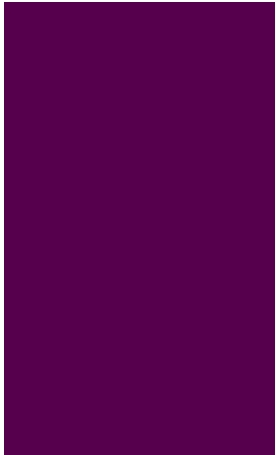
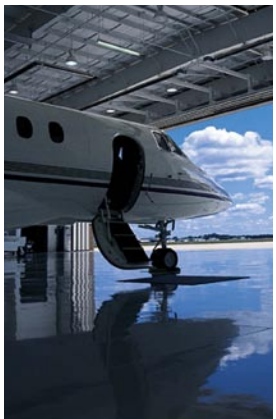
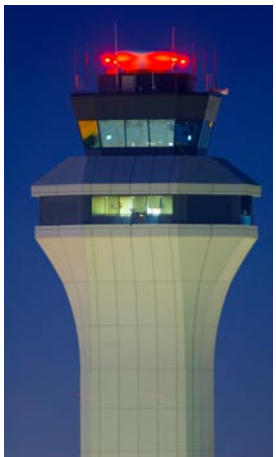


Approved Budget Fiscal Year 2010

Wayne County Airport Authority



M A K I N G T H E W O R L D A V A I L A B L E



2010



DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

Wayne County Airport Authority

Board Members



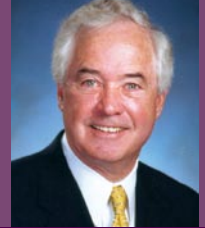
James Settles, Jr.
Chairperson



Charlie J. Williams
Vice Chairperson



Renee C. Pipis Axt
Board Member



James B. Nicholson
Board Member



Samuel A. Nouhan
Board Member



Bernard F. Parker
Board Member



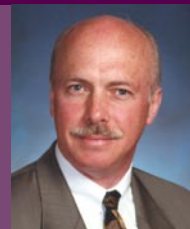
Mary L. Zuckerman
Board Member

Wayne County Airport Authority

Chief Executive Officer & Chief Financial Officer



Lester Robinson
Chief Executive Officer



Thomas Naughton
Chief Financial Officer

Wayne County Airport Authority

Detroit, Michigan

Approved Budget Fiscal Year 2010

*Formally approved, as submitted by Management,
at the regular Board meeting, September 29, 2009*

Executive Summary

The Wayne County Airport Authority's (the Authority) Fiscal Year 2010 Budget (the Budget) was formally adopted by the Authority Board on September 29, 2009. The Budget represents a comprehensive plan based on assumptions that are mindful of both the airline industry's continuing difficulties, and considers the Authority's fiduciary responsibilities to provide a safe, secure, and efficient airport operation to all its stakeholders. Further, the Budget's preparation was coordinated with the Authority's strategic planning and performance measurement efforts.

Detroit Metropolitan Airport (the Airport) is the Authority's primary operating responsibility and houses two world-class airport terminals. Fiscal Year 2010 marks the second full year of operation for the North Terminal (opened September 17, 2008) and the eighth full year of operation for the McNamara Terminal (opened February 24, 2002). The Airport has six operational runways, including two crosswind runways, which provide adequate operational capacity, providing a canvas for airlines to achieve on-time arrivals and departures. Together, the Airport's terminals and operational capacity provide a gateway for an estimated 31 million passengers traveling to approximately 132 domestic and 31 international destinations during the next fiscal year. The Airport is estimated to have a regional economic impact of \$7.6 billion annually.

The responsibility of managing the Airport, in addition to Willow Run Airport (the Airport's reliever airport), and the Westin Hotel (the Airport's hotel), presents great challenges and opportunities. The Authority looks to its Board of seven for strategic guidance and has had the opportunity to welcome three new Board members in the current fiscal year. With the framework of the Strategic Plan in place, leaders of the Authority have the structure to address the challenges identified for Fiscal Year 2010.

Challenges

The U.S. aviation industry continues to struggle in 2009 and going into 2010. Across the industry, airlines are reducing capacity in an effort to maximize profits that have been affected by a reduction in demand for air travel. While 2009 has been better than recent years in terms of airlines entering bankruptcy restructuring, the industry has evolved into an era of increased partnerships. First and foremost, affecting the Airport is the merging of Northwest Airlines and Delta Air Lines to form the "new" Delta. Additionally affecting the Airport is an increased presence of alliance partnerships. Members of three different alliance partnerships are present at the Airport: SkyTeam Alliance, which includes Air France, and Northwest/Delta; Star Alliance, which includes Air Canada, Continental Airlines, Lufthansa, US Airways and United Airlines; and oneworld alliance, which includes American Airlines and Royal Jordanian. The advantages for the member airlines include synergies with other airlines enabling them the ability to reduce capacity while offering passengers expansive coordinated networks of travel and expanded passenger benefits related to flight connections, frequent flier programs, and other member privileges. While the industry response to restructure and form partnerships in an effort to become profitable again seems to be benefitting the airlines, it does not relieve the issues of decreased passenger demand and overall reductions in capacity that affects potential revenue sources for airports. As a result, there is still immense pressure on airports to reduce costs to the airlines.

Decline in enplaned passengers at the Airport, as a result of the airlines capacity reductions, has resulted in a 6.8 percent shortfall in enplaned passengers from budget. As a result of the stagnation of consumer demand and the current trend of additional decline in capacity, the Authority's Fiscal Year 2010 Budget reflects a further reduction in enplaned passengers of approximately 1.5 percent.

Decline in landed weights at the Airport is also a result of industry-wide capacity reductions. As Airlines struggle with financial challenges due to increased costs and reduced demand, they have eliminated unprofitable flights as well as right-sized the availability of seats. For the Airport, this has resulted in an estimated 6.7 percent deficit in landed weights compared to the Fiscal Year 2009 Budget. It is expected that Airlines will continue to make further reductions in landed weights in Fiscal Year 2010 of approximately 5.7 percent.

Uncertainties beyond the Authority's Control. For the Authority, Fiscal Year 2009 has brought a decline in capacity and passenger traffic to levels not experienced since Fiscal Year 2003. Financial Planning & Analysis (FP&A) identified the following external factors as primary challenges for the Authority in the preliminary stages of the budget process.

- **Weak National Economy.** At the start of the budget process, 5.1 million jobs had been lost in the U.S. since the current recession started late in 2007. The national unemployment rate was 8.5 percent, the highest since November 1983. Claims for state unemployment benefits in March jumped to a 26-year high as the U.S. economy has experienced a historic drop in payroll since the beginning of 2009.
- **Regional Economy in Recession.** While the U.S. Economy reels in recession, Michigan's unemployment rate is the highest in the nation at 15.3 percent as of September 2009. (When the budget process started, Michigan's unemployment rate was 12.6 percent.) Job losses in Michigan during 2009 will reach 239,000 and the *Free Press* notes that's "about twice the entire population of Flint."
- **Weakened Demand for Air Travel.** Air travel demand is directly correlated to income. As consumer income and commercial profits increase, so does air travel. But as Moody's explains, "Airline passenger demand has historically been sensitive to major changes in the U.S. economy and the past year has been no exception."
- **Cargo Industry Slump.** Weakness in the global economy extends beyond passenger demand for travel as demand for cargo is depressed. The Air Transport Association of America reports that U.S. air-cargo volumes had dropped 21 percent in February compared with a year ago. That was the seventh consecutive month of year-to-year declines.
- **Long-Term Effects of a Prolonged Recession.** As the longest down turn in the U.S. economy since the Great Depression of the 1930's, economists site the potential lasting impact the recession may have on consumer behavior. Consumers are cutting back on discretionary personal expenses; instead they are planning to live within their means, and there has been a backlash against luxury goods and services.

- **Possibility of Reaffirmation Agreements.** Airport concessionaires and ground transportation vendors pay a percent of revenues to the Authority with a Minimum Annual Guarantee (MAG). Most concessioners are currently paying the MAG rate and the Authority is confronted with the possibility that many vendors will not be able remain afloat if enplanements continue to decrease.
- **Decline in Non-Airline Revenues.** With the expected decline in enplaned passengers, airport-generated revenues from non-airline sources will continue to be at risk given their dependence on passenger activity. The current and planned reductions are driving a budgetary shortfall for the Airport of \$27 million (19.5 percent) in non-airline revenues (primarily parking and concessions revenues).

Responses

The Fiscal Year 2010 Budget represents the Authority's best efforts to estimate revenues and control costs. The Business Development Department is exploring several options to increase non-airline revenues through a variety of new programs to be announced in Fiscal Year 2010. Budgeted operating expense reductions of \$8.9 million (4.6 percent) are primarily due to savings in salaries and benefits related to staff reductions, and reductions in parking deck, shuttle bus and janitorial contractual services. The budget process for 2010 allowed for baseline funding for required levels of service, eliminated all discretionary spending, provided for known contractual changes and any inflation adjustment where appropriate, removed all Fiscal Year 2009 one-time expenses, and held funding for positions included in the Authority's staffing plan. Non-operating expenses are flat compared to prior year budget.

Early Retirement Program and Staff Reductions. In an effort to reduce costs, the Authority implemented two programs targeted at reducing staff during Fiscal Year 2009. The early retirement incentive program was implemented during the first quarter of the fiscal year and resulted in a reduction of 43 staff. The indefinite lay-off program was initiated in August of 2009 and resulted in an additional reduction of 66 positions. These efforts are resulting in a budgeted reduction of salary expense by 11.2 percent for the Airport.

North Employee Lot Closure. In another effort to reduce costs, the Authority has a planned program of closing the North Employee Parking Lot during the first quarter of Fiscal Year 2010. The Blue Deck has suffered sub-par occupancy during most of the fiscal year due to decreased demand, and has enough available parking to house parking for the employees that work at the North Terminal. The program is to move employee parking into the Blue Deck and close the North Employee Lot, ceasing the need for shuttle buses to serve the North Employee Lot. The net budgetary savings is projected to be \$600,000.

Health Benefits Cost Control. Since the Authority took ownership of health plans in 2007, health benefits costs have been essentially flat. The Authority has a self-insured health benefit program. The Authority has been implementing an employee cost sharing program over the last two years as a measure to help cover increasing health care costs. Since the Authority does not pay a premium per employee for health care, the cost sharing program invokes an employee fee for health care costs based a percentage of an illustrated rate for the type of coverage and provider that the employee chooses for their health care insurance. The illustrative rates are provided by the selected healthcare provider. Fiscal Year 2010 will be the first year that all Authority employees

will be participating in the program. While industry-wide health care costs have increased approximately 4-5 percent annually on average, the Airport's health care costs have been flat for the same period and are budgeted 2.7 percent lower than the prior year budget.

Closing

The Authority's charge is clear: continue to be creative and forthcoming in efforts to manage resources and expenses responsibly. FP&A has examined the economy, the industry and the Authority Strategic Plan, and has considered the impacts of all stakeholders of the Authority while preparing the Fiscal Year 2010 Budget and proudly presents it as the best efforts of the Authority to achieve the goals and expectations of all Authority stakeholders.

Fiscal Year 2010 Budget

The Authority's approved Fiscal Year 2010 Budget appropriates \$295 million in combined operating and non-operating expenses, representing a decrease of 4.7 percent from the Fiscal Year 2009 Budget. Combined revenues from airline and non-airline sources are projected to total \$290 million, an 11.2 percent decrease.

Fiscal Year 2010 Consolidated Operating Budget by Fund (\$ in thousands)

	Detroit Metropolitan Airport	Westin Hotel	Willow Run Airport	Authority Total
Airline Revenue				
Landing Fees	\$ 70,874	\$ -	\$ 330	\$ 71,204
Airline Rents and Other Fees	79,982	-	1,983	81,965
Total	\$ 150,856	\$ -	\$ 2,313	\$ 153,169
Non-Airline Revenue				
Parking	48,000	-	-	48,000
Concession Fees	48,600	-	-	48,600
Service Fees and Other Revenue	15,420	22,805	449	38,674
Total	\$ 112,020	\$ 22,805	\$ 449	\$ 135,274
Non-Operating Revenue				
Interest Income	700	370	-	1,070
Grants	900	-	-	900
Total	\$ 1,600	\$ 370	\$ -	\$ 1,970
Total Revenue	\$ 264,476	\$ 23,175	\$ 2,762	\$ 290,413
Operating Expenses				
Wages & Benefits	\$ 69,372	\$ -	\$ 1,147	\$ 70,519
Materials & Supplies	5,722	-	133	5,855
Contractual Services	45,721	18,823	384	64,927
Insurance	2,831	-	25	2,856
Utilities	29,800	-	695	30,495
Buildings & Grounds	13,320	-	186	13,506
Equipment Repair	17,040	-	217	17,257
Other Operating Expenses	2,850	-	450	3,300
Total	\$ 186,656	\$ 18,823	\$ 3,236	\$ 208,715
Non-Operating Expenses				
Debt Service	\$ 65,829	\$ 7,014	\$ -	\$ 72,843
O&M Capital	2,456	-	20	2,476
Fund Requirements	9,534	1,917	(494)	10,957
Total	\$ 77,820	\$ 8,931	\$ (474)	\$ 86,276
Total Expenses	\$ 264,476	\$ 27,754	\$ 2,762	\$ 294,992
Change in Net Assets	\$ -	\$ (4,579)	\$ -	\$ (4,579)



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Wayne County Airport Authority, Michigan for its annual budget for the fiscal year beginning October 1, 2009. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The Authority's Fiscal Year 2010 Budget conforms to the program requirements and will be submitted to GFOA to determine its eligibility for another award.

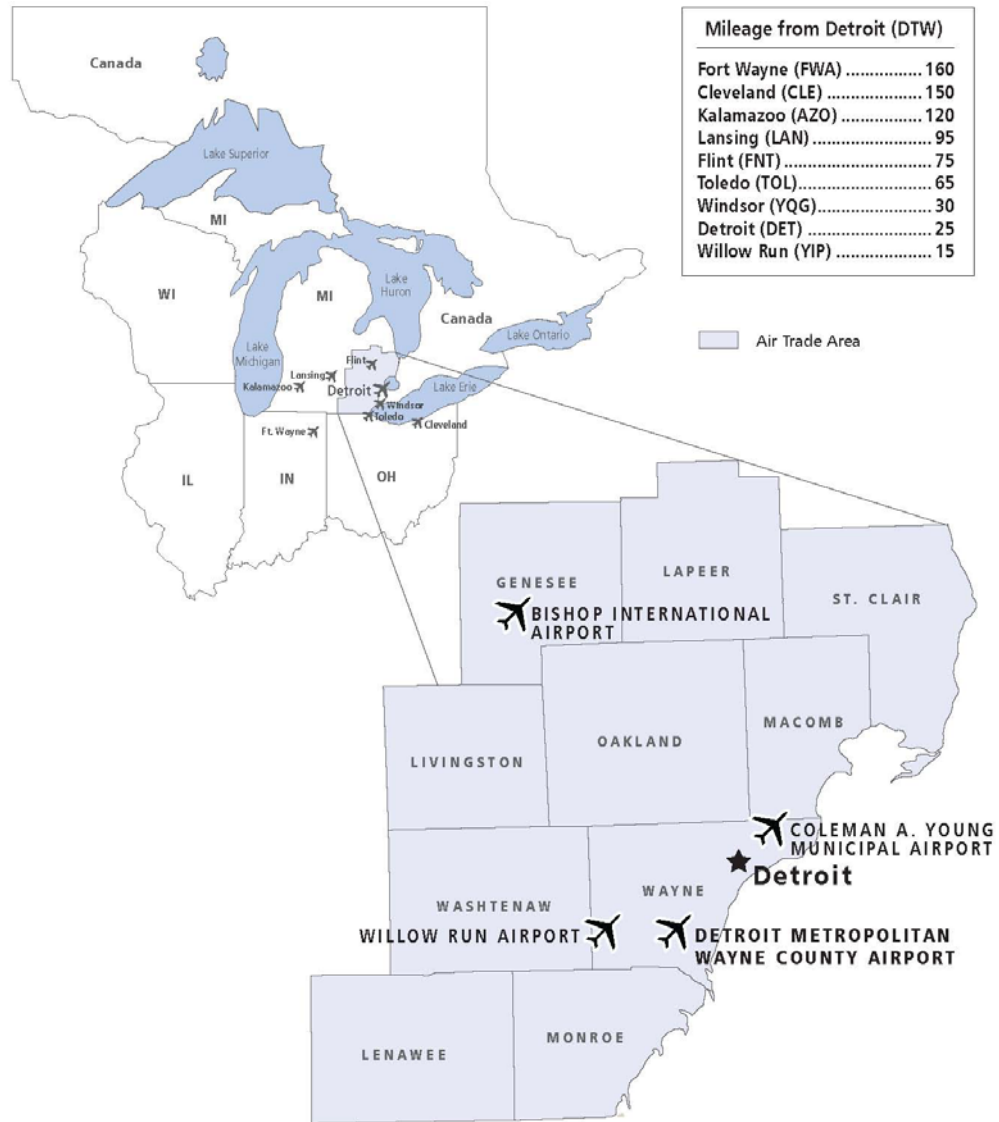
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Airport Authority Facts

The Wayne County Airport Authority (the Authority) is a public agency created under Public Act 90 of Michigan Public Acts of 2002. The Act created the Authority as a political subdivision and instrumentality of the Charter County of Wayne with the purpose to operate, control and manage Detroit Metropolitan Airport and Willow Run Airport.



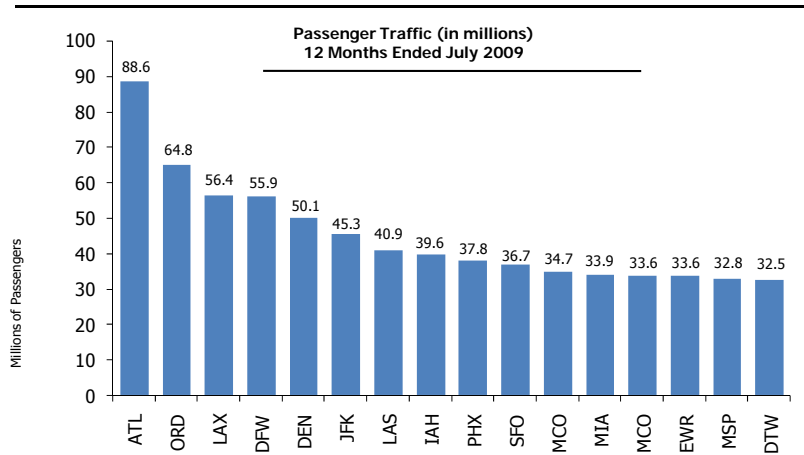
Source: Cartesia Software, Map Art, 1998.
Prepared by: Ricondo & Associates, Inc.

Detroit Metropolitan Airport is the primary air carrier airport serving Southeastern Michigan. It also serves portions of Ontario, Canada, and Northwestern Ohio. The primary airport service region, also referred to as the *Air Trade Area*, consists of ten counties in Southeastern Michigan.

Detroit Metropolitan Wayne County Airport (DTW) generates more than 71,000 jobs and \$7.6 billion in total economic impact across Michigan according to a study released in 2006 by the University of Michigan-Dearborn and the Authority. According to the study, in 2005, more than 36 million passengers arrived or departed from Detroit Metropolitan Airport, including 2.9 million business and pleasure travelers who stayed in Michigan and whose spending benefited Michigan’s economy.

Detroit Metropolitan Airport is the 12th busiest airport in North America in terms of total traffic movements according to the most current comparative statistics compiled by Airports Council International North America (ACI) for the twelve months ended July, 2009.

Passenger Traffic – Top US Airports



Legend: ATL = Atlanta/Hartsfield, CLT = Charlotte, DEN = Denver, DFW = Dallas/Ft. Worth, DTW = Detroit/Metro, EWR = Newark, NJ, IAH = Houston/Intercontinental, JFK = New York/Kennedy, LAS = Las Vegas McCarran, LAX = Los Angeles Int'l, MCO = Orlando, MIA = Miami, FL, MSP = Minneapolis, ORD = Chicago/O'Hare, PHX = Phoenix/Sky Harbor, SFO = San Francisco

Source: ACI updated October 16, 2009

Based on airline schedules during 2009, the airport had approximately 584 scheduled daily departures including service to 132 non-stop domestic destinations and 31 non-stop international destinations, including Canada, China, the Dominican Republic, France, Germany, Italy, Jamaica, Japan, Jordan, Mexico, the Netherlands, the United Kingdom and the West Indies.



The Airport is located on approximately 6,700 acres in the City of Romulus, County of Wayne, Michigan, approximately 20 miles by road southwest of the central business district of the City of Detroit. The Airport currently provides passenger services from two terminal buildings. The principal airlines operating from each terminal are:

- McNamara Terminal – Air France, Northwest/Delta, Mesaba, Pinnacle, Continental, and their operating partners
- North Terminal – Air Canada, AirTran, American, Frontier, Lufthansa, Royal Jordanian, and their operating partners

The Airport has four north-south runways in the primary wind direction and two east-west crosswind runways. Of the twelve current runway approaches, seven are equipped with precision instrument landing systems. The newest runway is equipped with precision instruction landing systems for both runway approaches.

Detroit Metropolitan Airport Demographic Data

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget
Airside				
Aircraft Operations	472,522	467,400	437,316	415,000
Landed Weight (1,000 lbs)	24,356,703	23,358,910	20,894,330	19,800,000
Landing Fee (DTW)	\$ 2.41	\$ 3.44	\$ 2.89	\$ 3.57
Airfield (Acres)				
Runways	266	266	266	266
Taxiways	235	235	235	235
Ramps/Aprons	357	357	357	357
Overall Airport	6,700	6,700	6,700	6,700
Runways - all runways have FAA rating for group V aircraft				
North-south runways in the primary wind direction				
Runway 4R - 22L	12,003 ft.	12,003 ft.	12,003 ft.	12,003 ft.
Runway 4L - 22R	10,000 ft.	10,000 ft.	10,000 ft.	10,000 ft.
Runway 3L - 21R	8,501 ft.	8,501 ft.	8,501 ft.	8,501 ft.
Runway 3R - 21L	10,001 ft.	10,001 ft.	10,001 ft.	10,001 ft.
East-west crosswind runways				
Runway 9L - 27R	8,708 ft.	8,708 ft.	8,708 ft.	8,708 ft.
Runway 9R - 27L	8,500 ft.	8,500 ft.	8,500 ft.	8,500 ft.
Terminal Buildings				
Domestic Enplaned Passengers				
McNamara Terminal	13,136,084	13,048,561	11,887,649	12,193,500
North Terminal	N/A	N/A	2,740,698	2,607,500
Smith Terminal	3,351,478	3,152,394	N/A	N/A
Berry Terminal	106,845	83,851	N/A	N/A
Total Domestic	16,594,407	16,284,806	14,628,347	14,801,000
International Enplaned Passengers				
McNamara Terminal	1,420,366	1,475,521	1,179,111	831,500
North Terminal	N/A	N/A	133,674	93,000
Smith Terminal	20,146	19,464	N/A	N/A
Berry Terminal	73,171	51,440	N/A	N/A
Total International	1,513,683	1,546,425	1,312,785	924,500
Total Enplanements	18,108,090	17,831,231	15,941,132	15,725,500
O&D Enplaned Passengers (Domestic)	8,474,586	8,612,485	7,364,803	7,343,809
O&D Enplaned Passengers (Domestic)	47%	48%	46%	47%
Gates				
McNamara Terminal				
Concourse A	64	64	64	64
Concourse B	17	17	17	17
Concourse C	41	41	41	41
Total McNamara	122	122	122	122
North Terminal	N/A	N/A	23	26
Smith Terminal	37	37	N/A	N/A
Berry Terminal	4	4	N/A	N/A

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget
Terminal Buildings - Continued				
Terminal Square Footage				
McNamara Terminal	2,427,049	2,427,049	2,427,049	2,427,049
North Terminal	N/A	N/A	851,049	851,049
Smith Terminal	321,079	321,079	N/A	N/A
Berry Terminal	78,202	78,202	N/A	N/A
Number of Concourses				
McNamara Terminal	3	3	3	3
North Terminal	N/A	N/A	1	1
Smith Terminal	3	3	N/A	N/A
Berry Terminal	1	1	N/A	N/A
Square Footage of Concession Space				
McNamara Terminal	114,872	114,872	113,360	113,360
North Terminal	N/A	N/A	50,233	50,233
Smith Terminal	18,910	18,910	N/A	N/A
Berry Terminal	5,635	5,635	N/A	N/A
Total	139,417	139,417	163,593	163,593
Landside				
On-Airport Parking Spaces				
Midfield Deck	10,209	10,209	10,209	10,209
Blue Deck	6,299	6,281	6,281	6,281
Surface Lots	2,041	2,171	871	871
Total	18,549	18,661	17,361	17,361
Off-Airport Parking Spaces	16,000	16,000	16,000	16,000
Roadways Maintained (Lane-Mileage)	130	130	130	130

Willow Run Airport Demographic Data

	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Budget
Airside				
Aircraft Operations	121,581	116,411	77,504	75,000
Airfield (Acres)				
Runways	127	127	127	127
Taxiways	22	22	22	22
Ramps/Aprons	91	91	91	91
Overall Airport	2,600	2,600	2,600	2,600
Runways				
Runway 5R - 23L	7,526 ft.	7,526 ft.	7,526 ft.	7,526 ft.
Runway 5L - 23R	6,655 ft.	6,655 ft.	6,655 ft.	6,655 ft.
Runway 9R - 27L	6,511 ft.	6,511 ft.	6,511 ft.	6,511 ft.
Runway 9L - 27R	7,294 ft.	7,294 ft.	7,294 ft.	7,294 ft.
Runway 14/32	6,914 ft.	6,914 ft.	6,914 ft.	6,914 ft.

Wayne County Airport Authority Board Members

James U. Settles, Jr. is Chairman of the Wayne County Airport Authority Board. Settles is a United Auto Workers (UAW) Vice President. His UAW career spans over 30 years beginning in 1968 when he joined UAW Local 600. Settles is a lifetime member of the NAACP and a member of the Detroit Branch NAACP Executive Board. He serves as a Board Member of the Economic Alliance of Michigan, Board Secretary of the Coalition of Black Trade Unionists, and Board of Trustees Music Hall. He serves on a number of Detroit area community and civic organizations including Blue Cross/Blue Shield Provider Relations and Health Care Delivery and Cost Committees and the Michigan Round Table for Diversity & Inclusion. Settles is a resident of Detroit and was appointed by Wayne County Executive Robert A. Ficano. His term on the Wayne County Airport Authority Board expires in October, 2010.

Charlie J. Williams is Vice Chairman and Secretary of the Wayne County Airport Authority Board. Williams has served in Wayne County Executive Robert A. Ficano's administration, as well as the administrations of the late Edward H. McNamara and the late Coleman A. Young. During his years of public service, Williams has served in various positions including Deputy County Executive, Assistant County Executive, Director of Personnel (Wayne County and Detroit), Chief of Staff (Detroit), and Director of the Detroit Water and Sewerage Department. Williams currently is President and Chief Executive Officer of MPS Group, Inc., a certified minority business enterprise specializing in resource management, total facilities management and total waste management. Williams is a resident of Detroit and was appointed to a six-year term by Wayne County Executive Robert A. Ficano. His term on the Wayne County Airport Authority Board expires in October, 2012.

Renee C. Pipis Axt is President of RCP Associates, a business development and governmental relations consulting services firm providing services to private, public and non-profit organizations. Pipis Axt previously held various positions in the Wayne County Executive office of the late Edward H. McNamara, as Project Manager for Strategic Planning, Capital Improvement & Special Projects and Assistant Director, Children & Family Services. Pipis Axt holds a master's in Public Administration from the University of Michigan and a bachelor's degree from Wayne State University. Since 2004, Pipis Axt has served on the Blue Cross Blue Shield of Michigan Board of Directors. Pipis Axt is a resident of Detroit and was appointed to a six-year term by Wayne County Executive Robert A. Ficano. Her term on the Wayne County Airport Authority Board expires in October, 2014.

James B. Nicholson is President, Chief Executive Officer and Principal Shareholder of PVS Chemicals, Inc., an international manufacturer and marketer of water treatment and other chemicals products. Before joining PVS in 1972, Nicholson held positions at the First National Bank of Chicago offices in London, England and Dublin, Ireland. Active in numerous civic organizations, Nicholson has served on the Huron Clinton Metropolitan Authority, the council of the graduate school of business at the University of Chicago, and is affiliated with the YMCA of Metropolitan Detroit and the United Way Community. Nicholson lives in Grosse Point Farms and was appointed to an eight-year term by former Governor John Engler. His term on the Wayne County Airport Authority Board expires in October, 2010.

Samuel A. Nouhan is a partner in the national law firm of Bowman and Brooke LLP's Detroit office. His practice areas include product liability, commercial and municipal litigation. Nouhan previously served in the office of the Wayne County Corporation

Counsel and as a clerk to two federal judges. Nouhan is a graduate of the University of Detroit-Mercy School of Law and previously served on the Grosse Pointe Park City Council. Nouhan is a resident of Dearborn Heights and was appointed to a six-year term by Wayne County Executive Robert A. Ficano. His term on the Wayne County Airport Authority Board expires in October, 2014.

Bernard F. Parker, Jr. has been a Wayne County Commissioner for District 2 on Detroit's east side since 1990 and has dedicated his entire life to community and public service. In 1971, Parker co-founded Operation Get Down (OGD), a grassroots community-service organization located on the eastside of Detroit. Commissioner Parker sits on numerous boards of directors, some of which include New Detroit, NAACP and St. Johns Hospital. Parker is a resident of Detroit and was appointed to a four-year term by the Wayne County Commission. His term on the Wayne County Airport Authority Board expires in October, 2010.

Mary L. Zuckerman is Executive Vice President and Chief of Business Operations for the Detroit Medical Center (DMC). Before joining the DMC in January 2004, she spent ten years with Wayne County. During her tenure, Zuckerman held various executive level positions, including Deputy County Executive. Additionally, Zuckerman served as Wayne County's project manager for the Tigers and Lions stadium development teams and oversaw the opening of the McNamara Terminal at Detroit Metro Airport. Zuckerman earned her master's degree in Public Administration from Northern Illinois University and a bachelor's degree from Winona State University. Zuckerman is a resident of Livonia and was appointed to a six-year term by Governor Jennifer Granholm. Her term on the Wayne County Airport Authority Board expires in October, 2014.

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Strategic Plan

Making the World Available

Implementing the Authority's Strategic Plan. Fiscal Year 2008 represented the first full year of implementing the Authority's updated strategic plan. The comprehensive changes in the strategic plan were communicated to all levels throughout the organization. In addition, the Authority's use of the "Balanced Scorecard" methodology to link performance measures with the strategic plan started this year. The Authority-level scorecard of financial and non-financial measures has been used as the basis for monthly business reviews between the CEO and his direct reports.

During Fiscal Year 2009, the Strategy Management Division continued to work with each senior manager to develop department scorecards and, as appropriate, Departments and Divisions scorecards. This is an on-going process as the CEO and his direct reports seek to find the best measures to help manage the Authority's business. Furthermore, each Division developed initiatives linked to the balanced scorecard and/or a strategic priority. Funding for these initiatives were considered as a part of the Fiscal Year 2010 Budget process.

In Fiscal Year 2010, the process of refining the strategic plan will continue. Particular emphasis will be placed on reviewing the Balanced Scorecard objectives and measures to ensure proper alignment with the Authority's business needs.

Mission and Vision

Mission – To operate safe, secure and dynamic air transportation facilities for our customers, creating economic vitality by providing global travel, cargo and business opportunities

Vision – Making the world available

Core Values

The Authority's core values are the standards of the organization and principles by which it strives to conduct its business. They guide the organization's decision-making and influence its approach and performance.

Teamwork – Work across functional areas to achieve our common goals through trust, sharing information, and open discussion of ideas.

Accountability – Follow-through on commitments, take ownership, and accept responsibility for all outcomes.

Customer Satisfaction – Commit ourselves to understand our customers' needs and deliver services and facilities that exceed expectations.

Employee Respect – Treat each other fairly, listen to all opinions, and recognize a job well done.

Integrity – Adhere to a high ethical standard while doing our job with honesty and professionalism.

Diversity – Foster a welcoming environment for all airport users.

Strategic Priorities

To support its mission of operating safe, secure, and dynamic air transportation facilities for its customers and creating economic vitality by providing global travel, cargo and business opportunities, the Authority has established six priorities for Fiscal Year 2010 to guide its operations:

- Priority #1 – Improve the preventative maintenance program for the Airport Authority
- Priority #2 – Grow airline service
- Priority #3 – Promote airport-related economic development
- Priority #4 – Improve financial reporting
- Priority #5 – Improve management of the Power Plant and utilities
- Priority #6 – Enhance the Small Business Enterprise (SBE) Program

The Balanced Scorecard – Authority Level

The Balanced Scorecard methodology was developed in the early 1990's by Harvard professor Robert Kaplan and Boston-area consultant David Norton. It was originally devised as a performance measurement system that encompassed not only financial metrics, but also non-financial measures such as customer service, process improvement, and learning and growth. The Balanced Scorecard has evolved to become a method of linking an organization's vision to its day-to-day operations.

General Benefits. The key benefits of using the Balanced Scorecard include aligning the organization on implementing the strategy, encouraging cross-functional dialogue and implementation, and communicating clear and objective performance measures and expectations.

Authority Approach. The Authority approach is to use the Scorecard to make the strategy relevant for all levels of the organization and to reinforce its values, particularly teamwork, accountability, and customer satisfaction. As such, the Authority takes a holistic "program-oriented" view of performance measurement, instead of grouping measures by division.

The Authority-wide score card is illustrated starting on page 12.

Plans for Fiscal Year 2010

Business Reviews – A critical component the Authority's strategic plan execution are the monthly business reviews between the CEO and his direct reports. These reviews focus on the sustained improvement of the Authority's key business measures. The Authority believes the key benefits of this practice include highlighting underperforming

strategic measures, identifying and eliminating the root causes of poor performance, and ensuring the timely implementation of key initiatives.

Customer Satisfaction Benchmarking – In 2006 the Authority joined the Airport Service Quality (ASQ) program, a customer satisfaction and performance survey designed specifically for the airport environment. The ASQ program has become the industry leader in customer satisfaction surveying with more than 125 airports participating worldwide. The survey questionnaire covers a variety of topics including: ground transportation and parking availability, security wait times, concessions quality, and airport cleanliness. Participants are required to keep information on other airports confidential, but may publish their own survey results.

The quarterly results of the customer satisfaction survey continue to help the Authority serve the traveling passenger by benchmarking its performance relative to peer airports, identifying other airports' successful practices, and in turn, optimizing future customer satisfaction and performance improvement decisions. For its customer satisfaction performance during the past three years, the Authority has received three ASQ awards and one "recognition", based on feedback from domestic and international travelers. The Authority strives to improve customer satisfaction against a highly competitive global benchmarking set including Dallas-Ft. Worth (DFW), Minneapolis-St. Paul (MSP), Seoul-Incheon (ICN), Shanghai-Pudong (PVG), Singapore (SIN), and Tokyo-Nartia (NRT).

ASQ scores for Detroit Metropolitan Airport are illustrated on page 45.

PERSPECTIVE	OBJECTIVE	MEASURE	
CUSTOMER SERVICE	CS 1 Provide an exciting and friendly airport experience	CS 1.1	Airport Service Quality (ASQ) survey: Overall customer satisfaction rating
		CS 1.2	Westin Hotel survey: Guest experience composite rating
		CS 1.3	Terminal food & beverage/retail revenue per enplanement
	CS 2 Improve non-traveler customer service	CS 2.1	Internal support services survey: Overall customer satisfaction rating
		CS 2.2	Business partner survey: Overall customer satisfaction rating
FINANCIAL	F 1 Grow non-airline revenues	F 1.1	Non-airline, passenger related revenue per enplanement
		F 1.2	Overall cargo tonnage handled by metric ton (DTW/YIP)
		F 1.3	Percent (%) parking revenue from credit card transactions
	F 2 Ensure fiscal responsibility	F 2.1	Operating cost per enplanement (DTW) / Operating cost per 1,000 lbs landed weight (YIP)
		F 2.2	North Terminal maintenance cost per square foot
		F 2.3	Airfield operations and maintenance cost per acre (on airfield)
		F2.4	Westin Hotel EBITDA
		F 2.5	Total health expense as a % of payroll and benefits

Table: The Authority-wide Balanced Score Card

PERSPECTIVE	OBJECTIVE	MEASURE	
INTERNAL PROCESS IMPROVEMENT	IP 1 Improve business and operating processes	IP 1.1	Impact of runway closures on airfield availability (DTW/YIP)
		IP 1.2	Percent (%) change construction contract cost due to change orders
		IP 1.3	Number of days from requisition to purchase order
		IP 1.4	Percent (%) maintenance labor hours spent on scheduled maintenance
		IP 1.5	Emergency response time above industry standard
		IP 1.6	Time to fill vacancy / Time to start new employee
		IP 1.7	Percent (%) of contracts completed prior to Board approval
LEARNING AND GROWTH	LG 1 Build a healthy organization	LG 1.1	Employee survey: Overall employee satisfaction rating
		LG 1.2	"Living the Values" survey: Overall rating
		LG 1.3	Percent (%) of employees successfully completed probation period
	LG 2 Grow the skills of the workforce	LG 2.1	Training survey: Overall satisfaction rating
		LG 2.2	Training test: Overall effectiveness rating

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Overview & Fiscal Policies

Fiscal Year 2010

Governance & Reporting

Prior to the commencement of each Fiscal Year (October 1 to September 30), the Authority is required by the State of Michigan Public Act 90 of 2002 (Act 90) to prepare and adopt a budget. The budget contains an itemized statement of the estimated current operational expenses and the expenses for capital outlay, including funds for the operation and development of the airports under the jurisdiction of the Authority and the amounts necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing Fiscal Year. Further, the Budget includes an estimate of the revenues of the Authority from all sources for the ensuing fiscal year.

The Authority is directed and governed by a board consisting of seven members (the Board). The Governor of the State appoints two members of the board, one member is appointed by the legislative body of the County that owns Detroit Metropolitan Airport, and four members of the board are appointed by the Chief Executive Officer of the County. Terms of the appointments range from two to eight years.

In addition to preparing the budget, the Authority provides the Board with monthly financial management reports that provide budget status information including year-to-date financial and aviation activity data.

