WAYNE COUNTY AIRPORT AUTHORITY

A discretely presented component unit of The Charter County of Wayne, Michigan

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For year ended September 30, 2009

DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

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(A Discretely Presented Component Unit of
the Charter County of Wayne, Michigan)

Comprehensive Annual Financial Report

Year Ended September 30, 2009

Prepared by:
Controller's Office

WAYNE COUNTY AIRPORT AUTHORITY

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DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

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January 20, 2010

To the Wayne County Airport Authority Board:

The Comprehensive Annual Financial Report (CAFR) of the Wayne County Airport Authority (the Authority) for the year ended September 30, 2009 is submitted herewith. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, results of operations, and cash flows in accordance with generally accepted accounting principles (GAAP). It includes disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities included within the CAFR. The report of the independent auditors on the financial statements is included on pages 1 and 2.

The CAFR was prepared following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). The GFOA awards Certificates of Achievement to those governments whose annual financial reports are judged to conform substantially to the high standards of public financial reporting, including GAAP promulgated by the Governmental Accounting Standards Board (GASB).

The management of the Authority is responsible for establishing and maintaining an internal control structure that is designed to ensure that the assets of the Authority are safeguarded. In addition, as a recipient of federal financial assistance, the Authority is responsible to make certain that an adequate internal control structure is in place to ensure compliance with general and specific laws and regulations related to the Airport Improvement Program and the Aviation Safety and Capacity Expansion Act.

The objectives of an internal control structure are to provide management with reasonable assurance that the resources are safeguarded against waste, loss, and misuse, and reliable data are recorded, maintained, and fairly disclosed in reports. The current internal controls provide the Authority with a solid base of reliable financial records from which the financial statements are prepared. These accounting controls ensure that accounting data are reliable and available to facilitate the preparation of financial statements on a timely basis. Inherent limitations should be recognized in considering the potential effectiveness of any system of internal control. The concept of reasonable assurance is based on the recognition that the cost of a system of internal control should not exceed the benefits derived and that the evaluation of those factors requires estimates and judgment by management.

State laws require an annual audit of the financial records and transactions of the Authority by a firm of independent licensed certified public accountants. The Board appoints an audit committee of three Board members to comply with this requirement. The audit committee is to meet at least four times each year with the Chief Executive Officer, the Chief Financial Officer (who is appointed by the Chief Executive Officer), and the Authority's independent public auditors to review the financial condition, operations, performance, and management of the Authority. In addition, the Chief Executive Officer appoints an internal auditor to evaluate the Authority's internal accounting and administrative control system and conduct audits relating to the Authority's financial activities.

The Authority's financial statements have received an "unqualified opinion" from Plante & Moran, PLLC, the Authority's certified public accountants. An unqualified opinion is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe that the financial statements are not fairly stated in all material respects.

An independent audit was also performed in accordance with the requirements of the Single Audit Act Amendments of 1996 (P.L. 104-156). The auditor's reports related specifically to the single audit are immediately following the CAFR in the Compliance Section.

A third audit was performed as required under Federal Aviation Regulation, Part 158 (Passenger Facility Charges). The auditor's reports related to the schedule of Passenger Facility Charges are immediately following the CAFR in the Compliance Section.

This CAFR was prepared to meet the needs of a broad spectrum of financial statement readers and is divided into the following major sections:

Introductory Section - In addition to serving as a transmittal letter, this section provides the reader an introduction to the CAFR and the Wayne County Airport Authority. The introductory section includes background information on the reporting entity, its operations and services, accounting systems and budgetary controls, overview of the local economic conditions, its long-term financial planning, and certain other pertinent information. It is complementary to financial and analytical data offered in management's discussion and analysis and the statistical section of the CAFR discussed below.

Financial Section - The independent auditor's report, management's discussion and analysis, financial statements, notes to the financial statements, and required supplementary information are included here. These are the Authority's basic financial statements and provide an overview of the Authority's financial position.

Statistical Section - The supplementary information presented in this section is designed to provide additional historical perspective, context, and detail to assist a reader to understand and assess the Authority's economic condition beyond what is provided in the financial statements and notes to the financial statements. The information contained in this section is prepared by the Authority and is not part of the independent auditor's report.

Continuing Disclosure Section - The continuing disclosure schedules reflect information in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission and as set forth in the Continuing Disclosure Undertaking for issued debt. The information contained in this section is prepared by the Authority and is not part of the independent auditor's report.

Compliance Section - This section presents schedules and footnotes prepared to meet the requirements of the U.S. Office of Management & Budget Circular A-133 as well as Federal Aviation Administration requirements applicable to The Passenger Facility Charge Program and in accordance with 14 CFR Part 158.

REPORTING ENTITY BACKGROUND

The Authority is a political subdivision and instrumentality of the Charter County of Wayne, Michigan (the County), which owns the Detroit Metropolitan Wayne County Airport (the Airport) and Willow Run Airport (together, the Airports). Until August 9, 2002, the County operated the Airports. Pursuant to an amendment to the Aeronautics Code of the State of Michigan, known as the Public Airport Authority Act (the Authority Act), Public Act 90, Michigan Public Acts of 2002, effective March 26, 2002, the Authority has operational jurisdiction of the Airports, with the exclusive right, responsibility, and authority to occupy, operate, control, and use the Airports and the Airport Hotel.

Pursuant to the Authority Act, the Authority is liable for all of the obligations with respect to the Airports, with the exception of the County's pledge of its limited tax full faith and credit, subject to constitutional, statutory, and charter tax rate limitations associated with the Airport Hotel Revenue Bonds issued by the County.

The Authority is directed and governed by a Board consisting of seven members. The governor of the state appoints two members of the Board, one member is appointed by the legislative body of the County, and four members of the Board are appointed by the Chief Executive Officer of the County. The Board appoints the Chief Executive Officer of the Authority.

AUTHORITY OPERATIONS AND SERVICES

The Authority is self-supporting, using aircraft landing fees, fees from terminal and other rentals, and revenue from parking, concessions, and various additional sources to fund operating expenses. The Authority is not taxpayer-funded. The Capital Improvement

Program (CIP) is funded by bonds issued by the Authority, federal and state grants, and passenger facility charges (PFCs).

Airport Use and Lease Agreement (the Agreement)

Revenues received by the Authority in accordance with the Master Airport Revenue Bond Ordinance (Master Bond Ordinance) are derived from rentals, fees, and charges imposed upon airlines operating at the Airport under agreements relating to their use of the Airport. The following airlines are parties to such agreements: AirTran Airways, American Airlines, Continental Airlines, Delta Air Lines, Federal Express, KLM Royal Dutch Airlines, Mesaba Airlines, Northwest Airlines, Pinnacle Airlines, Southwest Airlines, Spirit Airlines, United Airlines, United Parcel Service, and US Airways (collectively, the Signatory Airlines).

The Agreements with the Signatory Airlines permit the Authority to issue airport revenue bonds to finance the costs of capital projects and include the annual debt service requirements of, and other deposit requirements and coverage requirements for, such bonds in the calculation of rates and charges payable by the Signatory Airlines, only after first receiving approval of a Weighted Majority of the Signatory Airlines for such capital projects. An affirmative Weighted Majority vote requires, in the aggregate, Signatory Airlines which landed 85 percent or more of the landed weight of all Signatory Airlines for the preceding 12-month period for which records are available, or all Signatory Airlines in number but one regardless of landed weight.

The Airline Industry

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.

Airport Activity

As a result of airline capacity reductions, the Authority ended fiscal year 2009 with a 10.6 percent decrease in enplaned passengers, a 6.4 percent decrease in operations, a 28.6 percent decrease in cargo handled, and a 10.1 percent decrease in landed weights when compared to the prior fiscal year. The Airport's activities for the years ended September 30, 2008 and 2009 were as follows:

	2008	**2009**	**% Change**
Enplanements	17,831,231	15,941,132	-10.6%
Aircraft Operations	467,386	437,316	-6.4%
Cargo (in metric tons)	225,854	161,368	-28.6%
Landed Weights (in thousands, lbs.)	23,358,910	21,004,646	-10.1%

The softness in demand for air travel and the airline trend to reduce capacity are expected to result in a moderate decline in Airport activity throughout the next fiscal year.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Authority's Budget

Prior to the commencement of each fiscal year (currently October 1 to September 30), the Authority is required by the Master Bond Ordinance and Public 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, including funds for the operation and development of the Airports under the jurisdiction of the Authority, 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. The budget also contains an estimate of the revenues of the Authority from all sources for the next fiscal year.

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 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.

Budgetary control is required to ensure that expenditures do not exceed appropriations. The Authority maintains this control through the use of an encumbrance system. As purchase orders are issued, corresponding amounts of appropriations are reserved by the use of encumbrances to prevent overspending. 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. The independent monitoring of the budget continues throughout the fiscal year for management control purposes. Each month, Financial Planning & Analysis (FP&A) reviews and analyzes all revenue and expense accounts to compare actual to prior year actual and to budget. The findings are reported to the Board on the monthly management report.

AUTHORITY'S ECONOMIC CONDITION

Population

The United States Office of Management and Budget (OMB) defines the six counties of Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne the Detroit-Warren-Livonia Metropolitan Statistical Area (MSA). Further, the larger OMB designated Detroit-Warren-Flint Combined Statistical Area (CSA) incorporates both the above MSA and the metropolitan areas of Flint, Ann Arbor, and Monroe. This area is defined based on commuting patterns and results in the nine-county labor market region of Metro Detroit with an estimated population of 5.4 million in 2008, *United States Census Bureau*.

Detroit Metropolitan Wayne County Airport serves the above area along with the Toledo, Ohio, area, which is located approximately 47 miles south of the airport, and the city of Windsor, Ontario in nearby Canada. The Total Air Trade Area incorporates these regions along with the Primary Air Trade Area of Metro Detroit. Nearby to the Airport is the smaller non-commercial airport Willow Run which serves freight, corporate, and general aviation clients.

The Airport is the primary air carrier airport serving the Detroit Metropolitan area (the 11th most populous city in the United States in 2008). In calendar year 2008, Detroit Metropolitan Airport (the Airport) ranked the thirteenth busiest airport in the United States and the twenty-fourth busiest airport in the world in terms of passengers, enplaning and deplaning approximately 35 million passengers. The Airport ranked eleventh in the United States and fifteenth worldwide in terms of total aircraft operations, with 463 thousand takeoffs and landings.

Economy

The Region's economic base is highly concentrated in the motor vehicle manufacturing industry. The largest employers in the region include Ford Motor Company, General Motors, and Chrysler LLC. The demand for air transportation is, to a large degree, dependent upon the demographic and economic characteristics of the geographical area served by an airport (i.e., the Air Trade Area). In 2009, the Authority's Region continued to be challenged. Michigan's unemployment rate is the highest in the nation at 15.3 percent as of September 2009. Job losses in Michigan during 2009 will reach 239,000 and the *Free Press* notes that's "about twice the entire population of Flint."

LONG-TERM FINANCIAL PLANNING

The Authority's long-term financial planning includes the completion of certain approved capital projects and the accumulation of sufficient resources required to service the debt issued to finance these projects, as well as to operate and maintain the Airports. Under the terms of the Agreement, fees and charges paid by the Airlines are used along with other income from the Airport to service the debt issued to finance the construction program.

The Authority covenants in the Master Bond Ordinance (the Ordinance) state that the Airport's net revenues plus other available monies as defined by the Ordinance are sufficient to provide debt service coverage of 125 percent of the average annual debt service requirement on senior lien bonds. This coverage ratio for the year ended September 30, 2009 was in excess of the requirements at 127 percent of senior lien debt service and 123 percent of total debt service.

Capital Improvement Program

The Authority maintains an ongoing Capital Improvement Program (CIP) for the Airport system to expand, modernize, and maintain the Airports. In addition to renovations and modernization of certain existing facilities, the CIP includes construction of the principal elements of the Master Plan for each Airport. The master plans establish the framework for the CIP that is necessary for the development of the Airports.

The Authority's CIP represents current expectations of future capital needs. The current five-year plan for 2010-2014 includes planned funding of approximately $861 million and $99 million for Detroit Metropolitan and Willow Run Airports, respectively.

The Authority's funding sources for the CIP are airport revenue bonds, Passenger Facility Charges (PFCs), 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. A detailed review of the CIP is published annually in December as part of Financial Planning & Analysis' Approved Budget Document.

Airport Improvement Program

Since 1986, the Authority has participated in the Airport Improvement Program (AIP), the federal government's airport grant program. The AIP provides funding for airport development, airport planning, and noise compatibility programs from the Airport and Airway Trust Fund. The AIP also provides both entitlement and discretionary grants for eligible projects. The Authority also receives grants from the State of Michigan.

Passenger Facility Charges

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the

FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for airport projects which meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

Since 1992, the FAA has approved six PFC applications and amendments submitted by the Airport. The Authority is currently authorized to impose and use a PFC of $4.50 per enplaned passenger up to $3.2 billion, which includes amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC-eligible costs on approved projects.

As of September 30, 2009, the Airport had received approximately $942 million of PFC revenue, which includes interest earnings of approximately $73 million. The Airport had expended approximately $848 million on approved projects. The current PFC expiration date is estimated at October 1, 2032.

OTHER INFORMATION

Awards and Achievement

The GFOA awarded the Authority a Certificate of Achievement for Excellence in Financial Reporting for its CAFR for the year ended September 30, 2008. This was the sixth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. Such a CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting this 2009 CAFR to the GFOA for consideration.

The Authority's budget process has also been recognized by the GFOA and received their Award for Distinguished Budget Presentation for fiscal years 2005 to 2009. In order to receive this award, the entity must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. The fiscal year 2010 Approved Budget document was issued to the GFOA for consideration and to Board Members in December 2009.

The Authority also received a number of non-financial awards during 2009 including:

- ✈ 1st Place: 2009 Healthiest Airports – For Availability of Healthy Menu Items at Airport Restaurants, by Physician's Committee for Responsible Medicine

- 3rd Place: Best U.S. Airport in Overall Quality, *Zagat Airline Survey*, 2009

- 4th Place: Airport Service Quality (ASQ) – "Best Airport by Size of Airport – 25 to 40 Million Passengers Worldwide," Airports Council International, March 2009

- Airport Sponsor of the Year: Wayne County Airport Authority, Michigan Department of Transportation, February 2009

- 2009 Best Concessions Winners, *Airport Revenue News:*
  - The Paradies Shops - Large Retailer with the Highest Regard for Customer Service
  - Brooks Brothers - Best Large Retail Specialty Brand Operator
  - HMS Host - Best Large Overall Food & Beverage Operator & Large Food Operator with the Highest Regard for Customer Service
  - Vino Volo - Best Overall Small Retailer, Small Retailer with the Highest Regard for Customer Service, Best Small Food and Beverage Operator, Best Small Food & Beverage Brand Operator & Small Food Operator with the Highest Regard for Customer Service
  - ZoomSystems - Best Small Specialty Retail Brand Operator

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staffs of the Controllers' Office and Financial Planning & Analysis. We would like to express our appreciation to all members of these divisions.

This report also could not have been possible without the leadership and support of the governing body of the Authority's Board.

