Transfers	2,931,118	3,953,472	4,044,039	4,075,397	4,106,588
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
EXPENDITURES BY SUMMARY CATEGORY - FUND DETAIL
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name Fund # - Fund Name Summary Category	FY2023 Adopted	FY2024 Mayor Proposed	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
5002 - Airport Operation and Maintenance	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
Salaries & Wages	705,940	879,342	896,929	910,383	924,038
Employee Benefits	241,714	244,348	249,557	253,458	256,944
Professional & Contractual Services	738,375	1,538,376	1,553,144	1,560,675	1,568,282
Operating Supplies	66,500	70,500	71,910	72,629	73,356
Operating Services	1,672,519	1,725,156	1,759,659	1,777,255	1,795,027
Fixed Charges	22,093	22,093	49,709	48,605	47,500
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
REVENUES BY SUMMARY CATEGORY - FUND DETAIL
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name Fund # - Fund Name Summary Category	FY2023 Adopted	FY2024 Mayor Proposed	FY2025 Forecast	FY2026 Forecast	FY2027 Forecast
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
5002 - Airport Operation and Maintenance	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
Sales & Charges for Services	240,500	245,310	250,216	255,221	260,325
Revenues from Use of Assets	275,523	281,033	286,653	292,387	298,234
Contributions & Transfers	2,931,118	3,953,472	4,044,039	4,075,397	4,106,588
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - EXPENDITURES
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name					
Fund # - Fund Name	FY2023	FY2024	FY2025	FY2026	FY2027
Appropriation # - Appropriation Name	Adopted	Mayor Proposed	Forecast	Forecast	Forecast
Cost Center # - Cost Center Name					
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
5002 - Airport Operation and Maintenance	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
27100 - City Airport Operations	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
100010 - Airport Administration	2,040,966	3,037,262	3,109,504	3,136,887	3,164,167
100020 - Airport Maintenance	1,406,175	1,442,553	1,471,404	1,486,118	1,500,980
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
FINANCIAL DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER - REVENUES
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name					
Fund # - Fund Name	FY2023	FY2024	FY2025	FY2026	FY2027
Appropriation # - Appropriation Name	Adopted	Mayor Proposed	Forecast	Forecast	Forecast
Cost Center # - Cost Center Name					
10 - Airport Department	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
5002 - Airport Operation and Maintenance	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
27100 - City Airport Operations	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
100010 - Airport Administration	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147
Grand Total	3,447,141	4,479,815	4,580,908	4,623,005	4,665,147

**CITY OF DETROIT
BUDGET DEVELOPMENT
POSITION DETAIL BY DEPARTMENT, FUND, APPROPRIATION, & COST CENTER
DEPARTMENT 10 - AIRPORT DEPARTMENT**

Department # - Department Name					
Fund # - Fund Name					
Appropriation # - Appropriation Name	FY2023	FY2024	FY2025	FY2026	FY2027
Cost Center # - Cost Center Name	Adopted	Mayor Proposed	Forecast	Forecast	Forecast
Job Code - Job Title					
10 - Airport Department	11	12	12	12	12
5002 - Airport Operation and Maintenance	11	12	12	12	12
27100 - City Airport Operations	11	12	12	12	12
100010 - Airport Administration	11	12	12	12	12
010179.Airport Director	1	1	1	1	1
010710.General Manager Airport	1	1	1	1	1
111003.Project Manager Analytics Specialist III	1	1	1	1	1
43601104.Administrative Assistant IV	1	1	1	1	1
544011.Airport Operations Assistant	1	1	1	1	1
544021.Airport Service Worker	3	3	3	3	3
544051.Airport Operations Manager	1	1	1	1	1
621065.Building and Grounds Maintenance Supervisor	1	1	1	1	1
631035.Building Services Operations Assistant	1	1	1	1	1
929108.Administrative Special Services Staff III Exempt	0	1	1	1	1
Grand Total	11	12	12	12	12