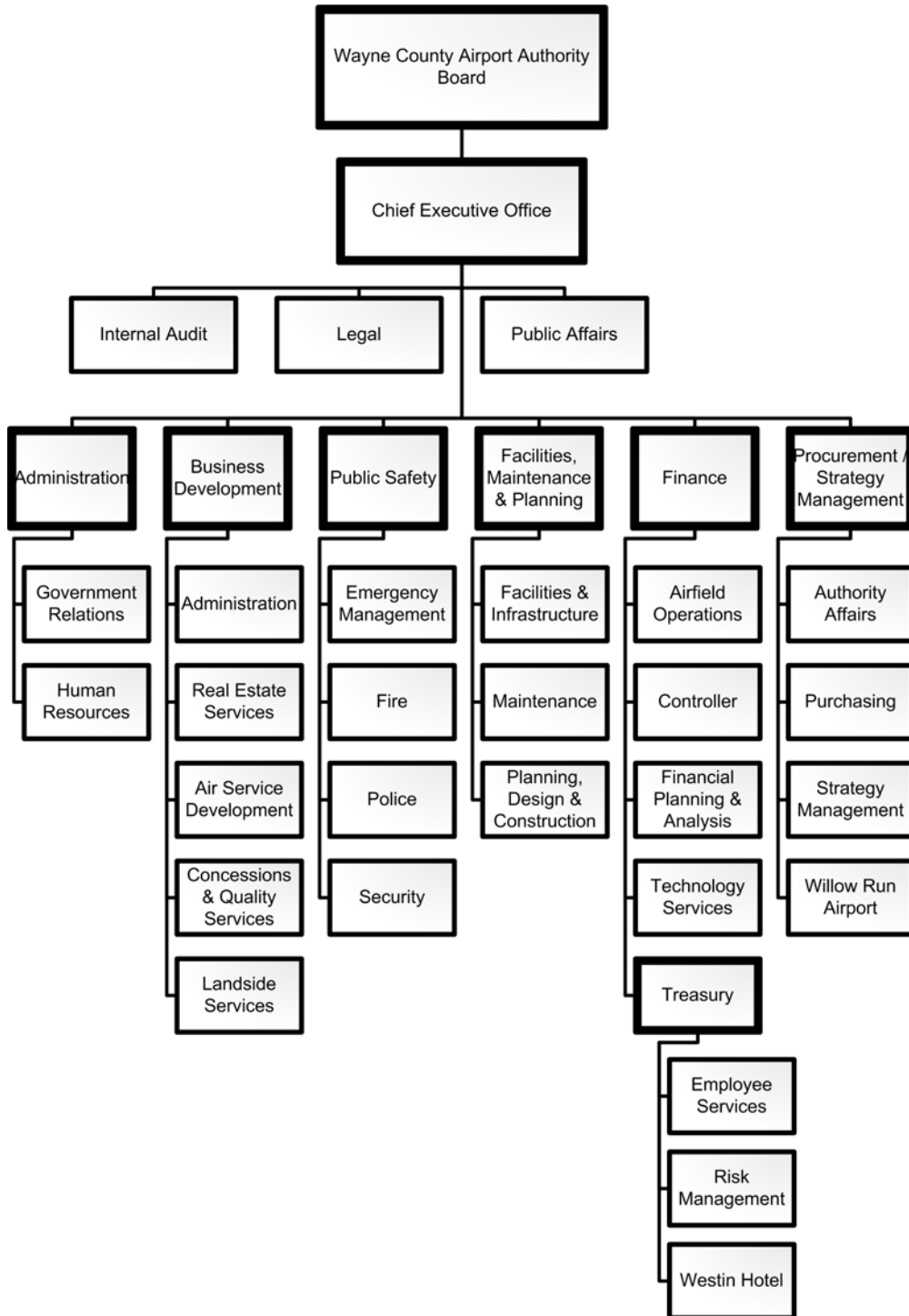
Basis of Budgeting & Accounting

The Authority's basis of budgeting is on an accrual basis: revenues are recorded when earned, and expenses are recorded as incurred. The Authority's basis for budgeting is identical to the basis of accounting, as reflected in the Consolidated Annual Financial Report (CAFR).

The enactment of Act 90, which created the Authority, transferred all operations and management of Detroit Metropolitan Airport and Willow Run Airport from Wayne County. However, the Charter County of Wayne retained all title to real property, including buildings and improvements, so the Comprehensive Annual Financial Report (CAFR) is reported as a discrete component of the County. Therefore, the Authority's basis of accounting and measurement focus is consistent with the generally accepted accounting principles of an enterprise fund.

As allowed by Government Accounting Standards Boards (GASB) Statements No. 20 and No. 34, the Authority follows all GASB pronouncements and Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with GASB pronouncements. The Authority has the option to apply FASB pronouncements issued after November 30, 1989 but has chosen to follow the GASB guidelines.

Authority Organization Chart



Fund Structure

There are three separate operating funds used to manage the Authority's finances: the Detroit Metropolitan Airport Fund, the Willow Run Airport Fund and the Westin Hotel Fund. The largest fund covers the operations of Detroit Metropolitan Airport and accounts for about 90 percent of the Authority's estimated expenses for Fiscal Year 2010. The approved budget includes all three funds.

The Authority manages separate designated and construction funds to account for specific activities and projects. As described above, the entire Authority is reported as an enterprise fund of the Charter County of Wayne. The terms "designated" and "construction funds" are categories used internally for the management and operation of the Authority. The matrix chart below illustrates the relationship between the Authority's Departments and Terminals, and the funds managed and utilized.

	Operating Funds			Non-Operating Funds	
	Detroit Metropolitan Airport	Willow Run Airport	Westin Hotel	Designated Funds	Construction Funds
Office of the CEO	→			→	
Administration	→				
Finance	→		→	→	→
Procurement / Strategy Management	→	→			
Airport Operations	→			→	→
Facilities, Maintenance & Planning	→			→	
Public Safety	→			→	
Business Development	→			→	
DTW North Terminal	→				→
DTW McNamara (South) Terminal	→				→

Balanced Budget

The Airport Authority defines a balanced budget as current revenues equal to current expenditures plus available fund balance. Detroit Metropolitan Airport has a residual funding structure. Under this structure, the Signatory Airlines have guaranteed to pay the expenses of the airport therefore the operating fund is guaranteed to be balanced with current revenues always equaling expenditures. (Airport Use and Lease Agreements are described in greater detail below.)

Net Assets

Net assets are the difference between a fund's assets and liabilities. A positive balance is necessary for several purposes:

- To have funds available for an emergency or unexpected event
- To maintain or enhance the Authority's financial position and bond ratings
- To provide cash flow for operations prior to the receipt of airline and non-airline revenues

The chart below illustrates the projected fund balance for Fiscal Years 2009 and 2010.

Funds	9/30/2009	Revenue	Expenses	Change	9/30/2010
Operating Funds					
Detroit Metro Airport Operating Fund	\$ 29,762	\$ 264,476	\$ 264,476	\$ -	\$ 29,762
O&M Reserve	16,539	600	-	600	17,139
Revenue Fund	21,680	200	-	200	21,880
Willow Run Operating Fund	(1,191)	2,762	\$ 2,762	-	(1,191)
Westin Hotel Operating Fund	3,918	23,175	27,754	(4,579)	(661)
Subtotal	\$ 70,708	\$ 291,213	\$ 294,992	\$ (3,779)	\$ 66,929
Designated Funds					
Marketing Fund	\$ 1,987	\$ 300	\$ -	\$ 300	\$ 2,287
Central Communications	2,691	500	1,000	(500)	2,191
Drug Forfeitures	4,352	500	100	400	4,752
Airport Development Fund	31,318	8,684	10,000	(1,316)	30,003
Renewal/Replacement	1,359	500	500	-	1,359
Discretionary Fund	43	350	350	-	43
Noise Fund	16,977	1,000	1,000	-	16,977
Post Retirement Liability	6,612	3,500	-	3,500	10,112
Subtotal	\$ 65,339	\$ 15,334	\$ 12,950	\$ 2,384	\$ 67,723
Construction Funds					
Passenger Facility Charges	\$ 78,467	\$ 60,000	\$ 80,000	\$ (20,000)	\$ 58,467
General Revenue Bonds	(1,919,437)	150,000	115,000	35,000	(1,884,437)
General Construction	1,994,569	1,000	100,000	(99,000)	1,895,569
Bonded Construction	245,091	95,000	85,000	10,000	255,091
Willow Construction	52,119	7,000	6,000	1,000	53,119
Westin Hotel Bonds	(99,297)	300	-	300	(98,997)
Westin Hotel Construction	59,566	-	5,000	(5,000)	54,566
Subtotal	\$ 411,077	\$ 313,300	\$ 391,000	\$ (77,700)	\$ 333,377
Total	\$ 547,124	\$ 619,847	\$ 698,942	\$ (79,095)	\$ 468,029

The net reduction in All Construction Funds represents the expenditure of bond proceeds used to finance various capital improvement projects. For a complete description of the Capital Improvement Program, see page 99.

Budget Process

Budgeting serves as an important management tool to plan, control, and evaluate the operations of the Authority. The Detroit Metropolitan Airport and Willow Run O&M budgets, and the Westin's budget are the Authority's annual financial plan for operating and maintaining the airports and hotel. These budgets must be sufficient to cover the operation and maintenance expenses of the airports, the debt service payable on bonds and other known financial requirements for the ensuing fiscal year. The Capital Improvement Program budget is the Authority's plan for the design and construction of major improvements and new facilities at the airports with a five year horizon.

The Airport Use and Lease Agreement provides for cost recovery for the operation of Detroit Metropolitan Airport and provides for directly expensing O&M capital equipment and facility projects and recovering the bond-financed capital improvements through specified requirements from funding of debt service.

Budget Process for Fiscal Year 2010

The Financial Planning & Analysis Division (FP&A) began the 2010 budget process by forecasting airline activity, a key driver of earned revenue at the Airport. The FP&A forecast started with an analysis of landed weights and enplanement projections provided by the airlines. Actual and projected airline schedules in the Official Airline Guide (OAG), current and projected load factors, Federal Aviation Administration (FAA) forecasts, and historical actual levels were compared to the airline provided data before the activity forecasts were finalized.

Given the continued decline in activity at both Detroit Metropolitan and Willow Run airports, FP&A prepared a white paper that analyzed the state of the aviation industry and the challenges for the year ahead. The paper was presented to the Board and Senior Leadership Team on May 22 as a primer to the Fiscal Year 2010 Budget.

FP&A then developed a "current services" budget that:

- Assumes all WCAA Departments provide a level of service consistent with the current fiscal year,
- Provides for known contractual changes and any inflation adjustment where appropriate,
- Removes all Fiscal Year 2009 one-time expenses, and
- Provides funding for positions as indicated in the WCAA staffing plan.

In addition to the development of the current services budget, FP&A made several cost savings and efficiency recommendations to the Authority's leadership for their consideration.

Parallel to the development of the current services budget, the Division of Strategy Management worked with all divisions to develop Fiscal Year 2010 initiatives that addressed the Authority's challenges and opportunities. The Divisions responded by

submitting targeted initiatives, that met the Authority's strategic vision and were mindful of current fiscal constraints, to the Senior Management Team, which consists of the CEO, all Executive and Senior Vice Presidents, and the Vice President of Human Resources.

The final draft of the budget, along with the initiatives developed by the Departments and Divisions, were presented to the Senior Management Team. Over a series of meetings, the Senior Management Team applied the direction provided by the Board to review the initiatives and explore additional cost savings. Once a consensus was met and a list of initiatives were approved, a revised draft of the budget was prepared and reviewed again by the Senior Management Team; the recommended budget was submitted to the Signatory Airlines on August 1, 2009, as required by the terms of the Airport Use and Lease Agreement, for their review and comment.

In August, a presentation of the Budget was made to the Detroit Airline Airport Affairs Committee (DAAAC) detailing the assumptions and drivers for change in the budget. Numerous meetings were subsequently held with airline representatives.

Concurrently, the Five Year Plans for the Capital Improvement Programs at Detroit Metropolitan and Willow Run airports were analyzed and updated. The Five Year Plans report active capital projects, as well as all projects that are scheduled to begin within the next five years. The Five Year Plans are an important tool used for formulating future bond issues, maximizing federal and state grant opportunities, pro-actively planning for the replacement or reconstruction of essential infrastructure components that are nearing the end of their service life, and scheduling and coordinating execution of multiple projects to minimize operational impact and maximize fiscal impact.

A presentation of the Fiscal Year 2010 recommended budget was made to the Board in a study session on September 8, 2009 to give the Board Members an opportunity to comment and make suggestions to the proposed budget. A final budget was presented to the full Board for adoption on September 29, 2009, the Board's final meeting of the fiscal year.

Budget Amendments - Amendments to the budget are subject to approval by the Board in accordance with the terms contained in the Board resolution adopted with the budget.

Budget Monitoring - The independent monitoring of the budget continues throughout the fiscal year for management control purposes. Each month, FP&A reviews and analyzes all revenue and expense accounts to compare actual to budget. The findings are reported to the Board on the monthly management report. Additionally, FP&A is responsible to verify budget amounts on all requisitions and encumbrance requests.

Budget Calendar - The following was the Fiscal Year 2009 budget calendar.

April – May 2009

- Chief Executive Officer and Senior Leadership Team deliberate and communicate the organization's Fiscal Year 2010 priorities
- White paper outlining the challenges and opportunities to the aviation industry circulated to the Authority's leadership
- Initial meeting with Chief Executive Officer & Chief Financial Officer to discuss budget goals
- Activity data requested from airlines
- FP&A begins preparation of current services budget
- Division of Strategy Management begins business review meetings with all Authority divisions

June 2009

- Prepared initial revenue projections
- Payroll and benefits calculated
- Divisions prepared initiative requests
- FP&A conducted meetings with all Departments and Divisions

July 2009

- Current Services budget review meetings with departments/divisions
- FP&A due diligence review
- CEO and Senior Leadership Team Budget Study Session and initiative deliberations

August 2009

- 2010 Recommended Budget sent to the Airlines and the Board
- Preliminary 2010 Airline Rates and Charges disseminated
- Review meeting conducted with DAAAC
- FP&A due diligence review (ongoing)

September 2009

- Proposed final adjustments reviewed with Senior Leadership Team
- Board study session to review the recommended budget
- 2010 Recommended Budget adopted by the Board

October 2009

- Fiscal Year 2010 starts
- Fiscal Year 2010 activity fee communicated to Airlines
- Approved Budget distributed
- FP&A conducted individual budget review meetings with the Departments and Divisions

Revenues & Expenditures Policies**Classification**

The Authority has classified its revenues and expenses as either operating or non-operating according to the following criteria:

Operating – Operating revenues and expenses include activities that have the characteristics of exchange transactions, such as revenues from landing and related fees and concession fees, and expenses paid to employees and vendors.

Non-operating – Non-operating revenues and expenses include activities that have the characteristics of non-exchange transactions that are defined as non-operating by GASB No. 9, Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting, such as revenue from federal and state grants and contributions and investment income, and expenses for capital debt.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue

Recognition – Operating revenues are recorded as revenues at the time services are rendered. Non-exchange transactions, in which the Authority receives value without directly giving equal value in return, include grants and capital contributions. Federal and state grants and capital contributions are recognized as revenues when the eligibility requirements, if any, are met.

Airport Use and Lease Agreements – Funding for the Airport operations is predicated upon the stipulations in the Airport Use and Lease Agreements between the Authority and most of the airlines operating at the Airport. The Airport Use and Lease Agreements set forth the terms of the business relationship between the Authority and the airlines. Once an airline signs an Signatory Airport Use and Lease Agreement, it is designated a *Signatory Airline*.

The Airport Use and Lease Agreements set forth the agreed upon methodology for calculating airline rates and charges (landing fee and terminal rental rates) and the prescribed budget process. Airport rates and charges methodologies throughout the United States are usually characterized as either compensatory or residual, although some airports have hybrid methodologies that combines both features.

For Detroit Metropolitan Airport, until September 30, 2008, airline landing fees were calculated based on an Airport-wide residual rate setting methodology, with fixed terminal rentals subject to inflationary adjustments every five years. When the Authority opened the North Terminal in September 2008, new Airport Use and Lease Agreements with the airlines operating in the North Terminal became effective, which contain a revised airline rates and charges methodology for setting terminal rental rates and landing fees effective October 1, 2008. This same revised rate setting methodology also became effective on October 1, 2008, under the Airport Use and Lease Agreements for the airlines operating in the McNamara Terminal. Under the Airport Use and Lease Agreements, terminal rental rates for each terminal now are based on actual terminal operation and maintenance expenses and annual debt service costs specific to those facilities. The activity fee (landing fee) rate continues to be set using an Airport-wide residual rate making methodology, ensuring all annual operating costs and debt service requirements of the Airport are funded.

Following the end of each operating year, the Authority must provide the Signatory Airlines with a report of terminal rentals and activity (landing) fees actually chargeable for such year based on actual data for the year. The Signatory Airlines are required to pay additional amounts owed, and the Authority is required to refund airline overpayments, if the rates on which Signatory Airline activity fee and terminal rent payments during the year were either too low or too high based on actual data.,

The Authority has Airport Signatory Use and Lease Agreements in place with Air France, AirTran, American, Continental, Delta/Northwest, Federal Express, Mesaba, Pinnacle, Southwest, Spirit, United, United Parcel Service, and US Airways, with terms expiring September 30, 2032. The Authority has separate month-to-month lease and operating agreements with Frontier, Lufthansa, and Royal Jordanian.

Passenger Facility Charges – The Authority assesses Passenger Facility Charges (PFC) of \$5.00 per passenger enplanement, which are collected by the airlines. The passenger facility charges are recorded as non-operating revenues and may only be expended on capital and non-capital projects approved by the federal government. Passenger facility charges are recorded upon receipt from airlines.

Debt Policies

The Authority issues Airport Revenue Bonds (Bonds) to finance a major portion of its Capital Improvement Program (CIP). The Bonds are revenue obligations of the Authority and do not constitute indebtedness of Wayne County or the State of Michigan within the meaning of any constitutional, statutory or charter provision or limitation. Neither the credit nor the taxing power of the County or the State is pledged for the payment of principal, premium, if any, or interest on the Bonds. The Authority pledges its net revenues, as defined in the Authority's Master Airport Revenue Bond Ordinance toward the repayment of the Bonds. The Authority has no legal debt limit; however, bonds cannot be issued without weighted majority approval of the signatory airlines.

The Authority has established the following guidelines for managing its long-term debt program:

- Debt financing is undertaken for required capital projects after all reasonable financing alternatives, including the use of PFCs and grants are considered. No debt limit exists.
- Pay-as-you-go mode of financing is utilized to fund capital improvement projects to the extent feasible.
- Long-term debt is not used to finance current non-capital expenditures.
- Debt issues are structured based on attributes of the types of projects financed and market conditions at the time of issuance.
- Financial advisors are retained for advice on debt structuring.
- Policy on required continuing disclosure is maintained, including filing certain financial information and operating data with Nationally Recognized Municipal Securities Information Depositories and with the relevant State Information Depository.
- Bond issuance costs are amortized over the period the bond is outstanding based on the ratio of debt outstanding to original debt issued.
- The Authority defers the difference between the reacquisition price and the net carrying amount of the old debt in refundings in accordance with the provisions of GASB Statement No. 23, Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities. The deferred amount is amortized and recorded as a component of interest expense in accordance with the standard.

Additional information concerning the Authority's debt management program, including complete debt repayment schedules, starts on page 145.

Investment Policies

Cash & Investments

Cash resources of the individual funds of the Authority, except as specifically stated by ordinance, are pooled and invested. Interest on pooled investments is allocated monthly among the respective funds based on average investment balances. Interest earned, but not received, at year end is accrued. Investments are stated at fair market value, which is based on quoted market prices.

Michigan Compiled Laws Section 129.9 1 (Public Act 20 of 1943, as amended), authorizes the Authority to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. The Authority is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; bankers' acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of

investment vehicles that are legal for direct investment by local units of government in Michigan.

The investment policy adopted by the Authority in accordance with Public Act 20 of 1943, as amended, authorizes investments in U.S. Treasuries, U.S. agencies and instrumentalities (date specific maturities only), non-negotiable certificates of deposits, commercial paper (rated A2/P2 or above), bankers' acceptances, repurchase agreements, overnight deposits, or mutual funds. For overnight deposits, the treasurer may invest overnight or short-term liquid assets to cover cash flow requirements in the following types of pools: investment pools organized under the Surplus Funds Investment Pool Act of 1982, PA 367, 1 MCL 129.111 to MCL 129.118 or investment pools organized under the Urban Cooperation Act of 1967, PA 7, MCL 124.501 to 124.512. For mutual funds, the treasurer may invest in no-load fixed income mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan, either taxable or tax-exempt. This authorization is limited to mutual funds whose intent is to maintain a net asset value of \$1.00 per share.

Cash Flows

For purposes of the statement of cash flows, the Authority considers all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased to be cash equivalents. All pooled investments qualify as cash equivalents.

Financial Reserve Policies

The Detroit Metropolitan Airport Operating Fund is required (ordinance 319 of the County of Wayne, Michigan) to maintain an operating reserve equal to one-twelfth of operating expenses. The reserve must be funded quarterly as needed and based on budgeted operating expenses.

The Westin Hotel Operating Fund is required (ordinance 334 of the County of Wayne, Michigan) to maintain an operating reserve of \$3,000,000, a reserve for centralized services fees equal to one-twelfth of the fixed centralized services fee for any year, and a reserve for replacement of furniture, fixtures, and equipment equal to 5 percent of hotel gross revenue for the year.

The Willow Run Airport Operating fund is not required to maintain any operating reserve.

Capital Assets

Capital assets are stated at the estimated historical cost. Depreciation is computed using the straight line method over the estimated useful lives of the assets as follows:

- Buildings & Improvements 10 – 50 years
- Equipment & Vehicles 3 – 12 years
- Infrastructure 10 – 40 years

Expenditures with a cost of \$5,000 or more for capital assets and for major renewals and betterments that extend the estimated useful life of the assets are capitalized;

routine maintenance and repairs are charged to expense as incurred. All costs relating to the construction of property and equipment owned by the Authority are capitalized, including salaries, employee benefits, and interest costs during construction. At the time fixed assets are sold, retired, or disposed of, the costs of such assets and related accumulated depreciation are removed from the accounts, and any gain or loss is reflected in the results of operations.

GFOA Distinguished Budget Award

The Fiscal Year 2010 Budget has been prepared in conformance with the guidelines recommended by the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award program. The Authority has received the GFOA's award for Fiscal Years 2005 through 2009.

Budget Assumptions for Fiscal Year 2010

The Authority recognizes significant uncertainties in the national and regional economy, aviation industry, and financial markets that pose challenges to operating the Detroit Metropolitan Airport and Willow Run Airport. The U.S. national economy is mired in recession and immediate recovery is uncertain. A recession translates into decreased demand for air travel as discretionary spending declines. Leisure travel declines and businesses with sluggish revenues look to minimize costs and curtail travel expenses.

The Authority has little control over these external factors; yet, its revenue is directly tied to airline activity and the health of the industry. Therefore, the potential impact of these various uncertainties must be carefully weighed when forecasting airline activity levels and non-airline revenues correlated to those activities, like parking and concessions. The Authority forecasts a slight decline in enplanement passengers, from 15.9 million in Fiscal Year 2009 to 15.7 million in Fiscal Year 2010.

In addition to numerous external uncertainties, the Authority faced the significant internal challenge of revising its cost accounting methodologies to accommodate changes in the signatory lease agreements. Specifically, all Detroit Metropolitan Airport terminal costs must be distinguished from all other expenses associated with operating the airport. Some categories of expenses, such as airport utilities and maintenance costs, have not historically been differentiated by terminal and elsewhere.

U.S. Recession

At the start of the budget process, 5.1 million jobs had been lost in the U.S. since the current recession started late in 2007. The national unemployment rate was 8.5 percent, the highest since November 1983. Claims for state unemployment benefits in March jumped to a 26-year high as the U.S. economy has experienced an historic drop in payroll since the beginning of 2009. Other negative indicators at the start of the budget process included six months of consecutive declines for U.S. factory orders, a plunge in building permits, a decline in factory hours, rising jobless claims and a drop in orders for capital goods.

Looking at the statistics, says Barry Bosworth, a Senior Fellow in economic studies at the Brookings Institution, "There's no sign that the recession is slowing down. There's nothing in that data set that would suggest to you that the worst is over." Unemployment is a lagging indicator, and many economists predict that the national

unemployment rate could approach or even exceed 10 percent this year. By September 2009, the nation's unemployment rate reached 9.8 percent.

Regional Economy in Recession

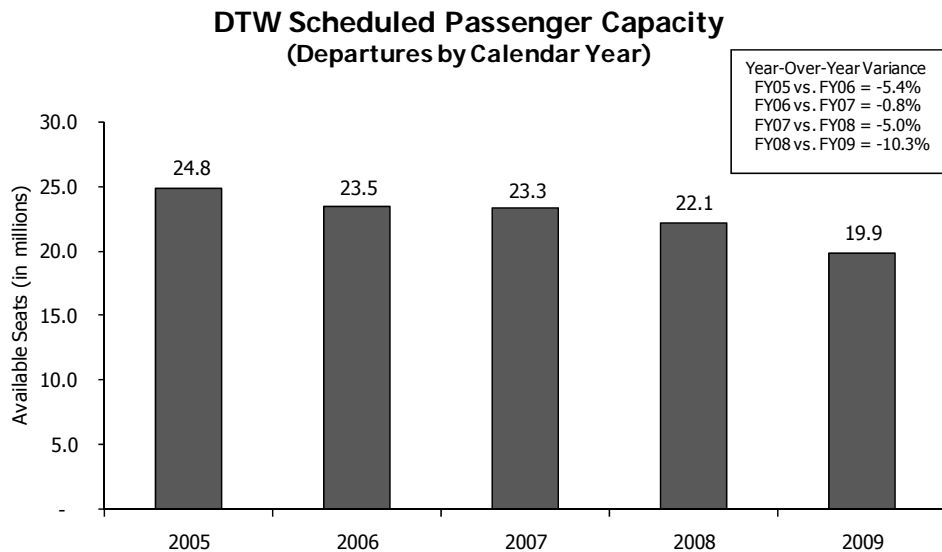
While the U.S. Economy reels in recession, Michigan's unemployment rate is the highest in the nation at 15.3 percent as of September 2009. (When the budget process started, Michigan's unemployment rate was 12.6 percent.) Job losses in Michigan during 2009 will reach 239,000 and the *Free Press* notes that's "about twice the entire population of Flint."

The economy of Southeastern Michigan continues to experience an extended period of decline in jobs and population. The region, and the State of Michigan as a whole, is in the midst of an economic restructuring stemming from a decline in auto manufacturing. The Southeastern Michigan Council of Local Governments (SEMCOG) forecasts that the region will not gain employment before 2010 and that declining population trends will not turn around before 2015. Regional employment declines and the out-migration of population fare poorly for significant growth in the originating and destination (O&D) passenger traffic through the Airport.

Weakened Demand for Air Travel

Air travel demand is directly correlated to income. As consumer income and commercial profits increase, so does air travel. But as Moody's explains, "Airline passenger demand has historically been sensitive to major changes in the U.S. economy and the past year has been no exception."

In response to weakened demand for air travel, Airlines have reduced the overall system capacity. The move by airlines to reduce seats began last year when rapid price escalations in jet fuel costs led all major U.S. Airlines to eliminate unprofitable routes, reduce frequencies of flights, use smaller aircrafts and increase fares to maintain already slim operating margins. As jet fuel prices receded, the decline in the U.S. economy sharpened. Airlines have not reinstated capacity, nor are they expected to do so in tough economic times.



Cargo Industry Slump

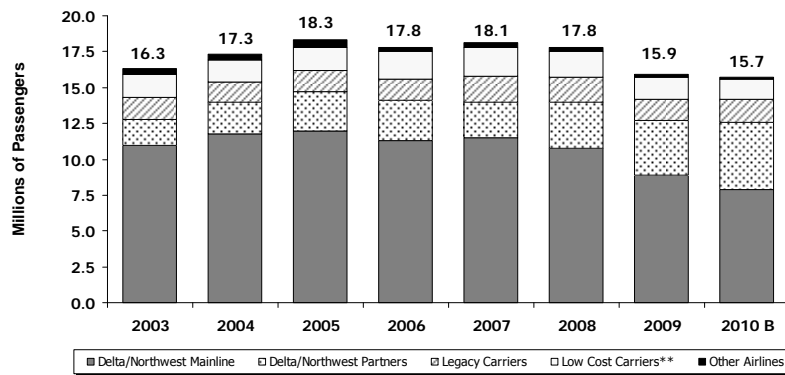
Weakness in the global economy extends beyond passenger demand for travel as demand for cargo is depressed. The Air Transport Association of America reports that U.S. air-cargo volumes had dropped 21 percent in February compared with a year ago. That was the seventh consecutive month of year-to-year declines.

Through the first six months of Fiscal Year 2009, air-cargo at the Airport is down 30.8 percent from a year prior. Cargo landed weights at Willow Run Airport is down 64.2 percent over the same period. These trends have persisted throughout Fiscal Year 2009.

Forecast for Enplaned Passengers

The Authority forecasts the number of enplaned passengers for the Fiscal Year 2010 to be 15.7 million, a decrease of 12 percent from the prior year budget. The trend The Airport is experiencing is consistent with national trends. According to the Federal Aviation Administration, overall domestic air passenger traffic is expected to fall nearly 9 percent in 2009, while international bookings are forecasted to drop 2.4 percent. The FAA expects to see travel growth return in 2010, but business travel may take longer to recover.

**DTW Passenger Enplanements
FY 2003 - FY 2010**



** Low Cost Carriers include AirTran Airways, Frontier Airlines, Southwest Airlines, Spirit Airlines

Note: Based on fiscal year data. Legacy Carriers numbers include their regional affiliates.

Source: Wayne County Airport Authority

With air travel demand weak, Airlines have responded by introducing fare sales. According to the Air Transportation Association, average domestic ticket fares were about 8.7 percent lower in March 2009 than in the year prior. The strategy appeared to have worked as carriers reported an uptick in bookings. But the uptick in consumer demand stemming from fare sales is only part of the economic story. Business travel has dropped off sharply.

Long-Term Effects of a Prolonged Recession

As the longest down turn in the U.S. economy since the Great Depression of the 1930's, economists site the potential lasting impact the recession may have on consumer behavior. The Economist writes: "there are good reasons to think that what promises to be the worst downturn since the Depression will spark profound shifts in shopper's psychology." Consumers no longer seem consumed by their desire to consume; instead they are planning to live within their means, and there has been a backlash against luxury goods and services. Time Magazine adds:

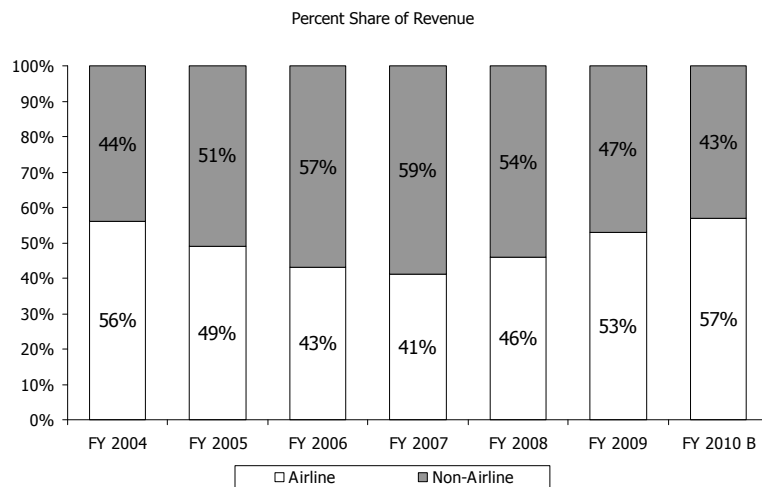
Unlike any other downturn since the 1930s, this one has affected everyone, either the fact of it or the fear of it. Even when prosperity returns, 61 percent predict, they'll continue to spend less than they did before. Among people earning less than \$50,000 a year — roughly half of U.S. households — 34 percent have not gone to the doctor because of the cost, 31 percent have been out of work at some point, and 13 percent have been hungry. At the same time, 4 in 10 people earning more than \$100,000 say they are buying more store brands, 36 percent are using coupons more, and 39 percent have postponed or canceled a vacation to save money.

A thrifty shift in consumer behavior may have a profound impact on enplanements and non-airline revenues.

Decline in Non-Airline Revenues

Enplanements continue to decline, and as a result, airport-generated revenues from non-airline sources also continue to decline given their dependence on passenger activity. During times of growth, airports have done quite well at generating a blend of diverse sources of non-airline revenues that have either helped add cushion to the bottom line or tempered the operating carriers' share of total airport costs. The chart below illustrates the split between airline and non-airline revenues.

Share of Non-Airline Revenue to Total Airport Revenues



Possibility of Reaffirmation Agreements

Airport concessionaires and ground transportation vendors pay a percent of revenues to the Authority with a Minimum Annual Guarantee (MAG). These agreements were designed with certain assumptions about enplanement traffic and growth at the airport. However, with enplanement activity retreating, many concessioners are currently paying the MAG rate and the Authority is confronted with the possibility that many vendors will not be able remain afloat if enplanements continue to decrease.

The Authority must plan for the possibility that numerous vendors will struggle if the airport experiences a continued decline in the enplanements, and that these vendors may not be able to meet the MAG agreements. To address this possibility, the Authority may need to seek reaffirmation agreements to provide relief for the vendors so that they may remain in operation providing services that passengers expect to receive when visiting the Airport. Thus far, several car rental companies have sought relief from existing MAG agreements and are working with the Authority to negotiate reaffirmation agreements.

Credit Market Turbulence

Should airport traffic face continued weakness, airport credit ratings will be equally challenged to preserve the same historic levels of financial performance. Despite fluctuations in the economy, airports are expected to continue to support capital investments, often with debt-related financing in the form of general airport revenue bonds. According to Federal Aviation Administration (FAA) reports, total airport debt grew to \$62.5 billion by 2007, up from \$46 billion in 2001. The trend of airports leveraging themselves is an indication of the confidence in long-term passenger traffic growth and the need to maintain adequate capacity. Yet, with air travel falling back, in some cases to 2004–2005 levels, and the pace of future growth in question, the debt burden for certain airports will seem larger. Fiscal Year 2009 enplanements at the Airport have retreated to levels not seen since Fiscal Year 2003.

The disruptions in the financial markets and the ongoing credit crunch have certainly stood out as some of the most compelling events affecting airport financial activity over the past year. Airports are capital-intensive and have ongoing needs for investment to accommodate growth and modernization. The financial costs, including debt service on bonds, are ultimately passed on to carriers through rates and charges.

"Fitch views these cost recovery mechanisms as an important consideration in the credit ratings of airports. For many years, airports have enjoyed favorable and predictable market access, particularly with the benefit of the use of highly rated credit enhancement products. However, over the past year much of this environment has changed now that most monoline insurers have been sharply downgraded, and questions continue to be raised about the stability of financial institutions that support airport variable-rate debt through liquidity facilities and swap agreements."

Moody's writes:

"Beyond near-term disruptions to capital markets and liquidity, we believe financing costs to airports will remain higher than in recent years. Through 2009 and 2010 we expect interest rates on all types of debt instruments will likely be higher than the historic lows of the last few years. Until 2008, airports had been able to take advantage of very inexpensive financing through the use of bond insurers, auction-

rate securities, open credit markets and historically low interest rates. Moody's believes airports now face a different financing environment with limited availability of bond insurance, constricted variable-rate financing alternatives, fewer and weaker lending institutions, and higher overall interest costs."

Northwest Airlines and Delta Airlines Merger

Formalized in October 2008, the merger between Delta Air Lines (Delta) and Northwest Airlines (Northwest) created the world's largest airline with service to 379 destinations in 66 countries, more than 6,000 daily departures and more than 170 million customers served annually. The Airport has been the base of hub operations for Northwest Airlines, and with a 30-year commitment to manage and operate at the McNamara Terminal, it is anticipated that the new Delta will continue to utilize the Airport as a similarly prominent hub in its network.

While Delta completed the terminal rebranding in April, the merger has not yet fully translated markets changes in their route system. With the merger, Delta now operates hubs in Atlanta, Cincinnati/Northern Kentucky, Detroit, Memphis, Minneapolis, New York's John F. Kennedy and Salt Lake City. Given the overall softness demand for air travel and the continued operating losses for Delta, Fitch believes there is a "strong likelihood" that the merged carrier will take steps to strengthen its financial position by reducing capacity and realigning routes in the near future. Analysts at Moody's agree, "The combined airline will likely reduce capacity on overlapping routes." The Airport has already seen such a re-alignment.

To date, Delta has given no indication what the full impact will be to the combined hubbing network. Nonetheless, the merger represents a new era of cost competition between hubbing airports within the network of Delta hubs, especially considering the geographic proximity of Midwestern hubs in Cincinnati, Detroit, Memphis, and Minneapolis. The impact for hubbing airports like the Airport:

Considering the widespread nature of air traffic losses, Fitch believes airport management will need to make operating and financial adjustments to reflect new realities, and be prepared for a worsening environment.

The map below illustrates the proximity of the Delta hubbing operations throughout the South and Midwestern States. Also listed below is a chart of benchmarks measuring the activity and performance of Delta hubs. Compared with the other Delta hubs, the Airport is:

- Middle of the pack in airline cost per enplaned passenger
- Second (of six) to Atlanta in arriving/departing passengers, scheduled flights, number of carriers, and number of flights
- Fifth (of six) in average arrival and departure delays
- Second (of six) in on-time arrivals, but fourth (of six) in on-time departure



Delta Airlines Hub Benchmarks						
	ATL	CVG	DTW	MEM	MSP	SLC
Airline Cost Per Enplanement#	\$ 9.41	\$ 8.89	\$ 9.10	\$ 5.91	\$ 9.10	\$ 6.94
<i>Rank</i>	6	3	4	1	4	2
Passengers (000's)*						
Arrivals	39,057	6,042	14,984	5,119	14,916	9,540
<i>Rank</i>	1	5	2	6	3	4
Departures	39,981	6,000	14,945	5,104	14,899	9,526
<i>Rank</i>	1	5	2	6	3	4
Scheduled Flights*	435,770	121,547	204,991	155,306	191,534	139,893
<i>Rank</i>	1	6	2	4	3	5
Freight/Mail (million lbs)*	635	65	278	6,433	426	337
<i>Rank</i>	2	6	5	1	3	4
Carriers*	31	24	31	26	32	19
<i>Rank</i>	2	5	2	4	1	6
% On Time**						
Departure	78%	80%	82%	84%	83%	87%
<i>Rank</i>	6	5	4	2	3	1
Arrival	76%	80%	82%	81%	80%	86%
<i>Rank</i>	6	4	2	3	4	1
Average Departure Delay (mins)**	55.2	53.5	55.8	59.0	53.0	51.7
<i>Rank</i>	4	3	5	6	2	1
Average Arrival Delay (mins)**	58.4	56.9	57.6	54.2	57.1	49.7
<i>Rank</i>	6	3	5	2	4	1
Total Canceled (%)**	1.60%	1.99%	1.30%	1.57%	1.13%	0.70%
<i>Rank</i>	5	6	3	4	2	1
Number of Flights (000's)**	412.4	86.2	157.2	67.3	125.9	136.0
<i>Rank</i>	1	5	2	6	4	3
Top Destination*	MCO	ATL	MCO	ATL	ORD	DEN

Source: Delta Airlines, January 25, 2009

* Bureau of Transportation Statistics, 12 months ending January of each year.

** Bureau of Transportation Statistics, March 2008 - February 2009 .

Combined Hubbing Operations, Northwest and Delta Airlines

Negotiated Bargaining Agreements

The chart below illustrates bargaining units with negotiated economic enhancements for Fiscal Years 2010 and 2011. The Authority budgets wage increases for bargaining units with expired contracts based on the best information available from ongoing labor negotiations. If a contract is not settled before the close of the fiscal year, the Authority records a liability accrual for the anticipated payout.