Respectfully submitted,

Lester W. Robinson	Thomas J. Naughton
Chief Executive Officer	*Senior Vice President of Finance and Chief Financial Officer*

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Wayne County Airport Authority, Michigan

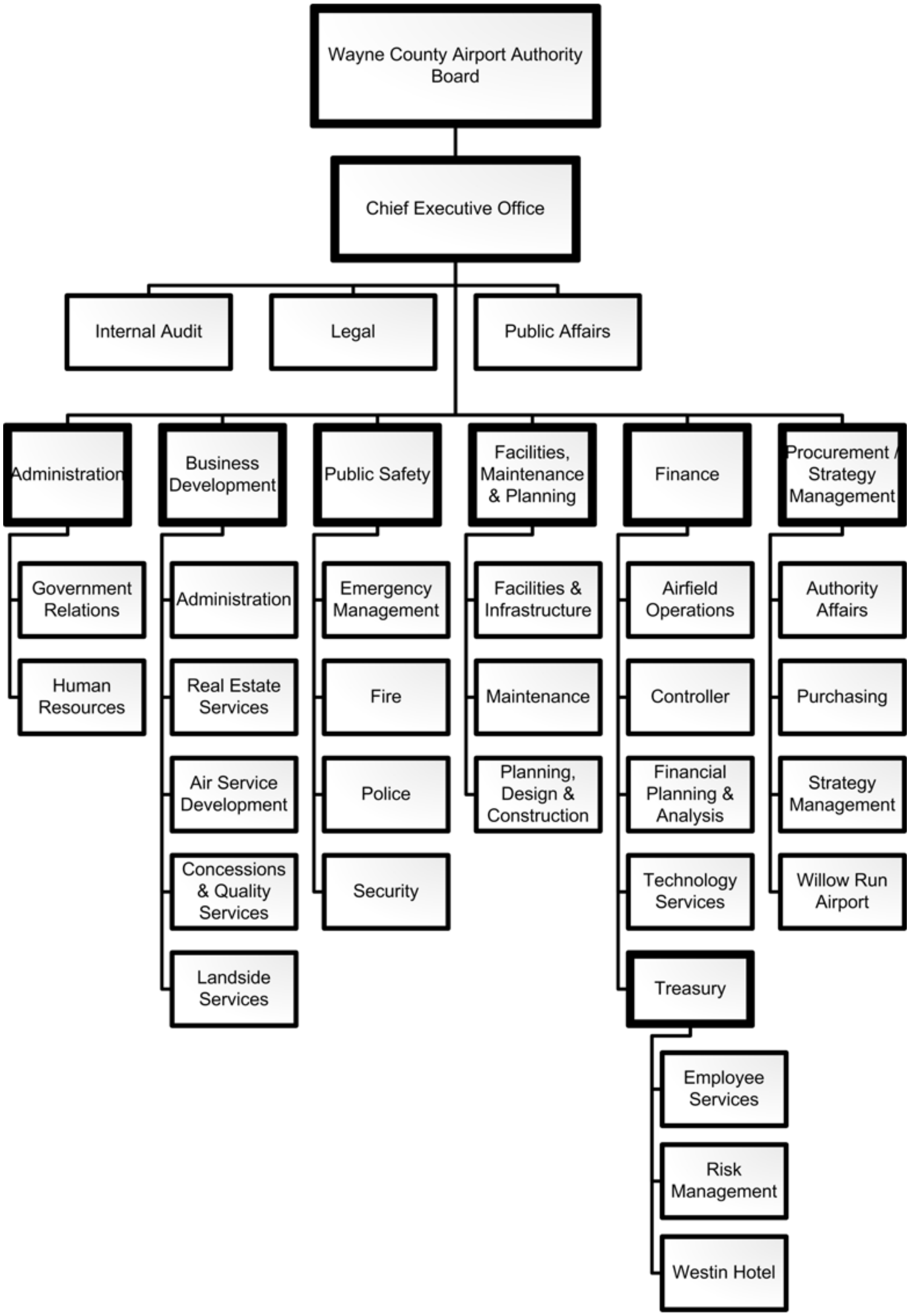
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

WAYNE COUNTY AIRPORT AUTHORITY
ORGANIZATIONAL CHART



LIST OF PRINCIPAL OFFICIALS

Authority Board	Position	Term Expires
James O. Settles, Jr.	Chairperson	October 2010
Charlie J. Williams	Vice Chairperson	October 2012
Renee C. Pipis Axt	Board Member	October 2014
James B. Nicholson	Board Member	October 2010
Samuel A. Nouhan	Board Member	October 2014
Bernard F. Parker, Jr.	Board Member	October 2010
Mary L. Zuckerman	Board Member	October 2014

Airport Management	Position
Lester W. Robinson	Chief Executive Officer
Thomas J. Naughton	Executive Vice President – Chief Financial Officer
Genelle M. Allen	Executive Vice President
Stephen T. Economy	Sr. Vice President – Administration
Jon Hypnar	Sr. Vice President – Facilities, Maintenance and Planning
Emily K. Neuberger	Sr. Vice President and General Counsel
Jack Vogel	Sr. Vice President – Business Development
Mark L. DeBeau	Vice President – Public Safety
Arun Gulati	Vice President – Technology Services
Gale L. LaRoche	Vice President – Human Resources
Myrna Mendez	Vice President – Concessions and Quality Services
Mary Lou K. Posa	Vice President and Associate General Counsel
Istakur Rahman	Vice President – Internal Audit
Terrence P. Teifer	Vice President – Treasury
Steven Albright	Director of Technology Services
Shelia Anderson	Director of Purchasing
Susan Avery	Director of Government Relations
Margaret Basrai	Controller
Janet Baxter	Director of Security
Sean Brosnan	Director of Emergency Management
Joseph Cambron	Director of Air Service Development
Craig Carnell	Fire Chief
Michael Conway	Director of Public Affairs
Heather Day	Director of Payroll & Employee Services
Ali Dib	Director of Facilities & Infrastructure
David DiMaria	Director of Willow Run Airport
Angela Frakes	Director of Maintenance
Peter Gargiulo	Director of Strategy Management
Edward Glomb	Police Chief
Vera Marflak	Director of Business Development Administration
Matt McGowan	Director of Landside Services
Mary Muhammad	Director of Administration
Dina Reed	Director of Financial Planning & Analysis
Wayne Sieloff	Director of Planning, Design, and Construction
Leigh Stepaniak	Director of Risk Management
Dianne Walker	Director of Airfield Operations
Rosalind Wallace	Director of Human Resources

plante moran

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Independent Auditor's Report

To the Board of Directors
Wayne County Airport Authority

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Wayne County Airport Authority (the Authority), a component unit of the Charter County of Wayne, Michigan, as of and for the year ended September 30, 2009, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the Authority as of September 30, 2009 and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and required supplementary information, as identified in the table of contents, are not a required part of the basic financial statements but are supplemental information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management, regarding the methods of measurement and presentation of the required supplemental information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying introductory section, statistical section, and continuing disclosure section, as identified in the table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The introductory section, statistical section, and continuing disclosure section have not been subjected to the auditing procedures applied by us in the audit of the basic financial statements and, accordingly, we express no opinion on them.

To the Board of Directors
Wayne County Airport Authority

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2010 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide opinions on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Plante & Moran, PLLC

January 20, 2010

WAYNE COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

The following discussion and analysis provides an overview of the financial performance and activities of the Wayne County Airport Authority (the "Authority") for the year ended September 30, 2009, with selected comparative information for the year ended September 30, 2008. This discussion and analysis has been prepared by the Authority's management and should be read in conjunction with the basic financial statements and notes thereto, which follow this section.

The Authority is a business-type entity and, as such, the basic financial statements consist of three statements and notes to the basic financial statements. The three basic statements are: (a) Statement of Net Assets, which presents the assets, liabilities, and net assets of the Authority as of the end of the fiscal year; (b) Statement of Revenues, Expenses, and Changes in Net Assets, which reflects revenues and expenses recognized during the fiscal year; and (c) Statement of Cash Flows, which provides information on all the cash inflows and outflows for the Authority by major category during the fiscal year. Beginning in 2008, the Authority included a Postemployment Health Benefits Trust Fund (Fiduciary Fund) to account for the postemployment healthcare payments to qualified employees.

The financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S.) as promulgated by Governmental Accounting Standards Board (GASB) principles.

The financial statements include the operations of Detroit Metropolitan Wayne County Airport (the Airport), Willow Run Airport, and the Airport Hotel. The Authority is considered a discretely presented component unit of the Charter County of Wayne, Michigan as defined by the GASB.

THE AIRPORT FUNDING METHODOLOGY

Funding for the Airport operations is predicated upon the stipulations in the Airport Use and Lease Agreements between the Authority and the Airlines. The Airport Use and Lease Agreements set the terms of the business relationship between the Authority and the Airlines. Key terms in the Use and Lease Agreements include rental rates, activity fee methodology, utilities, etc. Once an airline signs a Use and Lease Agreement, they are designated a "Signatory Airline." The Use and Lease Agreements also determine the budget and financing (activity fee) methodology that the Authority and Airlines agree to follow. Airport budget methodologies throughout the United States are usually characterized as either compensatory or residual, although some airports have a hybrid methodology that combines both features.

The Airport operates under a residual methodology. The methodology places additional risk to the Signatory Airlines, as these Airlines guarantee the net cost of operating the entire Airport. This obligation includes operating expenses and all debt service requirements of the Airport. If the Airport incurs a deficit in a particular year, it has the ability to increase rates to the Signatory Airlines up to the amount of the deficit. Conversely, if the Airport realizes a surplus, the Airport must refund the surplus to the Signatory Airlines.

The residual methodology agreed upon by the Signatory Airlines and the Authority creates a funding mechanism that is not congruent with financial statement reporting standards. Although the Signatory Airlines are required to fund any deficit of the Airport, this deficit is not equivalent to "Operating Loss" or any other designation on the financial statements. Since the Airport utilizes the residual methodology, all annual operating costs and debt service requirements of the Airport have been funded.

FINANCIAL HIGHLIGHTS

Operating revenues at the Airport decreased 0.3 percent compared to 2008. Airport non-airline revenues decreased 10.2 percent ($14 million) compared to 2008. The decreases in non-airline revenues are attributed to shortfalls in concessions and parking fees. Enplaned passengers, the major driver of parking and concessions revenues, dropped by 10.6 percent compared to 2008. The decrease drove a decline in total concession and car rental revenues of 6.7 percent ($3 million). A decline in parking revenues of 14.9 percent ($9 million) year over year is partially attributed to the decline in enplanements, but also adversely affecting parking revenue was the public response to a rate hike from $10 to $16 for parking per day at the Blue Deck (the parking deck associated with the North Terminal). The Authority responded to pressure by Northwest/Delta and increased rates at the Blue Deck to create parity in parking rates at the Airport's parking structures. The McNamara Deck (the parking structure associated with the McNamara Terminal) charges $19 per day. The increase in rate outpriced many travelers, and as they chose alternatives to parking at the Blue Deck, transactions plummeted to three-year lows averaging 18 percent to 30 percent decreases compared to 2008. The net impact of the parity decision is estimated to have decreased parking revenue by approximately $3 million year over year, which is about 30 percent of the total decline in parking revenue compared to 2008. Hotel revenues declined approximately 26 percent to $23 million in 2009 from $31 million in 2008. Airline revenues increased 10 percent to $134 million in 2009 from $122 million in 2008.

With a sharp decline in non-airline revenues at the Airport, the Authority was faced with the challenge of mitigating the impact to the airlines. However, the Authority had already anticipated that operating costs would increase due to additional costs associated with opening the North Terminal. With the opening of the North Terminal came the development of a consortium, DANTeC, to manage the operating and maintenance costs of that terminal in a similar fashion that Northwest/Delta manages the same costs at the McNamara Terminal. As a result, $4.4 million of expenses previously paid directly by airlines were enveloped as part of the Authority's overall budget. However, the Authority recognized the challenges it faced for 2009 and reduced year over year operating expenses (excluding depreciation) by 6 percent ($12 million) compared to 2008 and outperformed budgeted operating expenses by 6.1 percent ($12 million). The net result to airlines was minimal. The Airline Revenues received (costs to the airlines) in 2009 were 11 percent more than prior year ($13 million); however, the budgetary impact was a meager 0.2 percent ($0.2 million) increase.

Statement of Net Assets

The statement of net assets includes all assets and liabilities and net assets resulting from the difference between total assets and total liabilities. Assets and liabilities are generally measured using current values. One exception is capital assets, which are stated at historical cost less an allowance for depreciation. The condensed summary of the Authority's net assets as of September 30, 2009 and 2008 is:

	2009 (000's)	2008 (000's)
ASSETS:		
Current unrestricted assets	$ 129,889	$ 135,924
Current restricted assets	111,949	98,077
Noncurrent restricted assets	420,863	545,145
Capital assets (net)	2,298,432	2,329,754
Other assets	29,598	35,348
Total assets	2,990,731	3,144,248
LIABILITIES:		
Current liabilities	101,650	109,275
Current liabilities payable from restricted assets	103,743	88,539
Long-term liabilities	2,238,676	2,307,981
Total liabilities	2,444,069	2,505,795
NET ASSETS:		
Investment in capital assets, net of related debt	100,801	170,386
Restricted	405,008	430,322
Unrestricted	40,853	37,745
TOTAL NET ASSETS	$ 546,662	$ 638,453

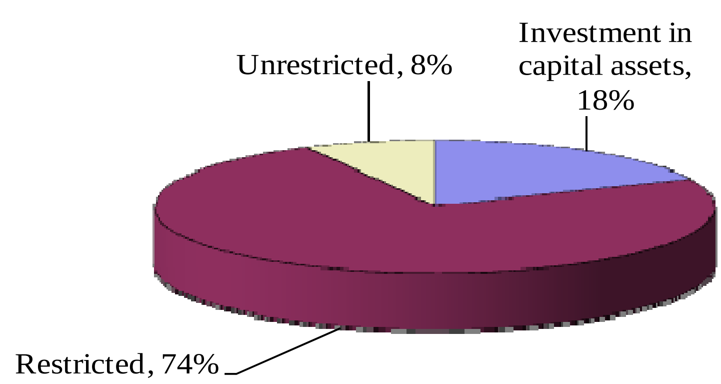
Current assets consist mainly of cash and investments, accounts receivable, and amounts due from other governmental units. Noncurrent restricted assets consist of cash and investments. All cash and investments of the Authority are invested according to legal requirements established by the legislature of the state of Michigan. In accordance with state law, investments are restricted to various U.S. government securities, certificates of deposit, commercial paper, and repurchase agreements. Other assets consist primarily of bond issuance cost, net of related amortization.

In accordance with the terms of applicable ordinances, the Authority is required to restrict assets for various purposes. Net assets have been reserved related to certain restricted assets. Assets have been restricted for operations and maintenance, replacement and improvements, construction, bond and interest redemption, passenger facility charges, and drug enforcement.

Current liabilities consist mainly of accounts payable, payroll-related liabilities, accrued vacation and sick time, retainage, security, and performance deposits.

Net assets decreased by $91.8 million in the fiscal year ended September 30, 2009. Increases in airline revenues helped offset the decreases in nearly every category of non-airline revenues including utility service fees and other income, as well as large decreases in interest and federal grant income.

The chart below illustrates a breakdown of total net assets as of September 30, 2009:



Approximately 74 percent of the Airport's 2009 net assets are restricted for future debt service, capital construction and replacement, bond and interest redemption, and passenger facility charges, subject to federal regulations. Amounts invested in capital assets, net of related debt, account for approximately 18 percent of total net assets and represent land, buildings, improvements, and equipment, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The remaining net assets include unrestricted net assets of $40.9 million, which may be used to meet any of the Authority's ongoing operations. Restricted net assets decreased 6 percent as of fiscal year end 2009.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

Capital activity for fiscal year 2009 decreased from recent years as construction of the North Terminal Complex, which was ongoing for several years, has been completed.

The Authority is authorized to issue airport revenue bonds to finance the cost of capital projects and include the debt service on such bonds in the fees and charges of the Signatory Airlines only after receiving approval of a Weighted Majority for such capital projects. As of September 30, 2009, the Authority had approximately $2.3 billion in outstanding bonded and other debt, both senior and subordinate, paying fixed and variable rates. The total annual debt service (principal and interest) was approximately $159 million in 2009 and long-term debt amounting to $47.7 million was paid off during the year. More detailed information on capital assets and long-term debt activity can be found in Notes 6 and 7 included in the Notes to Basic Financial Statements section of this report.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

The Statement of Revenues, Expenses, and Changes in Net Assets present the operating results of the Authority, as well as the nonoperating revenues and expenses. Operating revenues include both airline and non-airline revenues and consist primarily of landing and related fees, terminal building rental and fees, parking fees, concession fees, car rental, and hotel revenues. Non-operating revenues consist primarily of passenger facility charges, federal and state grants, and interest income. Interest expense is the most significant nonoperating expense.