Bargaining Unit	Economic Enhancement	
	FY 2010	FY 2011
Local 101 – A.F.S.C.M.E	3%	3%
Local 324 A – Engineers	To be determined. Contract expired 11/30/2007	
Local 324 B – Engineers	To be determined. Contract expired 11/30/2007	
Local 741 – Firefighters	To be determined. Contract expired 11/30/2008	
Local 1862, 2057, 2926 – A.F.S.C.M.E	3%	3%
Government Administrators Association	3%	3%
Government Bar Association	To be determined. Contract expired 11/30/2008	
Local 502 – Police	To be determined. Contract expires 11/30/2009	
Local 3317 – A.F.S.C.M.E	To be determined. Contract expires 11/30/2009	

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Summary of Revenues & Expenditures

Budget in Brief

Detroit Metropolitan Airport (\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 227,214	\$ 254,073	\$ 270,943	\$ 262,876	\$ (8,067)	-3.0%
Operating Expense	171,582	189,862	195,579	186,656	(8,923)	-4.6%
Operating Margin	55,632	64,211	75,364	76,220	856	1.1%
Non-Operating Revenue	3,015	2,290	2,459	1,600	(859)	-34.9%
Non-Operating Expense	58,647	66,501	77,823	77,820	(3)	0.0%
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Position Count	709	721	705	608	(97)	-13.8%

Westin Hotel (\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 30,262	\$ 28,687	\$ 31,900	\$ 22,805	\$ (9,095)	-28.5%
Operating Expense	20,828	19,913	21,700	19,258	(2,442)	-11.3%
Operating Margin	9,434	8,774	10,200	3,547	(6,653)	-65.2%
Non-Operating Revenue	495	486	420	370	(50)	-11.9%
Non-Operating Expense	7,572	10,907	9,093	8,496	(597)	-6.6%
Change in Net Assets	\$ 2,357	\$ (1,647)	\$ 1,527	\$ (4,579)	\$ (6,106)	-399.9%
Position Count	-	-	-	-	-	n/a

Willow Run Airport (\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 4,118	\$ 3,706	\$ 4,055	\$ 2,762	\$ (1,293)	-31.9%
Operating Expense	5,795	7,261	5,800	3,236	(2,564)	-44.2%
Operating Margin	(1,676)	(3,555)	(1,745)	(474)	1,271	-72.8%
Non-Operating Revenue	13	13	5	-	(5)	-100.0%
Non-Operating Expense	(29)	(302)	(1,740)	(474)	1,266	-72.7%
Change in Net Assets	\$ (1,634)	\$ (3,240)	\$ -	\$ -	\$ -	n/a
Position Count	27	27	23	11	(12)	-52.2%

Consolidated Operating Budget

(\$ in thousands)

	Detroit Metropolitan Airport	Westin Hotel	Willow Run Airport	Authority Total
Airline Revenue				
Landing Fees	\$ 70,874	\$ -	\$ 330	\$ 71,204
Airline Rents and Other Fees	79,982	-	1,983	81,965
Total	\$ 150,856	\$ -	\$ 2,313	\$ 153,169
Non-Airline Revenue				
Parking	\$ 48,000	\$ -	\$ -	\$ 48,000
Concession Fees	48,600	-	-	48,600
Service Fees and Other Revenue	15,420	22,805	449	38,674
Total	\$ 112,020	\$ 22,805	\$ 449	\$ 135,274
Non-Operating Revenue				
Interest Income	\$ 700	\$ 370	\$ -	\$ 1,070
Grants	900	-	-	900
Total	\$ 1,600	\$ 370	\$ -	\$ 1,970
Total Revenue	\$ 264,476	\$ 23,175	\$ 2,762	\$ 290,413
Operating Expenses				
Wages & Benefits	\$ 69,372	\$ -	\$ 1,147	\$ 70,519
Materials & Supplies	5,722	-	133	5,855
Contractual Services	45,721	18,823	384	64,927
Insurance	2,831	-	25	2,856
Utilities	29,800	-	695	30,495
Buildings & Grounds	13,320	-	186	13,506
Equipment Repair	17,040	-	217	17,257
Other Operating Expenses	2,850	-	450	3,300
Total	\$ 186,656	\$ 18,823	\$ 3,236	\$ 208,715
Non-Operating Expenses				
Debt Service	\$ 65,829	\$ 7,014	\$ -	\$ 72,843
O&M Capital	2,456	-	20	2,476
Fund Requirements	9,534	1,917	(494)	10,957
Total	\$ 77,820	\$ 8,931	\$ (474)	\$ 86,276
Total Expenses	\$ 264,476	\$ 27,754	\$ 2,762	\$ 294,992
Change in Net Assets	\$ -	\$ (4,579)	\$ -	\$ (4,579)

Detroit Metropolitan Airport

Summary of Revenues & Expenditures

(\$ in thousands)

	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2010 Budget	Budget Variance	
					\$	%
Airline Revenue						
Landing Fees	\$ 58,741	\$ 84,022	\$ 54,715	\$ 70,874	\$ 16,159	29.5%
Rent	26,642	26,934	69,105	75,359	6,254	9.0%
Facility Use Fees	7,525	7,885	8,000	4,623	(3,377)	-42.2%
Total	\$ 92,908	\$ 118,842	\$ 131,820	\$ 150,856	\$ 19,036	14.4%
Non-Airline Revenue						
Parking	\$ 58,859	\$ 58,683	\$ 61,985	\$ 48,000	\$ (13,985)	-22.6%
Car Rental	20,859	21,493	20,500	16,700	(3,800)	-18.5%
Concessions	29,078	30,043	31,743	27,900	(3,843)	-12.1%
Ground Transportation	7,394	7,056	7,066	4,000	(3,066)	-43.4%
Shuttle Bus	5,254	5,773	5,400	5,120	(280)	-5.2%
Utility Service Fees	4,078	4,498	4,750	4,100	(650)	-13.7%
Rent	3,906	3,783	4,679	3,800	(879)	-18.8%
Other Revenue	2,757	1,414	1,000	1,000	-	0.0%
Charges For Services	2,121	2,489	2,000	1,400	(600)	-30.0%
Total	\$ 134,307	\$ 135,231	\$ 139,123	\$ 112,020	\$ (27,103)	-19.5%
Non-Operating Revenue						
Interest Income	2,100	1,498	1,600	700	(900)	-56.3%
Insurance Recovery	69	7	-	-	-	-
Grants	846	786	859	900	41	4.8%
Total	\$ 3,015	\$ 2,290	\$ 2,459	\$ 1,600	\$ (859)	-34.9%
Total Revenue	\$ 230,229	\$ 256,363	\$ 273,402	\$ 264,476	\$ (8,926)	-3.3%
Operating Expenses By Department						
Chief Executive Officer	\$ 4,545	\$ 5,780	\$ 4,969	\$ 5,134	\$ 166	3.3%
Finance & Technology	12,943	14,661	13,799	13,305	(494)	-3.6%
Procurement / Strategy Management	2,421	2,544	2,827	2,433	(394)	-13.9%
Administration	2,782	2,570	2,867	2,726	(141)	-4.9%
Operations	13,424	14,505	14,035	13,189	(846)	-6.0%
Facilities, Maintenance & Planning	62,654	72,319	75,210	71,445	(3,765)	-5.0%
South Terminal Maintenance	32,133	32,031	33,387	33,168	(218)	-0.7%
North Terminal Maintenance	4,952	4,375	10,244	9,768	(476)	-4.6%
Public Safety	29,960	29,875	32,233	29,129	(3,103)	-9.6%
Business Development	6,147	7,363	7,161	6,359	(802)	-11.2%
Unassigned	(377)	3,839	(1,150)	-	1,150	-100.0%
Total	\$ 171,582	\$ 189,862	\$ 195,579	\$ 186,656	\$ (8,923)	-4.6%
Non-Operating Expenses						
Debt Service	\$ 49,051	\$ 57,809	\$ 65,123	\$ 65,829	\$ 706	1.1%
O&M Capital	1,942	2,086	1,700	2,456	756	44.5%
Fund Requirements	7,654	6,606	11,000	9,534	(1,466)	-13.3%
Total	\$ 58,647	\$ 66,501	\$ 77,823	\$ 77,820	\$ (3)	0.0%
Total Expense	\$ 230,229	\$ 256,363	\$ 273,402	\$ 264,476	\$ (8,926)	-3.3%
Change In Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	n/a

Operating Expense by Category

(\$ in thousands)

Operating Expenses By Type	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 46,151	\$ 47,322	\$ 46,892	\$ 41,649	\$ (5,243)	-11.2%
Employee Benefits	23,725	27,891	28,490	27,723	(767)	-2.7%
Materials & Supplies	4,061	5,392	6,373	5,722	(651)	-10.2%
Parking Management	10,325	8,906	7,700	7,000	(700)	-9.1%
Shuttle Bus	8,251	9,221	8,300	8,000	(300)	-3.6%
Janitorial	2,417	2,403	10,745	10,597	(148)	-1.4%
Security	3,433	2,758	2,863	2,660	(203)	-7.1%
Contractual Services	9,234	13,519	15,636	17,460	1,824	11.7%
Hotel Expenses	4	5	-	4	4	n/a
Insurance	2,826	2,593	3,000	2,831	(169)	-5.6%
Utilities	25,585	29,558	29,790	29,800	10	0.0%
Buildings & Grounds	20,569	22,094	16,915	13,320	(3,595)	-21.3%
Equipment Repair	12,742	13,435	15,864	17,040	1,177	7.4%
Other Operating Exp.	2,258	4,765	3,011	2,850	(161)	-5.4%
Total	\$ 171,582	\$ 189,862	\$ 195,579	\$ 186,656	\$ (8,923)	-4.6%

Position Count by Department

(Full Time Employees)

Position Count By Department	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	#	%
Chief Executive Officer	24	23	22	19	-3	-13.6%
Finance & Technology	50	53	50	45	-5	-10.0%
Procurement / Strategy Management	24	25	25	20	-5	-20.0%
Administration	18	19	18	17	-1	-5.6%
Operations	52	52	53	47	-6	-11.3%
Facilities, Maintenance & Planning	249	249	241	219	-22	-9.1%
Public Safety	238	246	244	204	-40	-16.4%
Business Development	54	54	52	37	-15	-28.8%
Total	709	721	705	608	-97	-13.8%

Landing Fee Requirements

(\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Expenses:						
Salaries & Wages	\$ 46,151	\$ 47,322	\$ 46,892	\$ 41,649	\$ (5,243)	-11.2%
Employee Benefits	23,725	27,891	28,490	27,723	(767)	-2.7%
Materials & Supplies	4,061	5,392	6,373	5,722	(651)	-10.2%
Parking Management	10,325	8,906	7,700	7,000	(700)	-9.1%
Shuttle Bus	8,251	9,221	8,300	8,000	(300)	-3.6%
Janitorial	2,417	2,403	10,745	10,597	(148)	-1.4%
Security	3,433	2,758	2,863	2,660	(203)	-7.1%
Contractual Services	9,234	13,519	15,636	17,460	1,824	11.7%
Hotel Expenses	4	5	-	4	4	n/a
Insurance	2,826	2,593	3,000	2,831	(169)	-5.6%
Utilities	25,585	29,558	29,790	29,800	10	0.0%
Buildings & Grounds	20,569	22,094	16,915	13,320	(3,595)	-21.3%
Equipment Repair	12,742	13,435	15,864	17,040	1,177	7.4%
Other Operating Exp.	2,258	4,765	3,011	2,850	(161)	-5.4%
Debt Service	49,051	57,809	65,123	65,829	706	1.1%
O&M Capital	1,942	2,086	1,700	2,456	756	44.5%
Fund Requirements	7,654	6,606	11,000	9,534	(1,466)	-13.3%
Total Requirement	\$ 230,229	\$ 256,363	\$ 273,402	\$ 264,476	\$ (8,926)	-3.3%
Less Credits:						
Airline Rent	\$ (26,642)	\$ (26,934)	\$ (69,105)	\$ (75,359)	\$ (6,254)	9.0%
Facility Use Fees	(7,525)	(7,885)	(8,000)	(4,623)	3,377	-42.2%
Parking	(58,859)	(58,683)	(61,985)	(48,000)	13,985	-22.6%
Car Rental	(20,859)	(21,493)	(20,500)	(16,700)	3,800	-18.5%
Concessions	(29,078)	(30,043)	(31,743)	(27,900)	3,843	-12.1%
Ground Transportation	(7,394)	(7,056)	(7,066)	(4,000)	3,066	-43.4%
Shuttle Bus	(5,254)	(5,773)	(5,400)	(5,120)	280	-5.2%
Utility Service Fees	(4,078)	(4,498)	(4,750)	(4,100)	650	-13.7%
Rent	(3,906)	(3,783)	(4,679)	(3,800)	879	-18.8%
Other Revenue	(2,757)	(1,414)	(1,000)	(1,000)	-	0.0%
Charges For Services	(2,121)	(2,489)	(2,000)	(1,400)	600	-30.0%
Interest Income	(2,100)	(1,498)	(1,600)	(700)	900	-56.3%
Insurance Recovery	(69)	(7)	-	-	-	n/a
Grants	(846)	(786)	(859)	(900)	(41)	4.8%
Total	\$ (171,489)	\$ (172,341)	\$ (218,687)	\$ (193,602)	\$ 25,085	-11.5%
Total Landing Fee Requirement	\$ 58,741	\$ 84,022	\$ 54,715	\$ 70,874	\$ 16,159	29.5%

Fiscal Year 2010 Budget by Cost Center

(\$ in thousands)

	<u>Airport</u>	<u>South Terminal</u>	<u>North Terminal</u>	<u>Total</u>
Airline Revenue				
Landing Fees	\$ 70,874	\$ -	\$ -	\$ 70,874
Rent	5,799	53,029	16,531	75,359
Facility Use Fee	-	4,158	465	4,623
Total	\$ 76,673	\$ 57,187	\$ 16,996	\$ 150,856
Non-Airline Revenue				
Parking	\$ 48,000	\$ -	\$ -	\$ 48,000
Concession Fees	48,600	-	-	48,600
Service Fees and Other Revenue	13,160	1,090	1,170	15,420
Total	\$ 109,760	\$ 1,090	\$ 1,170	\$ 112,020
Non-Operating Revenue				
Interest Income	\$ 900	\$ -	\$ -	\$ 900
Grants	700	-	-	700
Total	\$ 1,600	\$ -	\$ -	\$ 1,600
Total Revenue	\$ 188,033	\$ 58,277	\$ 18,166	\$ 264,476
Operating Expenses				
Wages and Benefits	\$ 69,372	\$ -	\$ -	\$ 69,372
Materials & Supplies	4,767	920	35	5,722
Contractual Services	28,749	10,340	6,632	45,721
Insurance	1,560	810	461	2,831
Utilities	8,496	16,327	4,977	29,800
Buildings & Grounds	4,579	8,180	560	13,320
Equipment Repair	4,065	10,400	2,575	17,040
Other Operating Exp.	2,595	200	55	2,850
Total	\$ 124,183	\$ 47,177	\$ 15,296	\$ 186,656
Non-Operating Expenses				
Debt Service	\$ 52,749	\$ 10,210	\$ 2,870	\$ 65,829
O&M Capital	1,566	890	-	2,456
Fund Requirements	9,534	-	-	9,534
Total	\$ 63,850	\$ 11,100	\$ 2,870	\$ 77,820
Total Expenses	\$ 188,033	\$ 58,277	\$ 18,166	\$ 264,476
Change in Net Assets	\$ -	\$ -	\$ -	\$ -

Terminal Cost Center Budgets

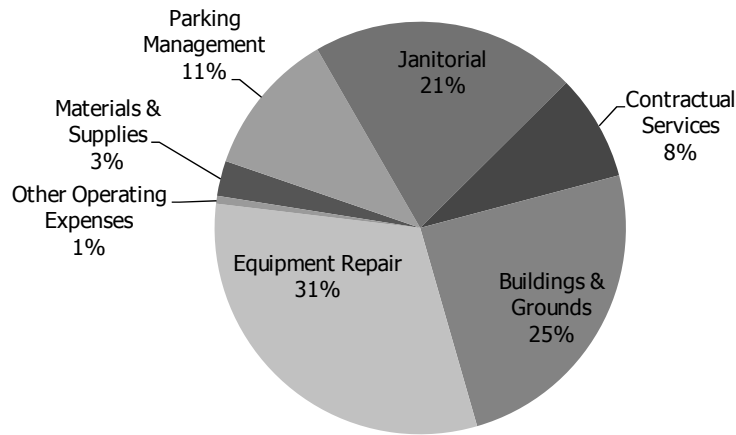
South (McNamara) Terminal

(\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Maintenance	\$ 26,759	\$ 27,431	\$ 29,200	\$ 29,385	\$ 185	0.6%
Ground Transportation	5,373	4,600	4,187	3,783	(403)	-9.6%
Total	\$ 32,133	\$ 32,031	\$ 33,387	\$ 33,168	\$ (218)	-0.7%

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Materials & Supplies	\$ 190	\$ 117	\$ 1,205	\$ 920	\$ (285)	-23.7%
Parking Management	5,373	4,600	4,187	3,783	(403)	-9.6%
Janitorial	-	-	6,895	6,920	25	0.4%
Contractual Services	348	395	2,350	2,765	415	17.7%
Buildings & Grounds	17,213	17,598	8,650	8,180	(470)	-5.4%
Equipment Repair	8,810	9,126	9,900	10,400	500	5.1%
Other Operating Expenses	197	196	200	200	-	0.0%
Total	\$ 32,133	\$ 32,031	\$ 33,387	\$ 33,168	\$ (218)	-0.7%

FY 2010 Operating Expenses



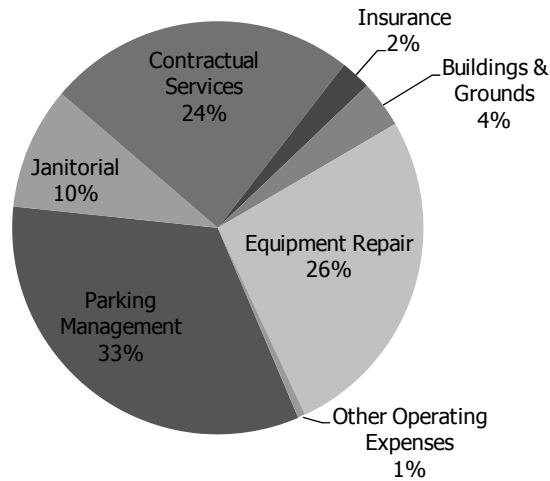
North Terminal

(\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Maintenance	\$ -	\$ 69	\$ 6,730	\$ 6,551	\$ (179)	-2.7%
Ground Transportation	4,952	4,306	3,514	3,217	(297)	-8.4%
Total	\$ 4,952	\$ 4,375	\$ 10,244	\$ 9,768	\$ (476)	-10.9%

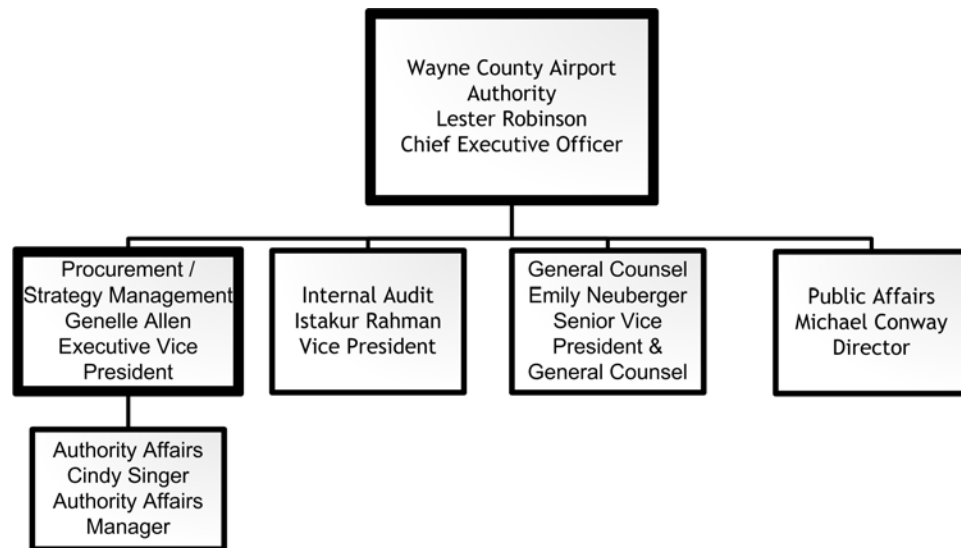
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Materials & Supplies	\$ -	\$ -	\$ 20	\$ 35	\$ 15	73.5%
Parking Management	4,952	4,306	3,514	3,217	(297)	-8.4%
Janitorial	-	-	900	936	36	4.0%
Contractual Services	-	-	2,690	2,358	(332)	-12.3%
Insurance	-	69	300	231	(69)	-23.0%
Buildings & Grounds	-	-	1,300	360	(940)	-72.3%
Equipment Repair	-	-	1,470	2,575	1,105	75.2%
Other Operating Expenses	-	-	50	55	5	10.4%
Total	\$ 4,952	\$ 4,375	\$ 10,244	\$ 9,768	\$ (476)	-4.6%

FY 2010 Operating Expenses



Chief Executive Officer

The Office of the Chief Executive Officer (CEO) consists of the CEO and several staff functions that report directly to the CEO. These functions consist of Authority Affairs, Internal Audit, General Counsel, and Public Affairs.



The responsibilities of each function within the Office of the CEO are summarized below.

Authority Affairs is responsible for Board meeting planning and coordination, correspondence logistics, Freedom of Information Act (FOIA) compliance, Authority administration office reception staff and functions, and other related activities that advance the image of the Authority.

Internal Audit is charged with providing independent, objective assurance services. This includes performing audits and consulting projects, reporting findings and implementation status to the Audit Committee, and managing a comprehensive three year rolling risk based internal audit plan.

General Counsel delivers legal services to all Divisions including preparing all contracts, operating agreements, and leases between the Authority and third parties; providing legal counsel to all Divisions when requested; handling litigation and other legal proceedings against or by the Authority; coordinating the legal services provided by outside counsel; and handling all legal matters related to the governance of the Authority.

Public Affairs is responsible for managing the Authority's communication with the public including providing the public and airport users with accurate and helpful information, managing media relations, managing the public's involvement in Authority-related projects (e.g., airfield and terminal improvements, special events, etc.)

improving community relations, facilitating excellent customer service, and managing the impact of aircraft generated noise on residents living nearby.

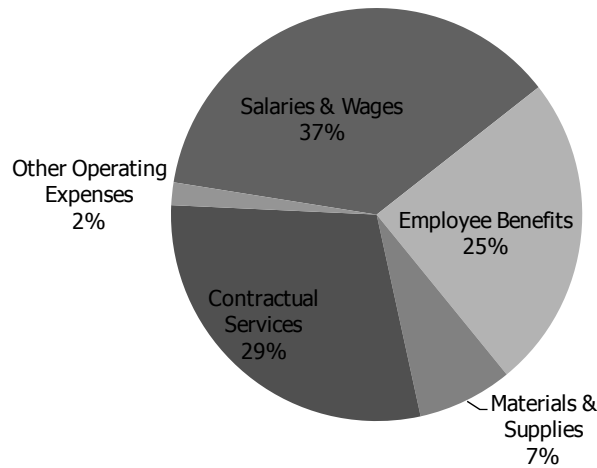
Department Budget & Position Count (\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 739	\$ 683	\$ 894	\$ 975	\$ 82	9.1%
Authority Affairs	474	471	469	491	22	4.6%
Internal Audit	731	847	709	765	57	8.0%
General Counsel	1,656	2,872	2,002	1,779	(223)	-11.1%
Public Affairs	944	907	896	1,124	228	25.5%
Total	\$ 4,545	\$ 5,780	\$ 4,969	\$ 5,134	\$ 166	3.3%

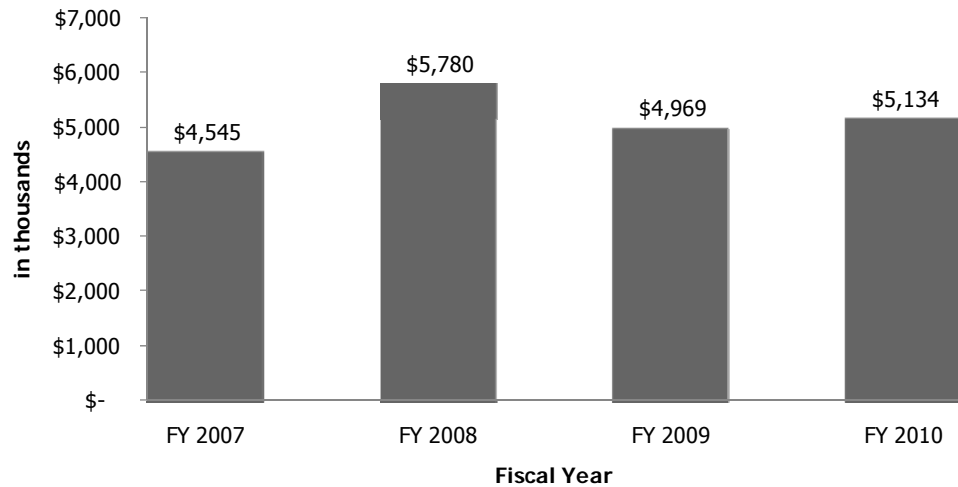
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,914	\$ 1,970	\$ 1,902	\$ 1,895	\$ (7)	-0.3%
Employee Benefits	1,057	1,047	1,178	1,269	92	7.8%
Materials & Supplies	330	340	357	383	26	7.4%
Contractual Services	1,071	2,323	1,459	1,496	38	2.6%
Equipment Repair	1	1	-	-	-	n/a
Other Operating Expenses	171	99	75	91	17	22.5%
Total	\$ 4,545	\$ 5,780	\$ 4,969	\$ 5,134	\$ 166	3.3%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	2	2	2	2	-	0.0%
Authority Affairs	5	5	4	4	-	0.0%
Internal Audit	3	3	3	2	(1)	-33.3%
General Counsel	7	7	7	5	(2)	-28.6%
Public Affairs	7	6	6	6	-	0.0%
Total	24	23	22	19	(3)	-13.6%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Initiatives (Scorecard Objective)

- Reduce overtime expense (F2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Airport Service Quality (ASQ) Survey:					
Overall Customer Satisfaction Rating					
McNamara Terminal	CS 1.1	4.15	4.24	4.23	4.25
Smith Terminal	CS 1.1	3.37	3.50	N/A	N/A
North Terminal	CS 1.1	N/A	N/A	4.21	4.25
DTW	CS 1.1	4.00	4.10	4.23	4.25
Ensure Fiscal Responsibility (F)					
Operating Cost per Enplanement (DTW)	F 2.1	\$ 9.47	\$ 10.12	\$ 11.32	\$ 11.87
Operating Cost per 1,000 lbs Landed Weight (YIP)	F 2.1	N/A	\$ 21.93	\$ 28.68	\$ 16.51
Improve Business and Operating Processes (IP)					
% of Contracts Completed Prior to Board Approval	IP 1.7	N/A	66.3%	98.7%	80.0%

For the past four fiscal years, the Authority has demonstrated sustained improvement in passengers' satisfaction at Detroit Metropolitan Airport. ASQ scores have increased from a weighted average of 3.88 in Fiscal Year 2006 to 4.23 in Fiscal Year 2009. This increase is attributed to the Authority's focus on the key drivers of customer satisfaction, notably cleanliness of the airport and wayfinding. In addition, the opening of the North Terminal in September 2008 played a significant role in improving overall customer satisfaction.

Chief Executive Officer's Divisions

Authority Affairs**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 223	\$ 221	\$ 218	\$ 222	\$ 4	2.0%
Employee Benefits	129	131	145	159	14	9.7%
Materials & Supplies	84	85	78	79	1	1.4%
Other Operating Expenses	38	34	29	31	2	7.2%
Total	\$ 474	\$ 471	\$ 469	\$ 491	\$ 22	4.6%

Responsibilities

- Coordinate Authority Board and committee meeting logistics and planning (including details of locations, schedules, agendas, correspondence, creation of resolution and minutes, and follow up to the Board, management, and staff) while supporting the CEO on a variety of matters in advance of meetings to ensure effective communication to all involved
- Coordinate Freedom of Information Act (FOIA) compliance activities by working with appropriate divisions to provide the required documents within prescribed deadlines
- Manage administrative support to advance a professional image to our internal and external customers including front desk reception, incoming phone call distribution, providing information to callers, and as-needed clerical support to all divisions
- Organize and/or facilitate special activities/events at the request of the CEO (e.g., charity activities, Red Cross blood drive)
- Facilitate the collection and reporting of disclosure statements in accordance with the Authority's Ethics Ordinance

Chief Executive Officer's Divisions

Internal Audit**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 209	\$ 259	\$ 217	\$ 240	\$ 23	10.8%
Employee Benefits	125	146	130	158	28	21.6%
Materials & Supplies	5	3	3	3	-	0.0%
Contractual Services	384	430	355	361	6	1.5%
Other Operating Expenses	8	10	4	4	-	0.0%
Total	\$ 731	\$ 847	\$ 709	\$ 765	\$ 57	8.0%

Responsibilities

- Perform audits in accordance with internal audit plan and special projects as directed by the audit committee, CEO, and senior management
- Communicate accurate, objective, and useful results for each audit/project performed on a timely basis
- Follow-up on audit/project findings completed in prior years and report the status and implementation of findings to the audit committee
- Coordinate external audit services
- Develop and implement a comprehensive three year rolling risk based internal audit plan for forthcoming fiscal years

Chief Executive Officer's Divisions

General Counsel**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 698	\$ 711	\$ 691	\$ 605	\$ (86)	-12.5%
Employee Benefits	399	368	413	380	(33)	-8.0%
Materials & Supplies	22	26	27	27	1	1.9%
Contractual Services	515	1,754	855	750	(105)	-12.3%
Other Operating Expenses	22	12	16	17	1	8.1%
Total	\$ 1,656	\$ 2,872	\$ 2,002	\$ 1,779	\$ (223)	-11.1%

Responsibilities

- Respond to all legal questions raised by Authority staff and Board members; prepare legal opinions
- Provide legal support in all business matters for all Authority Departments and Divisions
- Provide legal counsel to ensure compliance with the Authority's Procurement/Ethics Ordinance and other Authority policies
- Draft forms of agreement for competitive solicitations; negotiate and complete all agreements following award
- Draft and negotiate leases with all tenants prior to the tenant's occupancy of the leased premises
- Review drafts prepared by third parties of all agreements entered into by the Authority
- Hire outside counsel for appropriate matters; review pleadings, contracts, and other work products produced by outside counsel
- Work with Freedom of Information Act (FOIA) coordinator and Public Affairs to respond to all requests, appeals, and litigation
- Provide legal representation for all transactions involving Authority property

Chief Executive Officer's Divisions

Public Affairs**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 490	\$ 477	\$ 477	\$ 537	\$ 60	12.6%
Employee Benefits	275	273	315	378	63	19.9%
Materials & Supplies	10	37	24	47	23	95.0%
Janitorial	1	-	-	-	-	n/a
Contractual Services	129	99	69	146	77	112.4%
Equipment Repair	1	1	-	-	-	n/a
Other Operating Expenses	38	20	11	16	6	51.9%
Total	\$ 944	\$ 907	\$ 896	\$ 1,124	\$ 228	25.5%

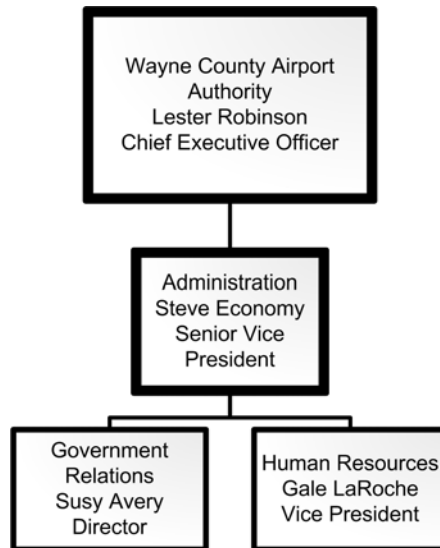
Responsibilities

- Provide the public with accurate and helpful information, including brochures, maps, and website content
- Facilitate excellent customer service including monitoring customers' experiences and expectations and respond to customer requests or complaints
- Manage WCAA media relations
- Improve community relations by networking and developing relationships with community leaders, and actively participating in membership meetings with community
- Support internal divisions by assisting in developing presentations, collateral materials, marketing activities, and air service development activities
- Inform the Board and Senior Management of published and broadcast news stories and public relations activities relative to the airport
- Administer Federal Aviation Regulation (FAR) Part 150 Program (Residential Sound Insulation Program (RSIP) and Noise Compatibility Study)

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Administration Department

The Administration Department is responsible for all human resource and government relations functions. The responsibilities of each division within this department are summarized below.



Government Relations is responsible for cultivating and maintaining effective relationships with a wide range of external constituencies (e.g., government, businesses, nonprofits, and universities).

Human Resources is responsible for providing recruiting and promotional opportunity services, facilitating labor contract negotiations, administering grievance and arbitration procedures, interpreting collective bargaining agreements, and coordinating training of employees in matters of customer service, computer software, and professional development.

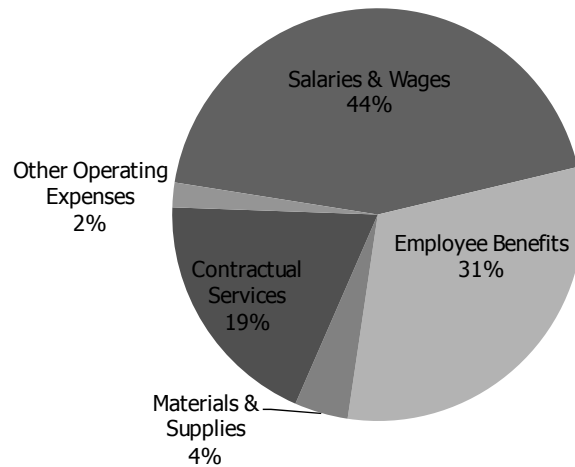
Department Budget & Position Count (\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 377	\$ 314	\$ 311	\$ 426	\$ 116	37.2%
Government Relations	322	332	346	225	(121)	-34.9%
Human Resources	2,083	1,923	2,210	2,074	(136)	-6.1%
Total	\$ 2,782	\$ 2,570	\$ 2,867	\$ 2,726	\$ (141)	-4.9%

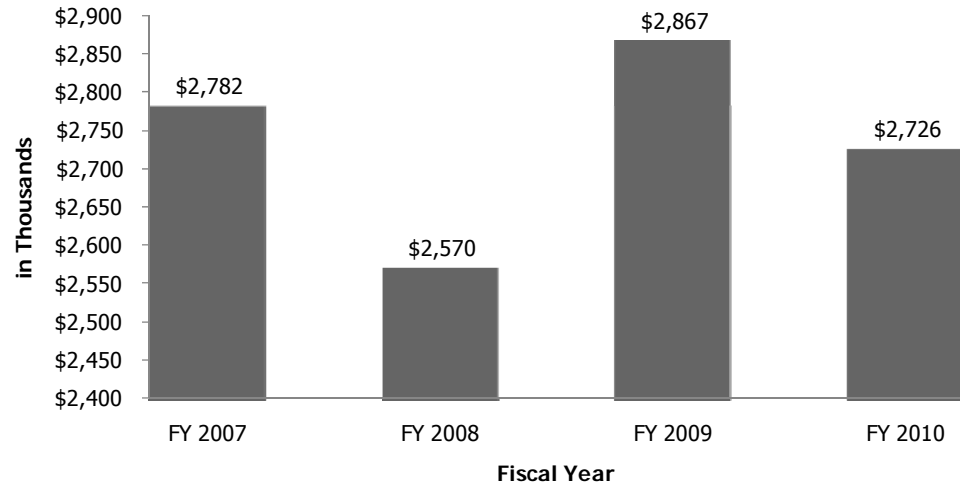
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,444	\$ 1,435	\$ 1,450	\$ 1,193	\$ (257)	-17.7%
Employee Benefits	800	768	963	847	(116)	-12.0%
Materials & Supplies	40	49	60	115	55	91.8%
Contractual Services	356	229	354	518	164	46.4%
Other Operating Expenses	141	89	40	53	13	31.7%
Total	\$ 2,782	\$ 2,570	\$ 2,867	\$ 2,726	\$ (141)	-4.9%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	1	1	1	2	1	100.0%
Government Relations	2	3	2	1	(1)	-50.0%
Human Resources	15	15	15	14	(1)	-6.7%
Total	18	19	18	17	(1)	-5.6%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Initiatives (Scorecard Objective)

- Reduce overtime expense (F2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Ensure Fiscal Responsibility (F)					
Total Healthcare Expense as % of Payroll and Benefits	F 2.5	N/A	22.0%	23.5%	21.0%
Improve Business and Operating Processes (IP)					
Time to Fill Vacancy / Time to Start New Employee	IP 1.7	82 days	90 days	55 days	70 days
Grow the Skills of the Workforce (LG)					
% of Employees Successfully Completing Probation Period	LG 1.3	N/A	92.3%	97.4%	95.0%
Training Survey: Overall Satisfaction Rating	LG 2.1	4.10	4.76	4.68	4.60
Training Test: Overall Effectiveness Rating	LG 2.2	93.4%	97.3%	92.2%	85.0%

The Administration Department's focus in Fiscal Year 2009 was primarily on the Airport Authority's Strategic Priorities, including conducting an organization structure review. Workforce reduction preparations and implementation were started during the latter part of the Fiscal Year.

Administration Divisions

Government Relations**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 193	\$ 202	\$ 205	\$ 126	\$ (79)	-38.5%
Employee Benefits	111	116	128	84	(44)	-34.4%
Materials & Supplies	2	4	4	4	-	0.0%
Other Operating Expenses	15	10	9	11	2	22.8%
Total	\$ 322	\$ 332	\$ 346	\$ 225	\$ (121)	-34.9%

Responsibilities

- Develop funding streams at the federal and state level
- Lobby government at all levels on issues that affect the airport (e.g., supporting tenant carriers in obtaining new routes)
- Promote the Authority's strategic plan with outside community (e.g., business, universities, non-profits, and government entities)
- Assist departments with matters regarding external constituents
- Manage special projects as assigned by the CEO

Administration Divisions

Human Resources**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,053	\$ 1,032	\$ 1,068	\$ 830	\$ (238)	-22.3%
Employee Benefits	592	562	729	607	(122)	-16.7%
Materials & Supplies	28	38	43	97	54	126.3%
Contractual Services	355	228	354	518	164	46.4%
Other Operating Expenses	55	62	16	22	6	35.3%
Total	\$ 2,083	\$ 1,923	\$ 2,210	\$ 2,074	\$ (136)	-6.1%

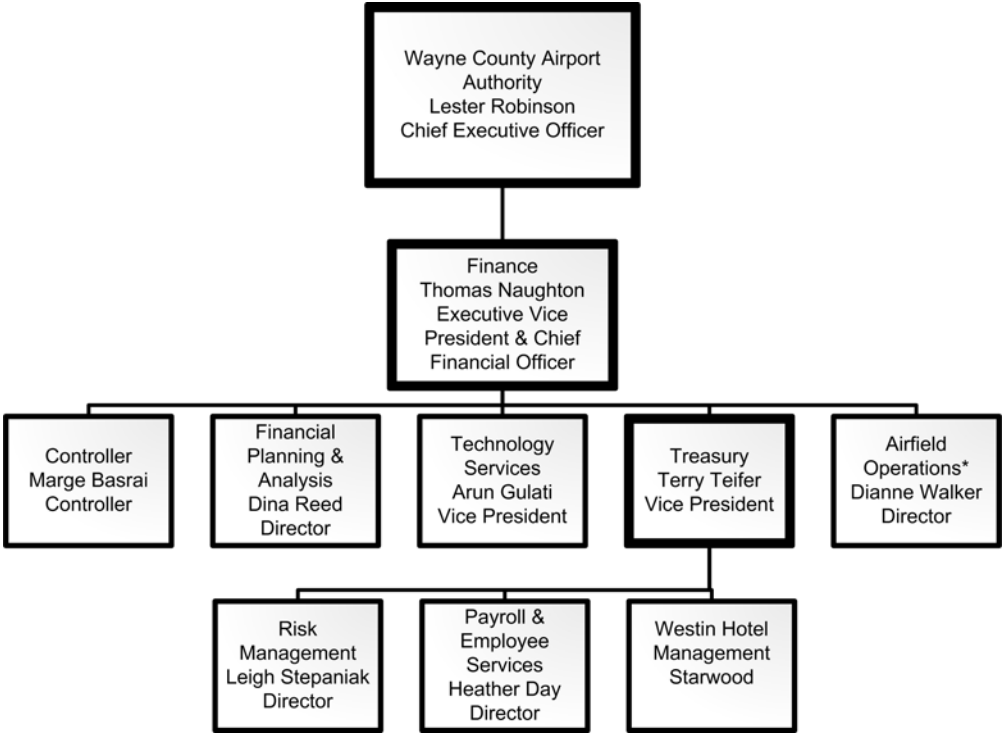
Responsibilities

- Manage recruitment, selection, promotion, and employee orientation processes
- Provide counseling and direction to employees and managers regarding contract interpretation, work rules, and human resources procedures
- Ensure compliance with labor, employment, and Equal Employment Opportunity (EEO) laws, rules, and regulations; maintain required human resources records
- Partner with managers in workforce planning needs; administer performance management system; assist employees in creating and pursuing developmental goals
- Negotiate and administer the Authority's collective bargaining agreements; advise managers on collective bargaining agreement terms; administer grievance/conflict resolution process
- Determine Authority training needs; design, develop, and implement training programs

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Finance Department

The Finance Department is responsible for the overall budgetary, fiscal, and financial management of the Authority’s activities, including financial administration of the Capital Improvement Program (CIP), the annual operating budget, cash and debt management, payroll, all technology services, and the Westin Hotel management. The Department is comprised of four divisions.



** The Division of Airfield Operations reports to Executive Vice President and Chief Financial Officer Thomas Naughton however the Division’s budget is a component of the Operations Department (see page 71).*

Controller is responsible for providing concise, accurate, and timely financial information through accounting activities (e.g., general ledger, fixed asset, accounts receivable, accounts payable, and grant management), disbursement management, billing and collection management, and coordination of the annual financial audit with the Authority’s external auditors.

Financial Planning and Analysis is responsible for development and administration of the Authority’s budget and CIP, in addition to routinely providing detailed financial and operational information to the Senior Leadership Team and the Authority Board through the annual operating budget, the monthly management report, aviation industry statistical reports, financial analysis, and special studies and analyses.

Technology Services is responsible for providing computer application system services, developing software solutions, implementing technology products, maintaining the technology infrastructure, and providing technical support 24 hours, 7 day schedule for all technology and communications systems.

Treasury is responsible for protecting the Authority’s investment in assets through providing cash and debt management services, maximizing the operational and financial performance of the Westin Hotel, delivering payroll services, and providing risk management services.

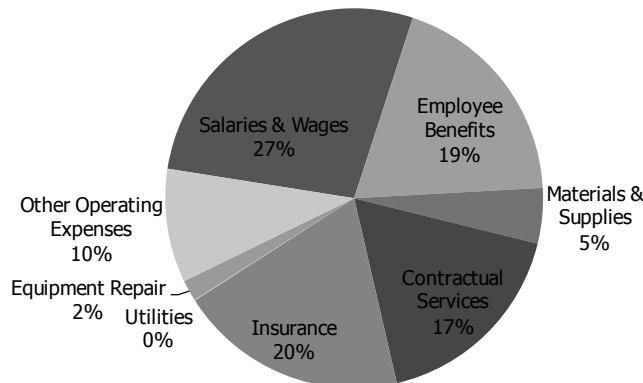
Department Budget & Position Count (\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Chief Financial Officer	\$ 412	\$ 410	\$ 442	\$ 454	\$ 12	2.6%
Controller	1,848	1,383	1,636	1,840	204	12.5%
Treasury	4,694	6,424	5,182	4,993	(189)	-3.6%
Technology Services	4,558	5,049	5,215	5,145	(70)	-1.3%
Financial Planning & Analysis	1,431	1,395	1,323	873	(450)	-34.0%
Total	\$ 12,943	\$ 14,661	\$ 13,799	\$ 13,305	\$ (494)	-3.6%

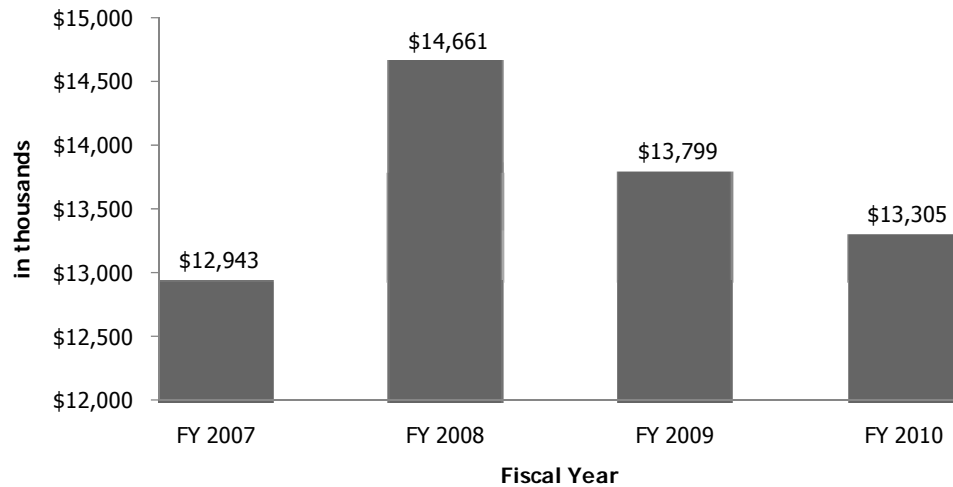
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 3,567	\$ 3,801	\$ 3,953	\$ 3,659	\$ (294)	-7.4%
Employee Benefits	2,045	2,081	2,518	2,543	25	1.0%
Materials & Supplies	731	940	351	629	278	79.1%
Contractual Services	2,341	1,951	2,150	2,332	182	8.5%
Insurance	2,826	2,524	2,700	2,600	(100)	-3.7%
Utilities	7	6	8	8	-	0.0%
Equipment Repair	200	230	326	240	(86)	-26.3%
Other Operating Expenses	1,220	3,122	1,793	1,291	(502)	-28.0%
Total	\$ 12,943	\$ 14,661	\$ 13,799	\$ 13,305	\$ (494)	-3.6%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Chief Financial Officer	2	2	2	2	-	0.0%
Controller	18	16	14	16	2	14.3%
Treasury	11	11	12	8	(4)	-33.3%
Technology Services	13	16	14	14	-	0.0%
Financial Planning & Analysis	6	8	8	5	(3)	-37.5%
Total	50	53	50	45	(5)	-10.0%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Initiatives (Scorecard Objective)

- Implement workforce reduction plan (F 2)
- Reduce overtime expense (F 2)
- Replace phone system with Voice Over Internet Protocol (VOIP) (F 2)
- Improve financial reporting, including integrating Authority systems (F 2)
- Enterprise Resource Planning (ERP) system assessment (IP 1)
- Deploy document management system Authority-wide (IP 1)
- Upgrade the Maximo work order system to the latest version (IP 1)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Westin Hotel Survey: Guest Experience Composite Rating	CS 1.2	8.72	8.88	8.89	8.75
Ensure Fiscal Responsibility (F)					
Westin Hotel EBITDA	F 2.4	\$ 10,085,911	\$ 8,912,809	\$ 4,501,444	TBD
Net Debt Service per Enplanement	F 2.6	\$ 2.71	\$ 3.24	\$ 3.75	\$ 4.19

The Westin Hotel continues to perform exceptionally well in regards to guest experience and overall guest satisfaction. With the challenging local economy, the Westin has performed ahead of its peer set, which includes the local airport segment and the local luxury segment.

Finance Divisions

Controller**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 979	\$ 873	\$ 913	\$ 1,011	\$ 98	10.7%
Employee Benefits	598	449	595	723	128	21.5%
Materials & Supplies	23	24	22	25	3	14.0%
Contractual Services	230	22	89	58	(31)	-34.8%
Equipment Repair	2	0	-	1	1	n/a
Other Operating Expenses	16	14	17	23	5	31.6%
Total	\$ 1,848	\$ 1,383	\$ 1,636	\$ 1,840	\$ 204	12.5%

Responsibilities

- Ensure integrity of the Authority's general ledger and all other required financial records through an effective system of internal controls and procedures to safeguard assets
- Prepare the Consolidated Annual Financial Report (CAFR)
- Manage the grant reimbursement and PFC processes for application, amendment, usage, and compliance reporting requirements
- Process and record all payments to the Authority's vendors and contractors; ensure accountability of the Authority's disbursements
- Ensure compliance with all IRS and government regulations for tax and vendor reporting
- Bill and collect all monies owed from airlines, concessionaires, tenants, and government agencies to ensure accountability of the Authority's revenues
- Analyze, determine, ensure, and report compliance with all financial aspects of each revenue type contract

Finance Divisions

Financial Planning & Analysis**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 654	\$ 730	\$ 697	\$ 413	\$ (284)	-40.7%
Employee Benefits	343	402	445	294	(151)	-34.0%
Materials & Supplies	42	74	83	68	(15)	-18.1%
Contractual Services	385	182	87	87	-	0.0%
Other Operating Expenses	8	6	12	12	-	0.0%
Total	\$ 1,431	\$ 1,395	\$ 1,323	\$ 873	\$ (450)	-34.0%

Responsibilities

- Manage the annual budget process in an efficient and effective manner
 - Monitor budget activity, provide support to divisions, provide periodic reporting, and ensure compliance with overall budgetary controls
 - Provide independent analysis and recommendations to Senior Leadership Team on division requests for funding of new initiatives funded from O&M expense and capital
 - Collect, review, and analyze operating and financial data from internal and external sources
 - Generate timely management reports on the operating and financial performance of the airports; provide independent assessment to CEO and CFO on operating and financial results
 - Control, facilitate, and analyze the ongoing financial plans for the Authority's Capital Improvement Program (CIP)
 - Conduct independent analysis in areas of cost management, operational effectiveness, process improvements, and productivity
 - Conduct special studies and/or financial/operational analyses at the request of the CEO and CFO

Finance Divisions

Technology Services**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 880	\$ 1,027	\$ 1,152	\$ 1,165	\$ 13	1.1%
Employee Benefits	506	603	744	805	61	8.2%
Materials & Supplies	632	804	210	500	290	138.2%
Contractual Services	1,401	1,404	1,673	1,835	162	9.7%
Utilities	7	6	8	8	-	0.0%
Equipment Repair	198	230	326	240	(87)	-26.5%
Other Operating Expenses	934	975	1,103	593	(509)	-46.2%
Total	\$ 4,558	\$ 5,049	\$ 5,215	\$ 5,145	\$ (70)	-1.3%

Responsibilities

- Operate information technology infrastructure solutions (networks, server computers, desktop computers, internet, and e-mail services, etc.)
 - Provide computer and network operations support services
 - Provide and maintain computer-based business software system solutions
 - Provide telecommunications infrastructure solutions (e.g., desk phones, cell phones, pagers, emergency pull boxes/phones, local/long distance services, voice mail, and radios) and operations support services

Finance Divisions

Treasury**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 800	\$ 902	\$ 924	\$ 807	\$ (117)	-12.7%
Employee Benefits	460	494	575	547	(28)	-4.8%
Materials & Supplies	28	33	32	32	-	0.0%
Contractual Services	323	344	301	352	51	16.9%
Hotel Expenses	4	5	-	4	4	n/a
Insurance	2,826	2,524	2,700	2,600	(100)	-3.7%
Equipment Repair	1	-	-	-	-	n/a
Other Operating Expenses	251	2,120	651	652	1	0.1%
Total	\$ 4,694	\$ 6,424	\$ 5,182	\$ 4,993	\$ (189)	-3.6%

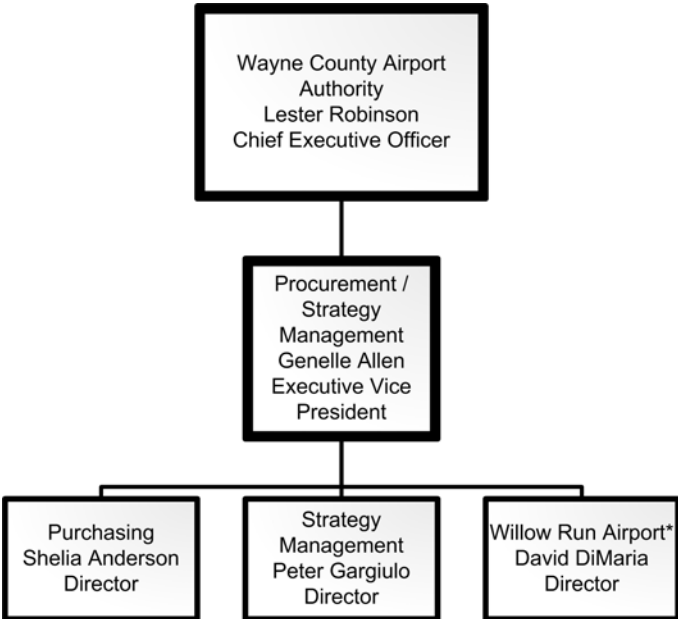
Responsibilities

- Manage centralized payroll information including retirement/deferred compensation, payroll taxes, travel administration, all employee deductions, and other employee reimbursements
- Administer employee health and dental benefits, life insurance, employee optical reimbursement, cafeteria plan, unemployment cost analysis, and COBRA compliance and track retiree health and life insurance benefits
- Oversees the operations and performance of the Westin Hotel
- Provide for efficient vendor and employee payment systems including wire transfer and check printing
- Invest Authority funds and manage bonds in a manner that protects safety, insures adequate liquidity, maximizes net earnings, reduces borrowing costs, and complies with the Airport's Master Bond Ordinance, the Series Ordinances, and the Airline Use and Lease Agreements
- Protect people (employees and others), property, and the environment from potential hazards consistent with the requirements of governmental safety, health, and environmental regulations (e.g., OSHA mandated training and compliance, and oversight of contractor safety)
- Evaluate, analyze, negotiate, and forecast Authority's property and liability insurance programs through risk transfer and self insured programs
- Administer insurance claims and litigation for liability, automobile, workers compensation, property, and long-term disability matters

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Procurement / Strategy Management Department

The Procurement/Strategy Management Department is responsible for managing all purchasing, contract compliance, business diversity, strategy, and Authority-wide performance measurement functions. The Department is comprised of two divisions. The responsibilities of each division are noted below.



** Willow Run Airport is part of the Operations Department and reports to Executive Vice President Genelle Allen, however, the Airport's budget is separate from the Detroit Metropolitan Airport budget (see page 125).*

Procurement is responsible for purchasing goods, services and construction, providing oversight of contract compliance, surplus property disposal, and managing the business diversity programs related to Authority contracts.

Strategy Management is responsible for overseeing the overall strategy of the Authority, including managing the Authority's Balanced Scorecard, leading the initiative and business planning process, improving customer satisfaction, developing and implementing organization-wide performance improvement programs, and benchmarking performance against peer airports.

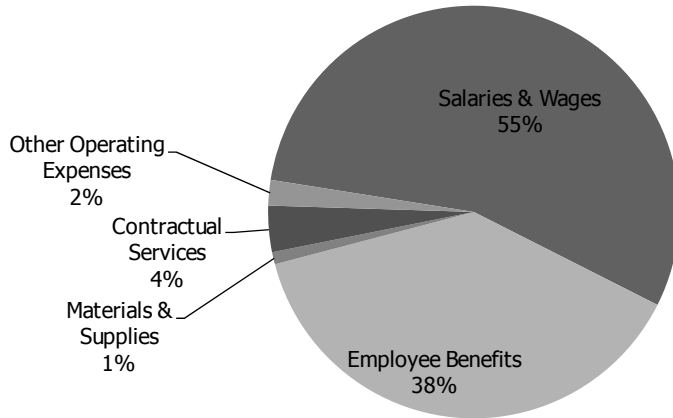
Department Budget & Position Count (\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 339	\$ 343	\$ 372	\$ 388	\$ 16	4.4%
Strategy Management	358	304	335	244	(92)	-27.3%
Procurement	1,724	1,896	2,120	1,802	(318)	-15.0%
Total	\$ 2,421	\$ 2,544	\$ 2,827	\$ 2,433	\$ (394)	-13.9%

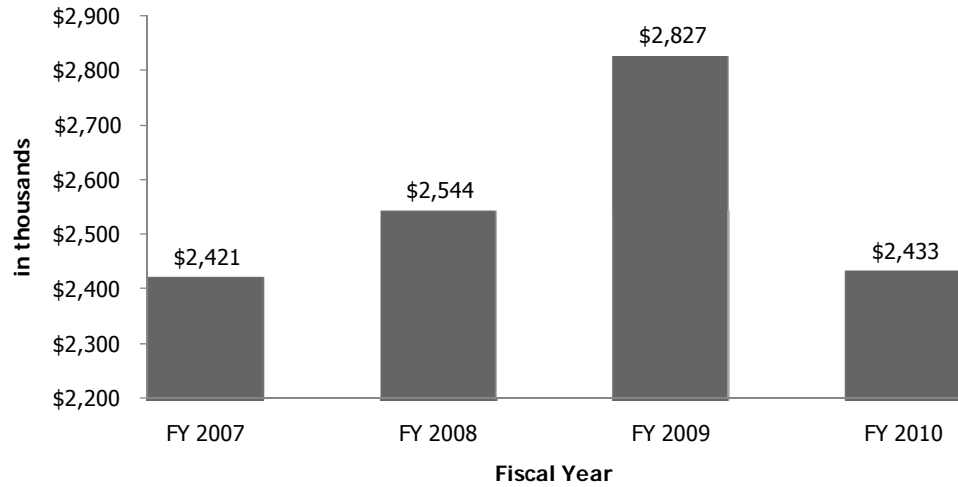
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,407	\$ 1,481	\$ 1,662	\$ 1,337	\$ (325)	-19.6%
Employee Benefits	739	780	1,040	936	(104)	-10.0%
Materials & Supplies	28	28	26	23	(3)	-10.8%
Contractual Services	170	196	53	89	36	67.0%
Other Operating Expenses	66	48	36	49	13	36.2%
Total	\$ 2,421	\$ 2,544	\$ 2,827	\$ 2,433	\$ (394)	-13.9%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	2	2	2	2	-	0.0%
Procurement	19	20	21	17	(4)	-19.0%
Strategy Management	3	3	2	1	(1)	-50.0%
Total	24	25	25	20	(5)	-20.0%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Initiatives (Scorecard Objective)

- Reduce overtime expense (F 2)
- Implement records retention and disposal plan (IP 1)
- Enhance the Small Business Enterprise (SBE) Program (Mission)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Improve Non-Traveler Customer Service (CS)					
Internal Support Services Survey: Overall Customer Satisfaction Rating	CS 2.1	N/A	3.80	3.79	3.90
Business Partner Survey: Overall Customer Satisfaction Rating	CS 2.2	N/A	N/A	4.12	TBD
Improve Business and Operating Processes (IP)					
Number of Days from Requisition to Purchase Order	IP 1.3				
Formal Competitive	IP 1.3	116 days	104 days	129 days	100 days
Informal Competitive	IP 1.3	40 days	39 days	28 days	30 days
Non-Competitive	IP 1.3	12 days	9 days	7 days	15 days
Build a Healthy Organization (LG)					
"Living the Values" Survey: Overall Rating	LG 1.2	N/A	3.94	3.96	4.20

The Procurement Division intends to reduce the amount of time it takes to issue a purchase order for informal and non-competitive solicitations. In Fiscal Year 2010, the Division intends to streamline the formal competitive process, working with other Divisions as appropriate.

Divisions within the Authority continue to monitor and address their internal customer satisfaction, living the values, and relevant business partner survey results. The feedback from these surveys helps Divisions to improve processes and deliver service levels that meet customer expectations.

Procurement/Strategy Management Divisions

Procurement**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 961	\$ 1,087	\$ 1,263	\$ 1,002	\$ (261)	-20.6%
Employee Benefits	508	575	797	713	(84)	-10.5%
Materials & Supplies	23	26	19	16	(3)	-14.7%
Contractual Services	170	162	-	35	35	n/a
Buildings & Grounds	2	1	-	-	-	n/a
Equipment Repair	9	10	10	-	(10)	-100.0%
Other Operating Expenses	51	35	32	36	5	14.6%
Total	\$ 1,724	\$ 1,896	\$ 2,120	\$ 1,802	\$ (318)	-15.0%

Responsibilities

- Acquire goods and services by competitive solicitation and approved exceptions for the Authority in compliance with Authority ordinances, policies and procedures, and federal and state laws and regulations
- Develop and participate in outreach activities to expand the Authority's vendor base and communicate business opportunities
- Manage approval, execution, and distribution processes of CEO and Board approved contracts and amendments in compliance with Authority ordinances and other legal requirements
- Manage the Authority's official contract library; ensure ongoing compliance with contractual requirements, including insurance and performance guarantees
- Manage the Authority's Disadvantaged Business Enterprise (DBE) Program, Small Business Enterprise (SBE) Program, and any other targeted business program in compliance with all applicable laws
- Monitor compliance with Davis-Bacon Act wage requirements for federally-funded contracts
- Facilitate the disposal of the Authority's surplus property and equipment
- Develop, maintain, and enforce the Authority's records retention and disposal policy

Procurement/Strategy Management Divisions

Strategy Management**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 228	\$ 166	\$ 173	\$ 107	\$ (66)	-38.3%
Employee Benefits	117	95	105	72	(33)	-31.2%
Materials & Supplies	3	1	3	3	-	0.0%
Contractual Services	-	34	53	54	1	1.9%
Other Operating Expenses	10	8	2	8	7	433.3%
Total	\$ 358	\$ 304	\$ 335	\$ 244	\$ (92)	-27.3%

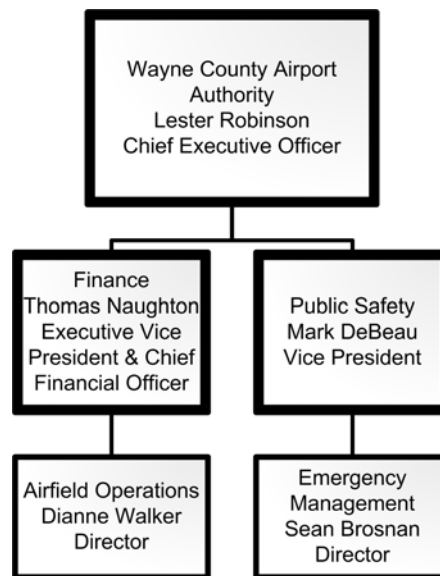
Responsibilities

- Develop, promote, and guide the overall management of the Authority's strategic plan
- Plan and manage the Authority's Balanced Scorecard; manage and facilitate regular business reviews between the CEO and direct reports
- Leads in development and implementation of the Authority's annual business planning process, including the alignment of Business Unit initiatives with the Authority's strategic plan
- Manage the Authority's internal and external customer satisfaction survey function
- Assess internal processes and conduct benchmarking/best practice studies to improve the Authority's operations

Operations Department

The Operations Department is responsible for providing and maintaining a safe and secure operating environment at Detroit Metropolitan and Willow Run airports. The Office of the Chief Operating Officer was eliminated for Fiscal Year 2010 and the responsibilities for Airport Operations and Emergency Management were reassigned to other Departments, as illustrated on the organization chart below.

The key responsibilities of each division are summarized below.



Airfield Operations is responsible for administering a safe airfield operating environment, maintaining the Authority's Operating Certificate through compliance with and enforcement of FAR Part 139, coordinating emergency response activities, enforcing FAA rules and regulations, coordinating North Terminal common use gates, and managing the Authority's shuttle services contract (employee parking, customer parking, and intra-terminal transportation).

Emergency Management is responsible for providing the highest level of emergency preparedness, planning, response, and recovery for the Detroit Metropolitan and Willow Run airports, other government entities, public and private sector employees, and the traveling public. Specific duties include soliciting grants/funding to support emergency management efforts and serving as a liaison between the Authority, the Airport community, and other regional communities for emergency preparedness, training activities, and related events.

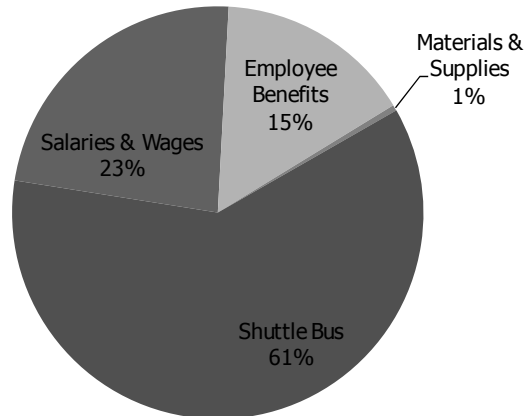
Department Budget & Position Count (\$ in thousands)

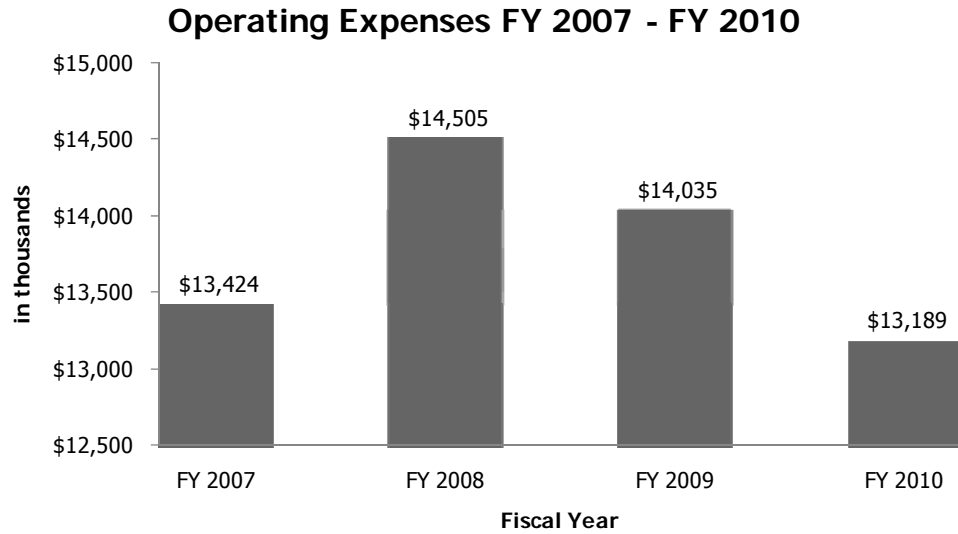
Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Chief Operating Officer	\$ 505	\$ 525	\$ 580	\$ -	\$ (580)	-100.0%
Airfield Operations	12,549	13,532	12,981	12,686	(295)	-2.3%
Emergency Management	370	447	475	504	29	6.1%
Total	\$ 13,424	\$ 14,505	\$ 14,035	\$ 13,189	\$ (846)	-6.0%

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 3,321	\$ 3,397	\$ 3,527	\$ 3,072	\$ (455)	-12.9%
Employee Benefits	1,771	1,804	2,119	2,030	(89)	-4.2%
Materials & Supplies	53	55	70	60	(10)	-14.2%
Shuttle Bus	8,251	9,221	8,300	8,000	(300)	-3.6%
Total	\$ 13,424	\$ 14,505	\$ 14,035	\$ 13,189	\$ (846)	-6.0%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Chief Operating Officer	3	3	3	-	(3)	-100.0%
Airfield Operations	46	46	47	44	(3)	-6.4%
Emergency Management	3	3	3	3	-	0.0%
Total	52	52	53	47	(6)	-11.3%

FY 2010 Operating Expenses





Initiatives (Scorecard Objective)

- Reduce overtime expense (F2)
- Close north employee parking lot no. 5 (F2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Ensure Fiscal Responsibility (F)					
Airfield Operations and Maintenance Cost per Acre (on Airfield)	F 2.3	\$ 2,607	\$ 3,999	\$ 2,367	\$ 2,307
Improve Business and Operating Processes (IP)					
Impact of Runway Closures on Airfield Availability	IP 1.1	N/A	DTW 8.9%	DTW 10.0%	DTW 12.0%

Airfield maintenance costs decreased substantially over the previous two fiscal years, due in part to lower snow removal expenses. Airfield availability decreased in Fiscal Year 2009; however, the measure results were in-line with expectations as the Airport Authority's implements its CIP program to reconstruct the runway and taxiway systems at both DTW and YIP.

Operations Divisions

Airfield Operations**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 2,783	\$ 2,811	\$ 2,910	\$ 2,787	\$ (123)	-4.2%
Employee Benefits	1,463	1,446	1,710	1,828	118	6.9%
Materials & Supplies	31	35	50	50	-	0.0%
Shuttle Bus	8,251	9,221	8,300	8,000	(300)	-3.6%
Contractual Services	2	2	-	-	-	n/a
Buildings & Grounds	2	1	-	-	-	n/a
Equipment Repair	5	1	5	5	-	0.0%
Other Operating Expenses	13	14	6	16	10	185.5%
Total	\$ 12,549	\$ 13,532	\$ 12,981	\$ 12,686	\$ (295)	-2.3%

Responsibilities

- Ensure compliance with FAR Part 139 through effective enforcement, reporting, planning, and education
- Perform daily Aircraft Operations Area (AOA) inspections, including monitoring of airfield pavement, lighting, signage, tenant areas, perimeter, FAR Part 77 construction activities, and aircraft run-up compliance
- Manage airfield capacity and coordinate airfield maintenance activities
- Minimize wildlife activity on and around Authority property through regular monitoring and dispersal activities (in collaboration with Environment unit)
- Monitor, communicate, and coordinate dispatch response activities
- Inform air carriers, FAA Air Traffic Control (ATC), and Terminal Radar Approach Control (TRACON) about airfield conditions through publication of Notices to Airmen (NOTAMs) and other advisories
- Process contractor, vendor, and tenant vehicle permit and access requests (including training) for AOA access
- Manage the Authority's shuttle services contract which includes employee parking, customer parking, and intra-terminal transportation

Operations Divisions

Emergency Management**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 233	\$ 267	\$ 280	\$ 285	\$ 5	1.9%
Employee Benefits	127	167	185	202	18	9.5%
Materials & Supplies	8	7	7	10	3	46.8%
Contractual Services	-	1	-	-	-	n/a
Equipment Repair	-	3	-	-	-	n/a
Other Operating Expenses	3	3	4	6	3	82.9%
Total	\$ 370	\$ 447	\$ 475	\$ 504	\$ 29	6.1%

Responsibilities

- Administer the Authority's emergency management response to "all hazards"
- Ensure that the Authority's emergency plans meet local, state, and federal regulations
- Solicit grants/funding to support emergency management and other Authority programs
- Act as a liaison with the airport community for emergency preparedness and training, and related event activities
- Provide the airport community with emergency preparedness training in compliance with FAR Part 139 and TSA part 1542
- Represent the Authority on local, regional, and state emergency management and/or homeland security committees, boards, etc. as appropriate

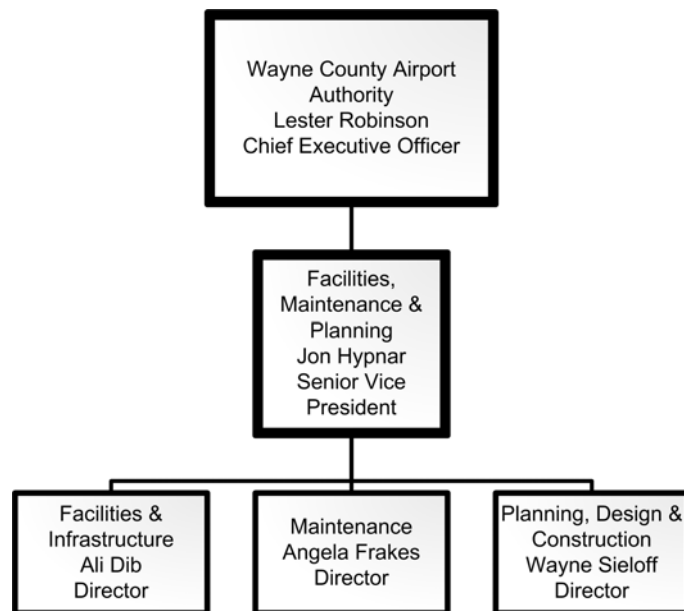
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Facilities, Maintenance & Planning Department

Facilities & Infrastructure is responsible for fulfilling facility and infrastructure management service needs (e.g., preparing lease exhibits, managing the water distribution system, maintenance of parking decks); providing heating, cooling, ventilation, and power distribution to airport users; and ensuring compliance with permits and regulations for stormwater management, air emissions, waste storage and disposal, hazardous materials, wetland and endangered flora management, and wildlife standards.

Maintenance is responsible for ensuring the Detroit Metropolitan Airport airfield, landside grounds, and Authority buildings and property are clean, safe, and compliant with federal, state, and local standards by maintaining signage for a safe traverse of the airfield, roadways, and facilities; delivering core trades services (e.g., electrical, plumbing, carpentry, painting); and maintaining the Authority's vehicles and equipment.

Planning, Design & Construction is responsible for providing oversight, management, and services required to plan, design, construct and/or improve facilities and other infrastructure at Detroit Metropolitan and Willow Run Airports.



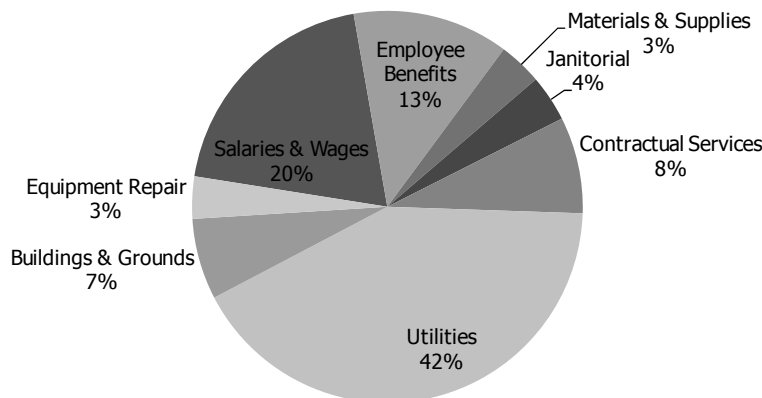
Department Budget & Position Count (\$ in thousands)

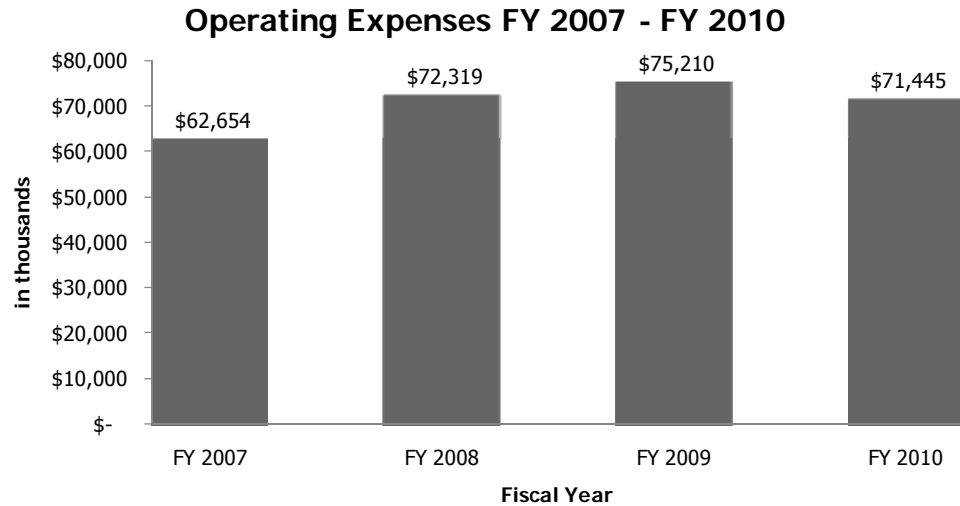
Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ (13)	\$ 71	\$ 350	\$ 498	\$ 148	42.3%
Facilities & Infrastructure	30,683	37,026	38,381	36,828	(1,554)	-4.0%
Maintenance	29,803	32,871	34,214	31,580	(2,634)	-7.7%
Planning, Design & Construction	1,566	1,649	1,815	2,523	708	39.0%
North Terminal Project	614	702	449	16	(434)	-96.6%
Total	\$ 62,654	\$ 72,319	\$ 75,210	\$ 71,445	\$ (3,765)	-5.0%

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 14,755	\$ 15,613	\$ 15,318	\$ 14,074	\$ (1,244)	-8.1%
Employee Benefits	7,896	7,931	9,163	9,195	32	0.4%
Materials & Supplies	1,984	2,874	3,205	2,549	(657)	-20.5%
Janitorial	2,400	2,387	2,949	2,741	(208)	-7.1%
Contractual Services	4,024	7,179	4,799	5,690	891	18.6%
Utilities	25,578	29,552	29,783	29,793	10	0.0%
Buildings & Grounds	3,324	4,101	6,965	4,779	(2,186)	-31.4%
Equipment Repair	2,648	3,023	2,920	2,482	(438)	-15.0%
Total	\$ 62,654	\$ 72,319	\$ 75,210	\$ 71,445	\$ (3,765)	-5.0%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	2	2	2	3	1	50.0%
Facilities & Infrastructure	23	23	28	24	(4)	-14.3%
Maintenance	203	203	193	176	(17)	-8.8%
Planning, Design & Construction	15	15	14	16	2	14.3%
North Terminal Project	6	6	4	-	(4)	-100.0%
Total	249	249	241	219	(20)	-8.3%

FY 2010 Operating Expenses





Initiatives (Scorecard Objective)

- Develop ADA compliance plan (CS1)
- Reduce overtime expense (F 2)
- Improve preventative maintenance program (F 2)
- Increase number of bids/responses received for construction/consultant projects (F 2)
- Update the Pavement Condition Index (PCI) (F 2)
- Implement preventative maintenance roofing contract (F 2)
- Repair/replace catch basins (F 2)
- Improve management of Power Horse and utilities (IP 1)
- Properly analyze structures proposed outside of airport property that affect airspace (IP 1)
- Develop zoning ordinance for Detroit Metropolitan Airport (IP 1)
- Conduct nondestructive testing (NDT) on airfield pavement (IP 1)
- Implement energy management services contract (IP 1)
- Conduct switchgear testing (IP 1)

Balanced Scorecard

<u>Objectives & Measures</u>	<u>Scorecard Code</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010 Target</u>
Ensure Fiscal Responsibility (F)					
North Terminal Maintenance Cost per Square Foot	F 2.2	\$ 16.35	\$ 15.48	\$ 11.85	\$ 12.58
Improve Business and Operating Processes (IP)					
% Change Construction Contract Cost Due to Change Orders	IP 1.2	0.3%	5.8%	2.5%	5.0%
% Maintenance Labor Hours Spent on Scheduled Maintenance	IP 1.4	N/A	59.1%	95.7%	90%

With the opening of the new North Terminal in September 2008, terminal maintenance costs are significantly lower. Much of the equipment is under one-year warranties. Process improvement strides have been made ensuring that maintenance labor hours are spent on scheduled maintenance. Finally, construction contract cost adjustments due to change orders have decreased on the Authority's \$140 million portfolio of open projects.