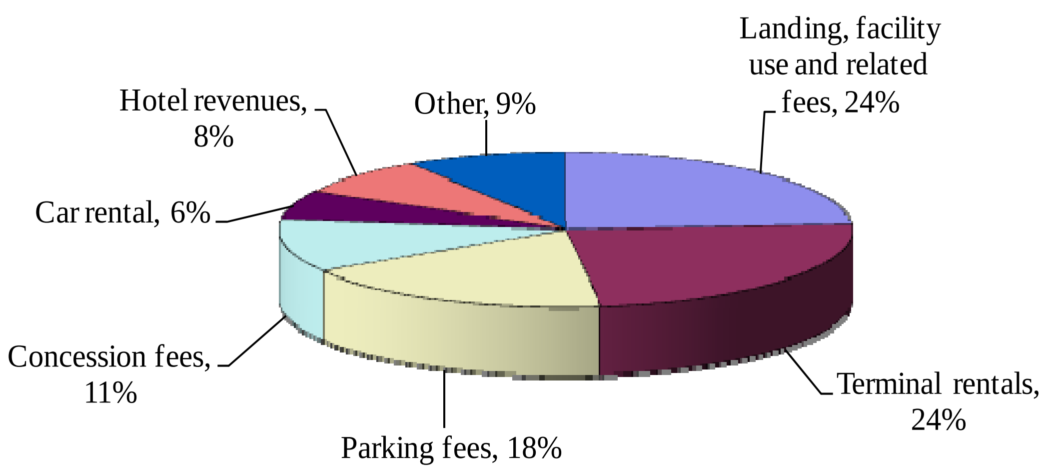
A summarized comparison of the Authority's revenues, expenses, and changes in net assets for the years ended September 30, 2009 and 2008 follows:

September 30, 2009

	2009 (000's)	2008 (000's)
Operating revenues:		
Airline revenues:		
Airport landing and related fees	$ 60,060	$ 84,608
Terminal building rentals and fees	67,703	28,973
Facility use fees	6,469	8,159
Non-airline revenues:		
Parking fees	49,911	58,683
Concession fees	30,885	30,358
Car rental	17,540	21,493
Hotel	23,247	31,497
Other	24,944	26,941
Total operating revenues	280,759	290,712
Operating expenses:		
Salaries, wages, and fringe benefits	75,099	77,942
Parking management	7,082	8,906
Hotel management	18,694	23,033
Depreciation	146,152	129,575
Professional and contractual services	16,189	18,712
Utilities	27,700	30,429
Building, ground, equipment maintenance	30,704	38,356
Other	35,920	33,000
Total operating expenses	357,540	359,953
Operating loss	(76,781)	(69,241)
Nonoperating revenues (expense):		
Passenger facility charges	59,711	68,202
Other nonoperating revenues	8,400	30,796
Interest expense	(116,393)	(94,926)
Other nonoperating expenses	(3,047)	(8,530)
Net nonoperating expenses	(51,329)	(4,458)
Net loss before capital contribution	(128,110)	(73,699)
Capital Contribution	36,319	54,817
Change in net assets	(91,791)	(18,882)
Net assets, beginning of the year	638,453	657,335
Net assets, end of the year	$ 546,662	$ 638,453

Operating Revenues:

The chart below illustrates the sources of total operating revenue for the year ended September 30, 2009:



Operating revenues for the Authority decreased 3 percent to $281 million in 2009 from $291 million in 2008.

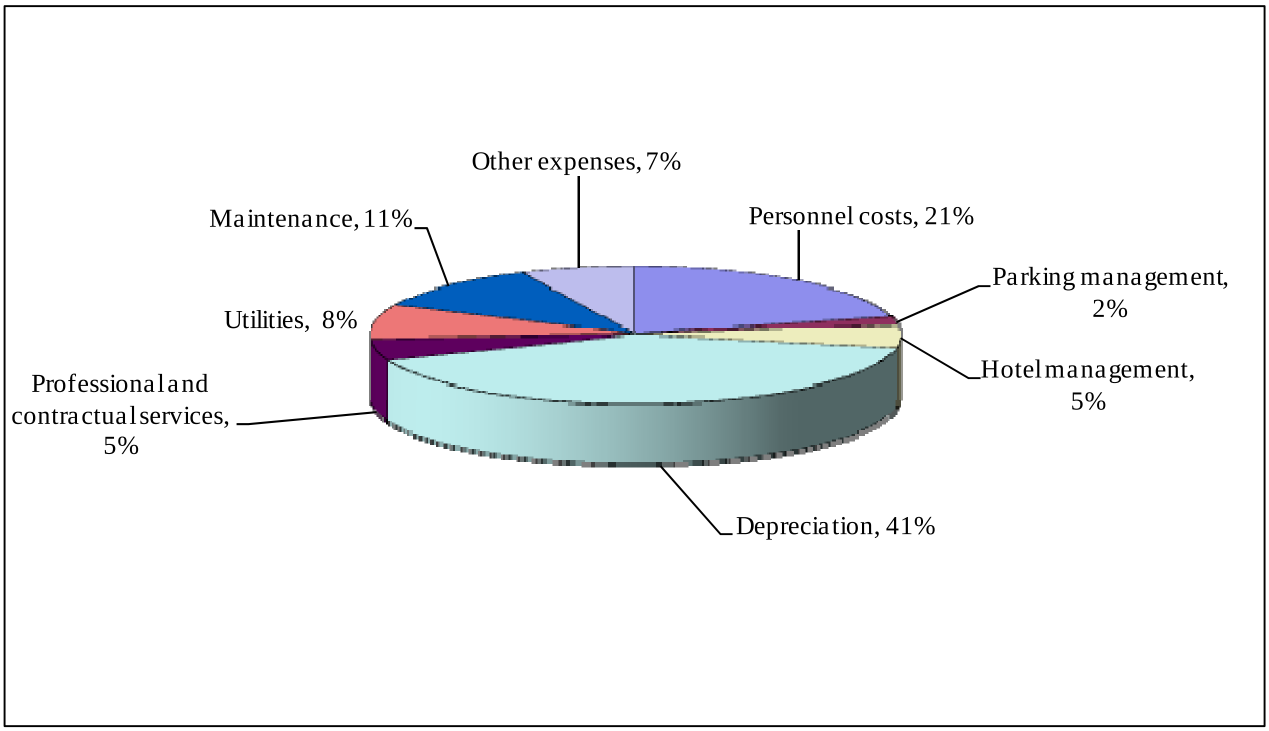
Airline Revenues, one of three major categories of Operating Revenues, includes revenues collected from the airlines. The chart above references terminal rentals, landing, facility use and related fees, which are all part of Airline Revenues. Airline Revenues increased 10 percent to $134 million in 2009 from $122 million in 2008. 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 contained 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 these Agreements, terminal rental rates are now 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. As a result of this change in methodology, the terminal rental fees increased 134 percent to $68 million in 2009 from $29 million in 2008. The terminal rental revenues are 24 percent of total operating revenue in 2009 versus 10 percent in 2008. An offsetting result of the increase in terminal rental revenue is a decrease in landing fee revenue. Landing fee revenues decreased 29 percent in 2009 to $60 million from $85 million in 2008. The change in landing rate is a 21 percent decrease over the prior year, with a final rate of $3.58 per 1,000 pounds landed weight. Another aspect of Airline Revenues is facility use fee revenues, which are driven by international deplaned passengers. International deplanements decreased 24 percent in 2009, driving international facility use fee revenue down by 21 percent. The overall increase in Airline Revenues is driven by the opening of the North Terminal and the incorporation of millions of dollars of expense that was historically paid for by the airlines directly, but now is included in the Authority's expenses.

Non-Airline Revenues, another major category of Operating Revenues, includes revenue received that is not collected from airlines. The chart above references parking fees, concession fees, car rentals and other, which are all part of Non-Airline Revenues. Non-Airline revenues are typically passenger driven and specifically correlated with enplaned passengers. In 2009, enplaned passengers decreased 11 percent to 15.9 million in 2009 from 17.8 million in 2008. Although parking and car rental revenues as a percent of total operating revenue have not changed dramatically year over year, the amount of actual operating revenue collected is dramatically less than prior year. Parking fee revenues decreased $8.8 million (15 percent) and car rental revenues decreased $4.0 million (18 percent). Potential losses in concession fee revenues have been mitigated by the opening of the North Terminal concessions. The expanded opportunities for concession revenues in the new terminal drove an increase in gross revenue per enplanement of 14 percent to $1.94 in 2009 from $1.70 in 2008.

Hotel Revenues, the other major category of Operating Revenues, which is excluded from the residual agreement described above, decreased from $31 million to $23 million, or 26 percent, due to a drop in occupancy. As a result, hotel revenues for 2009 are 8 percent of total operating revenues versus 11 percent the prior year. Annual occupancy at the hotel has decreased 5 points to 62 percent in 2009 from 67 percent in 2008 and the hotel's average daily rate has decreased 19 percent to $135.42 in 2009 from $166.23 in 2008. While the hotel's financial performance has been affected by industry reductions in demand, the hotel is still ahead of its peer set, which includes the local airport segment and the local luxury segment of hotels, in terms of guest service and overall guest satisfaction. The hotel continues to offer travelers an upscale brand hotel that is conveniently situated inside the Airport at the McNamara Terminal, featuring 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.

Operating Expenses:

The chart below illustrates the components of total operating expenses for the year ended September 30, 2009:



Operating expenses for the Authority decreased 1 percent during fiscal year 2009, while the Authority worked to manage costs.

The Authority identified challenges it would face in 2009 before the fiscal year began. A significant reduction in enplaned passengers was planned and the Authority recognized that it needed to control costs to minimize revenue loss impacts of Non-Airline revenues to the airlines.

The Authority responded by attacking the largest operating expense of the Authority, its personnel costs. The Authority offered an Early Retirement Incentive Program (ERIP) to Authority employees during the first quarter of 2009, reduced overtime and successfully implemented a healthcare cost-sharing program for Authority employees. During the summer of 2009, additional staff reduction targets were developed and implemented in August 2009. As a result of these efforts, the Authority trimmed authorized positions (full time) by 15 percent to 619 positions in 2009 from 732 positions in 2008 and realized a net decrease in personnel costs of 4 percent to $75 million in 2009 from $78 million in 2008. Full impacts of the Authority staff reductions and the cost-sharing programs are anticipated to be realized in 2010. The Authority extended its staff cost-savings approach to the parking management contract. With the reduction in demand for parking, the parking management contract reduced staff which resulted in a decreased expense for that contract by 20 percent to $7 million in 2009 from $9 million in 2008. The parking management reductions are anticipated to be carried forward in 2010.

Successful management by the Westin Hotel group, under the guidance of the Authority's Treasury Division, has resulted in decreased operating expenses of 19 percent to $19 million from $23 million in 2008.

Additionally, the Authority has preserved decreased costs related to maintenance, utilities, professional and contractual services, and other expenses. Managing the savings in these areas has facilitated the Authority's success in opening a new terminal and absorbing millions of dollars of additional expenses, while recognizing a net decrease in operating expenses of 1 percent in 2009.

Nonoperating Revenues and Expenses and Contributed Capital:

Total nonoperating activities lead to a net nonoperating expense of $51.3 million in 2009. A 74 percent decrease in interest income was driven by economic conditions during 2009. Interest expense increased 23 percent in 2009 due to the savings realized in 2009 from the 2008 bond refundings being offset by a decrease in capitalized interest of $19 million over the prior year.

Revenue generated from state and federal operating grants decreased for the third year as the State of Michigan and Federal Aviation Administration (FAA) issued less award dollars than in prior years. Willow Run Airport is more significantly impacted by these actions as it receives several small grants for activities including pavement marking from the State and does not meet hub airport status from the FAA.

Capital contributions decreased 34 percent over the prior year to $36.3 million as the federal government is limiting discretionary grants and award levels. In addition, the Authority's Letter of Intent (LOI) program was completed during 2008. Although the Authority recognized $11 million of the $15 million grant awarded under the American Recovery and Reinvestment Act (ARRA) during 2009, the loss of nearly $19 million annually in LOI revenue offset the additional funding.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Assets

September 30, 2009

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Airport Hotel Fund	Total
Assets:				
Current assets:				
Unrestricted current assets:				
Cash and investments (note 4)	$ 80,909,745	$ 352,231	$ 1,038,435	$ 82,300,411
Accounts receivable, less allowance (note 2)	10,056,643	269,047	926,411	11,252,101
Due from other governmental units	27,704,892	6,512,599	—	34,217,491
Due from other funds	643,655	—	—	643,655
Prepaids and deposits	1,335,774	16,885	122,633	1,475,292
Total unrestricted current assets	120,650,709	7,150,762	2,087,479	129,888,950
Restricted current assets (notes 4 and 5):				
Cash and investments	98,842,976	2,179,424	2,682,723	103,705,123
Accounts receivable	8,204,345	38,203	1,406	8,243,954
Total restricted current assets	107,047,321	2,217,627	2,684,129	111,949,077
Total current assets	227,698,030	9,368,389	4,771,608	241,838,027
Noncurrent assets:				
Restricted cash and investments (notes 4 and 5)	408,742,342	—	12,120,991	420,863,333
Capital assets (note 6):				
Land	175,643,601	15,926,984	—	191,570,585
Buildings and improvements	1,928,140,230	7,731,772	92,681,026	2,028,553,028
Equipment	58,750,743	6,609,329	577,317	65,937,389
Infrastructure	1,119,561,066	108,634,688	—	1,228,195,754
Construction in progress	65,005,442	291,780	—	65,297,222
Total capital assets	3,347,101,082	139,194,553	93,258,343	3,579,553,978
Less accumulated depreciation	1,160,427,217	87,002,186	33,692,056	1,281,121,459
Net capital assets	2,186,673,865	52,192,367	59,566,287	2,298,432,519
Other assets:				
Bond issuance cost, less amortization (note 2)	21,888,031	—	4,639,787	26,527,818
Accounts receivable, less allowance (note 2)	2,064,648	—	—	2,064,648
Net OPEB asset (note 10)	1,005,163	—	—	1,005,163
Total other assets	24,957,842	—	4,639,787	29,597,629
Total noncurrent assets	2,620,374,049	52,192,367	76,327,065	2,748,893,481
Total assets	$ 2,848,072,079	$ 61,560,756	$ 81,098,673	$ 2,990,731,508

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Assets

September 30, 2009

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Airport Hotel Fund	Total
Liabilities:				
Current liabilities:				
Payable from current assets:				
Accounts payable	$ 57,390,530	$ 3,500,257	$ 664,304	$ 61,555,091
Accrued wages and benefits	1,438,165	44,985	—	1,483,150
Due to primary government	266,142	—	—	266,142
Due to other funds	—	643,655	—	643,655
Deferred revenue	1,187,707	20,286	—	1,207,993
Accrued interest payable	—	—	105,000	105,000
Bonds payable and other debt (note 7)	—	19,476	374,553	394,029
Other accrued liabilities	35,505,580	489,436	—	35,995,016
Total current liabilities payable from current assets	95,788,124	4,718,095	1,143,857	101,650,076
Payable from restricted current assets:				
Accrued interest payable	31,932,283	—	1,917,723	33,850,006
Bonds payable and other debt (note 7)	66,910,693	—	765,000	67,675,693
Deferred revenue	—	2,217,627	—	2,217,627
Total current liabilities payable from restricted current assets	98,842,976	2,217,627	2,682,723	103,743,326
Total current liabilities	194,631,100	6,935,722	3,826,580	205,393,402
Long-term liabilities:				
Other accrued liabilities (note 2)	9,583,762	598,000	1,553,647	11,735,409
Bonds payable and other debt, net (note 7)	2,113,918,683	600,022	112,422,259	2,226,940,964
Total long-term liabilities	2,123,502,445	1,198,022	113,975,906	2,238,676,373
Total liabilities	2,318,133,545	8,133,744	117,802,486	2,444,069,775
Net assets:				
Investment in capital assets, net of related debt	97,582,011	51,572,869	(48,353,877)	100,801,003
Restricted for:				
Capital assets	129,786,977	—	11,178,899	140,965,876
Debt service	230,644,263	—	1,708,498	232,352,761
Operations	30,150,048	—	—	30,150,048
Drug enforcement	1,538,570	—	—	1,538,570
Unrestricted (deficit)	40,236,665	1,854,143	(1,237,333)	40,853,475
Total net assets (deficit)	$ 529,938,534	$ 53,427,012	$ (36,703,813)	$ 546,661,733