Facilities, Maintenance & Planning Divisions

Facilities & Infrastructure**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,781	\$ 1,874	\$ 2,197	\$ 1,443	\$ (754)	-34.3%
Employee Benefits	980	953	1,328	960	(368)	-27.7%
Materials & Supplies	24	43	87	97	10	10.9%
Contractual Services	1,170	2,496	1,151	1,906	755	65.6%
Utilities	25,572	29,552	29,783	29,793	10	0.0%
Buildings & Grounds	660	2,031	2,866	2,104	(763)	-26.6%
Equipment Repair	428	477	898	447	(451)	-50.2%
Other Operating Expenses	67	(401)	71	78	7	10.3%
Total	\$ 30,683	\$ 37,026	\$ 38,381	\$ 36,828	\$ (1,554)	-4.0%

Responsibilities

- Monitor utility resource distribution network, access, and consumption including the Authority's drinking water, natural gas and electrical distribution systems; procure and sell utility commodities; and ensure reliability and compliance with all utility-related codes and regulations
- Manage airfield pavement, lighting, signage, roads, and bridge infrastructure; ensure inspections and pavement condition index are completed and results provided to governing agencies in a timely manner
- Manage property/facility space assignments and infrastructure assets, including wayfinding signage design and management
- Maintain Detroit Metropolitan and Willow Run airports' infrastructure record drawings and specifications
- Manage the stormwater system in compliance with federal Natural Pollutant Discharge Elimination System (NPDES) permits
- Oversee environmental activities including de-icing fluid collection, recycling, and disposal; hazardous material testing and abatement; wetlands mitigation; air quality permits management; and oversight of the Airport's wildlife management plan

Facilities, Maintenance & Planning Divisions

Maintenance**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 11,708	\$ 12,365	\$ 11,640	\$ 11,007	\$ (633)	-5.4%
Employee Benefits	6,244	6,249	6,908	7,154	246	3.6%
Materials & Supplies	1,871	2,758	2,997	2,411	(586)	-19.6%
Janitorial	2,400	2,387	2,949	2,741	(208)	-7.1%
Contractual Services	2,662	4,461	3,577	3,523	(54)	-1.5%
Buildings & Grounds	2,663	2,069	4,099	2,676	(1,423)	-34.7%
Equipment Repair	2,214	2,542	2,020	2,033	13	0.7%
Other Operating Expenses	40	40	25	36	11	45.3%
Total	\$ 29,803	\$ 32,871	\$ 34,214	\$ 31,580	\$ (2,634)	-7.7%

Responsibilities

- Perform building maintenance, including plumbing infrastructure, painting services, interior electrical systems, exterior electrical systems (e.g., parking lots/decks, roadways, airfield lighting), and carpentry work
- Fabricate, install, and maintain signage on the airfield and roadways, in the terminals, and in administration buildings
- Manage major service internal building contracts (e.g. elevator/escalator repair, janitorial) and exterior service contracts (e.g. snow removal, pavement repair, landscaping)
- Maintain, and repair power plant and heating, ventilation, and air conditioning (HVAC) equipment on Authority property
- Manage equipment repair services; prepare new equipment and vehicles for users
- Ensure FAR Part 139 compliance through management of field maintenance services
- Maintain airfield, roadway, and non-revenue parking lots, including the repair of pavement and fences

Facilities, Maintenance & Planning Divisions

Planning, Design & Construction**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 852	\$ 912	\$ 999	\$ 1,329	\$ 330	33.0%
Employee Benefits	448	465	633	891	259	40.9%
Materials & Supplies	65	42	104	25	(79)	-76.2%
Contractual Services	192	223	71	261	190	267.6%
Equipment Repair	5	1	2	2	-	0.0%
Other Operating Expenses	4	7	7	16	9	134.3%
Total	\$ 1,566	\$ 1,649	\$ 1,815	\$ 2,523	\$ 708	39.0%

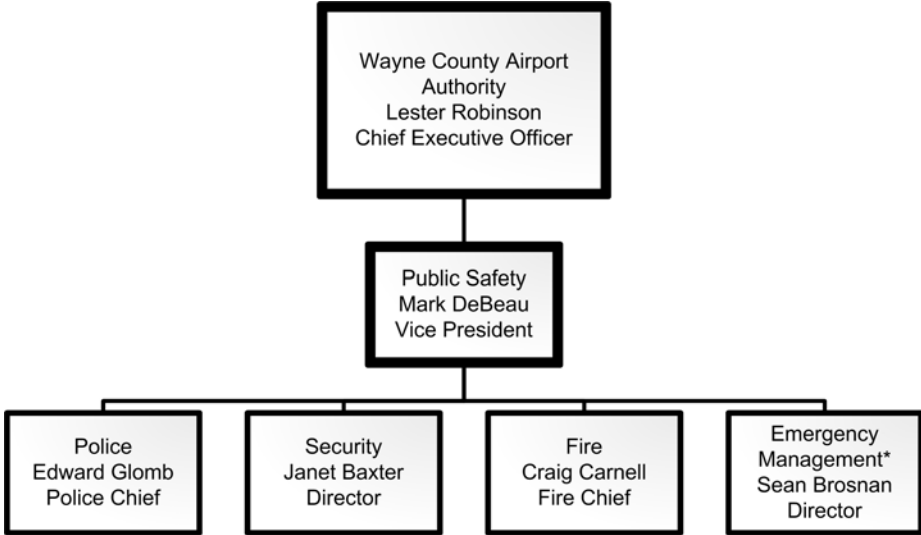
Responsibilities

- Development and implementation of the Authority's Capital Improvement Program (CIP)
- Manage project planning, design, and construction phases including environmental testing, bidding, contract award, and project initiation processes
- Administer engineering and construction contracts
- Provide construction oversight, inspection and material testing
- Develop and guide the implementation of the Airport Master Plan
- Issue construction and alteration (C/A) permits for acceptable tenant projects; review compliance with applicable requirements
- Develop, maintain, and ensure compliance with Authority standards for construction and development

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Public Safety Department

Public Safety is responsible for providing for the safety and security of all airport users and their property and for preserving Authority assets through police, fire and aircraft rescue, security, emergency medical, and dispatch personnel.



** The Division of Emergency Management reports to Vice President Mark DeBeau however the Division's budget is a component of the Operations Department (see page 71).*

Police is responsible for ensuring the safety and protection of the Detroit Metropolitan Airport community through professional law enforcement and public service and providing professional police, fire, and emergency management dispatch services in order to ensure safety, protection, and efficient and effective communications.

Security is responsible for the safe and efficient movement of authorized individuals and vehicles into restricted areas of the Airport while maintaining compliance with Federal regulations and the Authority security program.

Fire is responsible for delivering aircraft rescue/firefighting, structural fire suppression, fire prevention, emergency medical services, and public education to the public and business community in order to maintain the safest environment possible for the traveling public, contracted parties, and Authority employees.

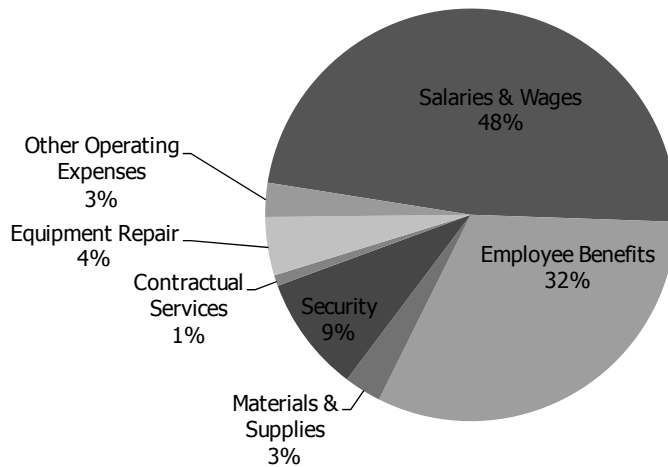
Department Budget & Position Count (\$ in thousands)

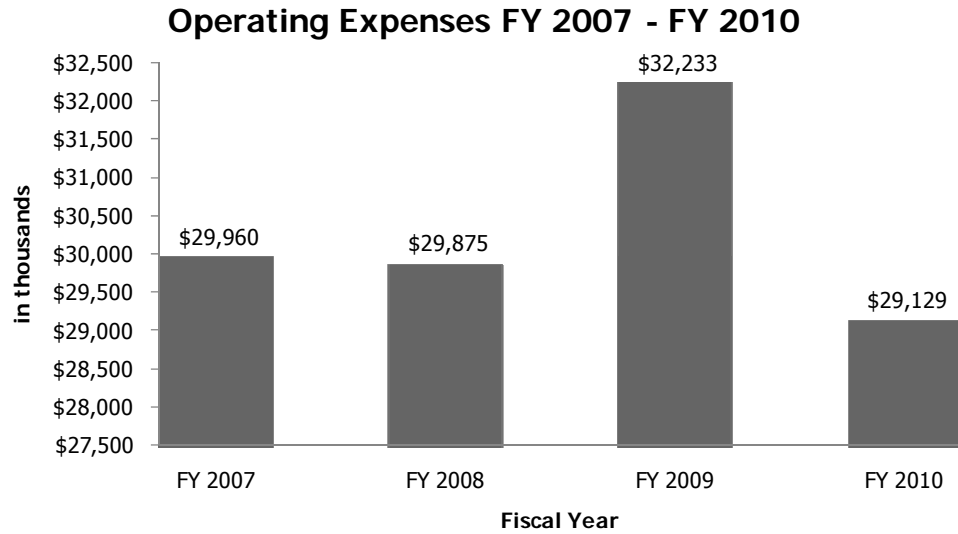
Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 770	\$ 1,077	\$ 1,010	\$ 812	\$ (198)	-19.6%
Police	\$ 15,041	\$ 14,920	\$ 16,150	\$ 13,674	\$ (2,476)	-15.3%
Security	6,972	6,549	7,221	7,036	(185)	-2.6%
Fire	7,178	7,329	7,852	7,607	(245)	-3.1%
Total	\$ 29,960	\$ 29,875	\$ 32,233	\$ 29,129	\$ (3,103)	-9.6%

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 16,679	\$ 16,131	\$ 16,461	\$ 13,992	\$ (2,469)	-15.0%
Employee Benefits	7,843	8,655	9,996	9,268	(728)	-7.3%
Materials & Supplies	545	847	926	850	(76)	-8.2%
Security	3,433	2,758	2,863	2,660	(203)	-7.1%
Contractual Services	250	311	241	245	5	1.9%
Equipment Repair	1,058	974	1,183	1,336	154	13.0%
Other Operating Expenses	133	181	564	778	215	38.1%
Total	\$ 29,960	\$ 29,875	\$ 32,233	\$ 29,129	\$ (3,103)	-9.6%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	5	5	6	5	(1)	-16.7%
Police	141	141	140	112	(28)	-20.0%
Security	65	65	65	26	(39)	-60.0%
Fire	27	35	33	61	28	84.8%
Total	238	246	244	204	(40)	-16.3%

FY 2010 Operating Expenses





Initiatives (Scorecard Objective)

- Implement workforce reduction plan (F2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Improve Business and Operating Processes (IP)					
Emergency Response Time Above Industry Standard	IP 1.5				
% Dispatch Response Greater Than 60 seconds	IP 1.5	65.0%	31.7%	4.0%	5.0%
% Police Response Greater Than 5 Minutes	IP 1.5	26.0%	14.1%	5.2%	5.0%
% Fire Response Greater Than 3 Minutes	IP 1.5	N/A	3.0%	0.0%	0.0%
% EMS Response Greater Than 4 Minutes	IP 1.5	N/A	11.0%	4.6%	10.0%

During the past three fiscal years, the Public Safety Department has demonstrated dramatic improvement in emergency response time. In particular, dispatch response time has decreased from 65 percent over the 60 second target to 4 percent in Fiscal Year 2009.

Public Safety Divisions

Police**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 10,165	\$ 9,247	\$ 9,599	\$ 7,828	\$ (1,771)	-18.4%
Employee Benefits	4,457	5,089	5,797	5,187	(610)	-10.5%
Materials & Supplies	287	410	576	471	(105)	-18.2%
Contractual Services	11	12	19	38	20	105.4%
Buildings & Grounds	2	1	-	-	-	n/a
Equipment Repair	20	12	24	32	8	34.2%
Other Operating Expenses	100	150	136	118	(18)	-13.2%
Total	\$ 15,041	\$ 14,920	\$ 16,150	\$ 13,674	\$ (2,476)	-15.3%

Responsibilities

- Ensure the safety and protection of the Detroit Metropolitan Airport community through professional law enforcement and public service
- Provide professional police, fire, and emergency management dispatch services in order to ensure safety, protection, and efficient and effective communications for the Authority community

Public Safety Divisions

Security**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,467	\$ 1,688	\$ 1,608	\$ 1,345	\$ (263)	-16.3%
Employee Benefits	795	888	974	896	(78)	-8.0%
Materials & Supplies	65	83	70	100	30	43.2%
Security	3,433	2,758	2,863	2,660	(203)	-7.1%
Contractual Services	206	212	215	200	(15)	-6.9%
Buildings & Grounds	-	2	-	-	-	n/a
Equipment Repair	997	913	1,109	1,231	122	11.0%
Other Operating Expenses	7	5	384	604	221	57.6%
Total	\$ 6,972	\$ 6,549	\$ 7,221	\$ 7,036	\$ (185)	-2.6%

Responsibilities

- Enforce security rules and regulations in restricted areas (e.g., monitor/respond to access control issues 24x7, patrol by Authority staff, checkpoint management by contracted guards)
- Control access to secured areas through effective management of the airport badging system (including credential checks, security checks, and controlling accountability for all IDs)
- Maintain compliance with Code of Federal Regulations (CFR) 1542, Airport security plan, and rules and regulations

Public Safety Divisions

Fire**Division Budget (\$ in thousands)**

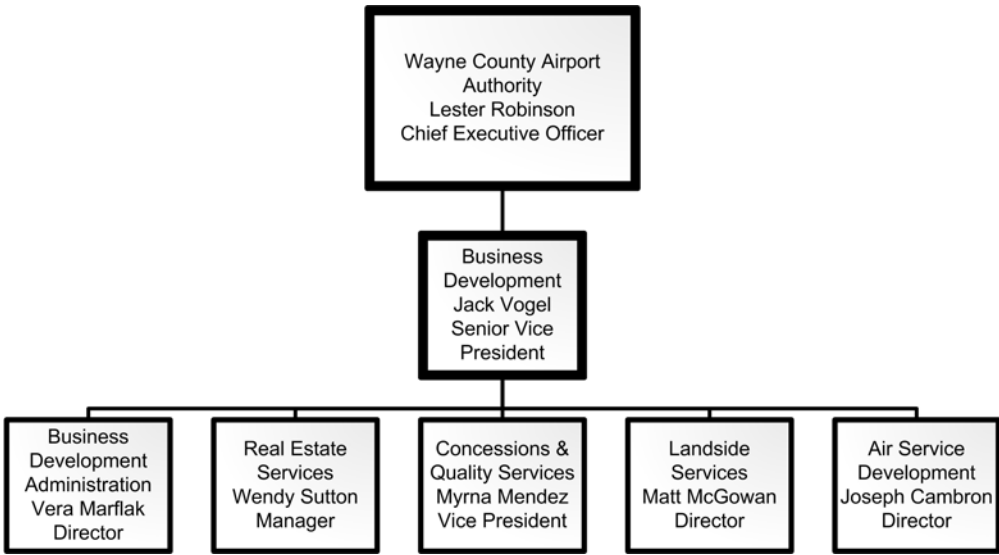
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 4,588	\$ 4,606	\$ 4,678	\$ 4,384	\$ (294)	-6.3%
Employee Benefits	2,332	2,324	2,847	2,872	26	0.9%
Materials & Supplies	152	277	234	231	(2)	-0.9%
Janitorial	16	16	1	-	(1)	-100.0%
Contractual Services	32	37	7	7	-	0.0%
Equipment Repair	42	49	50	74	24	47.0%
Other Operating Expenses	15	21	37	39	3	7.9%
Total	\$ 7,178	\$ 7,329	\$ 7,852	\$ 7,607	\$ (245)	-3.1%

Responsibilities

- Provide airport rescue and fire fighting (ARFF) and emergency medical services (EMS)
- Coordinate and implement fire inspection and prevention program services
- Coordinate fire/rescue/EMS training activities that pertain to FAR Part 139 and State of Michigan Department of Consumer Industrial Services

Business Development Department

Business Development and Management Department is responsible for planning, organizing, and managing all non-airline revenue-generating functions and consists of five functional Divisions.



Business Development Administration is responsible for supplying Authority decision makers with accurate and timely financial information for decisions on revenue generation and provides support to the Concessions, Landside Services, Aviation Services, Airline Real Estate, and Commercial Real Estate divisions.

Real Estate Services manages airline and commercial real estate, collectively responsible for maximizing the utilization of airport property to increase revenues.

Concessions & Quality Services is responsible for delivering a variety of services to the traveling public, airlines, and visitors (including food, beverage, retail, duty-free, car rental, in-flight kitchen, and fixed-based operator services) as well as overseeing the design of new and existing venues, managing all related construction and contractual obligations, conducting plan reviews of renovations, and monitoring and evaluating existing concession performance.

Landside Services is responsible for delivering on-airport parking and ground transportation services to airport patrons through overseeing Detroit Metropolitan Airport’s parking contractor, managing the airport’s parking facilities, and enforcing ground transportation customer service standards.

Air Service Development is responsible for improving air service through the development and implementation of research, marketing, and media outreach programs.

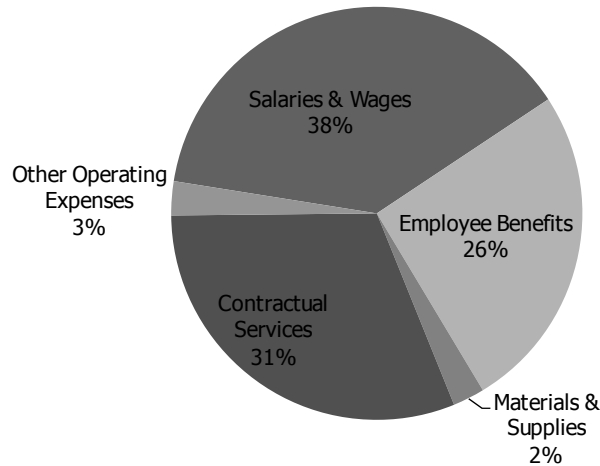
Department Budget & Position Count (\$ in thousands)

Operating Expenses By Division	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 802	\$ 775	\$ 918	\$ 761	\$ (157)	-17.1%
Real Estate Services	669	850	748	271	(478)	-63.8%
Concessions & Quality Services	2,124	2,640	2,672	2,733	62	2.3%
Landside Services	1,757	2,603	2,483	2,120	(363)	-14.6%
Air Service Development	794	495	340	474	134	39.3%
Total	\$ 6,147	\$ 7,363	\$ 7,161	\$ 6,359	\$ (802)	-11.2%

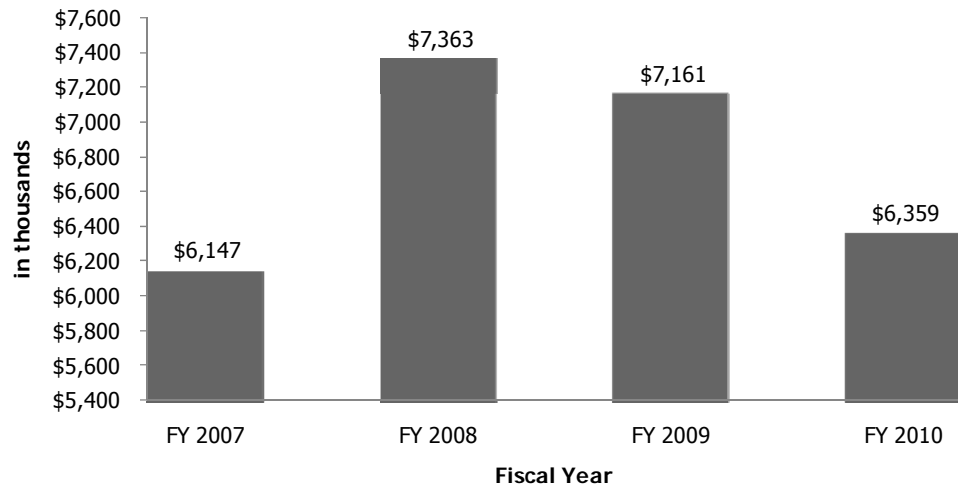
Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 3,064	\$ 3,495	\$ 3,271	\$ 2,427	\$ (844)	-25.8%
Employee Benefits	1,574	1,725	2,014	1,635	(379)	-18.8%
Materials & Supplies	158	142	153	159	6	3.9%
Contractual Services	669	930	1,542	1,968	426	27.6%
Other Operating Expenses	645	973	132	169	38	28.7%
Total	\$ 6,147	\$ 7,363	\$ 7,161	\$ 6,359	\$ (802)	-11.2%

Position Count By Division	FY 2007	FY 2008	FY 2009	FY 2010	Variance	
	Actual	Actual	Budget	Budget	#	%
Administration	6	6	6	6	-	0.0%
Concessions & Quality Services	7	8	8	6	(2)	-25.0%
Landside Services	33	33	32	22	(10)	-31.3%
Real Estate Services	4	4	5	2	(3)	-60.0%
Air Service Development	4	3	1	1	-	0.0%
Total	54	54	52	37	(15)	-27.8%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Initiatives (Scorecard Objective)

- Grow airline service (F 1)
- Develop additional cargo opportunities (F 1)
- Implement workforce reduction plan (F 2)
- Reduce overtime expense (F 2)
- Promote economic development in airport environment (Mission)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2007	FY 2008	FY 2009	FY 2010 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Terminal Food & Beverage/Retail Revenue per Enplanement (reported to Authority)	CS 1.3	\$ 1.35	\$ 1.37	\$ 1.58	\$ 1.52
Grow Non-Airline Revenue (F)					
Non-Airline, Passenger Related Revenue per Enplanement	F 1.1	\$ 7.30	\$ 7.52	\$ 7.51	\$ 7.12
Overall Cargo Tonnage Handled by Metric Ton (DTW)	F 1.2	229,529	223,605	146,818	160,000
Overall Cargo Landed by Metric Ton (YIP)	F 1.2	142,251	88,643	32,912	35,000
% Parking Revenue from Credit Card Transactions	F 1.3	N/A	87.7%	89.5%	90.0%

Despite a difficult local economy, the Business Development Department improved terminal concession revenue per enplanement by over 15 percent. However, challenges remain regarding non-airline revenue (in particular, parking revenue) and cargo handled/landed at Detroit Metropolitan and Willow Run airports.

Business Development Divisions

Business Development Administration**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 457	\$ 511	\$ 537	\$ 419	\$ (118)	-21.9%
Employee Benefits	198	218	340	275	(65)	-19.1%
Materials & Supplies	9	6	10	10	1	5.3%
Other Operating Expenses	138	39	32	57	25	80.0%
Total	\$ 802	\$ 775	\$ 918	\$ 761	\$ (157)	-17.1%

Responsibilities

- Compile sales and revenue data to maximize concessionaire's performance by reviewing monthly operating statements, venue comparisons, merchandising adjustments, and re-concepting of venues
- Calculate new minimum annual guarantee (MAG)
- Audit Motor City Central Parking (MCCP) daily revenue and expenses
- Reconcile all Certified Annual Audit reports from Concessions
- Provide parking ticket security and control

Business Development Divisions

Real Estate Services**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 202	\$ 438	\$ 419	\$ 129	\$ (290)	-69.2%
Employee Benefits	124	220	268	90	(178)	-66.4%
Materials & Supplies	2	4	5	6	1	10.0%
Contractual Services	-	34	50	40	(10)	-20.0%
Buildings & Grounds	8	15	-	-	-	n/a
Equipment Repair	-	47	-	-	-	n/a
Other Operating Expenses	332	92	7	6	(1)	-14.3%
Total	\$ 669	\$ 850	\$ 748	\$ 271	\$ (478)	-63.8%

Responsibilities

- Manage airport property activity, including coordination of property issues among Authority staff, airline tenants, and non-airline tenants
- Create internal checklist for proper notification, follow-up, and resolution of property management issues
- Create/update an airport property inventory list to accurately reflect on-airport property status and implement into real estate inventory list for all airport properties
- Develop design criteria for consistent leasehold areas in North Terminal
- Create land use plan (LUP)
- Explore and pursue growth and new commercial development opportunities
- Initiate development for commercial projects

Business Development Divisions

Concessions & Quality Services**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 544	\$ 683	\$ 684	\$ 541	\$ (143)	-20.8%
Employee Benefits	323	401	438	370	(68)	-15.6%
Materials & Supplies	13	8	9	9	-	0.0%
Contractual Services	451	781	1,477	1,792	315	21.3%
Equipment Repair	7	14	50	1	(49)	-98.0%
Other Operating Expenses	786	754	14	20	6	45.0%
Total	\$ 2,124	\$ 2,640	\$ 2,672	\$ 2,733	\$ 62	2.3%

Responsibilities

- Ensure that all venues open for business comply with design/construction code requirements and Federal Food Code through plan reviews, monitoring, and enforcement
- Maximize the quality of goods and services delivered by concessionaires through site reviews, review of concessionaires' monthly operating statements, venue comparisons, merchandising adjustments, and "re-concepting" of venues
- Conduct mystery shopper survey program, review findings, and use the results for quality and customer service improvements
- Administer the market basket and benchmark surveys, report findings to concessionaires, and either correct or implement adjustments
- Facilitate completion of concessionaire venues by tracking/monitoring the design, permit, and construction schedules
- Market the concession program to internal and external audience to enhance Detroit Metropolitan Airport's revenue stream and industry-wide image

Business Development Divisions

Landside Services**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,600	\$ 1,704	\$ 1,517	\$ 1,221	\$ (296)	-19.5%
Employee Benefits	777	832	896	823	(73)	-8.2%
Materials & Supplies	37	30	55	60	5	9.2%
Contractual Services	38	9	12	12	-	0.0%
Buildings & Grounds	19	15	-	-	-	n/a
Equipment Repair	3	6	-	-	-	n/a
Other Operating Expenses	(716)	7	3	5	2	56.7%
Total	\$ 1,757	\$ 2,603	\$ 2,483	\$ 2,120	\$ (363)	-14.6%

Responsibilities

- Oversee financial and operational performance of the parking contractor and parking operation, including financial and operational planning, customer service improvements, marketing enhancements, and annual performance audit
- Manage commercial vehicle access program, including limousines, taxicabs, rental car shuttle buses
- Facilitate high quality parking and commercial vehicle access facilities and amenities, including curbside, informational/directional signage, lighting, and roadway improvements
- Organize special event requirements

Business Development Divisions

Air Service Development**Division Budget (\$ in thousands)**

Operating Expenses By Classification	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 260	\$ 158	\$ 115	\$ 117	\$ 2	1.7%
Employee Benefits	152	55	72	77	5	7.1%
Materials & Supplies	96	95	75	75	-	0.0%
Contractual Services	180	106	3	124	121	4033.3%
Other Operating Expenses	105	81	76	82	6	7.4%
Total	\$ 794	\$ 495	\$ 340	\$ 474	\$ 134	39.3%

Responsibilities

- Develop and/or maintain air service development and marketing strategies for Detroit Metropolitan Airport
- Analyze aviation industry data and trends resulting in recommendations for new and/or improved air service
- Develop passenger and revenue forecasts for airlines; direct economic impact analyses of air service
- Identify positive air service trends that can be used to enhance Detroit Metropolitan Airport's image in the local community and with connecting passengers

Detroit Metropolitan Airport Capital Improvement Program

Overview

Major Construction Program

The Authority manages the capital projects at Detroit Metropolitan Airport under a Capital Improvement Program (CIP). The plans for current and future capital projects at Detroit Metropolitan Airport are summarized in a Five Year Plan.

The Five Year Plan is an important tool used for formulating future project financing plans, maximizing federal and state grant opportunities, pro-actively planning for the replacement or reconstruction of essential infrastructure components that are nearing the end of their service life, and scheduling and coordinating execution of multiple projects to minimize operational impact.

Definition of Capital Projects

Capital projects are defined as assets with an individual unit cost of \$5,000 or greater, with an estimated service life of longer than one year. Capital projects are not consumed by their use. However, they do lose their usefulness over time from age, technical obsolescence, and use. The vast majority of the capital projects in the Five Year Plan are considered "routine" projects for a major airport, including reconstruction of runways and taxiways, rehabilitation of parking decks, and roadway improvements. In general, routine capital projects do not affect the annual operating budget. As an example, if a runway is taken out of service to be reconstructed, the maintenance efforts that would have been expended on that runway are reassigned to maintain other portions of the airfield pavement that require attention.

As part of the budget approval process, the Authority Board approved \$179 million in capital spending for Fiscal Year 2010. This approved amount includes forecast spending of \$163 million on 42 capital projects that have already been started, and \$16 million of forecast spending on 28 new capital projects that are scheduled to begin in Fiscal Year 2010.

Funding of Capital Improvement Program Projects

The Authority's funding sources for the CIP are airport revenue bonds, Passenger Facility Charges (PFCs), federal grants and Authority discretionary funds. Given the multiple funding sources that comprise this plan, board approval of the CIP does not imply that the source of funding has been determined.

Airport Revenue Bonds - The Authority issues airport revenue bonds to finance the cost of capital projects at Detroit Metropolitan Airport and includes the debt service on such bonds in the fees and charges of the airlines, subject to receiving the approval of a weighted majority of signatory airlines for such capital projects as outlined in the airline agreements. Airport revenue bonds have already been issued to fund many of

the projects in the Authority's current Five Year Plan, including projects to be constructed in 2010. Other capital projects will require weighted majority approval before the Authority may issue bonds to fund any portion of the costs of these projects.

The Authority is required from time to time to establish borrowing capacity by publishing a notice of intent to issue bonds pursuant to Act 94. Act 94 provides that prior to the issuance of revenue bonds a notice of intent to issue bonds shall be published in a newspaper which has general circulation in the territory of the borrower.

Passenger Facility Charges – Under the Aviation Safety and Capacity Expansion Act of 1990 (the PFC Act), the FAA may authorize a public agency, such as the Authority, that controls an airport to impose a PFC of up to \$4.50 for each qualifying enplaned passenger at such airport to be used to finance eligible airport-related projects. In order to receive authorization to impose a PFC and use the PFC revenue, the Authority must submit an application requesting that the FAA approve the imposition of a PFC for, and the use of PFC revenues on, specific eligible projects described in such application. PFCs are collected on behalf of airports by air carriers and their agents (the "Collecting Carriers") and remitted to the public agency.

Under its current PFC approval, the Authority may "Impose and Use" \$3.135 billion in PFCs, which includes amounts for the payment of project costs, or the payment of principal, interest and other financing costs on airport revenue bonds issued to pay the PFC-eligible costs of the approved projects. The Authority also has "Impose Only" approval to collect \$29 million for future use on an approved runway reconstruction project. The Authority must apply to convert this project to "Impose and Use" approval by May 27, 2011. The current estimated PFC expiration date is August 1, 2034.

Grants - The Airport and Airway Improvement Act of 1982 created a grant program that is administered by the Federal Aviation Administration (FAA). The FAA allocates federal grants through the Airport Improvement Program (AIP). The AIP grants include entitlement grants, which are allocated among airports by the FAA in accordance with a formula based on enplaned passengers and cargo-landed weight, and discretionary grants, which are allocated by the FAA in accordance with its guidelines. FAA grants are subject to annual Congressional appropriation.

Master Plan Update

Last year, the Authority developed a new 20-year Master Plan for the Airport, which addresses the phased development of the Airport over the 2008 – 2027 planning horizon. The Master Plan reflects all airfield, terminal, landside/ground access and support facility projects necessary to meet the anticipated demand for air travel over the planning horizon. The FAA requires an airport master plan from any airport that plans to seek federal funding for airport development projects. The Authority Board approved the proposed Preferred Development Plan on July 24, 2008. The Master Plan was submitted to the FAA for review and acceptance in early October, 2008. As part of the Master Plan submittal, the Authority also submitted a new Airport Layout Plan (ALP) for the FAA's approval. The ALP submittal consisted of Current, Future, and Ultimate ALP's. The "Future ALP" includes preferred development projects anticipated before 2016 (approximately \$996 million). The "Ultimate ALP" includes the projects anticipated in 2016 and beyond (approximately \$2.313 billion). The projects on the "Future ALP" were added to the five year plan update. Most of them are scheduled for the later plan time frame.

Significant Non-Routine Projects with Impact to Future Operating Budgets

As previously stated, the vast majority of capital projects in the Five Year Plan are considered routine projects for a major airport, and do not affect the annual operating budget.

Below are descriptions of the non-routine projects that will have an impact on current or future operating budgets, along with a discussion of the expected impact. (Project descriptions for all CIP items start on page 108.)

Automated Parking Revenue Management System (Plan Item No. 56) – To be completed in Fiscal Year 2010, this automated system allows customers to pay their parking fee by credit card when exiting any on-airport public parking lot or deck. The Authority anticipates increases in parking revenue resulting from decreased fraud and loss. Additional expenses to host and maintain the system are offset by decreased labor needs.

Public Parking Expansion Projects (Plan Item Nos. 64, 65, and 67) – These projects will provide approximately 10,500 additional parking spaces. Given the forecasted decrease in enplaned passengers projected in Fiscal Year 2010, the project is expected to be revenue neutral. The additions will provide the capacity to keep pace with future enplanement growth.

Airport Administration Building (Item No. 77 and 82) – The Authority management and administrative staff are currently still housed at the Smith Terminal, occupying only approximately 30 percent of the building. The space not being used requires budget expenditures for heating, cooling, lighting and nominal maintenance. Plans are being developed to provide management and administrative spaces that are both operationally efficient and cost effective. Once the new spaces are implemented, there will be a favorable impact on the operating budget.

Public Safety Training Facility Projects (Plan Item Nos. 78, 79, 80, 81, 88, and 92) – The Authority is moving forward with the construction of a consolidated public safety training facility on the airfield operations area to accommodate the on-going training requirements for the Fire and Police divisions. The facility will include an indoor pistol range, a live fire house, a rappelling tower and an obstacle course.

The addition of a new facility will have some additional operating expenses. However, some of these costs are off-set by savings. The authority will no longer need to pay for the use of the Wayne County Henry Ruff facility for these training activities. By bringing most public safety training activities on-site, the Authority will be able to reduce training-related travel and overtime costs for the police and fire divisions. Further, the Public Safety Department will be able to generate revenue from other public safety entities who wish to use the Authority's facility.

**Detroit Metropolitan Airport
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(\$ in Thousands)**

CIP ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE			EST SPENT TO 9/09	SPENDING PROJECTION					
			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY2013	FY2014	FUTURE
Airfield Improvements												
1	Reconstruct RW 3R/21L, RSA, & South End of Taxiway "W"	\$ 46,750	\$ 12,773	\$ 33,977		\$ 44,068	\$ 2,682	\$ -	\$ -	\$ -	\$ -	\$ -
2	Apron Reconstruction East of Taxiway "K"	10,300	10,300	-	-	8,002	2,298	-	-	-	-	-
3	Reconstruct Taxiway "K" - Phase 1	8,709	6,101	2,608	-	5,725	2,984	-	-	-	-	-
4	Grade and Pave Taxiway K Islands	350	350	-	-	246	104	-	-	-	-	-
5	Reconstruct RW 9L/27R (Design only)	3,100	893	2,207	-	1,937	1,163	-	-	-	-	-
6	Replace Obsolete Airfield Signage	100	-	-	100	-	100	-	-	-	-	-
7	ILS PRM Signs and Markings near Runway 4L/22R	180	-	30	150	100	80	-	-	-	-	-
8	Reconstruct Runway 9L/27R - West of South Access Road	17,436	2,436	15,000	-	2,904	14,532	-	-	-	-	-
9	Reconstruct Runway 9L/27R - East of South Access Road	17,165	4,946	12,219	-	415	16,750	-	-	-	-	-
10	Rehabilitation of Southern Portion of RW 3L/21R	21,400	5,350	16,050	-	854	20,546	-	-	-	-	-
11	Reconstruct Taxiway "V, H, & F"	16,681	10,008	6,673	-	171	10,000	6,510	-	-	-	-
12	Reconstruct RW 4R/22L (Design only)	4,000	2,478	1,522	-	50	2,450	1,500	-	-	-	-
13	Extend Taxiway "G"	3,100	775	2,325	-	-	2,000	1,100	-	-	-	-
14	Runway Surface Monitor System (SCAN) on Runway 4L/22R	1,000	-	-	1,000	-	900	100	-	-	-	-
15	Reconstruct Taxiway "Y-11"	1,247	773	474	-	-	150	1,097	-	-	-	-
16	Reconstruct Taxiways "Y-16" and "Y-17"	2,200	550	1,650	-	-	250	1,950	-	-	-	-
17	Reconstruct Taxiway "Z"	6,900	1,725	5,175	-	-	500	2,000	4,400	-	-	-
18	Reconstruct Balance of Taxiway "W"	25,300	7,590	17,710	-	-	200	15,000	10,100	-	-	-
19	Reconstruct RW 4R/22L, W. Portion of RW 9L/27R, and Taxiways	135,000	119,000	16,000	-	-	-	100	70,000	64,900	-	-
20	Enhance Runway 3L/21R Planning	700	700	-	-	-	-	200	500	-	-	-
21	Environmental Processing for Runway 3L/21R Extension	2,667	667	2,000	-	-	-	1,000	1,667	-	-	-
22	West Cargo Taxiway - Phase 1	5,609	-	-	5,609	-	-	4,000	1,609	-	-	-
23	Runway 4L/22R High Speed Taxiways	11,058	11,058	-	-	-	-	-	1,000	10,058	-	-
24	Design Reconstruct of S. Portions of RW 3L/21R & TWs "M" & "F"	3,000	2,100	900	-	-	-	-	-	3,000	-	-
25	Runway 3L/21R Extension and Land Acquisition	46,743	35,057	11,686	-	-	-	-	-	15,581	15,581	-

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(\$ in Thousands)

CIP ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE			SPENDING PROJECTION								
			BONDS	AIP GRANT	DISCRET./ OTHER	EST SPENT TO 9/09	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FUTURE		
26	Reconstruct Southern Portion of Runway 3L/21R	24,000	16,800	7,200	-	-	-	-	-	-	-	-	18,000	6,000
27	Reconstruct Southern Portion of Taxiway "M"	7,600	5,320	2,280	-	-	-	-	-	-	-	-	5,000	2,600
28	Reconstruct Eastern Portion of Taxiway "F"	2,700	1,890	810	-	-	-	-	-	-	-	-	1,500	1,200
29	Reconstruct Northern Apron	9,900	7,425	2,475	-	-	-	-	-	-	-	-	-	9,900
30	Reconstruct Taxiway "S", "S4" & "S5"	6,400	4,800	1,600	-	-	-	-	-	-	-	-	-	6,400
31	Reconstruct Eastern Portion of Taxiway "V"	10,300	7,725	2,575	-	-	-	-	-	-	-	-	-	10,300
32	Design Reconstruct of N. Portions of RW 3L/21R & TWs "M" & "P"	4,000	3,000	1,000	-	-	-	-	-	-	-	-	-	4,000
33	Reconstruct Portions of Runway 9R/27L & Shoulders	3,500	2,800	700	-	-	-	-	-	-	-	-	-	3,500
34	Reconstruct Taxiway "P4"	7,500	6,000	1,500	-	-	-	-	-	-	-	-	-	7,500
35	Reconstruct Taxiway "M3, M4, M5"	5,300	4,240	1,060	-	-	-	-	-	-	-	-	-	5,300
36	Reconstruct Western Portion of Taxiway "H"	1,500	1,200	300	-	-	-	-	-	-	-	-	-	1,500
37	Reconstruct Taxiway "K" - Phase 2	11,900	9,520	2,380	-	-	-	-	-	-	-	-	-	11,900
38	Reconstruct Portions of Decicing Pad Pavement	16,400	11,351	5,049	-	-	-	-	-	-	-	-	-	16,400
39	Reconstruct Central Apron - Phase 1	18,900	13,230	5,670	-	-	-	-	-	-	-	-	-	18,900
40	Reconstruct Taxiway "PP2"	2,200	1,540	660	-	-	-	-	-	-	-	-	-	2,200
41	Reconstruct Northern Portions of Taxiways "M" & "P"	18,400	11,040	7,360	-	-	-	-	-	-	-	-	-	18,400
42	Reconstruct Northern Portion of Runway 3L/21R	22,500	13,500	9,000	-	-	-	-	-	-	-	-	-	22,500
43	Reconstruct Central Apron - Phase 2	19,800	11,800	8,000	-	-	-	-	-	-	-	-	-	19,800
44	West Cargo Taxiway - Phase 2	6,440	-	6,440	-	-	-	-	-	-	-	-	-	6,440
45	Runway 9R/27L High Speed Taxiway	3,369	2,527	842	-	-	-	-	-	-	-	-	-	3,369
46	Taxiway "PP" Extension	16,884	12,663	4,221	-	-	-	-	-	-	-	-	-	16,884
Subtotal, Airfield Improvements		\$ 610,188	\$ 384,001	\$ 196,139	\$ 30,048	\$ 64,472	\$ 77,689	\$ 34,557	\$ 89,276	\$ 93,539	\$ 40,081	\$ 210,574		