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Revenues, Expenses, and Changes in Net Assets

Year ended September 30, 2009

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Airport Hotel Fund	Total
Operating revenues:				
Airline revenues:				
Airport landing and related fees	$ 59,723,264	$ 336,476	$ —	$ 60,059,740
Terminal building rentals and related fees	65,976,854	1,726,271	—	67,703,125
Facility use fees	6,320,418	148,546	—	6,468,964
Nonairline revenues:				
Parking fees	49,911,261	—	—	49,911,261
Concession fees	30,885,107	—	—	30,885,107
Car rental	17,539,775	—	—	17,539,775
Hotel	—	—	23,246,792	23,246,792
Employee shuttle bus	5,655,355	—	—	5,655,355
Ground transportation	6,510,045	—	—	6,510,045
Utility service fees	4,319,968	215,805	—	4,535,773
Rental facilities	3,767,157	5,500	—	3,772,657
Other	4,100,058	370,410	—	4,470,468
Total operating revenues	254,709,262	2,803,008	23,246,792	280,759,062
Operating expenses:				
Salaries, wages, and fringe benefits	72,695,902	2,403,060	—	75,098,962
Parking management	7,082,235	—	—	7,082,235
Hotel management	3,500	—	18,690,037	18,693,537
Shuttle bus services	8,482,900	—	—	8,482,900
Janitorial services	10,583,940	15,364	—	10,599,304
Security	2,657,120	—	—	2,657,120
Professional and other contractual services	15,197,252	991,891	—	16,189,143
Utilities	26,499,031	1,201,346	—	27,700,377
Buildings and grounds maintenance	14,366,218	368,416	—	14,734,634
Equipment repair and maintenance	15,740,395	228,648	—	15,969,043
Materials and supplies	7,329,717	126,934	—	7,456,651
Insurance	2,710,218	44,986	—	2,755,204
Other	3,479,586	489,713	—	3,969,299
Depreciation	135,776,964	5,127,954	5,246,887	146,151,805
Total operating expenses	322,604,978	10,998,312	23,936,924	357,540,214
Operating loss	(67,895,716)	(8,195,304)	(690,132)	(76,781,152)
Nonoperating revenues (expenses):				
Passenger facility charges	59,711,453	—	—	59,711,453
Federal and state grants	999,303	90,196	—	1,089,499
Interest income	7,070,338	73,520	166,383	7,310,241
Interest expense	(110,003,686)	(34,733)	(6,354,383)	(116,392,802)
Gain (loss) on disposal of assets	(1,109,503)	4,990	—	(1,104,513)
Amortization of bond issuance costs	(1,614,803)	—	(328,156)	(1,942,959)
Total nonoperating revenue (expense)	(44,946,898)	133,973	(6,516,156)	(51,329,081)
Net loss before capital contributions and transfers	(112,842,614)	(8,061,331)	(7,206,288)	(128,110,233)
Capital contributions	27,431,181	8,887,385	—	36,318,566
Transfers in (out)	(8,178,176)	8,178,176	—	—
Changes in net assets	(93,589,609)	9,004,230	(7,206,288)	(91,791,667)
Net assets (deficit) – Beginning of year	623,528,143	44,422,782	(29,497,525)	638,453,400
Net assets (deficit) – End of year	$ 529,938,534	$ 53,427,012	$ (36,703,813)	$ 546,661,733

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year ended September 30, 2009

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Airport Hotel Fund	Total
Cash flows from operating activities:				
Receipts from customers and users	$ 262,786,727	$ 2,668,295	$ 23,200,551	$ 288,655,573
Payments to suppliers	(120,395,804)	(406,122)	(18,093,196)	(138,895,122)
Payments to employees	(74,251,267)	(2,634,989)	—	(76,886,256)
Payments to Wayne County for services provided	(1,353,857)	—	—	(1,353,857)
Payments (to) from other funds for services provided	(1,007,171)	1,007,171	—	—
Return of customer deposits	(12,556,063)	(33,935)	—	(12,589,998)
Collection of customer deposits	9,547,245	4,062	—	9,551,307
Net cash provided by operating activities	62,769,810	604,482	5,107,355	68,481,647
Cash flows from noncapital financing activities:				
Passenger facility charges received	1,668,400	—	—	1,668,400
Transfers (to) from other funds	(1,820,000)	1,820,000	—	—
Grants from federal/state government	946,879	104,130	—	1,051,009
Net cash provided by noncapital financing activities	795,279	1,924,130	—	2,719,409
Cash flows from capital and related financing activities:				
Capital contributions received	27,116,558	2,828,557	—	29,945,115
Passenger facility charges received	57,736,566	—	—	57,736,566
Proceeds from capital debt	2,491,722	—	—	2,491,722
Principal paid on capital debt	(46,713,534)	(24,967)	(935,848)	(47,674,349)
Issuance costs paid on new bond issues	(815,367)	—	—	(815,367)
Acquisition and construction of capital assets	(102,507,033)	(8,592,930)	(38,053)	(111,138,016)
Proceeds from disposal of capital assets	16,827	4,990	—	21,817
Interest paid on capital debt	(111,693,135)	(34,733)	(6,237,519)	(117,965,387)
Net cash used in capital and related financing activities	(174,367,396)	(5,819,083)	(7,211,420)	(187,397,899)
Cash flows from investing activities:				
Interest and dividends received	8,680,384	73,520	195,485	8,949,389
Purchases of investments	(461,072,352)	—	(1,969,000)	(463,041,352)
Maturities of investments	455,056,164	—	844,000	455,900,164
Net cash provided by (used in) investing activities	2,664,196	73,520	(929,515)	1,808,201
Net decrease in cash and cash equivalents	(108,138,111)	(3,216,951)	(3,033,580)	(114,388,642)
Cash and cash equivalents – Beginning of year	406,539,386	5,748,606	16,906,729	429,194,721
Cash and cash equivalents – End of year	$ 298,401,275	$ 2,531,655	$ 13,873,149	$ 314,806,079

(Continued)

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year ended September 30, 2009

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Airport Hotel Fund	Total
Reconciliation of operating loss to net cash provided by operating activities:				
Operating loss	$ (67,895,716)	$ (8,195,304)	$ (690,132)	$ (76,781,152)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation expense	135,776,964	5,127,954	5,246,887	146,151,805
Decrease (increase) in accounts receivable	10,128,184	(60,974)	(82,241)	9,984,969
Increase (decrease) in due from/to other funds	(1,433,991)	1,007,171	(1,126,827)	(1,553,647)
(Increase) decrease in prepaids/deposits	(38,631)	4,951	(2,809)	(36,489)
Increase (decrease) in accounts payable	(7,301,272)	2,988,369	208,830	(4,104,073)
Decrease in accrued wages and benefits	(1,022,696)	(80,073)	—	(1,102,769)
Decrease in due to primary government	(330,004)	—	—	(330,004)
Decrease in deferred revenue	(429,514)	(25,470)	—	(454,984)
Decrease in net OPEB obligation	(1,487,572)	—	—	(1,487,572)
Increase (decrease) in other accrued liabilities	(3,195,942)	(162,142)	1,553,647	(1,804,437)
Total adjustments	130,665,526	8,799,786	5,797,487	145,262,799
Net cash provided by operating activities	$ 62,769,810	$ 604,482	$ 5,107,355	$ 68,481,647
Cash and investments at September 30, 2009 consist of:				
Cash and cash equivalents	$ 298,401,275	$ 2,531,655	$ 13,873,149	$ 314,806,079
Investments	290,093,788	—	1,969,000	292,062,788
Total cash and investments	$ 588,495,063	$ 2,531,655	$ 15,842,149	$ 606,868,867

Noncash operating activities:

- Loans due to Detroit Metropolitan Airport Fund from Willow Run Airport Fund of $6,262,881 were forgiven during fiscal year 2009

Noncash capital related financial activities:

- Capital assets: $363,982 of assets acquired through financing with an installment purchase contract; $981,898 of assets acquired through contributions from customers; $96,295 of assets transferred to Willow Run Airport Fund from Detroit Metropolitan Airport Fund
- The issuance of refunding bonds resulted in several noncash activities. The major components are as follows: $74.8 million of principal additions offset by $74.8 million of principal reductions; additional deferred refunding charges of $2.7 million; write-off of deferred refunding charge of $2.9 million.
- Interest expense of approximately $3.5 million was capitalized into capital assets during 2009.

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Fiduciary Net Assets

September 30, 2009

		Postemployment Health Benefits Trust Fund
Assets:		
Cash and investments - money market funds (note 4)	$	6,612,088
Net Assets:		
Held in trust for postemployment health benefits	$	6,612,088

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Changes in Fiduciary Net Assets

Year Ended September 30, 2009

		Postemployment Health Benefits Trust Fund
Additions:		
Investment income:		
Interest	$	12,200
Retirement contributions:		
Employer		3,500,000
Total additions		3,512,200
Deductions:		
Trustee fees		250
Changes in net assets		3,511,950
Net assets - Beginning of year		3,100,138
Net assets - End of year	$	6,612,088

See accompanying notes to basic financial statements.

(1) The Reporting Entity

The Wayne County Airport Authority (the Authority) is an independent public benefit agency and considered an agency of the Charter County of Wayne, Michigan (the County) for the purposes of federal and state laws, but is not subject to any County charter requirements or the direction or control of either the Wayne County Executive or Commission. Pursuant to Public Act 90 (the Authority Act), Michigan Public Acts of 2002 (effective March 26, 2002), the Authority has operational jurisdiction of the Detroit Metropolitan Wayne County Airport (Metro Airport), the Willow Run Airport, and the Airport Hotel, with the exclusive right, responsibility, and authority to occupy, operate, control, and use them. The financial statements of the Authority include the operations of Metro Airport, the Willow Run Airport, and the Airport Hotel, and the Authority is included in the County's Comprehensive Annual Financial Report (CAFR) as a discretely presented component unit, in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Reporting Entity*.

The Authority is directed and governed by a board consisting of seven members. The governor of the state appoints two members of the board, one member is appointed by the legislative body of the County that owns Metro Airport, and four members of the board are appointed by the chief executive officer of the County.

Metro Airport has airport use contracts with 15 airlines. These airlines, along with their affiliates, constitute approximately 98 percent of total landed weight in 2009. Metro Airport has agreements with various concessionaires (parking, food service, rental car agencies, etc.) for which Metro Airport pays a management fee or receives a commission.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The Authority reports the following major funds:

Detroit Metropolitan Airport Fund – This fund is used to account for the operations and maintenance of the Detroit Metropolitan Wayne County Airport.

Willow Run Airport Fund – This fund is used to account for the operations and maintenance of the Willow Run Airport.

Airport Hotel Fund – This fund is used to account for the activity associated with the funding, furnishing, and operations of an airport hotel at the McNamara Terminal at the Detroit Metropolitan Wayne County Airport.

The Authority reports the following fiduciary fund type:

Postemployment Health Benefits Trust Fund – This fund is used to account for the postemployment healthcare payments to qualified employees.

(b) Basis of Accounting and Measurement Focus

The financial statements of the Authority are presented on the accrual basis of accounting and are accounted for on the flow-of-economic-resources measurement focus; revenues are recorded when earned, and expenses are recorded as incurred.

As allowed by GASB Statement No. 20, 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 not to do so.

(c) Cash and 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.

(d) 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.

(e) Passenger Facility Charges

The Authority assesses passenger facility charges of $4.50 per passenger enplanement. The passenger facility charges are recorded as nonoperating revenues and may only be expended on capital and noncapital projects approved by the federal government. Passenger facility charges are recorded upon receipt from airlines on an accrual basis.

(f) Revenue Recognition

Operating revenues are recorded as revenues at the time services are rendered. Nonexchange 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.

(g) Net Assets

Equity is displayed in three components, as follows:

Invested in Capital, Net of Related Debt – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This consists of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. When both restricted and unrestricted resources are available for use, generally it is the Authority's policy to use restricted resources first and then unrestricted resources when they are needed.

Unrestricted – This consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The Airport Hotel Fund incurred an unrestricted deficit for the year ended September 30, 2009 of $1,237,333. This deficit is expected to be funded by the improvement in future operations.

(Continued)

(h) Classification of Revenues and Expenses

The Authority has classified its revenues and expenses as either operating or nonoperating 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.

Nonoperating – Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions that are defined as nonoperating 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.

(i) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

(j) 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 and 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 capital 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.

(k) Compensated Absences

The Authority’s 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 as a current “other accrued liability”.

(Continued)

Activity for the year ended September 30, 2009 was as follows:

Beginning balance	Increases	Decreases	Ending balance
$ 6,260,381	$ 2,986,629	$ (4,069,248)	$ 5,177,762

(l) Retirement Contributions and Other Post Employment Benefit Costs

Employer and employee contributions are recognized by the Wayne County Employees' Retirement System, which includes the Authority personnel, in the period in which the contributions are due. Prior service costs resulting from benefit improvements, plan amendments, actuarial gains or losses, and other reasons are generally reflected in contributions based upon a 20-year amortization period.

The Authority offers retiree health care benefits to retirees. The Authority receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. The Authority reports the full accrual cost equal to the current year required contribution, adjusted for interest and "adjustment to the ARC" on the beginning of year underpaid amount, if any.

(m) Accounts Receivable

Net receivables at September 30, 2009 consist of trade receivables incurred by customers during the normal course of business. The total allowance for uncollectible accounts at September 30, 2009 was $1,410,000, of which $1,360,000 was for the Detroit Metropolitan Airport Fund and $50,000 was for the Willow Run Airport Fund.

(n) Accounts Payable

Total payables at September 30, 2009 consist of payables due to vendors used during the normal course of business.

(o) Restricted Assets and Liabilities

Restricted assets consist of cash, investments, and accounts receivable that are legally restricted by third parties to certain uses. Capital program funds are restricted to pay the costs of certain capital projects as defined in various bond agreements. PFC program funds are restricted to pay the cost of FAA approved capital projects and any debt incurred to finance those projects. Debt service funds are restricted to make payments for principal and interest as required by the specific bond agreements. Operation and maintenance funds are restricted to pay for operations at Metro Airport as required by the bond ordinance. Public safety funds obtained from seizures are restricted to specified security or public safety uses.

Liabilities payable from restricted assets are the deferred revenue, accrued interest, and current portion of long-term debt associated with the purchase and construction of the capital projects funded by the restricted assets.

(p) Interfund Balances, Advances, and Transfers

The interfund balances resulted from (1) the time lag between the dates interfund goods and services are provided or reimbursable expenditures occur, (2) the time lag between the dates payment between funds is made, and (3) overdrafts by individual funds of its share of pooled cash. Noncurrent balances arising in connection with interfund loans are reported as advances. *Due from other funds* is an asset account used to record current portions of loans from one fund to another fund within the same reporting entity. Similarly, *due to other funds* is a liability account used to record current portions of debt owed by one fund to another fund within the same reporting entity.

Interfund transfers are used to transfer unrestricted resources from one reporting fund to another to fund operations.

Included in long-term receivables in the Detroit Metropolitan Airport Fund and in long-term accrued liabilities in the Airport Hotel Fund is an interfund balance of $1.5 million.

(q) Bond Issuance Costs

Bond issuance costs are amortized over the period the bond is outstanding, based on the ratio of debt outstanding to original debt issued. Accumulated amortization at September 30, 2009 is $12,444,719.

(r) Deferral of Gains and Losses on Refundings

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.

(s) Environmental Matters

Environmental accruals are calculated and recorded using an expected cash flow technique applied to probabilities, ranges, and assumptions developed in response to a potential remediation liability as based on current law and existing technologies. These accruals are evaluated periodically for changes due to additional assessment and remediation efforts, as well as more detailed legal or technical information. Environmental liabilities are included in the balance sheet as current and long-term “other accrued liabilities”.

In certain instances, environmental remediation costs cannot be reasonably estimated; however, the nature of the matters is disclosed in the notes to the financial statements as commitments and contingencies. As components of the remediation efforts are able to be projected, they are calculated using an expected cash flow technique and recorded accordingly.

(Continued)

(t) Self Insurance

During the year ended September 30, 2004, the Authority became self-insured 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 the department's regular biweekly payroll 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. Since September 30, 2004, there have been three losses that have exceeded the $50,000 retention wherein the insurer has been responsible for settlement and legal fees.

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 the department's regular biweekly payroll 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 million. Settled claims have not exceeded this commercial coverage in the past three years. The funds collected for health insurance are used to pay self-insured claims to Blue Cross, the primary health care provider, and premiums for Health Alliance Plan, dental, and life insurance. 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.

(Continued)

The liability for self-insurance claims has been recorded in the financial statements as a current "other accrued liability". A reconciliation of the Authority's self-insured claims liability at September 30, 2009 follows:

	Health insurance	Workers' compensation	Other claims	Total
Claims liability, September 30, 2007	$ 3,112,080	$ 2,158,026	$ 1,219,960	$ 6,490,066
Claims incurred during fiscal year 2008	13,078,760	1,629,710	818,094	15,526,564
Payments on claims	(12,986,310)	(527,629)	(429,565)	(13,943,504)
Establishment (reduction) of a reserve	256,334	(1,195,013)	(125,315)	(1,063,994)
Claims liability, September 30, 2008	3,460,864	2,065,094	1,483,174	7,009,132
Claims incurred during fiscal year 2009	16,261,022	1,680,455	711,995	18,653,472
Payments on claims	(16,084,922)	(493,881)	(320,365)	(16,899,168)
Establishment (reduction) of a reserve	1,635,484	(1,239,030)	(265,092)	131,362
Claims liability, September 30, 2009	$ 5,272,448	$ 2,012,638	$ 1,609,712	$ 8,894,798

(3) Major Customer

Northwest Airlines, Inc. (Northwest) accounts for approximately 30 percent of total Authority operating revenues for the year ended September 30, 2009, including 51 percent of landing and related fees, 72 percent of airline rental and related fees, and 78 percent of facility use fees. Approximately 52 percent of total 2009 enplanements are attributable to Northwest's operations. In the event that Northwest discontinues its operations, there are no assurances that another airline would replace its hub activities.

Existing operating agreements with all Signatory Airlines servicing the Authority require that all remaining airlines would continue to pay the net operating costs and debt service requirements of the Authority. The Authority had approximately $3.4 million in net receivables from Northwest at September 30, 2009.

The airlines serving the Airport have been impacted by global events and experienced an increase in costs and a decline in financial condition to varying degrees. Northwest, Delta, and Mesaba Airlines have filed bankruptcy reorganization in the past 4 years, yet all three have since emerged. During 2008, Northwest and Delta Airlines completed a merger of their two companies. This consolidation is expected to affect Detroit Metropolitan Airport positively as the new entity will continue utilizing Detroit as a hub and remains the primary carrier.

It is reasonable to assume that any additional financial or operational difficulties incurred by Northwest, the predominant airline servicing the Airport, could have a material adverse effect on the Airport. Any financial or operational difficulties by a Signatory Airline may, whether directly or indirectly, have a material adverse impact on Airport operations.

(Continued)

(4) Deposits and Investments

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 that 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 deposit, 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 that 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.

The Authority's cash and investments are subject to several types of risk, which are examined in more detail below.

Credit risk – In compliance with state law, the Authority's investment policy limits investments of commercial paper to the two top ratings issued by nationally recognized statistical rating organizations. As of year end, the credit quality ratings of investments (other than the U.S. government) are as follows:

Investment	Fair value	Rating	Organization
Primary government:			
Money market funds	$ 74,138,039	AAA	S&P
Commercial paper	127,795,116	A1+ – P1	S&P, Moody
Federal Home Loan Mortgage	10,013,072	AAA	S&P, Moody
Federal National Mortgage	4,989,622	AAA	S&P, Moody
Fiduciary fund:			
Money market funds	6,612,088	AAA	S&P

Custodial credit risk of bank deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Authority's investment policy requires that deposits over the $100,000 insured limit in a commercial bank shall not equal more than 25 percent of the combined capital and surplus of that bank, and that bank must meet the minimum standards of at least one standard rating service. At year end, the Authority had $44,391,413 of bank deposits (certificates of deposit, checking, and savings accounts) that were largely uninsured and uncollateralized. The Authority believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

Custodial credit risk of investments – Custodial credit risk is the risk that in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Authority's investment policy requires that all investments not purchased directly from an issuer must be held in the name of the Authority, be purchased using the delivery vs. payment procedure, and be held in third-party safekeeping. At year end, none of the Authority's investments was subject to custodial credit risk due to one of the following:

- lnvestments were held by a third-party safe-keeper in the Authority's name.
- lnvestments were held by the Authority's trustee in the Authority's name.
- Investments were part of a mutual fund.

Interest rate risk – Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Authority's investment policy addresses this risk by setting limits by investment fund type as follows:

Investment fund	Maturity maximum
General Pool	1 year
Bond Reserve	5 years
Bond Payment and Capital Interest Funds	1 business day prior to bond payment date
Construction Funds	Must match draw schedule or less

Note: All commercial paper is limited by state statute to 270 days maximum.

At year end, the average maturities of investments subject to interest rate risk are as follows:

	Fair value	Average maturity
Investments subject to risk:		
Primary government:		
General Fund:		
Federal Home Loan Mortgage	$ 10,013,072	5.5 months
Federal National Mortgage	4,989,622	4.5 months
Bond reserves:		
U.S. Treasuries	157,688,528	1.1 years
Long-term repo	3,629,278	12.2 years
Bond payment funds:		
U.S. Treasuries	81,466,061	58 days
Capital interest funds:		
2003 Construction:		
U.S. Treasuries	7,322,341	50 days
2005 Construction:		
U.S. Treasuries	2,999,730	58 days
2007 Construction:		
U.S. Treasuries	1,594,400	48 days
Construction funds:		
2007 Construction:		
Commercial paper	49,998,500	6 days
2009 Construction:		
Commercial paper	15,999,520	6 days
Other construction and operating:		
Commercial paper	50,997,420	9 days
U.S. Treasuries	16,050,091	8 days
Hotel:		
Commercial paper	10,799,676	6 days
U.S. Treasuries	2,555,770	2 months
Investments subject to risk	416,104,009	
Deposits/investments not subject to risk:		
Primary government:		
Deposits	116,626,819	
Money market funds	74,138,039	
Total primary government	606,868,867	
Fiduciary fund:		
Money market funds	6,612,088	
Total deposits and investments	$ 613,480,955	

Concentration of credit risk – Through its investment policy, the Authority places limits on the amount the Authority may invest in any one issuer, along with the minimal capital strength of those issuers. There are also limits as to use of specific types of instruments, along with limits upon use of a single institution. These limits are as follows:

Limits using capital strength test – Maximum investment is 25 percent of combined capital and surplus position of that financial institution.

Limits based upon use of specific instruments:

Investment type	Limit	Actual at year end
Bankers' acceptances	50%	—%
Repurchase agreements	25	0.6
Certificates of deposit (bank)	50	11.1
Certificates of deposit (S&L)	10	—
Money market funds	50	13.2
Commercial paper	60	20.8
U.S. government	100	46.4

Authority limits based upon use of a single issuer:

Investment type	Limit
Bankers' acceptances	25% of total portfolio
Repurchase agreements	10% of total portfolio
Certificates of deposit (bank)	33% of total portfolio
Certificates of deposit (S&L)	5% of total portfolio

Actual year-end investments in a single issuer exceeding 5 percent of total portfolio are as follows:

Issuer	Investment type	Fair value	Portfolio	Rating
General Electric	Commercial paper	$ 127,795,116	20.83%	A1+, P1

(5) Restricted Assets

In accordance with the terms of applicable ordinances, the Authority is required to restrict assets for various purposes. Net assets have been restricted related to certain of the restricted assets. A summary of the restricted assets at September 30, 2009 is as follows:

Operations and maintenance:		
Cash and investments	$	29,679,035
Accounts receivable		471,013
Total		30,150,048
Replacement and improvements:		
Cash and investments		979,093
Construction:		
Cash and investments		133,779,868
Accounts receivable		38,440
Total		133,818,308
Bond and interest redemption:		
Cash and investments		264,992,791
Accounts receivable		1,209,976
Total		266,202,767
Passenger facility charges:		
Cash and investments		93,599,099
Accounts receivable		6,524,525
Total		100,123,624
Drug enforcement:		
Cash and investments		1,538,570
Total restricted assets	$	532,812,410

(6) Capital Assets

Capital asset activity for the year ended September 30, 2009 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Detroit Metropolitan Airport Fund:				
Capital assets not being depreciated:				
Land	$ 173,813,063	$ 1,830,538	$ —	$ 175,643,601
Construction in progress	100,145,406	105,068,301	(140,208,265)	65,005,442
Total capital assets not being depreciated	273,958,469	106,898,839	(140,208,265)	240,649,043
Capital assets being depreciated:				
Buildings and improvements	1,825,391,473	115,289,997	(12,541,240)	1,928,140,230
Equipment	50,202,783	10,973,161	(2,425,201)	58,750,743
Infrastructure	1,105,264,002	14,297,064	—	1,119,561,066
Total capital assets being depreciated	2,980,858,258	140,560,222	(14,966,441)	3,106,452,039
Less accumulated depreciation for:				
Buildings and improvements	502,917,934	79,622,781	(11,469,104)	571,071,611
Equipment	36,610,726	4,037,273	(2,348,975)	38,299,024
Infrastructure	498,939,672	52,116,910	—	551,056,582
Total accumulated depreciation	1,038,468,332	135,776,964	(13,818,079)	1,160,427,217
Total capital assets being depreciated, net	1,942,389,926	4,783,258	(1,148,362)	1,946,024,822
Total Detroit Metropolitan Airport Fund capital assets, net	2,216,348,395	111,682,097	(141,356,627)	2,186,673,865

	Beginning balance	Increases	Decreases	Ending balance
Willow Run Airport Fund:				
Capital assets not being depreciated:				
Land	$ 13,726,984	$ 2,200,000	$ —	$ 15,926,984
Construction in progress	4,161,907	6,402,383	(10,272,510)	291,780
Total capital assets not being depreciated	17,888,891	8,602,383	(10,272,510)	16,218,764
Capital assets being depreciated:				
Buildings and improvements	4,820,973	2,910,799	—	7,731,772
Equipment	6,653,689	107,290	(151,650)	6,609,329
Infrastructure	101,290,977	7,343,711	—	108,634,688
Total capital assets being depreciated	112,765,639	10,361,800	(151,650)	122,975,789
Less accumulated depreciation for:				
Buildings and improvements	3,218,465	175,303	—	3,393,768
Equipment	3,937,182	446,682	(149,202)	4,234,662
Infrastructure	74,867,787	4,505,969	—	79,373,756
Total accumulated depreciation	82,023,434	5,127,954	(149,202)	87,002,186
Total capital assets being depreciated, net	30,742,205	5,233,846	(2,448)	35,973,603
Total Willow Run Airport Fund capital assets, net	48,631,096	13,836,229	(10,274,958)	52,192,367
Airport Hotel Fund:				
Capital assets being depreciated:				
Buildings and improvements	92,642,973	38,053	—	92,681,026
Equipment	577,317	—	—	577,317
Total capital assets being depreciated	93,220,290	38,053	—	93,258,343
Less accumulated depreciation for:				
Buildings and improvements	28,205,032	5,149,894	—	33,354,926
Equipment	240,137	96,993	—	337,130
Total accumulated depreciation	28,445,169	5,246,887	—	33,692,056
Total capital assets being depreciated, net	64,775,121	(5,208,834)	—	59,566,287
Total Airport Hotel Fund capital assets, net	64,775,121	(5,208,834)	—	59,566,287
Total Authority capital assets, net	$ 2,329,754,612	$ 120,309,492	$ (151,631,585)	$ 2,298,432,519

(7) Long-term Debt

The detail of long-term debt at September 30, 2009 is as follows:

Detroit Metropolitan Airport Fund:	
Airport Revenue Bonds:	
Series 1998A, 4.2% to 5.5%, due 12/1/2028	$ 732,905,000
Series 1998B, 4.1% to 5.25%, due 12/1/2013	17,970,000
Series 2002C, 3.0% to 5.375%, due 12/1/2020	25,785,000
Series 2002D, 5.0% to 5.5%, due 12/1/2019	64,660,000
Series 2005, 3.5% to 5.25%, due 12/1/2034	507,135,000
Series 2007A Jr. Lien, 4.85% to 5%, due 12/1/2037	180,390,000
Series 2007B, 4.0% to 5.0%, due 12/1/2028	119,390,000
Series 2008A, 4.0% to 5.75%, due 12/1/2032	139,705,000
Series 2008B, variable, current yield at 9/30/09, 0.6%, due 12/1/2033	201,250,000
Series 2008C, variable, current yield at 9/30/09, 0.37%, due 12/1/2033	85,965,000
Series 2008D, variable, current yield at 9/30/09, 0.3%, due 12/1/2021	37,175,000
Series 2008E, variable, current yield at 9/30/09, 0.47%, due 12/1/2016	37,065,000
Series 2008F, variable, current yield at 9/30/09, 0.36%, due 12/1/2016	37,105,000
Series 2009A, variable, current yield at 9/30/09, 2.0%, due 9/17/2031	2,000,000
Installment purchase contract, 5.625%, due 5/11/2011	3,775,000
Installment purchase contract, 4.33%, due 5/21/2023	3,837,850
Installment purchase contract, 3.7%, due 9/25/2015	258,379
Installment purchase contract, 3.54%, due 11/14/2014	322,123
Installment purchase contract, 4.05%, due 4/8/2018	345,284
Installment purchase contract, 5.31%, due 12/16/2013	315,337
Total Detroit Metropolitan Airport Fund	2,197,353,973
Willow Run Airport Fund:	
Notes payable – Washtenaw County, 0%, due 12/31/2019	199,625
Notes payable – University of Michigan, 8%, due 9/1/2013	419,873
Total Willow Run Airport Fund	619,498
Airport Hotel Fund:	
Airport Hotel Bonds:	
Series 2001A, 5.0% to 5.5%, due 12/1/2030	99,630,000
Series 2001B, 6.0% to 6.6%, due 12/1/2015	10,255,000
Other Hotel debt:	
Capital/FF&E Reserve Loan, 8%, due 11/15/2017	4,141,648
Working Capital Loan, 8%, due 11/15/2017	1,500,000
Total Airport Hotel Fund	115,526,648
Total Authority bonds payable and other debt	2,313,500,119