**Detroit Metropolitan Airport
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CIP ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE			EST SPENT TO 9/09	SPENDING PROJECTION					
			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Terminal Projects												
47	North Terminal Redevelopment	\$ 459,868	\$ 449,197	\$ 5,100	\$ 5,571	\$ 400,615	\$ 54,885	\$ 600	\$ -	\$ -	\$ -	\$ -
48	McNamara Terminal - In-line Explosive Detection	60,000	39,000	-	21,000	54,000	6,000	-	-	-	-	-
49	DANTEC Capital Acquisitions	1,321	-	-	1,321	1,000	321	-	-	-	-	-
50	Relocated Executive Terminal	19,723	-	-	19,723	-	-	-	-	986	18,737	-
51	McNamara Concourses B & C Expansion (10 Gates)	179,792	179,792	-	-	-	-	-	-	-	-	179,792
52	North Terminal Expansion (5 Gates)	119,856	119,856	-	-	-	-	-	-	-	-	119,856
	Subtotal, Terminal Projects	\$ 840,560	\$ 787,845	\$ 5,100	\$ 47,615	\$ 455,615	\$ 61,206	\$ 600	\$ -	\$ 986	\$ 18,737	\$ 299,648
Noise Mitigation Projects												
53	Runway Approach Zone Land Acquisition	\$ 2,000	\$ -	\$ -	\$ 2,000	\$ 1,975	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -
54	Ground Run-up Enclosure Facility	8,000	-	6,400	1,600	-	7,000	1,000	-	-	-	-
55	Noise Mitigation Plan Implementation	300	200	100	100	-	100	100	100	-	-	-
	Subtotal, Noise Mitigation Projects	\$ 10,300	\$ -	\$ 6,600	\$ 3,700	\$ 1,975	\$ 7,125	\$ 1,100	\$ 100	\$ -	\$ -	\$ -
Parking Projects												
56	Automated Parking Revenue Mgmt System	\$ 6,779	\$ 5,100	\$ -	\$ 1,679	\$ 5,084	\$ 1,695	\$ -	\$ -	\$ -	\$ -	\$ -
57	North Terminal Grd Trnsp Ctr and Blue Deck Expansion	32,869	24,500	-	8,369	30,982	1,887	-	-	-	-	-
58	Replace Blue Deck Signage	463	-	-	463	441	22	-	-	-	-	-
59	Replace Revolving Doors at McNamara Grnd Trnsp Ctr	80	-	-	80	6	74	-	-	-	-	-
60	Blue Deck - Restoration	5,200	5,200	-	-	4,880	320	-	-	-	-	-
61	Blue Deck - Modernize Elevators and Improve Moving Walkways	1,200	-	-	1,200	1,000	200	-	-	-	-	-
62	Upgrade Taxicab Toilet & Convenience Facility	125	-	-	125	25	100	-	-	-	-	-
63	Reconstruct Yellow Lot	1,500	1,500	-	-	-	100	1,400	-	-	-	-
64	South Public Parking (4,000 Spaces)	23,507	23,507	-	-	-	-	-	2,351	21,156	-	-
65	Blue Deck Parking Expansion (4,000 Spaces)	138,054	138,054	-	-	-	-	-	-	20,708	45,558	71,788
66	North Employee Parking (2,500 Spaces)	13,230	13,230	-	-	-	-	-	-	-	-	13,230
67	North Public Parking (2,500 Spaces)	15,190	15,190	-	-	-	-	-	-	-	-	15,190
	Subtotal, Parking Projects	\$ 238,197	\$ 226,281	\$ -	\$ 11,916	\$ 42,418	\$ 4,398	\$ 1,400	\$ 2,351	\$ 41,864	\$ 45,558	\$ 100,208

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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Road Projects												
68	Roadway Bridge Repairs - Design Only	\$ 355	\$ -	\$ -	\$ -	\$ 60	\$ 295	\$ -	\$ -	\$ -	\$ -	\$ -
69	Evaluate South Access Road Exhaust Fans	150	-	-	150	11	139	-	-	-	-	-
70	South Access Road N. Tunnel Drainage Repair	150	-	-	150	-	150	-	-	-	-	-
71	Modify Berry Terminal Roadways	825	825	-	-	-	700	125	-	-	-	-
72	Intelligent Transportation System - Phase 1	5,102	-	5,102	-	537	200	3,400	965	-	-	-
73	Rehabilitate Airport Service Drives	5,000	5,000	-	-	-	500	2,000	2,500	-	-	-
74	Rogell Drive-Dingell Drive Connector	3,500	3,500	-	-	-	-	100	500	2,900	-	-
75	Intelligent Transportation System - Phase 2	3,019	3,019	-	-	-	-	-	-	-	-	-
	Subtotal, Road Projects	\$ 18,101	\$ 12,344	\$ -	\$ 5,757	\$ 608	\$ 1,984	\$ 5,625	\$ 3,965	\$ 2,900	\$ 3,019	\$ -
Support Facilities												
76	Install Rooftop HVAC Unit - Inventory Room Building 703	\$ 18	\$ -	\$ -	\$ 18	\$ -	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -
77	Administration Building Pre-Design	350	350	-	-	333	17	-	-	-	-	-
78	Site Development for Public Safety Training Facility	542	-	-	542	474	68	-	-	-	-	-
79	Pistol Range at Public Safety Training Facility	2,600	1,061	-	1,539	2,291	309	-	-	-	-	-
80	Relocate County Equipment - Public Safety Training Facility	1,667	969	-	698	1,271	396	-	-	-	-	-
81	Relocate Storage Magazines to Public Safety Training Facility	150	-	-	150	50	100	-	-	-	-	-
82	Airport Administration Building	24,000	6,000	-	18,000	388	12,000	11,612	-	-	-	-
83	Relocate Security Badging Office	1,150	-	-	1,150	970	180	-	-	-	-	-
84	Relocate WCAA Offices in Smith	400	-	-	400	270	130	-	-	-	-	-
85	Decommission Smith Concourses A & B	150	-	-	150	10	140	-	-	-	-	-
86	Vehicle Driving/Training Range	500	500	-	-	50	450	-	-	-	-	-
87	Temporary Improvements to Controller's Office	250	-	-	250	13	237	-	-	-	-	-
88	Pistol Range Enhancements	250	-	-	250	250	250	-	-	-	-	-
89	Building 278 Demolition	1,200	375	-	825	-	175	875	150	-	-	-

**Detroit Metropolitan Airport
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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
90	Consolidated Rental Car Facility	240,000	-	-	240,000	-	200	4,800	79,000	79,000	77,000	-
91	Demolition of Smith Terminal and Concourses A & B	7,000	-	-	7,000	-	-	1,000	4,000	2,000	-	-
92	Rifle Range	900	-	-	900	-	-	500	400	-	-	-
93	Building 358 Demolition	3,000	3,000	-	-	-	-	200	2,800	-	-	-
94	Dirty Snow Storage Area	392	392	-	-	-	-	-	392	-	-	-
95	South Centralized Checkpoint & Culvert Bridge Improvements	5,861	2,930	-	2,931	-	-	-	5,861	-	-	-
96	North Centralized Checkpoint	2,364	1,182	-	1,182	-	-	-	2,364	-	-	-
97	Air Cargo Development - Phase 1	10,000	-	-	10,000	-	-	-	10,000	-	-	-
98	Air Cargo Development - Phase 2	12,000	-	-	12,000	-	-	-	-	100	2,000	9,900
99	New Flight Kitchen	25,000	-	-	25,000	-	-	-	-	-	-	25,000
100	Perimeter Aircraft Rescue Fire Fighting Station #400	4,837	3,628	1,209	-	-	-	-	-	-	-	4,837
101	Airline Freight Facilities	6,451	4,838	-	1,613	-	-	-	-	-	-	6,451
102	Fuel Farm Expansion	3,988	3,988	-	-	-	-	-	-	-	-	3,988
	Subtotal, Support Facilities	\$ 355,020	\$ 29,213	\$ 1,209	\$ 324,598	\$ 6,120	\$ 14,670	\$ 18,987	\$ 104,967	\$ 81,100	\$ 79,000	\$ 50,176
	Utilities Projects											
103	Utility Meter Replacement	388	-	-	388	67	321	-	-	-	-	-
104	Electrical Meter Replacement	458	-	-	458	258	200	-	-	-	-	-
105	North Powerhouse - Steam Plant Evaluation	84	-	-	84	71	13	-	-	-	-	-
106	Install Chilled Water BTU Metering Equipment	65	-	-	65	-	65	-	-	-	-	-
107	De-icing Fluid Force Main to DWSD	13,500	3,375	10,125	-	4,230	8,000	1,270	-	-	-	-
108	Replace Outfall Structure at Pond 4	1,200	1,200	-	-	-	200	1,000	-	-	-	-
109	New Stormwater Detention Pond	6,177	4,633	-	1,544	-	-	-	5,000	1,177	-	-
	Subtotal, Utilities Projects	\$ 21,872	\$ 9,208	\$ 10,125	\$ 2,539	\$ 4,626	\$ 8,799	\$ 2,270	\$ 5,000	\$ 1,177	\$ -	\$ -

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			BONDS	AIP GRANT	DISCRET/ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Other Projects												
110	Payroll Time and Attendance Software	\$ 633	\$ -	\$ -	\$ 633	\$ 250	\$ 208	\$ 175	\$ -	\$ -	\$ -	\$ -
111	Replace Roofs on 3 Buildings	693	-	-	693	260	433	-	-	-	-	-
112	Develop Pet Boarding Facility	300	-	-	300	-	300	-	-	-	-	-
113	Demolition Related to Airport Gas Station	125	-	-	125	-	125	-	-	-	-	-
114	China Cargo/Logistics Development Feasibility Study	90	-	-	90	-	90	-	-	-	-	-
115	Utility Upgrades for Metro Pointe Development	900	-	-	900	-	900	-	-	-	-	-
116	Consolidated Rental Car Facility Study	200	-	-	200	-	100	100	-	-	-	-
117	Automated Vehicle Identification System	2,000	1,000	-	1,000	-	-	2,000	-	-	-	-
118	Upgrade Fuel Management System	325	-	-	325	-	25	300	-	-	-	-
119	Perimeter Security Enhancements	442	-	-	442	-	200	242	-	-	-	-
120	Advanced Surveillance Program	2,125	-	-	2,125	-	600	1,525	-	-	-	-
	Subtotal, Other Projects	\$ 7,833	\$ 1,000	\$ -	\$ 6,833	\$ 510	\$ 2,981	\$ 4,342	\$ -	\$ -	\$ -	\$ -
	Grand Total	\$ 2,102,071	\$ 1,449,892	\$ 219,173	\$ 433,006	\$ 576,344	\$ 1,78,852	\$ 68,881	\$ 205,659	\$ 221,566	\$ 186,395	\$ 660,606

Capital Improvement Program – Project Descriptions

Item No.	Project Title	Project Description
1	Reconstruct RW 3R/21L, RSA, and South End of Taxiway "W"	This project reconstructs Runway 3R/21L and approximately 2,400 linear feet of the south end of Taxiway "W". The project includes improvements of the associated airfield signs and electrical systems, reconstruction of the asphalt shoulders, extension of the blast pads on each end of the runway, and Runway Safety Area improvements.
2	Apron Reconstruct East of Taxiway "K"	This project consists of the design and construction efforts necessary to replace portions of the existing pavement sections and the associated airfield storm drainage system that were beyond the end of their useful life. The project coordinates with the North Terminal Apron project and the Taxiway "K" - Phase 1 project to minimize operational impacts.
3	Reconstruct Taxiway "K" - Phase 1	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "K" pavement, including new electrical circuits, taxiway lighting, and associated stormwater systems. The project includes pavement from north of taxiway connector "K-1" to the north side of taxiway connector "K-16", and includes taxiway connector "K-16".
4	Grade and Pave Taxiway "K" Islands	This project includes improving the drainage capabilities of four Taxiway "K" islands located between Taxiway "K" and Taxiway "Y".
5	Reconstruct RW 9L/27R (Design Only)	This project consists of the design efforts necessary to address the deteriorated pavement of crosswind Runway 9L/27R, and associated systems. This reconstruction project includes the area west of Runway 4R/22L; the area between Taxiway "Y" and the South Access Road-North Tunnel Bridge; the area between Taxiway "M" and Taxiway "W"; and the pavement east of Runway 3R/21L to the end of Runway 27R.
6	Replace Obsolete Airfield Signage	This project consists of replacing discontinued trapezoidal airfield signs with signs that meet current airport sign standards.
7	ILS PRM Signs & Markings near Runway 4L/22R	This project consists of the design and construction efforts necessary to install airfield signs and associated electrical and foundations systems as well as airfield pavement markings required by the recently installed Instrument Landing System Precision Runway Monitoring System near Runway 4L/22R.
8	Reconstruct RW 9L/27R – West of South Access Road	This project consists of the construction efforts necessary to address the deteriorated pavement of crosswind Runway 9L/27R and associated systems. This project includes reconstruction of the pavement between Runway 4R/22L and Taxiway "M". This project also includes a temporary surface upgrade for the pavement west of Runway 4R/22L.

Item No.	Project Title	Project Description
9	Reconstruct RW 9L/27R – East of South Access Road	This project consists of the construction efforts necessary to address the deteriorated pavement of crosswind Runway 9L/27R and associated systems. The project includes reconstruction of pavement in the area east of the South Access Road; the area between Taxiway "M" and Taxiway "W"; and the pavement east of Runway 3R/21L to the end of Runway 27R.
10	Rehabilitation of Southern Portion of Runway 3L/21R	This project consists of the design and construction efforts necessary to temporarily upgrade the surface of deteriorated pavement of Runway 3L/21R south of Taxiway by milling existing pavement and installing an asphalt pavement layer. This project will extend the useful life of the southern portion of this runway by four to five years. The project also includes rehabilitation of portions of this runway's connector taxiways, as well as full reconstruction of Taxiway "F" pavement located east of the South Access Road and west of Runway 3L/21R.
11	Reconstruct Taxiways "F", "H" & "V"	This project consists of design and construction efforts necessary to address the deteriorated Taxiways "V", "F" & "H" pavement and associated systems. The project will also modify the geometry of these taxiways where necessary to improve safety. The pavement to be reconstructed under this project is located between Runway 4R/22L and Runway 3L/21R.
12	Reconstruct Runway 4R/22L (Design Only)	This project consists of the environmental and design efforts necessary to address the deteriorated pavement of Runway 4R/22L and its connector taxiways, and associated systems.
13	Extend Taxiway "G"	This project consists of the design and construction efforts necessary to extend Taxiway "G" from Taxiway "F" to Taxiway "U", and will include associated systems.
14	Runway Surface Monitoring System (SCAN) on Runway 4L/22R	This project consists of installation of an "in-pavement" surface sensor system on Runway 4L/22R. This system is currently in operation on Runway 9R/27L and provides real-time information on runway surface conditions during poor weather. These sensors measure pavement temperature and ice build-up, and forward data to a monitoring panel at the Airfield Operations Center.
15	Reconstruct Taxiway "Y-11"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "Y-11" pavement and associated systems. Necessary geometry modifications of this connector taxiway are also included in this project
16	Reconstruct Taxiways "Y-16" and "Y-17"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "Y-16" and "Y-17" pavement and associated systems. Necessary geometry modifications of these connector taxiways are also included in this project

Item No.	Project Title	Project Description
17	Reconstruct Taxiway "Z"	This project consists of the design and construction efforts required for the rehabilitation of this taxiway north of Taxiway "V" to taxiway connector "Z-14", including taxiway connectors "Z-12" and "Z-14".
18	Reconstruct Balance of Taxiway "W"	This project consists of the design and construction efforts to complete the reconstruction Taxiway "W". This project includes approximately 7,600 linear feet of northerly portion of Taxiway "W". This project also includes improvements of the associated airfield signs and electrical systems, and reconstruction of the pavement shoulders.
19	Reconstruct Runway 4R/22L West Portion of Runway 9L/27R and Taxiways	This project consists of the construction efforts necessary to address the deteriorated pavement of Runway 4R/22L and its connector taxiways, and associated systems.
20	Enhance Runway 3L/21R Planning	This project consists of conducting a feasibility study of possible enhancements to Runway 3L/21R. This study includes examination of the operational benefit of improving the runway by evaluating alternatives for extending Runway 3L/21R; as well as the extending Taxiway "PP" from Taxiway "F" to Taxiway "P"; extending Taxiway "S" from Taxiway "F" to Taxiway "T"; and extending Taxiway "U" from Taxiway "M" to Runway 3L. The study also includes examination of improvements to centerline lighting, navigational aids of at least CAT I at both ends of the runway, drainage, lighting, shoulders, pavement markings, signs, and blast pads. The addition of a hold pad northeast of Runway 21R is also included in the study.
21	Environmental Processing for Runway 3L/21R Extension	This project involves completion of the necessary environmental study and related efforts required by the National Environmental Policy Act (NEPA) and related to the selected aspects of the enhancement of Runway 3L/21R planning project.
22	West Cargo Taxiway - Phase 1	This project consists of the design and construction efforts necessary for adding the initial 1,590 linear feet of a 75 foot wide taxiway parallel to, and west of, Runway 4L/22R. The project includes all site work, pavement, lighting, signage and pavement markings.
23	Runway 4L/22R High Speed Taxiways	This project consist of the design and construction efforts required to add two high speed exit taxiways (Miami Spiral or similar design) connecting Runway 4L/22R to the parallel Taxiway "A" from the approximate midpoint of the runway. The project includes all site work, pavement, lighting, signage and pavement markings.
24	Design Reconstruction of Southern Portions of Runway 3L/21R & Taxiways "M" & "F"	This project consists of the design efforts required for the reconstruction of Runway 3L/21R, Taxiways "M" & "F" located south of Runway 9L/27R.

Item No.	Project Title	Project Description
25	Runway 3L/21R Extension & Land Acquisition	This project consists of the design and construction efforts required to add a 1,500 foot extension of Runway 21R and Taxiways "M" and "P" to the north. The runway extension is expected to be 200 foot wide, while the taxiways will be 75 feet wide. This project includes all site work, utilities, pavement, lighting, signage, and pavement markings. The project also includes acquisition of approximately eight acres of land and relocation of two businesses to comply with federal guidelines for ownership of the Runway Protection Zone.
26	Reconstruct Southern Portion of Runway 3L/21R	This project consists of the construction efforts required for the reconstruction of Runway 3L/21R south of Runway 9L/27R.
27	Reconstruct Southern Portion Taxiway "M"	This project consists of the construction efforts necessary to address the deteriorated concrete pavement of Taxiway "M" between Runway 9L/27R and Taxiway "F".
28	Reconstruct Eastern Portion of Taxiway "F"	This project consists of the construction efforts required for the rehabilitation of Taxiway "F" from Runway 3L/21R to its east end.
29	Reconstruct Northern Apron	This project consists of the design and construction efforts necessary to reconstruct the pavement on the north side of the North Terminal.
30	Reconstruct Taxiways "S", "S4" & "S5"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "S", "S4" & "S5" pavement and associated systems.
31	Reconstruct Eastern Portion of Taxiway "V"	This project consists of the design and construction efforts necessary for the reconstruction of Taxiway "V" from Runway 3L/21R to its east end.
32	Design Reconstruction of Northern Portions of Runway 3L/21R & Taxiways "M" & "P"	This project consists of the design efforts required for the reconstruction of Runway 3L/21R, Taxiways "M" & "P" located north of Runway 9L/27R.
33	Reconstruct Portions of Runway 9R/27L & Shoulders	This project consists of the design and construction efforts required for the reconstruction portions of Runway 9R/27L shoulders.
34	Reconstruct Taxiway "P4"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "P4" pavement and associated systems. This project also includes the removal of Taxiway "P4" pavement between Taxiway "P" and Runway 3L/21R.
35	Reconstruct Taxiway "M3", "M4", & "M5"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiways "M3", "M4", & "M5" pavement and associated systems.

Item No.	Project Title	Project Description
36	Reconstruct Western Portions of Taxiway "H"	This project consists of the design and construction efforts necessary to address the remaining deteriorated concrete pavement of Taxiway "H" near Runway 4R/22L.
37	Reconstruct Taxiway "K" - Phase 2	This project consists of the design and construction efforts necessary for the rehabilitation of Taxiway "K" from "Y-16" to its north end. This project will address the deteriorated pavement of Taxiway K near Runway 9L/27R.
38	Reconstruct Portions of Deicing Pad Pavement	This project consists of the design and construction efforts necessary for the rehabilitation of pavement on the 22L and 3L Deicing Pads.
39	Reconstruct Central Apron – Phase 1	This project consists of the design and construction efforts necessary to reconstruct a portion of the apron pavement on the south side of the North Terminal.
40	Reconstruct Taxiway "PP2"	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "PP2" pavement and associated systems.
41	Reconstruct Northern Portions of Taxiways "M" & "P"	This project consists of the construction efforts necessary to address the deteriorated pavement of Taxiways "M" & "P" north of Runway 9L/27R.
42	Reconstruct Northern Portion of Runway 3L/21R	This project consists of the construction efforts required for the reconstruction of Runway 3L/21R north of Runway 9L/27R.
43	Reconstruct Central Apron – Phase 2	This project consists of the design and construction efforts necessary to reconstruct the remaining portion of the apron pavement on the south side of the North Terminal.
44	West Cargo Taxiway – Phase 2	This project consists of the design and construction efforts necessary to develop an additional 1,590 linear feet of a 75 foot wide taxiway parallel to, and west of, Runway 4L/22R. The project includes all necessary site work, pavement, lighting, signage, and pavement markings.
45	Runway 9R/27L High Speed Taxiway	This project consists of the design and construction efforts necessary to add one high speed exit taxiway (Miami Spiral or similar design) connecting Runway 9R-27L to the parallel Taxiway "T" adjacent to Taxiway "S". The project includes all necessary site work, pavement, lighting, signage and pavement markings.
46	Taxiway "PP" Extension	This project consists of the design and construction efforts necessary to extend Taxiway "PP" by approximately 4,200 feet between Taxiway "F" and Taxiway "P4". Taxiway "PP" will be 75 feet wide with standard taxiway shoulders. This project includes all necessary site work, pavement, lighting, signage and pavement markings.

Item No.	Project Title	Project Description
47	North Terminal Redevelopment	This project consists of the design and construction efforts necessary to provide a new North Terminal to support the operations of certain non-hubbing airlines at DTW
48	McNamara Terminal In-line Explosive Detection	This project consists of the design and construction efforts to provide a centralized luggage screening facility at the McNamara Terminal to house additional Explosive Detection Systems, Explosive Trace Detection devices and associated facilities to support Transportation Security Administration luggage screening operations.
49	DANTEc Capital Acquisitions	This project consists of the acquisition of various large pieces of equipment that will be used to maintain the North Terminal, and fit-up the office area for the personnel needed to manage the terminal.
50	Relocated Executive Terminal	This project consists of the relocation of the function currently housed in the historically significant Executive Terminal from its current location to the current location of Building #358 on Middlebelt Road. This includes constructing a new 4,000 square foot facility, with approximately 30,000 square foot of apron, and a taxiway connecting the apron with the adjacent airfield. This project includes all necessary site work, utilities, landscaping, and roadway access. The project also includes physically relocating the existing facility to a new location.
51	McNamara Concourses B&C Expansion (10 Gates)	This project consists of providing a 10 gate expansion of the McNamara Terminal, including hold rooms, operations space and all necessary public space and mechanical systems. The project includes an aircraft apron, underground fueling system, jet bridges, fixtures furniture and equipment, and all necessary site work, pavement, lighting, signage, and pavement markings.
52	North Terminal Expansion (5 Gates)	This project consists of providing a five gate expansion of the North Terminal, including holdrooms, operations space, and all necessary public space and mechanical systems. The project includes aircraft apron, underground fueling system, jetbridges, fixtures furniture and equipment, and all necessary site work, pavement, lighting, signage, and pavement markings
53	Runway Approach Zone Land Acquisition	This project consists of the voluntary acquisition of residential structures within the approach zone for each of the crosswind runways.
54	Ground Run-up Enclosure Facility	This project consists of the design and construction of a Ground Run-Up Enclosure (GRE) Facility. This project will develop a structure that uses acoustical dampening principles to reduce the noise impacts of aircraft engine ground run-ups. Aircraft engine ground run-ups are routine aircraft engine maintenance tests which require the operation of an engine at high power for extended periods of time generating continuous elevated noise levels.

Item No.	Project Title	Project Description
55	Noise Mitigation Plan Implementation	This project consists of the preparation of a studies including environmental processing required by the National Environmental Policy Act (NEPA) related to recommendations of the Part 150 study completed in 2008.
56	Automated Parking Revenue Management System	This project consists of the design and installation of a system that allows customers to pay their parking fee by credit card using automated equipment, when exiting any on-airport public parking lot or deck. Customers using the dedicated credit card exit lane will be able to exit more quickly, resulting in less queuing and delays when exiting.
57	North Terminal Ground Transportation Center and Blue Deck Expansion	This project consists of the design and construction of a new Ground Transportation Center to serve the new North Terminal located east of the new North Terminal, at the end of the pedestrian bridge to the existing Blue Deck. From it, passengers will be able to access the Blue Deck, as well as all commercial vehicles that will be servicing the North Terminal (car rental & hotel shuttles, on- and off-site parking shuttles, taxis, luxury sedans, etc.). The Blue Deck Expansion is a parking garage expansion located in the vacant "notch" on the west side of the existing Blue Parking Deck.
58	Replace Blue Deck Signage	This project will provide modifications of signage in the Blue Parking Deck to improve wayfinding and vehicle location referencing.
59	Replace Revolving Doors at McNamara Ground Transportation Center	This project consists of modifications to and replacement of the revolving doors at the McNamara Parking Deck level 4 Ground Transportation Center.
60	Blue Deck Restoration	This project consists of concrete and structural repairs, installation of concrete deck coating on the roof levels and architectural, fire suppression, and electrical work necessary to comply with life/safety standards.
61	Blue Deck – Modernize Elevators & Improve Moving Walkways	This project consists of design and construction efforts necessary to provide improvements and upgrades the six elevators and elevator machine rooms in the Blue Deck. The scope also includes minor modifications to the existing eight moving walkways in the Blue Deck.
62	Upgrade Taxicab Toilet & Convenience Facility	This project consists of providing a modular building and necessary site improvements to provide toilet rooms, break room, and support spaces necessary to support the taxi and sedan staging areas.
63	Reconstruct Yellow Lot	This project consists of the complete reconstruction and expansion of the existing surface parking lot located at the intersection of Rogell and Burton Drives.

Item No.	Project Title	Project Description
64	South Public Parking (4,000 Spaces)	This project consists of a new 4,000 space public surface parking lot, entrance and exit plaza, management building, and all necessary site work, utilities, landscaping, signage, and lighting.
65	Blue Deck Parking Expansion (4,000 Spaces)	This project consists of expanding the Blue Deck Parking Structure with a six story addition that will provide an additional 4,000 spaces. The project includes all ingress and egress roads, an exit plaza, and connection to the existing structure as well as all sitework, utilities, landscaping.
66	North Employee Parking (2,500 Spaces)	This project consists of developing a 2,500 space surface employee parking lot north of I-94 adjacent to Smith Road between Middlebelt and Merriman Roads. This project includes the parking lot, entrance and exit plaza with access control, connection to Vining Road and/or Eureka Roads, and all necessary sitework, utilities, marking, lighting, signage, and bus stop vestibules.
67	North Public Parking (2,500 Spaces)	This project consists of a new 2,500 space public surface parking lot, entrance and exit plaza, management building, and all necessary site work, utilities, landscaping, signage, and lighting.
68	Roadway Bridge Repairs – Design Only	This project covers the design of corrective action repairs needed for roadway bridges.
69	Evaluate South Access Road Exhaust Fans	This project consists of the evaluation and preparation of the study that will specify corrective actions required to ensure that the South Access Road Exhaust Fans operate properly.
70	South Access Road North Tunnel Drainage Repair	This project consists of the restoration of the Uninterruptible Power Supply system and electrical switch gear to a fully operational and reliable condition.
71	Modify Berry Terminal Roadways	This project consists of the design and construction efforts necessary to modify and improve the roads near the Berry Terminal.
72	Intelligent Transportation System - Phase 1	This project consists of the design and installation of an Intelligent Transportation System (ITS) on airport roadways. This project includes vehicular traffic control system infrastructure, changeable message signs, lane control signs, traffic light control as well as the necessary infrastructure, Closed Circuit Television cameras, communication, and control equipment.
73	Rehabilitate Airport Service Drives	This project consists of the design and construction efforts necessary to address portions of the deteriorated concrete and asphalt roadway pavement on Rogell Drive, the East Service Drive, the West Service Drive and Burton Drive.

Item No.	Project Title	Project Description
74	Rogell Drive-Dingell Drive Connector	This project consists of the design and construction of a vehicular access ramp from northbound Rogell to northbound Dingell Drive.
75	Intelligent Transportation System - Phase 2	This project consists of the design and construction efforts to expand the Intelligent Transportation System (ITS) capabilities beyond that which was deployed in Phase 1. It will include: 1) Advanced Traffic Management System (ATMS) software installation/upgrade. 2) Parking Management System which links information regarding the availability of parking to be provided to airport patrons upon entering the airport. 3) Automated Vehicle Identification (AVI) system which monitors activities, alleviates curb-side congestion, and if desired, collects trip fees for all commercial ground transportation vehicles doing business at the Airport. 4) Integration with MDOT, the Wayne County Roads, and the Emergency Management/Public Safety systems.
76	Install Rooftop HVAC Unit - Inventory Room Building 703	This project consists of the installation of a rooftop heating and ventilating unit to service the new central inventory area in Building 703.
77	Administration Building Pre-Design	This project consists of the efforts necessary to determine the location and space program of the Authority Administration Building.
78	Site Development for Public Safety Training Facility	This project consists of the design and construction of all site and civil improvements associated with the development of the Public Safety Training Facility to be located on the Airfield Operations Area, west of Fire Station #300. The facility will include the pistol range building, a live fire house, a rappelling tower, and an obstacle course.
79	Pistol Range at Training Facility	This project consists of the design and construction of a Pistol Range at the Public Safety Training Facility on the Airfield Operations Area west of Fire Station #300.
80	Relocate County Equipment – Public Safety Training Facility	This project consists of the design and construction of a rappelling tower, a live fire house, and an obstacle course at the Public Safety Training Facility on the Airfield Operations Area, west of Fire Station #300.
81	Relocate Storage Magazines to Public Safety Training Facility	This project consists of the design and construction of a Public Safety Storage Facility at the Public Safety Training Facility.
82	Airport Administration Building	This project consists of the design and construction of the Authority's Public Safety and Administrative Building to accommodate personnel located in the LC Smith Terminal and Building #358.

Item No.	Project Title	Project Description
83	Relocate Security Badging Office	The project consists of design and construction efforts necessary to construct the airport's security badging office in an area above the Federal Inspection Services (FIS) area of North Terminal.
84	Relocate WCAA Offices in Smith	This project consists of the design and construction efforts necessary to relocate the WCAA offices currently located in remote areas of the LC Smith to the Lobby level of the Smith Terminal.
85	Decommission of Smith Concourses A&B	This project consists of the design and construction efforts necessary to disconnect the utilities in the LC Smith Terminal Concourses A and B as well as install necessary fire separation assemblies.
86	Vehicle Driving/Training Range	The project consists of design and construction efforts necessary to provide a Vehicle Driving/Training range that will be used for training of drivers of rescue and police vehicles.
87	Temporary Improvements to Controller's Office	This project consists of the design and construction efforts necessary to provide temporary improvements to the Controller's office in the LC Smith terminal.
88	Pistol Range Enhancements	This project consists of the design and construction efforts necessary to modify the pistol range to accommodate new training scenarios, provide a workspace for a supervisor of the facility, and provide additional storage area for training equipment.
89	Building 278 Demolition	This project consists of the demolition of Building 278, which is the old Wayne Major Airport Hangar on Lucas Drive, any necessary environmental remediation, and the restoration of the existing site.
90	Consolidated Rental Car Facility	This project consists of the design and construction efforts necessary to provide a consolidated rental car facility that includes approximately 25 acres for ready/return parking spaces, two acres for a customer service building, 43 acres of rental car service areas, and the remaining ten acres for landscaping and service roads/site access.
91	Demolition of Smith Terminal and Concourses A&B	This project consists of the design and construction efforts necessary to demolish the L. C. Smith Terminal and its Concourses A and B; along with necessary environmental remediation.
92	Rifle Range	This project consists of the design and construction of a rifle range and the necessary site improvements.
93	Building 358 Demolition	This project consists of design and construction necessary to demolish Building 358, the Airport Public Safety Facility on Middlebelt Road, along with all the necessary environmental remediation.

Item No.	Project Title	Project Description
94	Dirty Snow Storage Area	This project consists of the design and construction efforts to provide an area within the current Green Lot parking lot for the storage of contaminated or "dirty" snow. The project includes modifying the perimeter fencing to allow trucks transporting the contaminated snow direct access from the airfield via the existing airport service roads and includes any modification to the drainage system necessary to comply with the Airports stormwater management plan and NPDES permit.
95	South Centralized Checkpoint and Culvert Bridge Improvements	This project consists of the design and construction efforts to provide approximately a four acre site with a roadway, vehicle queuing area, guard booth, and a screening checkpoint to facilitate screening all employees and deliveries into the Airport. It is expected that the TSA will provide all necessary equipment for the physical screening operation. This project is envisioned to include an access road, a paved queuing area, an open air canopied structure with a small building for employees (break room, restrooms, etc.), all site work and necessary utilities, and security fencing. Because of its location, this project also includes a bridge over the adjacent culverts and roadway improvements between the security checkpoint and the new bridge to support the anticipated traffic.
96	North Centralized Checkpoint	This project consists of the design and construction efforts to provide approximately a four acre site with a roadway, vehicle queuing area, guard booth, and a screening checkpoint to facilitate screening all employees and deliveries into the Airport. It is expected that the TSA will provide all necessary equipment for the physical screening operation. This project is envisioned to include an access road, a paved queuing area, an open-air canopied structure with a small building for employees (break room, restrooms, etc.), all site work and necessary utilities as well as security fencing.
97	Air Cargo Development - Phase 1	This project consists of the design and construction efforts necessary to develop the initial set of cargo buildings with truck dock, parking lot, landscaping, access to Vining Road, adjacent aircraft apron and all necessary site work, utilities, landscaping, and security fencing.
98	Air Cargo Development - Phase 2	This project consists of the design and construction efforts necessary to development of additional cargo buildings with truck dock, parking lot, landscaping, access to Vining Road, adjacent aircraft apron, and all necessary site work, utilities, landscaping, and security fencing.
99	New Flight Kitchen	This project consists of the design and construction efforts necessary to develop an 180,000-square-foot facility directly south of the McNamara Terminal with adjacent vehicle parking and loading dock. The project includes all necessary site work, utilities, roadway improvements, landscaping, and security fencing.

Item No.	Project Title	Project Description
100	Perimeter Aircraft Rescue Fire Fighting (ARFF) Station #400	This project consists of the design and construction efforts necessary to develop a new 8,800 square foot aircraft rescue and fire fighting station, including landside and airside roadways, a 10 space parking lot, new firefighting equipment and all necessary site work, utilities, roadway improvements, landscaping, and security fencing.
101	Airline Freight Facilities	This project consists of the design and construction efforts necessary to expand the exiting airline freight facilities by an additional 40,000 square feet of building with an access road, auto parking, truck dock, AOA access, and all necessary site work, utilities, landscaping, and security fencing.
102	Fuel Farm Expansion	This project consists of the design and construction efforts necessary to provide one additional 60,000 gallon fuel storage tank, as well as all necessary pavement, spillage berms, and equipment and controls needed to connect to the existing fuel delivery, storage, and distribution facilities. The project also includes all necessary site work, utilities, landscaping, and security fencing.
103	Utility Meter Replacement	This project consists of the replacement of defective, inoperative, or missing utility meters (water, gas, or electric).
104	Electrical Meter Replacement	This project consists of the replacement of 62 electric meters in the north Powerhouse and Airfield Lighting Vaults 1 and 2, including modifications to cabinet panels and meter wiring, and replacement of power transformers and current transformers as necessary. The new meters will allow for future connectivity to a site energy management and automated metering/billing system.
105	North Powerhouse - Steam Plant Evaluation	This project consists of the evaluation of the conditions of the major components of the North Powerhouse, which consists of four boilers and four chillers. An evaluation of current demand load will also be done, along with providing recommendations for modifications required.
106	Install Chilled Water BTU Metering Equipment	This project consists of adding BTU metering equipment to the chilled water system in the North Powerhouse.
107	De-icing Fluid Force Main to DWSD	This project consists of the design and construction efforts to provide the force main which will connect the Airport's de-icing storage pond to an identified interceptor leading to the Detroit Water and Sewer Department (DWSD). This project will include all necessary easement acquisition, manholes, pump stations, valves, clean-outs, and associated equipment.
108	Replace Outfall Structure at Pond 4	This project consists of the design and construction of a replacement storm system outfall structure at Pond 4.

Item No.	Project Title	Project Description
109	New Stormwater Detention Pond	This project consists of the design and construction efforts to provide a new stormwater detention pond to accommodate all of the new impervious area developed as part of the fifth parallel runway and taxiways. The project contemplates all necessary drainage systems, outfall structures, pump stations, piping, berms, sitework, utilities, security fencing, and landscaping.
110	Payroll Time and Attendance Software	This project includes acquisition of hardware and software and implementation and maintenance support services for a payroll time collection system.
111	Replace Roofs on 3 Buildings	This project consists of replacement of the roofs on ARFF Station #100, the Electrical Vault room of the South Access Road Tunnel, and on a portion of the Spirit Hangar.
112	Develop Pet Boarding Facility	This project consists of the design and construction efforts to provide a pet boarding facility on the airport grounds.
113	Demolition Related to Airport Gas Station	This project consists of the demolition of a current Gas Station Building, removal of fuel tanks, and temporary landscaping. This will prepare the space for a new development.
114	China Cargo/Logistics Development Feasibility Study	This project consists of professional consulting services to assist in the development of cargo, logistics, and light warehousing activities for WCAA between the People's Republic of China and the United States.
115	Utility Upgrades for Metro Pointe Development	This project will install utility upgrades to support the new concession being implemented at the intersection of Rogell and Burton Drives. Upgrades include electrical feeder, duct bank, water main extension, and related utility work.
116	Consolidated Rental Car Facility Study	This study will include developing a process, strategy, and timeline; conceptual site planning; implementation; financial plan; and assistance with the selection of rental car companies in a new Consolidated Rental Car Facility.
117	Automated Vehicle Identification System	This project includes the design and installation efforts necessary to provide an automatic commercial vehicle tracking system to monitor and document commercial vehicle utilization of the Airport's roadway system. This allows WCAA to more accurately charge commercial vehicles for using the Airport's roadways.
118	Upgrade Fuel Management System	This project consists of the design and installation efforts necessary to provide a Fuel Management system to monitor fuel usage by department, by vehicle, and by specific personnel. Various management reports will then be available using the Maximo system.

Item No.	Project Title	Project Description
119	Perimeter Security Enhancements	This project consists of the design and installation efforts necessary to provide a TSA-approved system to enhance the airport's perimeter fence.
120	Advanced Surveillance Program	This project consists of the design and installation efforts necessary to provide an advanced security surveillance system.

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Westin Hotel

The Westin Hotel opened for business in December 2002 and is operated by Starwood Hotels using the upscale Westin brand. The hotel is conveniently situated inside the Airport at the McNamara Terminal and features 404 guestrooms and 25,000 square feet of flexible meeting space including a 7,600 square foot grand ballroom, 26 meeting and board rooms, and a well-equipped business center. Other amenities include the latest in technology, a health club, and indoor pool.

Budget (\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Change	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenues						
Rooms	\$ 17,330	\$ 16,457	\$ 18,200	\$ 12,581	\$ (5,619)	-30.9%
Food & Beverage	11,116	10,679	11,970	8,786	(3,184)	-26.6%
Other Revenue	1,816	1,551	1,730	1,438	(292)	-16.9%
Total	\$ 30,262	\$ 28,687	\$ 31,900	\$ 22,805	\$ (9,095)	-28.5%
Operating Expenses						
Operating Expenses	\$ 18,000	\$ 16,954	\$ 18,700	\$ 15,685	\$ (3,015)	-16.1%
Management Fees	2,077	2,187	2,200	2,886	686	31.2%
Insurance & Other	751	772	800	687	(113)	-14.1%
Total	\$ 20,828	\$ 19,913	\$ 21,700	\$ 19,258	\$ (2,442)	-11.3%
Net Operating Revenue	\$ 9,434	\$ 8,774	\$ 10,200	\$ 3,547	\$ (6,653)	-65.2%
Non-Operating Revenue						
Interest	\$ 495	\$ 486	\$ 420	\$ 370	\$ (50)	-11.9%
Total	\$ 495	\$ 486	\$ 420	\$ 370	\$ (50)	-11.9%
Non-Operating Expenses						
Construction Debt	\$ 5,882	\$ 6,240	\$ 6,441	\$ 6,639	\$ 198	3.1%
Initial FF&E	223	319	693	375	(318)	-45.9%
Working Capital Loan	-	-	-	-	-	n/a
Ongoing FF&E	1,060	3,930	1,539	1,482	(57)	-3.7%
Cost Recovery Payment	407	418	420	-	(420)	-100.0%
Total	\$ 7,572	\$ 10,907	\$ 9,093	\$ 8,496	\$ (597)	-6.6%
Change in Net Assets	\$ 2,357	\$ (1,647)	\$ 1,527	\$ (4,579)	\$ (6,106)	-399.9%

Responsibilities

- Champion Authority's interest in the management of a financially and operationally successful hotel through maintenance of an effective working relationship with Starwood management
- Manage the flow of funds from the Hotel to pay operating costs, consulting costs, debt, and other hotel funding requirements
- Monitor and report hotel operational and financial data to ensure optimal performance and contract compliance
- Review and approve, if appropriate, all capital expenditures for the hotel

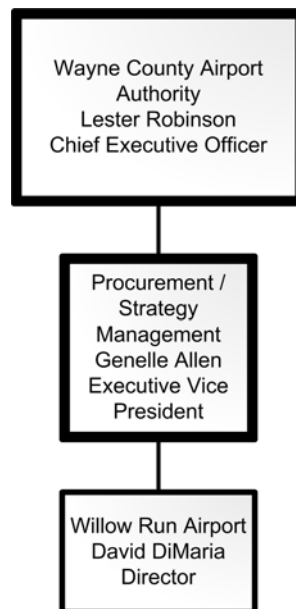
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Willow Run Airport

Managed by the Wayne County Airport Authority, Willow Run Airport is located seven miles west of Detroit Metropolitan Airport. Occupying 2,600 acres, Willow Run serves cargo, corporate, and general aviation clients. The airport offers five runways, 24-hour FAA Tower, and U.S. customs Operations, to provide ease of access for its users. Willow Run's runways include ILS all-weather and crosswind runways. The airport accommodates small private planes, as well as international 747 cargo jets. Cargo, corporate, and general aviation clients prefer Willow Run, as it provides the advantages of a large airport and the conveniences of a small one.

In its National Plan of Airport Systems (NPIAS), the FAA classifies the airport as a reliever. Reliever airports are high-capacity general aviation airports in major metropolitan areas that provide an alternative to more congested commercial service airports. There are 260 airports listed in the NPIAS.

Willow Run Airport handles over 100,000 operations per year. Approximately 500 million pounds of cargo are transferred through the airport annually, making Willow Run the third largest airport in the State of Michigan.



Willow Run Divisions

Administration

- Deliver Operations, Maintenance, and Public Safety services to ensure a safe and secure operation
- Manage the airport's business affairs, including finance, data collection, leases, procurement, billings, and receivables
- Participates in the development and implementation of Willow Run's Capital Improvement Program, including grant development, plan reviews, construction oversight, master plan updates, and environmental assessments
- Expand the marketing reach of airport facilities and services
- Address all FAA Part 139 Letter Of Correction (LOC) items to be completed by Willow Run Airport within FAA's required time frame

Public Safety

- Ensure the safety and protection of Willow Run properties through crime prevention, enforcement of laws, recovery of lost or stolen property, facilitation of the safe and efficient movement of vehicular and pedestrian traffic, and support and enforcement of all appropriate related regulations
- Provide fire suppression and emergency medical services to all airlines, tenants, employees, and passengers
- Ensure the safety, security, and protection of the traveling public and Willow Run community through the enforcement of all applicable federal and Airport rules and procedures
- Perform U.S. Customs inspections of inbound and outbound international aircraft
- Respond to incidents and emergencies (e.g. fire, security, snow removal, construction, special occasions, and dignitary details)

Operations/Security

- Perform daily AOA inspections, including monitoring and condition reporting of airfield pavement, lighting, signage, perimeter, and tenant areas
- Inform air carriers, FAA, and ATC about airfield conditions through publication of Notices to Airmen (NOTAMs)
- Administer restricted area access privileges, issue credentials, and provide security and driver's training for all internal and external customers requiring AOA access
- Respond to incidents and emergencies (e.g., aircraft emergencies/crashes, fire, security, snow removal, and wildlife mitigation)
- Ensure compliance of Transportation Security Administration (TSA) Part 1542 (Airport Security) for cargo airports

Maintenance

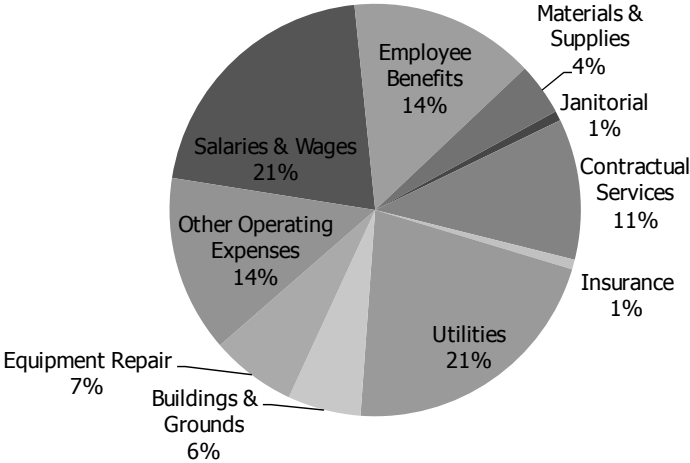
- Maximize the safety, cleanliness, and overall quality of the Willow Run Airport grounds
- Optimize vendor performance through effective contract management
- Perform snow removal and landscaping services

Budget & Position Count

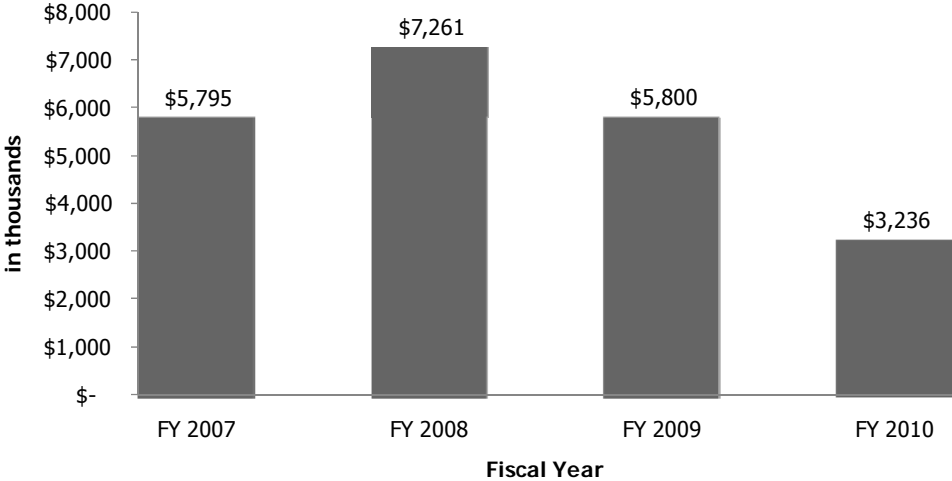
(\$ in thousands)

	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Airline Revenue						
Landing Fees	\$ 772	\$ 586	\$ 660	\$ 330	\$ (330)	-50.0%
Airline Rentals	1,979	2,039	2,300	1,900	(400)	-17.4%
Facility Use Fees	438	274	425	83	(342)	-80.5%
Total	\$ 3,190	\$ 2,898	\$ 3,385	\$ 2,313	\$ (1,072)	-31.7%
Non-Airline Revenue						
Utility Service Fees	172	223	114	156	42	36.8%
Rent	7	-	-	14	14	n/a
Other Non-Airline Revenue	42	68	1	1	-	0.0%
Charges for Services	708	517	555	278	(277)	-49.9%
Total	\$ 929	\$ 808	\$ 670	\$ 449	\$ (221)	-33.0%
Non-Operating Revenue						
Grants	3	4	-	-	-	n/a
Interest Income	10	9	5	-	(5)	-100.0%
Total	\$ 13	\$ 13	\$ 5	\$ -	\$ (5)	-100.0%
Total Revenue	\$ 4,131	\$ 3,719	\$ 4,060	\$ 2,762	\$ (1,866)	-46.0%
	FY 2007	FY 2008	FY 2009	FY 2010	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Expenses						
Salaries & Wages	\$ 1,618	\$ 1,775	\$ 1,731	\$ 676	\$ (1,055)	-60.9%
Employee Benefits	902	953	919	471	(448)	-48.7%
Materials & Supplies	134	184	220	133	(87)	-39.7%
Janitorial	16	20	35	25	(10)	-28.6%
Contractual Services	1,096	2,132	1,028	359	(669)	-65.1%
Insurance	25	34	20	25	5	25.0%
Utilities	1,428	1,264	770	695	(75)	-9.7%
Buildings & Grounds	240	210	258	186	(72)	-27.8%
Equipment Repair	98	119	340	217	(123)	-36.2%
Other Operating Expenses	239	570	480	450	(30)	-6.2%
Total	\$ 5,795	\$ 7,261	\$ 5,800	\$ 3,236	\$ (2,564)	-44.2%
Non-Operating Expenses						
Capital Acquisition	\$ 822	\$ 699	\$ 20	\$ 20	\$ -	0.0%
Interest Expense	35	33	60	-	(60)	-100.0%
From ADF	(536)	(684)	(1,470)	(144)	1,326	-90.2%
From Discretionary Fund	(350)	(350)	(350)	(350)	-	0.0%
Total	\$ (29)	\$ (302)	\$ (1,740)	\$ (474)	\$ 1,266	-72.7%
Total Expenses	\$ 5,766	\$ 6,959	\$ 4,060	\$ 2,762	\$ (1,298)	-32.0%
Change in Net Assets	\$ (1,634)	\$ (3,240)	\$ -	\$ -	\$ -	n/a
Position Count By Division	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2010 Budget	Variance	
					#	%
Administration	4	4	4	3	(1)	-25.0%
Operations	5	5	5	1	(4)	-80.0%
Maintenance	18	18	14	7	(7)	-50.0%
Total	27	27	23	11	(12)	-52.2%

FY 2010 Operating Expenses



Operating Expenses FY 2007 - FY 2010



Willow Run Capital Improvement Program

The Authority manages the capital projects at Willow Run Airport under a Capital Improvement Program (CIP). The plans for current and future capital projects at Willow Run Airport are summarized in a Five Year Plan.

Definition of Capital Projects

Capital projects are defined as assets with an individual unit cost of \$5,000 or greater, with an estimated service life of longer than one year. Capital projects are not consumed by their use. However, they do lose their usefulness over time from age, technical obsolescence, and use. The vast majority of the capital projects in the Five Year Plan are considered "routine" projects for a general reliever airport, such as reconstruction of runways and taxiways. In general, routine capital projects do not affect the annual operating budget. As an example, if a runway is taken out of service to be reconstructed, the maintenance efforts that would have been expended on that runway are reassigned to maintain other portions of the airfield pavement that require attention.

As part of the budget approval process, the Authority Board approved \$15.9 million in capital spending for Fiscal Year 2010. This approved amount includes forecast spending of \$10.7 million on 3 capital projects that have already been started, and \$5.2 million of forecast spending on 14 new capital projects that are scheduled to begin in Fiscal Year 2010.

Funding of Capital Improvement Program Projects

The current funding sources for Willow Run's CIP are federal grants, a state general fund grant, and state bond fund grants. A portion of Willow Run's federal grants consist of an annual \$150,000 general aviation (GA) entitlement, and a cargo entitlement which is formula driven, and based on cargo weight.

The State of Michigan issued Willow Run a general fund grant of \$14.2 million in 1998. These funds can be used as the required matching share (10 percent or 5 percent) on federal grants, or can be used to fully fund projects that are not federally eligible. The current unencumbered portion of this grant is approximately \$2.2 million.

State bond fund grants can only be used to fund half of the required matching share on federal grants.

Significant Non-Routine Projects with Impact to Future Operating Budgets

There are no significant non-routine projects that are currently in process or scheduled to begin in Fiscal Year 2010 that are anticipated to have an impact on the Willow Run Airport operating budget.

**Willow Run Airport
Five Year Plan - Capital Improvement Program Fiscal Years 2010 - 2014
(\$ in Thousands)**

ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		EST SPENT TO 9/09	SPENDING PROJECTION					
			AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Airfield Improvements											
1	Land Acquisition for RSA Imprvmts (25 Acres)	\$ 2,600	\$ 2,495	\$ 105	\$ 2,000	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -
2	Runway Safety Area Improvements - Part 3	11,195	9,442	1,753	1,148	10,047	-	-	-	-	-
3	Taxiway "D" Electrical Improvements	632	606	26	-	632	-	-	-	-	-
4	Crack Sealing Balance of RW 9L/27R	200	192	8	-	200	-	-	-	-	-
5	Design ARFF and Snow Removal Equipment Building	1,000	960	40	-	300	700	-	-	-	-
6	Design Reconstruction of Runway 5R/23L	2,500	2,399	101	-	1,000	1,500	-	-	-	-
7	Reconstruct Northern Portion of RW 5R/23L	7,500	7,196	304	-	800	5,700	1,000	-	-	-
8	Construct ARFF and Snow Removal Equipment Building	7,700	7,388	312	-	300	7,000	400	-	-	-
9	Environmental Assessment for RW 9L/27R Extension	580	557	23	-	400	180	-	-	-	-
10	Wildlife Fence Replacement - Phase 2	2,105	2,020	85	-	-	2,105	-	-	-	-
11	Expand East General Aviation and Cargo Apron	1,100	1,055	45	-	-	1,100	-	-	-	-
12	Stormwater Pollution Prevention Plan	87	83	4	-	-	87	-	-	-	-
13	Reconstruct Center Portion of RW 5R/23L	9,000	8,636	364	-	-	1,000	7,000	1,000	-	-
14	Crack Sealing on Runway 5L/23R	200	192	8	-	-	-	200	-	-	-
15	Design - Extend Runway 9L/27R & Add Parallel Taxiway "G"	1,100	1,055	45	-	-	-	800	300	-	-
16	Reconstruct Southern Portion of RW 5R/23L	10,500	10,075	425	-	-	-	1,000	7,000	2,500	-
17	Extend Runway 9L/27R & Add Parallel Taxiway "G"	14,100	13,529	571	-	-	-	800	5,800	7,500	-
18	Expand West and South General Aviation and Cargo Apron	3,300	3,166	134	-	-	-	-	3,300	-	-
19	Construct Parallel Taxiway to Runway 5R/23L	12,000	11,514	486	-	-	-	-	500	6,000	5,500
20	Reconstruct Runway 5L/23R	30,000	28,785	1,215	-	-	-	-	-	-	30,000
21	Extend Taxiway "B"	4,510	4,327	183	-	-	-	-	-	-	4,510
22	Rehabilitate West Apron	2,715	2,605	110	-	-	-	-	-	-	2,715
23	Construct Parallel Taxiway to Runway 5L/23R	12,400	11,898	502	-	-	-	-	-	-	12,400
Subtotal, Airfield Improvements		\$ 137,024	\$ 130,175	\$ 6,849	\$ 3,148	\$ 14,279	\$ 19,372	\$ 11,200	\$ 17,900	\$ 16,000	\$ 55,125

ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		EST SPENT TO 9/09	SPENDING PROJECTION					
			AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Terminal Projects											
24	Decommission Hangar # 2	\$ 100	\$ -	\$ -	100	\$ -	\$ 100	\$ -	\$ -	\$ -	\$ -
25	Hangar #1 Heating Improvements & Gas Line	548	-	548	-	500	48	-	-	-	-
26	Replace AC - Hangar #1 Offices (Core)	230	-	230	-	30	200	-	-	-	-
27	Upgrade Hangar #1 Non-office Areas	2,089	-	2,089	-	500	1,589	-	-	-	-
28	Rehabilitate Third Floor of Hangar # 1	317	-	317	-	-	317	-	-	-	-
29	Replace Windows in Admin Area of Hangar #1	277	-	277	-	-	277	-	-	-	-
30	Rehabilitate Second Floor of Hangar #1	89	-	89	-	-	-	-	89	-	-
	Subtotal, Terminal Projects	\$ 3,650	\$ -	\$ 3,650	\$ -	\$ 630	\$ 748	\$ 2,183	\$ 89	\$ -	\$ -
Noise Mitigation Projects											
31	Part 150 Study	\$ 750	\$ 663	\$ 87	\$ 670	\$ 80	\$ -	\$ -	\$ -	\$ -	\$ -
32	Noise Mitigation Program	15,000	14,393	607	-	3,000	3,000	3,000	3,000	3,000	3,000
	Subtotal, Noise Mitigation Projects	\$ 15,750	\$ 15,056	\$ 694	\$ 670	\$ 80	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Road Projects											
33	Resurface portions of Third St, Tyler Road, & "E" St.	\$ 20	\$ -	\$ 20	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ -
	Subtotal, Road Projects	\$ 20	\$ -	\$ 20	\$ -	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ -
Support Facilities											
34	Construct Temporary Maintenance Facility	\$ 335	\$ -	\$ 335	\$ -	\$ 335	\$ -	\$ -	\$ -	\$ -	\$ -
35	Fuel Farm Improvements	200	-	200	-	200	-	-	-	-	-
36	Fire Pump Upgrade - East Airfield Buildings	100	-	100	-	60	40	-	-	-	-
37	Widen Center Bay of Fire Station #700	60	-	60	-	-	60	-	-	-	-
38	Decking Facility Study	40	38	2	-	-	40	-	-	-	-
39	Upgrade Aboveground Fuel Farm Storage Tanks	658	-	658	-	-	-	658	-	-	-
	Subtotal, Support Facilities	\$ 1,393	\$ 38	\$ 1,355	\$ -	\$ 595	\$ 140	\$ 658	\$ -	\$ -	\$ -

ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		EST SPENT TO 9/09	SPENDING PROJECTION					
			AIP GRANT	DISCRET./ OTHER		FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FUTURE
Utilities Projects											
40	Relocated Water Main from Hangar # 2	\$ 300	\$ -	\$ 300	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
41	Water Main and Sanitary Improvements - East Side	1,400	-	1,400	-	-	1,400	-	-	-	-
	Subtotal, Utilities Projects	\$ 1,700	\$ -	\$ 1,700	\$ -	\$ 300	\$ 1,400	\$ -	\$ -	\$ -	\$ -
Other Projects											
42	Airport Security Assessment	\$ 57	\$ 55	\$ 2	\$ -	\$ -	\$ 57	\$ -	\$ -	\$ -	\$ -
43	Update Airport Layout Plan	150	144	6	-	-	150	-	-	-	-
44	Security Improvements	1,500	1,439	61	-	-	-	500	1,000	-	-
45	Landscape Airport Entry Points	530	-	530	-	-	-	-	-	-	530
	Subtotal, Other Projects	\$ 2,237	\$ 1,638	\$ 599	\$ -	\$ -	\$ 57	\$ 150	\$ 500	\$ 1,000	\$ 530
	Grand Total	\$ 161,774	\$ 146,907	\$ 14,867	\$ 3,818	\$ 15,884	\$ 24,737	\$ 17,191	\$ 21,489	\$ 20,000	\$ 58,655

Capital Improvement Program – Project Descriptions

Item No.	Project Title	Project Description
1	Land Acquisition for RSA Improvements (25 acres)	This project will acquire approximately 25 acres of land southwest of Runway ends 5L, 5R, and 9R to provide the required clear safety areas for these runways.
2	Runway Safety Area Improvements - Part 3	This project includes the removal of all above grade obstructions within the 500 foot by 1,000 foot Runway Safety Areas at the ends of Runways 5R, 5L, and 9R. The scope also includes the relocation of existing non-compliant FAA-owned navigational aids, removal of Taxiway "A", reconfiguration of Taxiway "B", and the relocation and construction of a new Service Drive.
3	Taxiway "D" Electrical Improvements	This project includes the design and construction efforts to modify the electrical system associated with Taxiway "D".
4	Crack Sealing on Balance of Runway 9L/27R	This project includes the replacement of the balance of joint sealant on Runway 9L/27R.
5	Design Aircraft Rescue and Fire Fighting (ARFF) Facility and Snow Removal Equipment Building	This project consists of the design and construction required to construct a multi-bay facility for the storage and maintenance of Aircraft Rescue Fire Fighting equipment and Snow Removal Equipment. This project includes site work, utilities, and required site improvements.
6	Design Reconstruction of Runway 5R/23L	This project consists of the design efforts required to reconstruct Runway 5R/23L. This project includes installation of new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
7	Reconstruct Northern Portion of Runway 5R/23L	This project consists of removing existing concrete from the northern 2,000' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
8	Construct ARFF & Snow Removal Equipment Building	This project consists of the design and construction efforts required to construct a combined ARFF and Snow Removal Equipment Building on the west side of the airport.
9	Environmental Assessment for RW 9L/27R Extension	The Environmental Assessment will evaluate environmental items such as: noise, historical, air quality, cultural, etc. - which could be impacted by the proposed construction project to extend Runway 9L/27R.

Item No.	Project Title	Project Description
10	Wildlife Fence Replacement - Phase 2	This project involves replacement of approximately 10,000 linear feet of fence on the east side of the Airport. The project includes concurrent removal of old 8-foot high fence with installation of new 10-foot high chain link fence, replacement of obstruction lighting to alert pilots of the presence of the fence, as well as associated automatic gates and gate operators.
11	Expand East General Aviation and Cargo Apron	This project includes the design and construction efforts to expand the aircraft apron on the east side of the airport.
12	Stormwater Pollution Prevention Plan	This project consists of updating the Stormwater Pollution Prevention Plan to remain compliant with State and Federal Pollution Prevention regulations.
13	Reconstruct Center Portion of RW 5R/23L	This project consists of removing existing concrete from the center 3,500' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
14	Crack Sealing on Runway 5L/23R	This project includes the replacement of the joint sealant on Runway 5L/23R.
15	Design Extend Runway 9L/27R and Add Parallel Taxiway "G"	This project extends Runway 9L/27R by 1,200 feet to a new length of 9,525 feet. The project scope includes the construction of a standard runway safety area within the current Willow Run Airport boundaries. Off-site project scope will include creation of an object free zone extending east from Beck Road and noise abatement. Taxiway "G" will be extended east to provide access to the Runway 27R end.
16	Reconstruct Southern Portion of RW 5R/23L	This project consists of removing existing concrete from the southern 2,000' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
17	Extend Runway 9L/27R & Add Parallel Taxiway "G"	This project consists of the design and construction efforts required to extend Runway 9L/27R and Parallel Taxiway "G".
18	Expand West & South General Aviation and Cargo Apron	This project includes the design and construction efforts to expand the aircraft apron on the southwest side of the airport.
19	Construct Parallel Taxiway to Runway 5R/23L	This project consists of the design and construction of a standard 42" thick taxiway with lighting, drainage, markings and signage from Runway 14/32 to Taxiway "G".
20	Reconstruct Runway 5L/23R	This project includes the design and construction efforts to reconstruct Runway 5L/23R and replace its associated systems.

Item No.	Project Title	Project Description
21	Extend Taxiway "B"	This project consists of the design and construction of a standard 42" thick taxiway with lighting, markings and signage from Runway 9R, extending past Taxiway "B" to the future 5R/23L parallel taxiway.
22	Rehabilitate West Apron	This project includes the design and construction efforts necessary to rehabilitate the deteriorated pavement of the west aircraft apron.
23	Construct Parallel Taxiway to Runway 5L/23R	This project includes the design and construction efforts to construct a new parallel Taxiway to Runway 5L/23R.
24	Decommission Hangar #2	This project consists of isolating and disconnecting all utilities serving this structure and safely closing up this facility.
25	Hanger #1 Heating Improvements & Gas Line	This project consists of the design and construction efforts required to provide gas line to Hangar #1, disconnect the facility from the existing steam system, and modify the heating equipment in Hangar #1 to gas equipment
26	Replace Air Conditioning - Hangar #1 Offices (Core)	This project consists of removing the existing Air Conditioning unit on the 4th floor of Hangar #1, cleaning the existing ductwork, installing a new air conditioning unit, extending energy to the unit, and upgrading the electrical switchgear that feeds the unit.
27	Upgrade Hangar #1 Non-office Areas	This project will design and replace the existing HVAC system, including an upgraded electrical service and cleaning of the existing ducts.
28	Rehabilitate Third Floor of Hangar #1	This project will remove and replace the ceiling, install new flooring, paint walls, and upgrade the lighting of the third floor hallway.
29	Replace Windows in Administrative Area of Hangar #1	This project will provide for the replacement of 198 windows in Hangar #1.
30	Rehabilitate Second Floor of Hangar #1	This project provides for the renovation of the second floor (Administration Section) hallway flooring, ceiling and lighting.
31	Part 150 Study	This project consists of a noise evaluation that will determine noise level contours surrounding the airport. The noise contours will assist in identifying noise mitigation project requirements.

Item No.	Project Title	Project Description
32	Noise Mitigation Program	Following the completion of the Part 150 Noise Study, the noise mitigation recommendations developed in the Study will be implemented. Mitigation techniques will be prioritized to meet the objectives of the noise program as well as the development of the airport. The mitigation program will be a phased program based on the availability of Federal Aviation Administration funding.
33	Resurface portions of Third St, Tyler Road, & "E" St.	This project includes the design and construction efforts necessary to resurface deteriorated portions of Third St., Tyler Road, and "E" Street.
34	Construct Temporary Maintenance Facility	This project consists of the design and construction efforts required to modify existing facilities and construct temporary building to shelter maintenance equipment until the permanent facility can be constructed.
35	Fuel Farm Improvements	This project will provide steel platforms or life/safety catwalks for above ground storage tanks. Life Safety Catwalks need to be installed on each of the above ground tanks for OSHA. The Oil Separator needs to be improved, and the drainage from the canopy needs to be corrected at the Fuel Farm.
36	Fire Pump Upgrade - East Airfield Buildings	This project will replace the existing boiler with a new heating unit to insure that the tank holding water for fire protection purposes does not freeze.
37	Widen Center Bay of Fire Station #700	This project includes the design and construction efforts necessary to widen the center bay to accommodate larger equipment.
38	Deicing Facility Study	This project includes the evaluation of alternatives for development of a deicing facility.
39	Upgrade Aboveground Fuel Farm Storage Tanks	This project consists of providing a fuel management system, installing suction break prevention, addressing drainage conditions on the transfer pad, and correcting problems with the hydrocarbon/stormwater removal system.
40	Relocated Water Main Line to from Hangar #2	This project includes design and construction costs associated with the installation of 5,500 linear feet of 6" water pipe with related valves, pumps, insulation, manholes and taps and abandoning the existing water line serving Hangar #2.
41	Water Main and Sanitary Improvements - East Side	This project includes the design and construction efforts necessary to replace water and sanitary infrastructure on the east side of the airport.
42	Airport Security Assessment	This project will evaluate and report on the consistency of current Airport security with FAA and TSA requirements.

Item No.	Project Title	Project Description
43	Update Airport Layout Plan	This project includes the necessary services to update the Airport Layout Plan documents.
44	Security Improvements	This project includes the necessary design and construction efforts to implement security improvements to meet anticipated future FAA requirements.
45	Landscape Airport Entry Points	This project will provide improved landscaping and wayfinding signage at key Airport entrance points.

Appendices

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Appendix A: Aviation Statistics

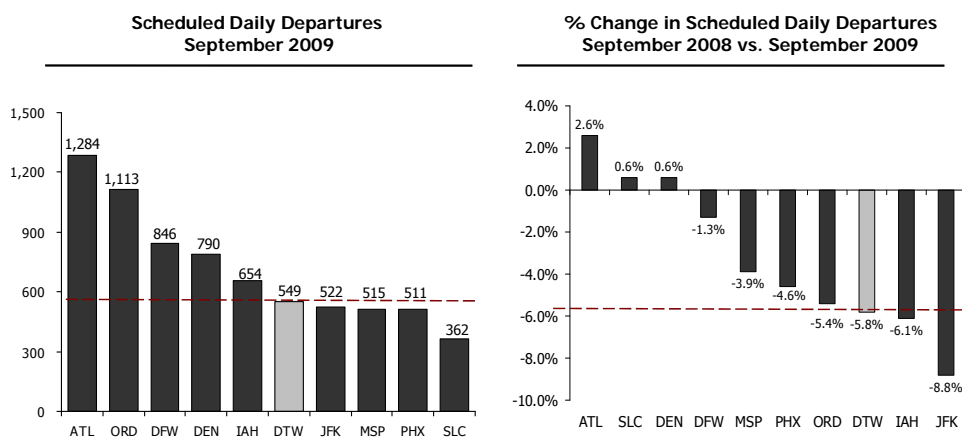
Detroit Metropolitan Airport Flight Schedule Analysis

DTW Flight Schedule Analysis – September 2008 vs. September 2009

Average Daily Departures Year Over Year Variance						
Airline	Code	Sep '08	Sep '09	Variance	Pct Chg	
Aeromexico	AM	0.4	0.0	-0.4	100%	
Air Canada	AC	2.5	2.3	-0.2	-8%	
Air France	AF	0.9	1.0	0.1	11%	
Air Tran Airways	FL	5.8	5.4	-0.4	-7%	
American Airlines / American Eagle	AA	18.1	17.5	-0.6	-3%	
Compass Airlines (Northwest Airlink Partner)	CP	20.0	17.6	-2.4	100%	
Continental Airlines / Continental Express	CO	10.9	9.8	-1.1	-10%	
Delta Airlines / Delta Connection	DL	17.4	31.9	14.5	83%	
Frontier Airlines	F9	3.0	2.9	-0.1	-3%	
KLM	KL	1.0	0.0	-1.0	100%	
Lufthansa German Airlines	LH	1.7	1.0	-0.7	-41%	
Mesaba Aviation (Northwest Airlink Partner)	XJ	86.6	70.6	-16.0	-18%	
Northwest Airlines - Mainline	NW	212.1	169.0	-43.1	-20%	
Pinnacle Airlines (Northwest Airlink Partner)	9E	142.3	160.2	17.9	13%	
Royal Jordanian Airlines	RJ	0.3	0.3	0.0	0%	
Southwest Airlines	WN	17.5	15.4	-2.1	-12%	
Spirit Airlines	NK	12.9	12.7	-0.2	-2%	
United Airlines / United Express	UA	10.7	13.1	2.4	22%	
US Airways / US Airways Express	US	18.9	18.9	0.0	0%	
USA 3000 Airlines	U5	0.8	0.0	-0.8	-100%	
TOTAL DTW		583.5	549.5	-34.0	-6%	

Source: BACK Aviation Database

Daily Flights - DTW vs. Peer Airports

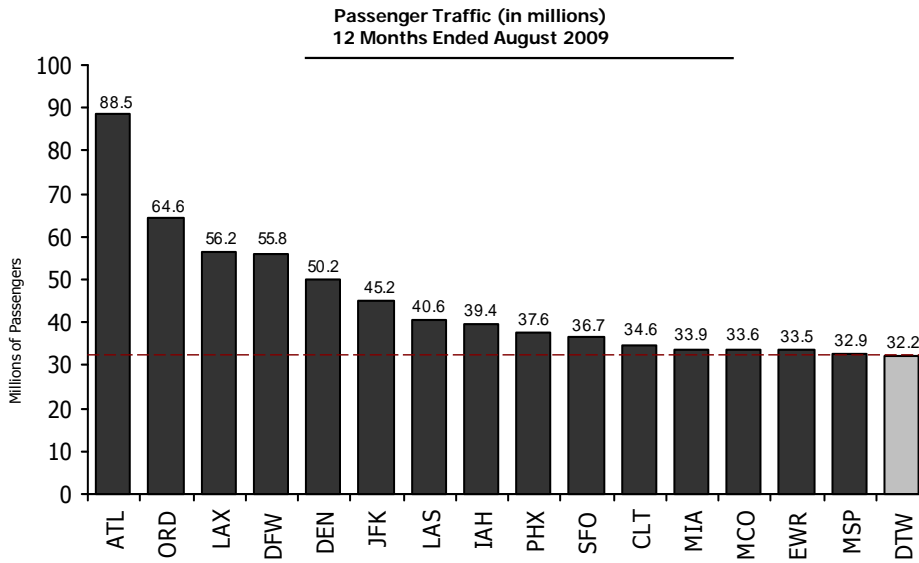


Note: The seven airports compared with DTW have been identified as peer airports because they are similar to DTW in terms of hub structure/connecting facilities, mix of O&D vs. local traffic, and competition for East/West connecting passenger flow (no coastal airports)

Legend: ATL = Atlanta/Hartsfield, DEN = Denver, DFW = Dallas/Ft. Worth, DTW = Detroit/Metro, IAH = Houston/Intercontinental, JFK = John F. Kennedy/New York, MSP = Minneapolis/St. Paul, ORD = Chicago/O'Hare, PHX = Phoenix/Sky Harbor, SLC = Salt Lake City

Source: BACK Aviation Database, as of December 1, 2009

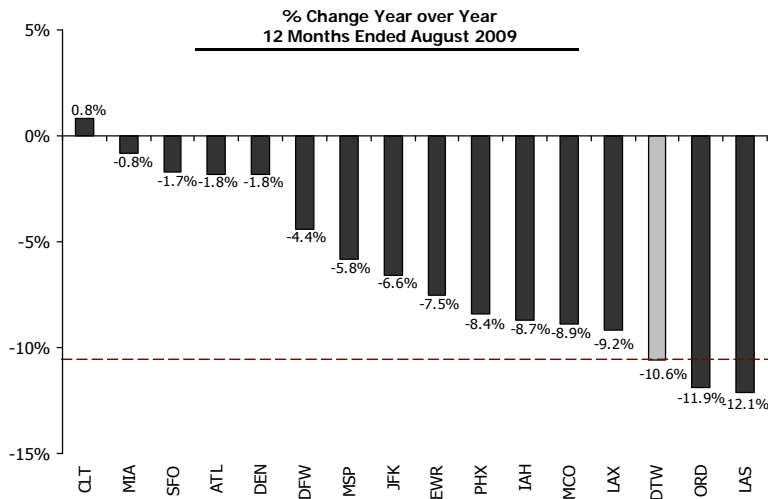
Passenger Traffic – Top US Airports



Legend: ATL = Atlanta/Hartsfield, DEN = Denver, DFW = Dallas/Ft. Worth, DTW = Detroit/Metro, EWR = Newark, NJ, IAH = Houston/Intercontinental, JFK = New York/Kennedy, LAS = Las Vegas McCarran, LAX = Los Angeles Int'l, MCO = Orlando, MIA = Miami, MSP = Minneapolis/St. Paul, ORD = Chicago/O'Hare, PHL = Philadelphia, PHX = Phoenix/Sky Harbor, SEA = Seattle/Tacoma, SFO = San Francisco

Source: ACI updated December 1, 2009

Passenger Traffic – Top US Airports



Legend: ATL = Atlanta/Hartsfield, DEN = Denver, DFW = Dallas/Ft. Worth, DTW = Detroit/Metro, EWR = Newark, NJ, IAH = Houston/Intercontinental, JFK = New York/Kennedy, LAS = Las Vegas McCarran, LAX = Los Angeles Int'l, MCO = Orlando, MIA = Miami, MSP = Minneapolis/St. Paul, ORD = Chicago/O'Hare, PHL = Philadelphia, PHX = Phoenix/Sky Harbor, SEA = Seattle/Tacoma, SFO = San Francisco

Source: ACI as updated December 1, 2009

**DOMESTIC PASSENGER ORIGIN-DESTINATION PATTERNS AND CURRENT AIRLINE SERVICE
Detroit Metropolitan Airport**

FY 2008				FY 2009			
Rank	Originating From Detroit	Total Psgrs from DTW	Percentage of Scheduled Airline Passengers	Rank	Originating From Detroit	Total Psgrs from DTW	Percentage of Scheduled Airline Passengers
1	Orlando, FL	515,331	6.9%	1	New York ^(a)	483,262	7.0%
2	New York ^(a)	498,951	6.7%	2	Orlando, FL	431,259	6.3%
3	Las Vegas, NV	385,203	5.1%	3	Washington, D.C. ^(c)	329,406	4.8%
4	Chicago, IL ^(b)	382,143	5.1%	4	Chicago, IL ^(b)	323,092	4.7%
5	Washington, D.C. ^(c)	344,649	4.6%	5	Las Vegas, NV	321,232	4.7%
6	Los Angeles, CA ^(d)	316,970	4.2%	6	Florida South ^(e)	307,299	4.5%
7	Florida South ^(e)	312,863	4.2%	7	Los Angeles, CA ^(d)	295,564	4.3%
8	Fort Myers, FL	249,432	3.3%	8	Atlanta, GA	207,392	3.0%
9	Tampa, FL	230,376	3.1%	9	Phoenix, AZ	206,377	3.0%
10	Phoenix, AZ	216,577	2.9%	10	Tampa, FL	203,942	3.0%
11	Atlanta, GA	205,832	2.8%	11	Fort Myers, FL	196,928	2.9%
12	Dallas, TX ^(f)	197,922	2.6%	12	Minneapolis, MN	188,560	2.7%
13	San Francisco, CA ^(g)	185,992	2.5%	13	San Francisco, CA ^(g)	170,527	2.5%
14	Minneapolis, MN	177,615	2.4%	14	Dallas, TX ^(f)	158,505	2.3%
15	Denver, CO	146,019	2.0%	15	Denver, CO	138,245	2.0%
16	Houston, TX ^(h)	136,924	1.8%	16	Houston, TX ^(h)	126,347	1.8%
17	St. Louis, MO	126,379	1.7%	17	Boston, MA	112,243	1.6%
18	Boston, MA	124,072	1.7%	18	Philadelphia, PA	104,066	1.5%
19	Philadelphia, PA	120,542	1.6%	19	St. Louis, MO	98,452	1.4%
20	Nashville, TN	103,563	1.4%	20	Seattle, WA	94,248	1.4%
%				%			
% of DTW Passengers Traveling to Top 20 Markets		59.6%		% of DTW Passengers Traveling to Top 20 Markets		65.5%	
% of DTW Passengers Traveling to Other Cities		40.4%		% of DTW Passengers Traveling to Other Cities		34.5%	
All Cities		100.0%		All Cities		100.0%	