Add (less):	
Deferred amount on refunding	$ (32,988,441)
Certain bond discounts	(8,827,652)
Certain bond premiums	23,326,660
Total Authority bonds payable and other debt, net	2,295,010,686
Less current portion	68,069,722
Total Authority bonds payable and other debt, noncurrent	$ 2,226,940,964

The annual requirements to pay principal and interest on the Authority's debt outstanding at September 30, 2009 are summarized as follows:

	Principal					
	Airport revenue bonds	Installment purchase contracts	Willow Run debt	Airport hotel bonds	Other Hotel debt	Total
2010	$ 64,665,000	$ 2,245,693	$ 19,476	$ 765,000	$ 374,553	$ 68,069,722
2011	67,810,000	2,253,901	19,475	980,000	405,640	71,469,016
2012	74,455,000	400,464	19,475	1,200,000	439,308	76,514,247
2013	80,620,000	427,865	439,349	1,480,000	475,771	83,442,985
2014	84,390,000	393,186	19,476	1,645,000	515,259	86,962,921
2015 to 2019	452,970,000	1,654,320	97,378	12,260,000	3,431,117	470,412,815
2020 to 2024	465,310,000	1,478,544	4,869	26,505,000	—	493,298,413
2025 to 2029	539,120,000	—	—	42,460,000	—	581,580,000
2030 to 2034	281,380,000	—	—	22,590,000	—	303,970,000
2035 to 2038	77,780,000	—	—	—	—	77,780,000
Total	$ 2,188,500,000	$ 8,853,973	$ 619,498	$ 109,885,000	$ 5,641,648	$ 2,313,500,119

	Interest					
	Airport revenue bonds	Installment purchase contracts	Willow Run debt	Airport hotel bonds	Other Hotel debt	Total
2010	$ 99,386,085	$ 423,402	$ 38,044	$ 5,729,838	$ 437,796	$ 106,015,165
2011	96,342,467	301,313	38,044	5,676,370	406,708	102,764,902
2012	93,044,003	178,974	38,044	5,609,035	373,040	99,243,096
2013	89,421,755	161,208	38,044	5,522,995	336,578	95,480,580
2014	85,536,501	143,346	—	5,419,870	297,089	91,396,806
2015 to 2019	363,489,598	502,122	—	25,166,567	636,321	389,794,608
2020 to 2024	256,344,879	125,382	—	20,149,100	—	276,619,361
2025 to 2029	142,256,411	—	—	11,362,538	—	153,618,949
2030 to 2034	48,648,500	—	—	1,152,000	—	49,800,500
2035 to 2038	5,340,250	—	—	—	—	5,340,250
Total	$ 1,279,810,449	$ 1,835,747	$ 152,176	$ 85,788,313	$ 2,487,532	$ 1,370,074,217

Pursuant to the Authority Act, the Authority is liable for all of the obligations with respect to the Authority, with the exception of the County's pledge of its limited tax full faith and credit, subject to constitutional, statutory, and charter tax rate limitations, associated with the $110.9 million Airport Hotel Revenue Bonds, Series 2001A and 2001B, issued by the County. This includes all of the County's obligations on Outstanding Senior Lien Bonds and Junior Lien Bonds issued by the County under the County's Amended and Restated Master Airport Revenue Bond Ordinance No. 319 and its predecessor Ordinance 319, as amended and supplemented by various amending and supplemental ordinances adopted by the County, including the Series Ordinance adopted for each outstanding series of airport revenue bonds issued thereunder by the County (collectively, Ordinance 319). Pursuant to the Authority Act, the Authority is obligated to perform all of the duties, and is bound by all of the covenants, with respect to the Authority under any ordinances (including Ordinance 319), agreements, or other instruments and under law. Under the Authority Act, all airport revenue bonds issued by the Authority may be issued on a parity basis with the outstanding Senior Lien Bonds issued by the County under Ordinance 319 and additional bonds issued by the Authority under the Master Bond Ordinance, and secured by net revenues.

Net revenues (as defined in the various bond ordinances) of Metro Airport have been pledged toward the repayment of the Airport Revenue Bonds and the Installment Purchase Contracts.

The Airport Revenue Bond Ordinances require that Metro Airport restrict assets to provide for the operations, maintenance, and administrative expenses of the subsequent month, the redemption of bond principal and interest, and for other purposes as defined in those ordinances.

In August 1993, the County entered into a $445,801 note payable agreement to purchase the Packard Hangar, located at the Willow Run Airport, from the University of Michigan. The agreement calls for quarterly interest payments of $9,511 commencing on September 1, 1993. Principal payments on the note are required if revenue in excess of $60,000 is generated at the Packard Hangar site during any calendar year. In this situation, half of the revenue generated would be required to be paid to the University of Michigan. On September 1, 2013, any principal and interest remaining unpaid are due.

In November 1995, the County entered into agreements with Northwest to issue $84.3 million in Airport Special Facility Revenue Bonds, Series 1995 to retire Series 1985 bonds. All debt service costs will be paid by the airline through a trustee. The County and the Authority are not obligated in any manner to pay debt service in the event of default by Northwest. As these bonds are payable from special facility lease rentals payable in full by Northwest, the related debt has not been reflected in the financial statements of the Authority. An "Event of Default" has occurred as a result of the Northwest Airlines bankruptcy filing on September 14, 2005. The Series 1995 Bonds are no longer outstanding as a result of and pursuant to a settlement agreement among Northwest Airlines, its parent company NWA Corp., the trustee for the Series 1995 Bonds and the Authority, entered into in the Northwest Airlines bankruptcy, under which the trustee for the Series 1995 Bonds received, among other things, a $70,894,250 general unsecured claim against Northwest Airlines and NWA Corp. on account of the Series 1995 Bonds.

In June 1999, the County entered into agreements with Northwest to issue approximately $15.2 million in Airport Special Facility Revenue Bonds to finance the construction of an aircraft maintenance facility. All debt service costs will be paid by the airline through a trustee. The County and the Authority are not obligated in any manner to provide debt service in the event of default by Northwest. As these bonds are payable from special facility lease rentals payable in full by Northwest, the related debt has not been reflected in the financial statements of the Authority. An "Event of Default" has occurred as a result of the Northwest Airlines bankruptcy filing on September 14, 2005. Northwest Airlines has since emerged from bankruptcy and affirmed its obligation for the Series 1999 Special Facility Bonds and is no longer in default.

In March 2001, the County issued $110.9 million in Airport Hotel Revenue Bonds, Series 2001A and Series 2001B. The 2001A Bonds, $99.6 million, were issued for the purpose of paying the cost of acquiring, constructing, equipping, and furnishing an airport hotel (the Airport Hotel) and related improvements at the new McNamara Terminal of Metro Airport to be owned by the County. In addition, these bonds will pay capitalized interest and certain costs of issuance for this series. The 2001B Bonds, $11.3 million, were issued for the purpose of paying the County Credit Enhancement Fee, funding the Operation and Maintenance Reserve Fund, and paying capitalized interest and certain costs of issuance related to this series.

The Authority has pledged all net Airport Hotel revenues solely for the payment of the Bonds and the Parity Obligations, and a statutory first lien has been granted upon all net Airport Hotel revenues for such purpose. In addition, the County has pledged its limited tax full faith and credit as additional security for payment of the principal, premium, if any, and interest on the bonds, subject to constitutional, statutory, and charter tax rate limitations.

In August 2001, the County entered into an Installment Purchase Contract for $14.4 million to pay for energy conservation improvements at Metro Airport.

In December 2001, the County entered into a $292,133 note payable with Washtenaw County to allow Washtenaw County to use its Michigan Community Development Block Grant to assist Willow Run Airport in renovating Hangar I. The agreement calls for the principal to be paid in quarterly installments commencing March 31, 2005.

In July 2002, the County issued $102.5 million Charter County of Wayne Airport Revenue Refunding Bonds, Series 2002C and 2002D. The Series 2002C Refunding Bonds were issued to refund, on a current basis, at the earliest practicable date, the Series 1990B Bonds and the December 2002 principal amount due on the Series 1998B Bonds. The Series 2002D Refunding Bonds were issued to refund, on a current basis, at the earliest practicable date, the Series 1990A Bonds and the Series 1991B Bonds. The Series 2002 C&D Refunding Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The County defeased the Series 1990B Bonds, the Series 1990A Bonds, the Series 1991B Bonds, and the December 2002 principal amount due on the Series 1998B Bonds by placing the proceeds of the Series 2002C and 2002D Bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The Series 1990B, the Series 1990A, and the Series 1991B Bonds were subsequently called and paid in full in August 2002. The portion of the Series 1998B Bonds was subsequently called and paid in December 2002. The difference between the cash flows required to service the new debt and complete the refunding was approximately $15.3 million. The County estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $14.1 million.

In November 2002, the Authority entered into two debt agreements with Westin Management Company East (the Hotel Operator). Both loans were provided for in the Hotel Management and Operating agreement. The Capital/FF&E loan was for $5 million and is to be used solely for future capital improvements to the Airport Hotel. The Working Capital Loan was for $1.5 million and was used to provide initial working capital to operate the Airport Hotel. During 2007, the Capital/FF&E loan was renegotiated with the Hotel Operator and the outstanding interest payable at December 31, 2006 was rolled into the principal amount of the loan.

The net Airport Hotel revenues are pledged solely for the payment of the Airport Hotel Bonds and these loans, and a statutory first lien has been granted upon all net Airport Hotel revenues for such purpose.

In April 2005, the Authority issued $507 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include the North Terminal Redevelopment Project and the completion of the McNamara Terminal Phase II Project. The Series 2005A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

In June 2007, the Authority issued $180 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include the reconstruction and rehabilitation of airfield pavement, the design and construction of a centralized luggage screening facility with an in-line explosive detection system for both the McNamara and North Terminals, and improvements to parking facilities and roadways. The Series 2007A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport and available after net revenues have first been set aside as required to pay the principal and interest and redemption price, if any, of Senior Lien Bonds as provided in the Ordinance. The Series 2007A Bonds are “Junior Lien Bonds” under the Ordinance, and a statutory line subordinate to the prior lien in respect of Senior Lien Bonds has been established under the Ordinance upon and against the net revenues to secure the payment of the Series 2007A Bonds.

In September 2007, the Authority executed a Master Lease Purchase Agreement to finance up to $8 million in major equipment purchases over a three-year period. As of September 2009, the Authority has used $1,511,137 of this agreement and has entered into four Installment Purchase Contracts to pay for equipment at Metro Airport.

In November 2007, the Authority issued $119.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2007B. The Series 2007B Bonds were issued to refund a portion of the Series 1998B Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2007B Bonds are revenue obligations of the Authority payable solely from the new revenues derived by the Authority from the operation of Metro Airport.

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The Authority defeased a portion of the Series 1998B Bonds by placing the proceeds of the Series 2007B Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998B Bonds were subsequently called and paid in full in December 2008. The difference between the cash flows required to service the new debt and complete the refunding was approximately $6.3 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $7 million.

In May 2008, the Authority entered into an Installment Purchase Contract for $3,886,162 to pay for additional energy conservation improvements at Metro Airport.

During fiscal year 2008, disruption occurred in the auction rate and variable rate demand obligation markets, largely due to the credit rating downgrades of Bond Insurers, that significantly affected the Authority's variable rate hedged and unhedged debt program representing 25.74% of overall authority debt.

Beginning in April 2008, the following refunding actions were taken to mitigate the negative financial impact to Metro Airport including the elimination of all auction rate debt and replacing bond insurance with direct pay letters of credit for all variable rate debt.

In April 2008, the Authority issued $142.3 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008A. The Series 2008A Fixed Rate Refunding Bonds were issued to refund the Series 2002A Variable Rate Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2008A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The Authority defeased the Series 2002A Bonds by placing the proceeds of the Series 2008A Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2002A Bonds were subsequently called and paid in full in May 2008.

In June 2008, the Authority issued $330.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D. The Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2008B Refunding Bonds were issued to refund the Series 2003A-1 Bonds, 2003A-2 Bonds and a portion of 2003A-3 Bonds. The Series 2008C-1 Refunding Bonds were issued to refund the Series 2003B. The Series 2008C-2 Refunding Bonds were issued to refund the Series 2004 Bonds. The Series 2008C-3 Refunding Bonds were issued to refund a portion of the Series 2003A-3 Bonds. The Series 2008D Refunding Bonds were issued to refund the Series 2003C Bonds. The Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2003A-1 Bonds, Series 2003A-2 Bonds, Series 2003A-3 Bonds, Series 2003B Bonds, Series 2003C Bonds and Series 2004 Bonds by placing the proceeds of the Series 2008B, 2008C-1, 2008C-2, 2008C-3 and 2008D Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2003A-1 Bonds, Series 2003A-2 Bonds, Series 2003A-3 Bonds, Series 2003B Bonds, Series 2003C Bonds and Series 2004 Bonds were subsequently called and paid in full in July 2008 and August 2008.

The Series 2008B Bonds, Series 2008C-1 Bonds, Series 2008C-2 Bonds, Series 2008C-3 Bonds and Series 2008D Bonds are variable-rate bonds. The remarketing agent is responsible under an agreement with Metro Airport to establish the interest rate weekly. The interest rate is determined as the rate of interest which, in the judgment of the remarketing agent, would cause the Series 2008B Bonds, Series 2008C-1 Bonds, Series 2008C-2 Bonds, Series 2008C-3 Bonds and Series 2008D Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

As part of the refunding, the Authority continued the variable to fixed interest rate swap agreement resulting in a fixed coupon rate of 3.4825% for the Series 2008C-1 Bonds, a fixed coupon rate of 3.997% for the Series 2008C-2 Bonds and a fixed coupon rate of 3.4265% for the Series 2008D Bonds.

As of September 30, 2009, rates were as follows:

Interest rate	Term	2008C-1 rates	2008C-2 rates	2008D rates
Fixed payment to counterparties	Fixed	3.4825%	3.9970%	3.4265%
Variable rate from counterparties	Enh Lib	0.2463	0.2463	0.2463
Net interest rate swap payments		3.2362	3.7507	3.1802
Variable-rate bond payment	Market	0.3700	0.3700	0.3000
Synthetic interest rate on bonds		3.6062	4.1207	3.4802

Due to the current interest rate environment, the Swap at year end had a negative fair value of $2,611,084. Due to this negative fair value, the Authority was not exposed to a credit risk. However, should interest rates change and the fair value of the Swap become positive, the Authority would be exposed. The Counterparty, Goldman Sachs, has S&P ratings of A, Moody's ratings of Aa3, and Fitch ratings of A+ mitigating this risk.

In October 2008, the Authority issued $74.8 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008E and 2008F. The Series 2008E and 2008F Bonds were issued to refund certain outstanding indebtedness previously issued to refinance the cost of various capital projects at Metro Airport. The Series 2008E Refunding Bonds were issued to refund the Series 1996A Bonds. The Series 2008F Refunding Bonds were issued to refund the Series 1996B Bonds. The Series 2008E and 2008F Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 1996A and 1996B Bonds by placing the proceeds of the Series 2008E and 2008F Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1996A and 1996B Bonds were subsequently called and paid in full in October 2008 and December 2008.

The Series 2008E and 2008F Bonds are variable-rate bonds. The remarketing agent is responsible under an agreement with Metro Airport to establish the interest rate weekly. The interest rate is determined as the rate of interest which, in the judgment of the remarketing agent, would cause the Series 2008E and 2008F Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

As part of the refunding, the Authority continued the variable to fixed interest rate Swap agreement resulting in a fixed coupon rate of 5.1082% for both Series 2008E and 2008F Bonds.

As of September 30, 2009, rates were as follows:

Interest rate	Term	2008E rates	2008F rates
Fixed payment to counterparties	Fixed	5.1082%	5.1082%
Variable rate from counterparties	Enh Lib	0.2463	0.2463
Net interest rate swap payments		4.8619	4.8619
Variable-rate bond payment	Market	0.4700	0.3600
Synthetic interest rate on bonds		5.3319	5.2219

Due to the reduction of interest rates since the execution of the Swap, the Swap had a negative fair value of $4,644,081 as of September 30, 2009. Due to this negative fair value, the Authority was not exposed to a credit risk. However, should interest rates change and the fair value of the Swap become positive, the Authority would be exposed. The Counterparty, Goldman Sachs, has S&P ratings of A, Moody's ratings of Aa3, and Fitch ratings of A+ mitigating this risk.