(a) Includes John F. Kennedy (JFK), LaGuardia (LGA), and Newark, NJ (EWR)

(b) Includes Chicago/O'Hare (ORD) and Chicago/Midway (MDW)

(c) Includes Washington Dulles International Airport (IAD) and Washington National Airport (DCA)

(d) Includes Los Angeles International (LAX), Burbank (BUR), Ontario International (ONT), Santa Ana/Orange County (SNA), and Long Beach Municipal (LGB)

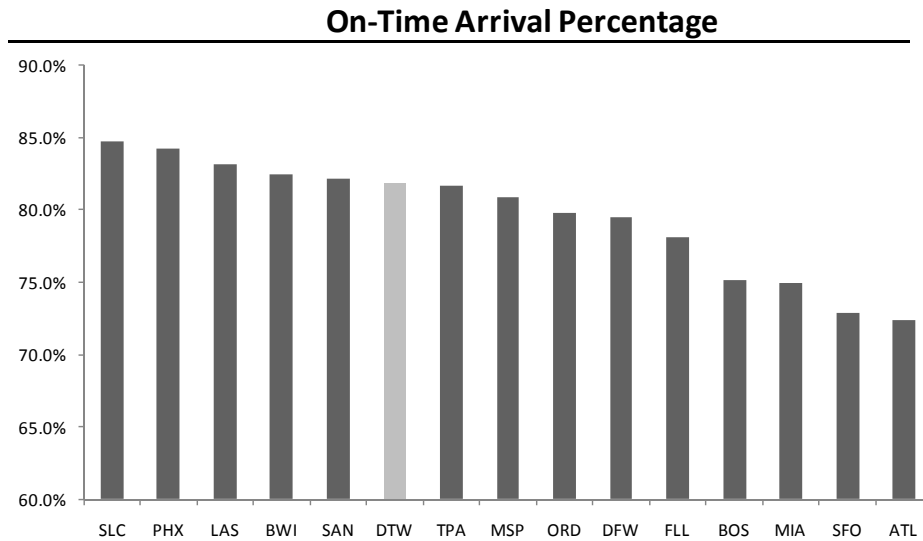
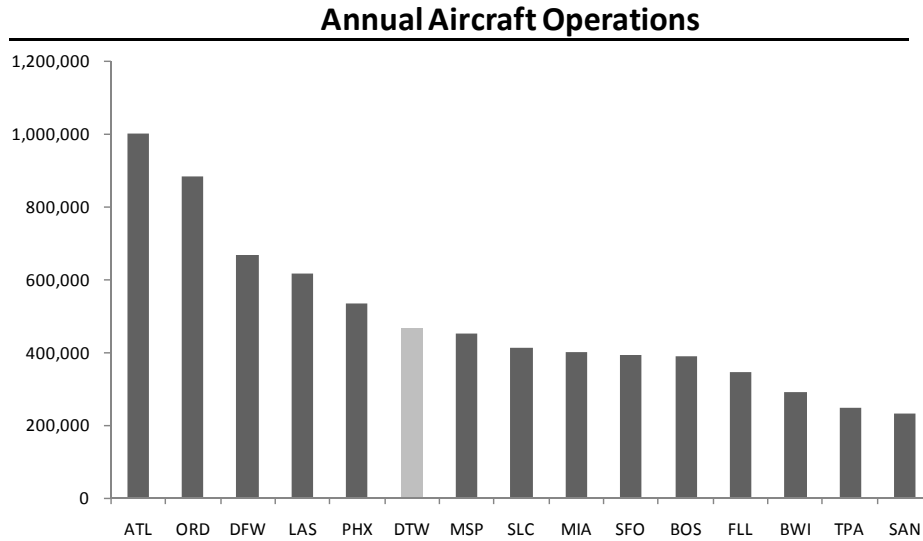
(e) Includes Fort Lauderdale International Airport (FLL) and Miami International Airport (MIA)

(f) Includes Dallas-Ft. Worth Airport (DFW) and Dallas Love Field (DAL)

(g) Includes San Francisco International (SFO), Oakland International (OAK) and San Jose International (SJC)

(h) Includes Houston Intercontinental (IAH) and Houston Hobby (HOU)

Peer Airport Benchmarks



Source: 2009 ACI-NA Benchmarking Survey Report (based on FY 2008 Preliminary Survey Results):
 Source of On-Time Arrival Percentage is U.S. DOT

Appendix B: Debt Service Summary

Detroit Metropolitan Airport (\$ in thousands)

	<u>Date of Issue</u>	<u>Maturity</u>	<u>Outstanding Principal Oct. 1, 2009</u>	<u>FY 2009 Debt Service</u>	<u>FY 2010 Debt Service</u>
DETROIT METROPOLITAN AIRPORT					
<i>Airport Revenue Bonds:</i>					
Senior Lien Debt:					
Series 1994A	03/01/94	1994-2009	-	525	-
Series 1996A	10/29/96	1996-2017	-	486	-
Series 1996B	10/29/96	1996-2017	-	486	-
Series 1998A	07/01/98	1998-2029	732,905	58,828	58,855
Series 1998B	07/01/98	1998-2014	17,970	5,013	5,025
Series 2002C	07/25/02	2002-2021	25,785	1,492	1,492
Series 2002D	07/25/02	2002-2020	64,660	7,259	7,261
Series 2005A	04/13/05	2005-2035	507,135	33,710	35,331
Series 2007B	11/08/07	2007-2029	119,390	5,743	5,743
Series 2008A	04/30/08	2008-2033	139,705	12,736	12,301
Series 2008B	06/26/08	2008-2034	201,250	8,195	12,091
Series 2008C1	06/26/08	2008-2022	57,700	7,460	6,527
Series 2008C2	06/26/08	2008-2025	9,975	1,155	855
Series 2008C3	06/26/08	2008-2034	18,290	767	950
Series 2008D	06/26/08	2008-2022	37,175	6,172	5,353
Series 2008E	10/15/08	2008-2017	37,065	5,197	5,952
Series 2008F	10/15/08	2008-2017	37,105	5,168	5,959
Series 2009A	09/17/09	2009-2031	2,000	-	60
Junior Lien Debt:					
Series 2007	06/20/07	2007-2038	180,390	8,957	8,957
Total Airport Revenue Bonds			\$ 2,188,500	\$ 169,349	\$ 172,709
Installment Purchase Contract					
Siemens Energy Contract	08/31/01	2001-2011	\$ 3,775	\$ 2,066	\$ 2,063
Total Detroit Metropolitan Airport			\$ 2,192,275	\$ 171,415	\$ 174,772

Reconciliation of Net Airport Revenue Bond Debt Service, Coverage and Other Funding Requirements (\$ in thousands)

	<u>FY 2009</u>	<u>FY 2010</u>
Gross Debt Service	\$ 171,144	\$ 174,604
Reduction from Gross Debt Service:		
(Credit Towards Debt Service)		
Passenger Facility Charges	(87,610)	(102,879)
Bond Reserve Interest	(7,342)	(4,000)
Bond Payment Interest	(525)	(583)
Capitalized Interest	(3,852)	(375)
Letter of Intent	(10,251)	-
Refinancing and other	(2,346)	(1,368)
Total Credits	\$ (111,926)	\$ (109,204)
Net Airport Revenue Bond Debt Service	\$ 59,218	\$ 65,400
Coverage and Other Funding Requirements:		
Airport Development Fund	\$ 6,819	\$ 6,819
Airport Development Fund (AVI)	\$ 2,078	\$ 1,865
Renewal and Replacement Fund	500	500
Discretionary Fund	350	350
Operation and Maintenance Reserve	317	-
Total Coverage and Other Funding Require.	\$ 10,064	\$ 9,534
Net Airport Revenue Bond Debt Service, Coverage and Other Requirements	\$ 69,282	\$ 74,934

Westin Hotel (\$ in thousands)

Westin Hotel Bonds

Series 2001A	03/01/01	2001-2031	\$ 99,630	\$ 5,089	\$ 5,089
Series 2001B	03/01/01	2001-2016	10,255	1,406	1,569
Total Westin Hotel Bonds			\$ 109,885	\$ 6,495	\$ 6,658

Westin Hotel Loans

Working Capital Loan	12/15/01	2001-2018	\$ 1,500	\$ 120	\$ 120
FF&E Loan	12/15/01	2001-2018	4,142	692	692
Total Westin Hotel Loans			\$ 5,642	\$ 812	\$ 812
Total Westin Hotel Bonds and Loans			\$ 115,527	\$ 7,307	\$ 7,470

Appendix C: Staffing Summary & Employee Benefits Policies

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Detroit Metropolitan Airport				
Office Of the CEO	30	29	26	19
Finance	50	53	50	45
Procurement/Strategy Management	24	25	25	20
Administration	18	19	18	17
Operations	52	52	53	47
Facilities, Maintenance & Planning	243	243	237	219
Public Safety	238	246	244	204
Business Development	54	56	52	37
Total Detroit Metropolitan Airport	709	723	705	608
Willow Run Airport	27	27	23	11
Airport Authority Total	736	750	728	619

Full Time Employees (FTEs) Fiscal Years 2007 - 2010

In October 2008, an early retirement incentive program (ERIP) was offered to all employees whose age and years of service totaled 70. Through the ERIP, 43 employees took the early retirement offer and these positions were eliminated as of January 1, 2009.

Through attrition and the Authority's Work Force Reduction Plan, 68 additional positions were eliminated as of September 30, 2009. Other staffing changes that occurred between FY 2009 and FY 2010 budgets were:

- Two (2) positions from the North Terminal Project Division were transferred from the Office of the CEO to Facilities, Maintenance & Planning, and the North Terminal Project division was eliminated.
- One (1) position was transferred from Operations to Public Safety and the Operations Administration Division was eliminated.
- One (1) position was transferred from Business Development to Facilities Maintenance & Planning.

Employee Benefits

Self Insurance. During the year ended September 30, 2004, the Authority became self insured separate from the County of Wayne for disability, unemployment, and liability insurance. Since no actual history prior to this could be determined for the Authority individually, the Authority started documenting a history in Fiscal Year 2004 and is

conservatively adjusting the reserve until an appropriate liability can be determined based on actual claims incurred. The Authority charges its departments a specified percentage of gross payroll biweekly for these liabilities. Claims related to unemployment, disability, claim administration, deductibles, and legal bills for claims under \$50,000 are paid out of these funds. The Authority purchases commercial insurance for liability claims in excess of \$50,000. Settled claims have not exceeded this commercial coverage in the past two years.

During the year ended September 30, 2005, the Authority became self-insured for health insurance and workers' compensation. Since no actual history prior to this could be determined for the Authority individually, the Authority started documenting a history in Fiscal Year 2005 and is conservatively adjusting the reserve until an appropriate liability can be determined based on actual claims incurred. The Authority charges its departments a specified percentage of gross payroll biweekly for these liabilities. The funds collected for workers' compensation are used to pay claims (wages and medical), third party administration services, and loss control services. The Authority purchases commercial insurance for claims that exceed \$1,000,000. The funds collected for health insurance are used to pay all health claims, including dental. The only additional insurance the Authority has purchased for health claims is for the employees who have selected Blue Cross for their coverage. The Authority, as part of the County's umbrella, pays Blue Cross an amount quarterly for each participant for additional stop/loss coverage. This aggregate stop/loss coverage would become effective only when a claim would exceed approximately 120 percent of average medical claims experience within the group (which includes the County). This stop/loss threshold has not been met during the past three years.

Retirement Contributions & Plan Description. The Wayne County Employees' Retirement System, which includes the Authority personnel, is funded as pension costs are accrued. Prior service costs resulting from benefit improvements, plan amendments, actuarial gains or losses, and other reasons are generally reflected in contributions based upon a 15 year amortization period.

The Authority provides retirement benefits to its employees through the Wayne County Employees' Retirement System (WCERS), a cost sharing, multi-employer public employee retirement system that is governed by the Wayne County Retirement Ordinance as amended. The Retirement System provides four defined benefit retirement options, two of which are contributory and one of which is a hybrid between a defined benefit and a defined contribution (together, the Defined Benefit Plan), and a Defined Contribution Plan. The Retirement System provides retirement, survivor, and disability benefits to substantially all County and Authority employees. The Retirement Board issues separate financial statements annually. Copies of these financial statements for each plan can be obtained at 28 W. Adams, Suite 1900, Detroit, Michigan 48226.

The Defined Benefit Plan consists of Plan 1, Plan 2, Plan 3, and Plan 5 (collectively, the Plan) and the Defined Contribution Plan, which consists of Plan 4 and Plan 5.

In 1983, the County closed the Plan 1 option of the WCERS to new hires and added two new options under the Defined Benefit Plan, which resulted in a lower final benefit to the participant.

Effective October 1, 2001, WCERS established the Wayne County Hybrid Retirement Plan #5 (Plan 5), which contains both a defined benefit component and a defined contribution component. Participants in the plans previously in existence (Plan 1, Plan

2, and Plan 3) could elect to transfer their account balances to Plan 5 between October 1, 2001 and June 30, 2002. New employees could elect to participate in Plans 1, 2, 3, or 5 through September 30, 2001. Effective October 1, 2001, only Plan 5 is available to new employees; Plans 1, 2, and 3 are closed to new hires.

Contributions. Participants in Plan 1 contribute 2.0 percent to 6.58 percent of annual compensation, depending on years of credited service. The Sheriff's Command Officers and Deputies contribute 5.0 percent of annual compensation. Participants in Plan 2 do not make plan contributions, but receive a lower final benefit. Plan 3 participants make decreased contributions of 3.0 percent of covered compensation and receive a lower final benefit. Participants in Plan 5 make no member contributions.

The obligation to contribute and to maintain the plans for these employees was established by negotiations with the County's collective bargaining units. Total Authority employer and employee contributions during the year ended September 30, 2005 were \$1,604,896 and \$134,588, respectively.

Defined Benefit Pension Plan. Benefits are paid monthly over the member's or survivor's lifetime, after meeting normal retirement or duty disability retirement requirements, which vary by option, based on the following percentages of average final compensation, for each year of credited service:

- Plan 1 – 2.65 percent for each year of service. Maximum Authority financed portion is 75 percent of average final compensation. Minimum monthly pension is \$5 times years of service.
- Plan 2 – 1 percent for each year up to 20 years and 1.25 percent for each year over 20 years. Maximum Authority financed portion is 75 percent of average final compensation.
- Plan 3 – 1.5 percent for each year up to 20 years, 2 percent for each year between 20 and 25 years, and 2.5 percent for each year over 25 years.
- Plan 5 – 1.25 percent for each year up to 20 years, and 1.5 percent for each year over 20 years. Maximum Authority financed portion is 75 percent of average final compensation.

Death and Disability Benefits. The plans also provides non-duty death and disability benefits to members after 10 years of credited service for Plans 1, and 5, along with non-duty disability for Plan 2, and non-duty death benefits for Plan 3. The 10 year service provision is waived for duty disability and death benefits for Plan 1 and 5 and duty disability for Plan 2.

Defined Contribution Plan. The Wayne County Employees' Retirement System instituted a Defined Contribution Plan (Plan 4 and Plan 5) under the County's Enrolled Ordinance No. 86 486 (November 20, 1986) as amended. The Plan was established to provide retirement, survivor, and disability benefits to County and Authority employees. The administration, management, and responsibility for the proper operation of the Plan are vested in the trustees of the Wayne County Retirement Commission.

Under Plan 4, the Authority contributes \$4.00 for every \$1.00 contributed by each member or, for eligible executives, \$5.00 for every \$1.00 contributed by each member, with the member contributions ranging from 1.0 percent to 2.5 percent (3 percent for employees with 20 or more years of service and 3 percent for eligible executives with

10 or more years of service) of base compensation. Employees hired prior to July 1, 1984 are eligible to transfer from the WCERS Defined Benefit Plan to the Plan through September 30, 2002.

Classified employees are vested as to employer contributions after three years of service, and executive members are vested after two years of service.

In Plan 4, members are able to receive loans from the Defined Contribution Plan. Only active employees with a vested account balance of \$2,000 or more are eligible. Interest on the loans is at the rate of five year Treasury notes plus 300 basis points (3 percent), rounded to the nearest quarter of a percent.

Participants in Plan 5 contribute 3 percent of gross pay. The Authority makes matching contributions at a rate equal to the amount contributed by each employee. Classified employees are vested at 50 percent after one year of service, 75 percent after two years of service, and 100 percent after three years of service. All full time, permanent Authority employees are eligible to join the Plan. Those employees hired prior to July 1, 1984 were eligible to transfer from the WCERS Defined Benefit Plan to the Plan through September 30, 2002. Effective October 1, 2001, the County closed Plan 4 to new hires. Plan 5 is available to all persons hired after September 30, 2001.

The obligation to contribute and to maintain the Plan for these employees was established by negotiations with the Authority's collective bargaining units. Total Authority employer and employee contributions to the Plan during 2005 were \$3,432,030 and \$1,121,393, respectively.

Compensated Absences - The Authority employees earn vacation and sick leave benefits based, in part, on length of service. Vacation pay is fully vested when earned, and sick pay vests upon completion of two years of service. Upon separation from service, employees are paid accumulated vacation and sick pay based upon the nature of separation (death, retirement, or termination). Certain limitations have been placed on the hours of vacation and sick leave that employees may accumulate and carry over for payment at termination, retirement, or death. Unused hours exceeding these limitations are forfeited. A liability for accumulated unpaid vacation and sick pay has been recorded in the financial statements.

Employee Benefits - New Accounting Pronouncements - The Authority adopted GASB Statement No. 40, Deposit and Investment Risk Disclosures – an Amendment of GASB Statement No. 3, for the year ended September 30, 2005. This pronouncement required additional disclosures presented in these notes, but has no impact on the net assets. These disclosures address common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign current risk.

Appendix D: Glossary

Abbreviations

Appendix A provides a glossary of abbreviations and key terms that are referenced in the budget document. In addition, some abbreviations and terms not referenced in the budget document are provided as a reference for commonly used terminology as it relates to the aviation industry.

AAAE American Association of Airport Executives	ATA Air Trade Area (<i>also Air Transportation Association</i>)
ACH Automatic Clearing House (Standard Bank Wire Transfer)	ATMS Advanced Traffic Management System
ACI Airports Council International of North America	ATC Air Traffic Control
ACM Airport Certification Manual	AVI Automatic Vehicle Identification
ADF Airport Development Fund (<i>also Aircraft Deicing Fluid</i>)	BGR Boarding Gate Readers
ADO FAA Airport District Office	C/A Construction/Alteration
A/E Architecture/Engineering	CAD Computer Aided Design
AED Automated External Defibrillator	CASM Cost per Available Seat Mile
AIP Airport Improvement Program	CBA Collective Bargaining Agreement
ALO Airline Liaison Office	CEO Chief Executive Officer
ALP Airfield Layout Plan (or Airport Layout Plan)	CFO Chief Financial Officer
AOA Aircraft Operations Area	CFR Code of Federal Regulations
APO Aviation Policy and Plans Office	CIP Capital Improvement Program
AR Airport Revenue Bonds	CLEMIS Courts Law Enforcement Management Information Systems
ARFF Aircraft Rescue and Firefighting	CM Construction Manager
ASAP Airport Safety and Program Preservation	CMMS Computerized Maintenance Management System
ASDEIII Airport Surface Detection System Program	CMRS Concessions Management Revenue System
ASQ Airport Service Quality-worldwide customer satisfaction survey sponsored by ACI	COBRA Consolidated Omnibus Budget Reconciliation Act
	CPE Cost Per Enplanement

CUPP Common Use Passenger Processing	ETDS Explosive Trace Detection System
CUPPS Common Use Passenger Processing System	FAA Federal Aviation Administration
CUSS Customer Use Self-Service (for kiosks in airports)	FAQ Frequently Asked Questions
CUTE Common Use Terminal Equipment	FAR Federal Aviation Regulation
CY Calendar Year	FASB Financial Accounting Standards Board
DAAAC Detroit Airline Airport Affairs Committee	FBO Fixed Based Operator
DANTeC Detroit Airlines North Terminal Consortium	FF&E Furniture Fixtures & Equipment
Davis-Bacon The Davis-Bacon Act of 1931 is federal legislation which established the requirement for paying "prevailing wages"	FG Federal Grant (from the FAA)
DBE Disadvantaged Business Enterprise	FIS Federal Inspection Station
DCS Departure Control System	FHWA Federal Highway Administration Grant
DF Drug Forfeiture Fund	FOD Foreign Object Debris (or Foreign Object Damage)
DTW Industry code for Detroit Metropolitan Airport	FOIA Freedom of Information Act (1966) pertains to fulfillment of requests for government records
DWSD Detroit Water and Sewerage Department	FP&A Financial Planning & Analysis
EA Environmental Analysis	FTE Full Time Equivalent
EEO Equal Employment Opportunity	FTZ Free Trade Zone
EEOC Equal Employment Opportunity Commission	FY Fiscal Year
EDS Explosive Detection System	GA General Aviation
EIS Environmental Impact Study	GARB General Airport Revenue Bond
EMS Emergency Medical Services	GASB Government Accounting Standards Board
EOC Emergency Operations Center	GFOA Government Finance Officers Association
EPAX Enplaned Passenger	GMP Guaranteed Maximum Price
	GPRC Gate Planning and Review Committee (Applies to DTW – North Terminal)
	GTC Ground Transportation Center

HAZMAT	Hazardous Materials	MII	Majority-in-Interest
HIPAA	Health Insurance Portability and Accountability Act of 1996	MIOSHA	Michigan Occupational Safety and Health Administration
HVAC	Heating Ventilation and Air Conditioning System	MITSC	Michigan Intelligent Transportation System Center
HR	Human Resources	MUFIDS	Multi-User Flight Information Display System
IATA	International Air Transportation Association	MUNIS	Financial management software used by the Authority
IFR	Instrument Flight Rules	NBEG	Narrow Body Equivalent Gates
IFUF	International Facility Use Fee	NCCI	National Council on Compensation Insurance, Inc.
ILLWAS	Low level wind shear alert system	NOTAM	Notice To Airmen
ILS	Instrument Landing System (radio-based guidance system)	NPDES	Natural Pollutant Discharge Elimination System
IMS	Inventory Management System	NTR	North Terminal Redevelopment Project
ISO	International Organization for Standards	NWA	Northwest Airlines
IT	Information Technology	OCC	Operations Control Center
ITS	Intelligent Transportation System	OIG	Office of the Inspector General
LAN	Local Access Network	O&D	Origin & Destination
LED	Light Emitting Diode	O&M	Operating and Maintenance (generally refers to fund for operating expenses)
LOI	Letter of Intent, a multiyear commitment or promise by the FAA to fund a large project at a particular airport	Order 5500.1	FAA order providing guidance and procedures to be used in the administration of the Passenger Facility Charge (PFC) program
LTD	Long Term Disability	OSHA	Occupational Safety and Health Administration (Federal)
MDCR	Michigan Department of Civil Rights	PAE	Public Affairs and the Environment Division
MDEQ	Michigan Department of Environmental Quality	Part 77	Code of Federal Regulations – Title 14 (Aeronautics and Space): Objects Affecting Navigable Airspace
MDOT	Michigan Department of Transportation		
MERC	Michigan Employment Relations Commission		

Part 139 Code of Federal Regulations – Title 14 (Aeronautics and Space): Certification of Airports	R&R Renewal and Replacement Fund
Part 150 Code of Federal Regulations – Title 14 (Aeronautics and Space): Airport	RSA Runway Safety Area
Part 150 Code of Federal Regulations – Title 14 (Aeronautics and Space): Airport Noise Compatibility Planning	RSIP Residential Sound Insulation Program
Part 158 Code of Federal Regulations – Title 14 (Aeronautics and Space): Passenger Facility Charges	RW Runways
Part 1542 Code of Federal Regulations – Title 49 (Transportation): Airport Security	SCAN In-pavement surface sensor system
PAX Passagers	SG State Grant (Michigan)
PCCS Procurement/Contract Compliance System	SOP Standard Operating Procedure
P-Card Procurement Charge Card	SWPP Stormwater Pollution Plan
PFC Passenger Facility Charge	TBD To Be Determined
PM Preventative Maintenance (also Project Manager)	TIN Taxpayer Identification Number
PMT Project Management Team	Title VI Federal legislation (Civil Rights Act of 1964) that prohibits discrimination on the basis of race, color, and national origin in programs and activities receiving federal financial assistance
PRASM Passenger Revenue per Available Seat Mile	Title 49 Code of Federal Regulations parts 23 & 26 – guidance providing for the inclusion of disadvantaged business enterprises for programs receiving federal financial assistance
RASM Revenue per Available Seat Mile	TPA Third-Party Administration
RevPar Revenue Per Available Room	TRACON Terminal Radar Approach Control (FAA Control Tower)
RFID Radio Frequency Identification	TSA Transportation Security Administration
RFP Request for Proposal	TW Taxiways
RFQ Request for Qualifications	USDOT United States Department of Transportation
ROI Return on Investments	VALE Voluntary Airport Low Emission
RON Rest Over Night (airplane parked at gate overnight)	VEBA Voluntary Employee Beneficiary Association

VLJ Very Light Jet

WC Wayne County

WCAA Wayne County Airport
Authority

WMD Weapons of Mass Destruction

WMP Wildlife Management Plan

WWTP Wyandotte Wastewater
Treatment Plant

YIP Industry code for Willow Run
Airport

Key Terms

The terms noted below were added to assist the unfamiliar reader to better understand certain aviation terminology or other terms used in the budget document.

Airline Revenues - Landing fee revenues and terminal rental revenues.

Airport Improvement Program (AIP) - The Airport and Airway Improvement Act of 1982 created the Airport Improvement Program (AIP) to provide grants for airport improvement projects, including projects that would increase airport capacity. Increasing airport capacity is one way to reduce aircraft delays and better accommodate passenger and cargo traffic. AIP funds are provided through three categories: entitlement, set-aside, and discretionary funds. Grants cannot extend beyond the AIP's authorization period. FAA distributes entitlement funds by formula to specific airports and states. Set-aside and discretionary funds are distributed by type of project to any eligible airport sponsor. The airport sponsor is the public agency or private entity that owns or operates the airport. Set-aside subcategories include reliever airports, non-primary commercial service airports, airport noise compatibility programs, integrated airport system plans, and the Military Airport Program. A congressionally mandated percentage of total AIP funds are allocated to each set-aside subcategory.

Airport Master Plan - A comprehensive study that describes short-, medium-, and long-term plans for airport development.

Airport Service Region (ASR) - The primary geographical area served by an airport. In the case of Detroit Metropolitan, the ten counties of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne (the Detroit-

Ann Arbor-Flint CMSA) constitute the Airport Service Region.

Air Trade Area (ATA) - See Airport Service Region

Aviation Trust Fund - Fund established by Congress to pay for improvements to the nation's airports and air traffic control system. Money in the fund comes solely from users of the system - primarily a tax on domestic airline tickets.

Balanced Budget - The Airport Authority defines a balance budget as current revenues equal to current expenditures plus available fund balance. Detroit Metropolitan airport has a residual funding structure. Under this structure the Signatory Airlines have guaranteed to pay the expenses of the airport therefore the operating fund is guaranteed to be balanced with current revenues always equaling expenditures. No reserve or fund balance is ever required.

Capital Improvement Program (CIP) - An ongoing program of major capital projects which are required to replace, reconstruct, or rehabilitate assets which have reached the end of their service life; or to add, expand, or improve facilities or infrastructure. The projects allow the airport to continue to meet the needs of the passengers, the airlines, and the regulatory agencies that oversee it.

Cargo - Anything other than passengers, carried for hire, including both mail and freight.

Catchment Area - See Airport Service Region (ASR).

Compensatory – this refers to the rate-setting methodology employed under the airport's airline Use and Lease Agreement, whereby the airport operates "at risk" without any airlines ensuring to keep the airport financially sufficient. It is the airport's responsibility to budget conservatively to ensure payment of all of its costs and that certain revenues are sufficient to satisfy rate covenant coverage requirements.

Concession Revenues - Revenues collected from terminal concessions, public parking, on-airport and off-airport rental car companies, hotels, and ground transportation operators.

Connecting Flight - A flight requiring passengers to change aircraft and/or airlines at an intermediate stop.

Deregulation - The term commonly used in referring to the Airlines Deregulation Act of 1978, which ended government regulation of airline routes and rates.

Department of Transportation (DOT) - Establishes the nation's overall transportation policy. Under its umbrella there are ten administrations whose jurisdictions include highway planning, development and construction; urban mass transit; railroads; aviation; and the safety of waterways, ports, highways, and oil and gas pipelines. The Department of Transportation (DOT) was established by act of October 15, 1966, as amended (49 U.S.C. 102 and 102 note), "to assure the coordinated, effective administration of the transportation programs of the Federal Government" and to develop "national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith." The FAA is a unit of the DOT.

Domestic Passengers - Passengers flying into or out of Detroit Metropolitan Airport on a flight with an origin or destination within the 50 states and all U.S. territories. (WCAA supplies this standard definition with one exception: passengers pre-clearing U.S. Customs at the originating airport, mostly certain Canadian cities, are counted as domestic arrivals and they do not utilize the Airport's FIS).

Enplanements - The number of passengers boarding a flight, including origination, stopovers and connections.

Federal Aviation Administration (FAA) - The government agency responsible for air safety and operation of the air traffic control system. The FAA also administers a program, which provides grants from the Airport and Airway Trust Fund for airport development. Formerly the Federal Aviation Agency, the Federal Aviation Administration was established by the Federal Aviation Act of 1958 (49 U.S.C. 106) and became a component of the Department of Transportation in 1967 pursuant to the Department of Transportation Act (49 U.S.C. app. 1651 note). The Administration is charged with: 1) regulating air commerce in ways that best promote its development and safety and fulfill the requirements of national defense; 2) controlling the use of navigable airspace of the United States and regulating both civil and military operations in such airspace in the interest of safety and efficiency; 3) promoting, encouraging, and developing civil aeronautics; 4) consolidating research and development with respect to air navigation facilities; 5) installing and operating air navigation facilities; 6) developing and operating a common system of air traffic control and navigation for both civil and military aircraft; and 7) developing and implementing programs and regulations

to control aircraft noise, sonic boom, and other environmental effects of civil aviation.

Hybrid – this is the rate-setting methodology employed under the airport's airline Use and Lease Agreement, whereby an airport employs both residual and compensatory methodologies. In most cases, an airport sets rates on the airfield using a residual approach, while setting rates on the landside using a compensatory approach.

Impose Only PFC Approval – FAA approval to collect PFC funds for future use on a specific PFC-eligible project. A separate request to the FAA must then be submitted for the FAA to approve the spending of those PFCs (i.e. convert the PFCs to Impose and Use status).

Impose and Use PFC Approval – FAA approval to collect and spend PFC funds on a specific PFC-eligible project.

International Passengers - Passengers flying into or out of Detroit Metropolitan Airport on a flight with an origin or destination outside the 50 states and all U.S. territories. (WCAA supplies this standard definition with one exception: passengers pre-clearing U.S. Customs at the originating airport, mostly certain Canadian cities, are counted as domestic arrivals and they do not utilize the Airport's FIS).

Itinerant Operations – All aircraft arrivals and departures, other than local operations.

Landing Fee Revenues - Revenues collected from aircraft landings.

Large Aircraft – Aircraft of more than 12, 500 pounds maximum certificated takeoff weight. (FAR Part 1)

Large Hubs – Those airports that account for at least 1 percent of the total passenger enplanements

Local Operations – As pertaining to air traffic operations, aircraft operating in the local traffic pattern or within sight of the tower; aircraft known to be departing for, or arriving from, flight in local practice areas located within a 20-mile radius of the control tower; aircraft executing simulated instrument approaches or low passes at the airport.

Majority-in-Interest (MII) - "Majority-in-Interest of the air carriers" means either (1) 75 percent of the Signatory Airlines who together have landed 51 percent of the total landed weight of all such Signatory Airlines during the immediately preceding calendar year (as such weight is reflected by official Airport records), or (2) 51 percent of the Signatory Airlines who have together landed 75 percent of the total landed weight of all such Signatory Airlines during the immediately preceding calendar year (as such weight is reflected by official Airport records).

Majority-in-Interest Clauses – Found in some airport use agreements which give the airlines accounting for a majority of traffic at an airport the opportunity to review and approve or veto capital projects that would entail significant increases in the rates and fees they pay for the use of airport facilities.

Non-Signatory Carriers - Airlines that have not signed the Airport/Airline Lease and Use Agreement.

Origin & Destination (O&D) - Passengers who begin or end their trip at a specific airport.

Non-Airline Revenue – This is operating revenue strictly derived from non-aeronautical activities, such as

automobile parking revenue, rental car revenue, and concessions revenue. Operating revenue derived from passenger airline carriers, cargo airline carriers, lease revenues from aircraft maintenance facilities, and fuel farm revenues would not be counted as part of non-airline revenues.

Passenger Airline Revenue – Refers to operating revenue strictly derived from passenger airline carriers; revenue derived from cargo airline carriers are excluded.

Passenger Facility Charges (PFCs) - A tax authorized by Congress, approved by the Federal Aviation Administration, assessed by airports, and collected by airlines as an add-on to the passenger airfare. It is designed to help pay for airport improvements that enhance safety and capacity and is not revenue for airlines.

Pay-as-you-go – Refers to PFCs that are spent on project costs.

Rate Setting Methodology – There are three possible rate-setting methodologies typically found in an airport's Airline Use and Lease Agreement:

Residual – airline tenants and users (the airlines) collectively assume financial risk by ensuring payment of all airport costs not covered by non-airline revenue sources; this obligation effectively ensures certain revenues sufficient to satisfy all operating and maintenance costs and rate covenant coverage requirements.

Compensatory – Airports operates at risk without any airlines ensuring to keep the airport financially sufficient; it is the airport's responsibility to set budget at a level to ensure payment of all costs and that certain revenues are sufficient to

satisfy rate covenant coverage requirements.

Hybrid – Airport employs both residual and compensatory methodologies; in most cases, an airport sets rates on airfield usage using residual approach, while setting rates on the landside using a compensatory approach.

Residual – See Rate Setting Methodology.

Revenue Passenger Enplanement - The number of passengers boarding a flight, including origination, stopovers and connections, who actually paid for the flight. This does not include frequent flier awards, crew, or anyone who did not actually pay for the flight.

Sarbanes-Oxley - The Sarbanes-Oxley Act of 2002 is federal legislation which established requirements for annual assessment of the effectiveness of internal financial auditing controls.

Senior Leadership Team - Team made up of the Authority's CEO, CFO, Executive Vice President and all Senior Vice Presidents.

Signatory Airlines - Airlines that have signed the Airport/Airline Lease and Use Agreement.

Terminal Rental Revenues - Revenues collected from airlines for terminal space rentals.

Through Passengers - Passengers flying into and out of Detroit Metropolitan Airport without changing aircraft.

Total Cargo - Loaded and unloaded air freight, airmail, and small air package shipments.

Total Passengers - Sum of domestic, international, and through passengers.

Traffic Movements – Landings and takeoffs of an aircraft.

Unrestricted Cash and Investments from Audit – These are audited cash and investments that are totally uncommitted, which can be used for anything. This means funds held in the operations and maintenance reserve and the debt service reserve would be excluded.

Weighted Majority (WM) - The Airline Agreements define Weighted Majority as either (1) Signatory Airlines that, in the aggregate, landed 85 percent or more of the total landed weight of all Signatory Airlines for the preceding 12-month period or (2) all but one Signatory Airline regardless of landed weight

Appendix E: Budget Resolution

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RESOLUTION

No. 09 -118

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2010 BUDGET**

By Board Member Mary Zuckerman

WHEREAS, the Wayne County Airport Authority (the "Authority"), pursuant to the Aeronautics Code of the Michigan Public Airport Authority Act, being MCL 259.108 – 259.125c, (the "Aeronautics Code") is vested with the power and authority to undertake the management and operation of the Detroit Metropolitan Wayne County Airport and Willow Run Airport (the "Airports"); and

WHEREAS, the Wayne County Airport Authority is governed by the Wayne County Airport Authority Board (the "Board"); and

WHEREAS, the Aeronautics Code requires that prior to the beginning of each fiscal year, the Board shall prepare a budget containing an itemized statement of the estimated current operational expenses and the expenses for capital outlay including funds for the operation and development of the Airports under the jurisdiction of the Board, and the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing fiscal year or which have previously matured and are unpaid, and an estimate of the revenue of the Authority from all sources for the ensuing fiscal year; and

WHEREAS, the Aeronautics Code further requires that money of the Authority be deposited, invested, and paid by the Chief Financial Officer only in accordance with policies, procedures, ordinances or resolutions adopted by the Board; and

WHEREAS, the Aeronautics Code further requires that a vote of a majority of the members of the Board serving at the time of the vote is necessary to approve or amend the annual budget; and

WHEREAS, the Aeronautics Code provides that the Chief Executive Officer of the Authority shall have all powers incident to the performance of his or her duties that are prescribed by the Aeronautics Code or by the Board and that the Board may delegate additional powers to the Chief Executive Officer not specifically enumerated in the Aeronautics Code; and

WHEREAS, the Board desires to, among other things, approve the annual budget for fiscal year 2010 and delegate certain authority to the Chief Executive Officer to make changes within the approved budget during the fiscal year without further Board approval.

RESOLUTION

No. 09 – 118

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2010 BUDGET**

By Board Member Mary Zuckerman

NOW THEREFORE, BE IT RESOLVED, that the Wayne County Airport Authority Board hereby approves:

1. The annual budgets for the Detroit Metropolitan Airport Fund, the Willow Run Airport Fund and the Westin Hotel Fund (collectively the "Consolidated Budget") for fiscal year beginning October 1, 2009 and ending September 30, 2010, as prepared by the Chief Financial Officer of the Authority and reviewed by the Board, a copy of which is on file with the Treasurer of the Authority.
2. The Consolidated Budget includes budget allocations for each of the Authority's departments (the "Departments"), and for the divisions within Departments (the "Divisions"). The Chief Executive Officer, together with advice from the Chief Financial Officer may make the following changes within the Consolidated Budget:
 - a. Changes to line items within a Department's budget, without increasing the total budget allocation for that Department for fiscal year 2010.
 - b. Reallocations of the Consolidated Budget between Departments and/or Divisions that do not increase the total Consolidated Budget, and do not increase a Division's budget by more than the greater of \$250,000.00 or 1% of that Division's budget.
3. The Five Year Plan – Capital Improvement Program for Detroit Metropolitan Airport for fiscal years 2010-2014
4. The Five Year Plan – Capital Improvement Program for Willow Run Airport for fiscal years 2010-2014
5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are and the same hereby are rescinded.

RESOLUTION

No. 09 – 118

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2010 BUDGET**

By Board Member Mary Zuckerman

This Resolution was supported by Board Member Bernard Parker and carried by the following vote:

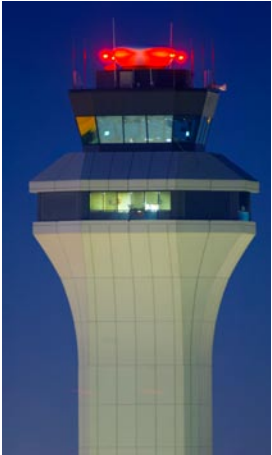
AYES: Axt, Nouhan, Parker, Settles, Zuckerman

NAYS: None

DATE: September 29, 2009



M A K I N G T H E W O R L D A V A I L A B L E



DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

L.C. Smith Terminal - Mezzanine
Detroit, Michigan 48242 USA

www.metroairport.com