The Series 2008C-1, 2008C-2, 2008D, 2008E, and 2008F Swap exposes the Authority to risk, which is addressed by the Authority Swap Management Plan. Swap (synthetic variable to fixed) borrowing is limited to 10% of the overall bond program. The following table identifies the Authority's plan for mitigating Swap risk.

Type of risk	Concern	Resolution
Counterparty risk	Default of counterparty	Counterparty is rated A by S&P and Aa3 by Moody's.
Tax risk	Federal marginal rates could decline, reducing tax-exempt advantage of underlying auction rate securities	Can terminate at Par in 2010 (Early Call provision)
Basis risk	Spread could widen, making Swap more expensive	(1) Enhanced LIBOR Index was chosen, protecting the Airport in both low- and high-interest environments (2) Can terminate at Par in 2010
Termination risk	Authority credit quality could deteriorate during a time when it would be very expensive for the Authority to get out of the Swap	(1) Solid financial performance of the Authority (2) Can terminate at Par in 2010

In September 2009, the Authority entered into an agreement with JP Morgan Chase for the bank to purchase for its own account, a single instrument revenue bond in an amount not to exceed $40 million to provide financing for certain airfield related projects. The Series 2009A Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operation of Metro Airport.

The bond is structured as a draw-down instrument, which will enable the Authority to draw down principal as needed to pay project costs, reducing interest expense to the Authority during the construction period. As of September 30, 2009, the Authority has drawn down principal of $2 million. The interest on the bond is a monthly variable rate based on the sum of 30-day LIBOR plus 275 basis points times 67 percent. The bond can be paid down not more than monthly upon expected receipt of $28 million in federal grant funds awarded to the Authority.

The Authority expects that the remaining balance of the bond after receipt of grant funds will be included with a future long-term borrowing required to fund some or all of the remaining projects authorized by the 2009 series ordinance.

The Authority capitalizes net financing costs during construction for debt issues specifically related to construction projects. During the year ended September 30, 2009, interest expense incurred on these debt issues totaled $111,245,459. For 2009, net financing costs capitalized were $3,472,146.

In July 2009, the Authority entered into a line of credit agreement with a maximum borrowing amount of $15 million. The borrowings charge interest at a rate equal to 100 basis points over LIBOR. The line of credit agreement expires in June 2010. There were no borrowings on this line during the year ended September 30, 2009.

Long-term debt activity for the year ended September 30, 2009 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Detroit Metropolitan Airport Fund:					
Airport Revenue Bonds	$ 2,231,195,000	$ 76,770,000	$ (119,465,000)	$ 2,188,500,000	$ 64,665,000
Installment Purchase Contracts	10,508,525	363,982	(2,018,534)	8,853,973	2,245,693
Less:					
Deferred amount on refunding	(35,535,139)	5,200,293	(2,653,595)	(32,988,441)	—
Certain bond discounts	(7,461,141)	598,325	—	(6,862,816)	—
Add:					
Certain bond premiums	25,001,708	—	(1,675,048)	23,326,660	—
Total Detroit Metropolitan Airport Fund	2,223,708,953	82,932,600	(125,812,177)	2,180,829,376	66,910,693
Willow Run Airport Fund:					
Notes payable	644,465	—	(24,967)	619,498	19,476
Total Willow Run Airport Fund	644,465	—	(24,967)	619,498	19,476
Airport Hotel Fund:					
Airport Hotel Bonds	110,475,000	—	(590,000)	109,885,000	765,000
Other Hotel debt	5,987,496	—	(345,848)	5,641,648	374,553
Less:					
Certain bond discounts	(2,093,598)	128,762	—	(1,964,836)	—
Total Airport Hotel Fund	114,368,898	128,762	(935,848)	113,561,812	1,139,553
Total long-term debt	$ 2,338,722,316	$ 83,061,362	$ (126,772,992)	$ 2,295,010,686	$ 68,069,722

(Continued)

Other long-term liability activity for the year ended September 30, 2009 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Detroit Metropolitan Airport Fund -					
Other accrued liabilities	$ 12,177,898	$ 113,562	$ (1,541,296)	$ 10,750,164	$ 1,166,402
Net OPEB liability	482,409	—	(482,409)	—	—
Willow Run Airport Fund -					
Advances from other funds	5,898,365	1,087,596	(6,985,961)	—	—
Other accrued liabilities	652,000	24,000	—	676,000	78,000
Airport Hotel Fund -					
Advances from other funds	1,126,827	426,820	(1,553,647)	—	—
Other accrued liabilities	—	1,553,647	—	1,553,647	—
Total other long-term liabilities	$ 20,337,499	$ 3,205,625	$ (10,563,313)	$ 12,979,811	$ 1,244,402

(8) Commitments and Contingencies

(a) Litigation

The Authority is a defendant in a number of lawsuits and claims that have resulted from the ordinary course of providing services. The ultimate effect on the Authority’s financial statements of the resolution of these matters is, in the opinion of the Authority’s counsel, not expected to be material.

(b) Construction

The estimated costs to complete Metro Airport’s current capital improvement program totaled $1.3 billion at September 30, 2009, which will be funded by previously issued and anticipated debt, federal grants, and passenger facility charges. Unexpended commitments on construction and professional services contracts in connection with Metro Airport’s program totaled $74 million at September 30, 2009.

The estimated costs to complete Willow Run Airport’s current capital improvement program totaled $158 million at September 30, 2009, which will be funded with federal and state grants. Unexpended commitments on construction and professional services contracts in connection with Willow Run Airport’s program totaled $4.2 million at September 30, 2009.

(c) Environmental Matters

Environmental accruals are calculated and recorded using an expected cash flow technique applied to probabilities, ranges, and assumptions developed in response to a potential remediation liability as based on current law and existing technologies. At September 30, 2009, the Authority had accrued obligations of $5.4 million for environmental remediation and restoration costs. This is management's best estimate of the costs with respect to environmental matters; however, these estimates contain inherent uncertainties primarily due to unknown conditions, changing regulations, and developing technologies. In accordance with GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, the liability has been recorded at the current value estimated using the expected cash flow technique, a probability-weighted approach. A significant portion (68%) of the recorded environmental liability is related to a consent decree and judgment issued during 1994 that identifies the Airport as one of the 14 responsible parties to the improvements to the Wayne County Downriver Sewage Disposal System (the System). Most of the remaining liability is for asbestos remediation estimates. See additional discussion on both below.

Downriver Sewage Disposal System

In 1994, the Environmental Protection Agency (EPA) and Michigan Department of Natural Resources (MDNR), through a federal court ruling, issued a mandate for environmental remediation of the System noting in their Financing Plan and Final Judgment RE: 1994 Court-Ordered Improvements, "Whereas, it is immediately necessary and imperative for the public health and welfare of the present and future residents of Wayne and the Downriver Communities that the improvements for the System required by the Consent Decree be planned, designed, acquired, constructed and financed to service the Downriver Communities."

The "Downriver Communities" listed as responsible parties to this decree included 13 communities as well as Metro Airport, which utilize the plant for water and sewage disposal. Total project costs were initially estimated at $230 million and financed by Wayne County (the County) through the issuance of bonds and additional State Revolving Fund (SRF) financing. Each responsible party is required to pay their allocated portion of principal and interest on the bonds and SRF bonds, as well as their portion of any subsequent debt issued to pay project costs. In August 2007, a series of completion bonds were issued to finance the estimated final costs of the project. Metro Airport has paid $5.1 million to the City of Romulus for prior year debt service as of September 30, 2009 and an additional $400 thousand to fund a bond reserve. The amounts recorded by the Authority for future debt service payments are believed to materially encompass the remaining obligation.

Asbestos Remediation

It is known that certain Metro Airport and Willow Run Airport buildings hold asbestos-containing materials (ACMs) that will need to be disposed of upon demolition of affected structures. While the pollutant is currently contained due to prior remediation efforts during the late 1980s and early 1990s, the environmental assessments have indicated that remediation will be necessary during the demolition of the affected buildings to ensure containment of the pollutants and proper disposal.

During 2009, the planned demolition of the Smith Terminal building, concourses, and observation deck was consolidated into one project slated to begin in 2011 with the removal of the hazardous material as the first action that will be taken as part of the overall project.

Preliminary assessments of the nature and extent of the material were performed by WCAA Environmental and have provided information to help develop estimated remediation costs expected over time. As of September 30, 2009, the Authority recorded asbestos-related liabilities of $985 thousand and $598 thousand at Detroit Metro and Willow Run Airports, respectively.

National Pollutant Discharge Elimination System Permit Violation

During 2006, the Authority entered into a plea agreement with the United States for a misdemeanor violation of a condition and limitation in a National Pollutant Discharge Elimination System (NPDES) Permit issued by the State of Michigan. This matter pertained to a 2001 failure to report a discharge of turbid and odorous storm water directly to the Frank and Poet Drain, a waterway that flows directly into the Detroit River, near Lake Erie. The sentence prescribed by the Federal Court includes a four-year probationary period ending in 2010 and the construction and use of a force main to connect Pond 3W at the Airport to sanitary sewer lines leading to the Detroit Water and Sewerage Department's (DWSD) treatment plant. The estimated cost of the project is $13.5 million and the Authority has incurred $4.3 million to date. The project is deemed complete upon approval by DWSD that the main can and will be operated in a manner consistent with all state and federal regulatory requirements.

Additional Remediation Matters

General Motors Corporation (GM) and the Airport Authority (as successor in interest to the Board of County Road Commissioners and the County of Wayne) are parties to a Lease of Land, dated October 11, 1985 (the "Lease"). Under the Lease, GM leases certain land at Willow Run Airport (the "Airport") upon which GM constructed and operates a water treatment plant, which it uses as an integral part of its operations of the GM transmission facility next to the Airport (the "GM Plant").

On June 1, 2009, GM filed for protection under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), and pursuant to the Bankruptcy Code, GM has the right to assume or reject the Lease. On July 5, 2009, the Bankruptcy Court authorized the sale of substantially all of GM's assets to NGMCO, Inc., a U.S. Treasury-sponsored purchaser (the "Purchaser"), and on July 10, 2009, the transfer of assets to the Purchaser occurred. GM's name now has been changed to "Motors Liquidation Company" and the Purchaser's name is now "General Motors Company".

The purchase agreement between GM and the Purchaser contemplates that the GM Plant will close on or around December 31, 2010. The Lease has been amended to extend the term to December 31, 2010, with an option to extend the term further for three (3) additional periods of one (1) month each.

GM has assigned the Lease to the Purchaser. Pursuant to the Assignment and Assumption document between GM and the Purchaser, GM assigned all of its right, title and interest in the Lease to the Purchaser, and the Purchaser accepted the assignment and assumed GM's obligations under the Lease, subject to the retention by GM of certain liabilities associated with the Lease. The liabilities to be retained by GM and not assumed by the Purchaser include, among other things, all liabilities for environmental contamination, at, under or emanating from the leased premises, all liabilities for cleanup of environmental contamination, and all liabilities for noncompliance with environmental laws. As such, once the property is returned to the Airport Authority and assuming GM is fully dissolved, to the extent there exists environmental remediation costs, these costs will be the responsibility of the Airport Authority.

Additional small environmental matters were identified during 2009, including site closure of several Willow Run fuel farms. The Authority recorded liabilities totaling $78 thousand for these items as of September 30, 2009.

(9) Employee Benefits

(a) Plan Description

The Authority provides retirement benefits to its employees through the Wayne County Employees' Retirement System (WCERS), a single-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 statements are also available on their website at www.wcers.org.

The Defined Benefit Plan consists of Plan Option 1, Plan Option 2, Plan Option 3, and Plan Option 5 (collectively, the Plan) and the Defined Contribution Plan, which consists of Plan Option 4 and Plan Option 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 Option 5), which contains both a defined benefit component and a defined contribution component. Participants in the plan options previously in existence (Plan Option 1, Plan Option 2, and Plan Option 3) could elect to transfer their account balances to Plan Option 5 between October 1, 2001 and June 30, 2002. New employees could elect to participate in Plan Option 4 through September 30, 2001. Effective October 1, 2001, only Plan Option 5 is available to new employees, except for new executives who may continue to elect participation in Plan Option 4; Plan Options 1, 2, and 3 are closed to new hires.

(b) Contributions

Participants in Plan Option 1 contribute 2.00 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 Option 2 do not make plan contributions, but receive a lower final benefit. Plan Option 3 participants make contributions of 3.0 percent of covered compensation and receive a lower final benefit. Participants in Plan Option 5 with 2 percent multiplier contribute 1 percent of pay; others make no member contributions.

The obligation to contribute and to maintain the Plan 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, 2009 were $3,114,227 and $51,038, respectively.

The following represents the Authority's annual pension costs as of September 30, 2009:

	Three-year trend information		
	Annual pension cost (APC)	**Percentage of APC contributed**	**Net pension obligation**
Year ended September 30:			
2007	$ 3,381,570	100%	$ —
2008	3,509,818	100	—
2009	3,114,227	100	—

(c) Pension Benefits

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 Option 1 – 2.65 percent for each year of service. Maximum Authority-financed portion is 75 percent of average final compensation (less workers' compensation payments). Minimum monthly pension is $5 times years of service.

Plan Option 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 Option 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. Maximum Authority-financed portion is 75 percent of average final compensation.

Plan Option 5 – 1.25 percent for each year up to 20 years and 1.5 percent for each year over 20 years. Maximum pension is 75 percent of average final compensation.

Death and disability benefits – The Plan also provides nonduty death and disability benefits to members after 10 years of credited service for Plan Options 1 and 5, along with nonduty disability for Plan Option 2 and nonduty death benefits for Plan Option 3. The 10-year service provision is waived for duty disability and death benefits for Plan Options 1 and 5 and duty disability for Plan Option 2.

(d) Wayne County Employees' Retirement System Defined Contribution Plan

The Wayne County Employees' Retirement System instituted a Defined Contribution Plan (Plan Option 4 and Plan Option 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 Option 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 Option 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 Option 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 Option 4 to new hires. Plan Option 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 2009 were $3,461,939 and $1,265,550, respectively.

(10) Other Postemployment Benefits

Wayne County Airport Authority Act 149 Health Care Fund

(a) ***Plan Description***

As provided for in the Authority Act, the Authority, through the County, provides hospitalization and other health insurance for retirees pursuant to agreements with various collective bargaining units or other actions of the Wayne County Board of Commissioners, the Wayne County Retirement Board, or the Authority Board. Benefits are provided to retirees under the age of 65 and their eligible dependents, and the cost of federal Medicare premiums and supplemental hospitalization is paid for retirees over 65 and their eligible dependents, as these costs are incurred by the retirees. The County also pays the cost of basic retiree life insurance, up to $5,000 per employee, on a pay-as-you-go basis. Currently, the plan has 627 members (including 529 Authority employees in active service and 98 retired Authority employees and beneficiaries currently receiving benefits who retired after September 1, 2002).

This is a single employer defined benefit plan administered by the County. The plan does not issue a separate stand-alone financial statement.

(b) ***Funding Policy***

In accordance with GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans* and GASB No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, the Authority created in September 2008 an Act 149 Health Care Trust. This trust provides a funding mechanism for post-2002 retiree health, dental and life insurance coverage and other postemployment benefits other than pensions. The Authority began funding the trust and fully implemented GASB Statements No. 43 and No. 45 in September 2008. Beginning in 2008, employees in Executive Service, GAA Executive, Local 502 and Local 3317 bargaining units are required to contribute 10 percent of the Blue Cross Blue Shield illustrative rate or 10 percent of the HAP premium. The Authority has no obligation to make contributions in advance of when the costs are incurred; however, the Authority's financial plan is to fund these obligations annually based upon the actuarial recommended contribution. Administrative costs of the trust are paid with employer contributions to the trust.

(c) ***Funding Progress***

For the year ended September 30, 2009, the Authority has estimated the cost of providing retiree health care benefits through an actuarial valuation as of October 1, 2007. The valuation computes an annual required contribution, which represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. This valuation's computed contribution and actual funding are summarized as follows:

Annual required contribution (recommended)	$	5,318,912
Interest on the prior year's net OPEB obligation		38,593
Less adjustment to the annual required contribution		-
Annual OPEB cost		5,357,505
Amounts contributed:		
Payments of current premiums		(3,345,077)
Advance funding		(3,500,000)
Decrease in net OPEB obligation		(1,487,572)
OPEB obligation - beginning of year		482,409
OPEB asset - end of year	$	(1,005,163)

The annual OPEB costs, the percentage contributed to the plan and the net OPEB obligation (asset) for the current and preceding year (first year of implementation was 2008) were as follows:

		Fiscal Year Ended September 30	
		2008	2009
Annual OPEB Costs	$	4,454,663	5,357,505
Percentage contributed		89.2%	127.8%
Net OPEB obligation (asset)	$	482,409	(1,005,153)

The funding progress of the plan as of the most recent valuation date is as follows:

Valuation as of October 1, 2007		
Actuarial value of assets	$	-
Actuarial accrued liability (AAL)	$	54,578,989
Unfunded AAL (UAAL)	$	54,578,989
Funded ratio		0.0%
Annual covered payroll		N/A
Ratio of UAAL to covered payroll		N/A

(d) ***Actuarial Methods and Assumptions***

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required as supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2007 actuarial valuation, the projected unit credit method was used. The actuarial assumptions included an 8 percent investment rate of return, which is the expected long-term investment return on plan assets, a projected 3 percent salary increase, and an annual healthcare cost trend rate of 9.5 percent initially, reduced to an ultimate rate of 5 percent after nine years. The UAAL is being amortized using the straight-line method (level percent of pay amortized annually) over 30 years.

Wayne County Health and Welfare Plan (Pre-2002)

(a) Plan Description

As provided for in the Authority Act, the Authority, through the County, provides hospitalization and other health insurance for retirees pursuant to agreements with various collective bargaining units or other actions of the Wayne County Board of Commissioners, the Wayne County Retirement Board, or the Authority Board. Benefits are provided to retirees under the age of 65 and their eligible dependents, and the cost of federal Medicare premiums and supplemental hospitalization is paid for retirees over 65 and their eligible dependents, as these costs are incurred by the retirees. The County also pays the cost of basic retiree life insurance, up to $5,000 per employee, on a pay-as-you-go basis. Currently, the plan has 4,327 members, which includes retirees for the County and the Authority who retired before September 1, 2002. The plan is closed to new members.

This is a cost-sharing, multiple-employer, defined benefit plan administered by the County. The plan does not issue a separate stand-alone financial statement.

(b) Funding Policy

The benefits of the plan are established by the various collective bargaining agreements. Employees are not required to contribute to the plan. The Authority is required to contribute 11.25 percent of incurred costs to the plan. The required and actual contributions for the current and preceding year (first year of implementation was 2008) were as follows:

		Fiscal Year Ended September 30	
		2008	2009
Required contribution	$	4,742,406	3,095,546
Actual contribution		4,742,406	3,095,546
% of required contribution made	$	100.0%	100.0%

(11) Subsequent Events

In November 2009, the Authority drew down an additional $7 million on the 2009A Series Bonds.

In January 2010, the Authority made a payment of $9 million on the 2009A Series Bonds. In addition, the not-to-exceed commitment on the 2009A Series Bonds was reduced from $40 million to $29 million.

On October 29, 2008, Delta Air Lines, Inc. (“Delta”) and Northwest Airlines, Inc. (“Northwest”) completed a merger transaction in which Northwest became a wholly owned subsidiary of Delta. After that date, the two airlines continued to operate legally as separate airlines with separate Federal Aviation Administration (“FAA”) operating certificates, but began the process of integrating the operations of the two air carriers. Effective December 31, 2009, the FAA issued a single operating certificate for the integrated airline, and on the same date Northwest legally merged into Delta, resulting in a single surviving corporation known as Delta Air Lines, Inc. As a result of the merger, by operation of law, Delta has succeeded to all of the rights and obligations of Northwest on all Northwest contracts and leases, including Northwest’s Airport Use and Lease Agreement with the Authority.

(12) Upcoming Reporting Change

The Governmental Accounting Standards Board has recently released Statement Number 53, *Accounting and Financial Reporting for Derivative Instruments*. The new pronouncement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions in the financial statements. The new rules will cause the financial statements to report a fair value for certain derivative investments that have in the past only been disclosed in the notes. This new requirement will change how the Authority reports its interest rate swap agreements in the financial statements. The new pronouncement is effective for the year ending September 30, 2010.

REQUIRED SUPPLEMENTARY INFORMATION

Wayne County Airport Authority Act 149 Health Care Fund

The schedule of funding progress is as follows (in millions):

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll
10/1/2006	$ -	$ 46.9	$ 46.9	0.0%	N/A	N/A
10/1/2007	$ -	$ 54.6	$ 54.6	0.0%	N/A	N/A

The schedule of employer contributions is as follows:

Year Ended September 30	Actual Valuation Date	Annual Required Contribution	Percentage Contributed
2008	10/1/2006	$ 4,454,663	89.2%
2009	10/1/2007	$ 5,357,505	127.8%

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of October 1, 2007 the latest actuarial valuation, follows:

Actuarial Cost Method	Projected Unit Credit
Amortization method	Level percent of pay amortized annually
Amortization period (perpetual)	30 years
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	3.00%

STATISTICAL SECTION
(UNAUDITED)

STATISTICAL SECTION

This section of the Wayne County Airport Authority's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Authority's overall financial health.

CONTENTS

Financial Trends – *Schedules S-1, S-2*

These schedules contain trend information to help the reader understand how the Authority's financial performance and well-being have changed over time.

Revenue Capacity – *Schedules S-2 to S-5*

These schedules contain information to help the reader assess the factors affecting the Authority's ability to generate revenue.

Debt Capacity – *Schedules S-6 to S-8*

These schedules present information to help the reader assess the affordability of the Authority's current levels of outstanding debt and the Authority's ability to issue additional debt in the future.

Demographic & Economic Information – *Schedules S-10 series*

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Authority's financial activities take place and to help make comparisons over time with other entities. In certain instances, due to the nature of the Authority's operations, 10 years of data may not be necessary for readers to understand the Authority's environment or to make comparisons with other entities. In these instances, less than 10 years of data may be presented.

Operating Information – *Schedules S-4, S-5, S-9, S-11, S-12*

These schedules contain information about the Authority's operations and resources to help the reader understand how the Authority's financial information relates to the services the Authority provides and the activities it performs. In the case of *S-11* and *S-12* , due to the nature of the Authority's operations, 10 years of data may not be necessary for readers to understand the Authority's environment or to make comparisons with other entities. In these instances, less than 10 years of data may be presented.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports of the relevant year. Schedules presenting historical data begin in 2002 when the Authority became a separate legal entity.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-1

Annual Revenues, Expenses and Changes in Net Assets

(Unaudited)

	2009	2008	2007	2006	2005	2004	2003	2002
Operating revenues:								
Airport landing and related fees	$ 60,059,740	84,607,837	59,512,753	60,738,124	73,872,334	89,178,691	82,583,060	81,393,972
Concession fees	48,424,882	51,851,089	50,242,144	47,350,937	44,496,491	42,569,958	41,654,131	36,672,705
Parking fees	49,911,261	58,682,741	58,858,882	53,026,292	46,003,468	38,842,280	32,806,472	29,857,939
Hotel	23,246,792	31,496,580	33,382,432	30,535,204	29,213,232	24,834,017	10,834,274	—
Rental facilities	90,110,146	53,748,737	53,145,882	48,582,712	46,009,056	39,266,093	40,225,929	32,819,038
Expense recoveries	4,535,773	4,721,175	4,249,853	3,729,632	3,821,869	3,484,448	2,937,840	7,218,512
Other	4,470,468	5,603,796	7,121,369	9,041,090	7,971,371	5,615,349	9,906,586	1,583,487
Total operating revenues	280,759,062	290,711,955	266,513,315	253,003,991	251,387,821	243,790,836	220,948,292	189,545,653
Nonoperating revenues:								
Passenger facility charges	59,711,453	68,202,594	70,754,074	67,831,365	70,694,871	67,901,716	63,370,379	61,055,997
Federal and state grants	1,089,499	2,192,613	5,962,547	12,110,868	15,673,226	10,065,228	8,478,808	6,318,972
Interest income and other	7,310,241	28,603,234	46,903,106	43,339,574	19,695,210	7,174,260	6,520,467	10,490,990
Total nonoperating revenues	68,111,193	98,998,441	123,619,727	123,281,807	106,063,307	85,141,204	78,369,654	77,865,959
Total revenues	348,870,255	389,710,396	390,133,042	376,285,798	357,451,128	328,932,040	299,317,946	267,411,612
Operating expenses:								
Salaries, wages, and fringe benefits	75,098,962	77,942,240	72,396,333	68,648,870	66,623,493	62,191,329	61,418,718	60,681,158
Parking management	7,082,235	8,905,534	10,325,232	9,754,453	10,647,259	9,726,476	15,757,657	15,594,154
Hotel management	18,693,537	23,032,852	24,054,417	22,271,550	21,870,313	19,671,787	12,687,714	—
Janitorial services	10,599,304	2,422,889	2,433,551	2,047,401	2,010,248	3,436,194	5,483,889	5,353,722
Security	2,657,120	2,757,886	3,433,065	3,501,437	3,462,682	3,324,401	3,770,824	3,524,907
Utilities	27,700,377	30,429,231	26,570,574	23,021,456	21,827,924	20,303,099	19,947,988	14,097,712
Repairs, professional services, and other	69,556,874	84,887,031	75,042,299	78,310,637	83,477,087	89,905,438	71,012,644	61,713,586
Depreciation	146,151,805	129,574,853	121,087,982	115,853,648	103,631,906	100,235,010	96,882,107	62,288,793
Total operating expenses	357,540,214	359,952,516	335,343,453	323,409,452	313,550,912	308,793,734	286,961,541	223,254,032
Nonoperating expenses:								
Interest expense	116,392,802	94,925,971	105,855,656	106,822,360	92,389,419	83,572,858	87,293,710	63,677,112
Loss on disposal of assets	1,104,513	6,214,429	317,452	42,544	—	—	—	—
Amortization of bond issuance costs	1,942,959	2,315,453	2,267,001	2,294,476	2,105,484	1,857,822	1,582,619	1,821,609
Total nonoperating expenses	119,440,274	103,455,853	108,440,109	109,159,380	94,494,903	85,430,680	88,876,329	65,498,721
Total expenses	476,980,488	463,408,369	443,783,562	432,568,832	408,045,815	394,224,414	375,837,870	288,752,753
Capital contributions	36,318,566	54,816,676	66,212,355	39,806,394	39,938,986	60,334,091	26,386,612	40,240,519
Change in net assets	$ (91,791,667)	(18,881,297)	12,561,835	(16,476,640)	(10,655,701)	(4,958,283)	(50,133,312)	18,899,378
Net assets at year end composed of:								
Invested in capital assets, net of related debt	100,801,003	170,385,938	131,815,887	180,192,710	235,042,203	369,007,593	439,424,598	485,901,921
Restricted	405,007,255	430,322,283	471,545,803	384,747,891	386,024,617	273,179,286	217,328,386	212,937,645
Unrestricted	40,853,475	37,745,179	53,973,007	79,832,261	99,185,995	88,721,637	79,113,815	87,160,545
Total net assets	$ 546,661,733	638,453,400	657,334,697	644,772,862 [1]	720,252,815	730,908,516	735,866,799	786,000,111

[1] In 2006, the Authority restated beginning net assets to $661,249,502. This amount less the 2006 decrease in net assets is used to arrive at ending net assets.

Note: GASB Statement 34 was implemented beginning in 2002 at the time the Airport was established as an authority.

Source: Audited Financial Statements of the Wayne County Airport Authority.

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-2

Principal Revenue Sources and Revenues per Enplaned Passenger

(Unaudited)

	2009	2008	2007	2006	2005	2004	2003	2002
Airline revenues:								
Airport landing and related fees	$ 60,059,740	84,607,837	59,512,753	60,738,124	73,872,334	89,178,691	82,583,060	81,249,265
Terminal building rentals and fees	67,703,125	28,972,704	28,621,629	26,992,072	25,831,713	24,992,399	26,155,830	20,197,400
Facility use fees	6,468,964	8,159,193	7,962,948	7,073,579	7,568,033	6,460,040	6,269,348	6,286,812
Total airline revenues	134,231,829	121,739,734	96,097,330	94,803,775	107,272,080	120,631,130	115,008,238	107,733,477
Percentage of total revenues	38.5%	31.2%	24.6%	25.2%	30.0%	36.7%	38.4%	40.3%
Non-Airline revenues:								
Parking fees	49,911,261	58,682,741	58,858,882	53,026,292	46,003,468	38,842,280	32,806,472	29,857,939
Concession fees	30,885,107	30,358,313	29,382,953	28,175,773	26,415,027	25,846,018	25,893,985	19,946,606
Car rental	17,539,775	21,492,776	20,859,191	19,175,164	18,081,464	16,723,940	15,760,146	16,210,970
Hotel	23,246,792	31,496,580	33,382,432	30,535,204	29,213,232	24,834,017	10,834,274	—
Employee shuttle bus	5,655,355	5,773,430	5,253,731	4,959,535	5,331,254	4,544,805	5,860,035	3,300,585
Ground transportation	6,510,045	7,055,550	7,394,349	5,911,719	4,134,289	1,110,046	504,500	409,044
Utility service fees	4,535,773	4,721,175	4,249,853	3,729,632	3,821,869	3,484,448	2,937,840	2,490,199
Rental facilities	3,772,657	3,787,860	3,913,225	3,645,807	3,143,767	2,819,528	1,940,716	3,127,795
Other	4,470,468	5,603,796	7,121,369	9,041,090	7,971,371	4,954,624	9,402,086	6,469,038
Total non-airline revenues	146,527,233	168,972,221	170,415,985	158,200,216	144,115,741	123,159,706	105,940,054	81,812,176
Percentage of total revenues	42.0%	43.4%	43.7%	42.0%	40.3%	37.4%	35.4%	30.6%
Nonoperating revenues:								
Passenger facility charges	59,711,453	68,202,594	70,754,074	67,831,365	70,694,871	67,901,716	63,370,379	61,055,997
Federal and state grants	1,089,499	2,192,613	5,962,547	12,110,868	15,673,226	10,065,228	8,478,808	6,318,972
Interest	7,310,241	28,082,306	45,948,105	43,328,283	19,194,846	7,174,260	6,520,467	10,490,990
Other	—	520,928	955,001	11,291	500,364	—	—	—
Total nonoperating revenues	68,111,193	98,998,441	123,619,727	123,281,807	106,063,307	85,141,204	78,369,654	77,865,959
Percentage of total revenues	19.5%	25.4%	31.7%	32.8%	29.7%	25.9%	26.2%	29.1%
Total revenues	$ 348,870,255	389,710,396	390,133,042	376,285,798	357,451,128	328,932,040	299,317,947	267,411,612
Enplaned passengers	15,941,132	17,831,231	18,108,090	17,799,932	18,286,282	17,316,780	16,278,233	15,592,557
Total revenue per enplaned passenger	$ 21.88	21.86	21.54	21.14	19.55	18.99	18.39	17.15
Airline revenue per enplaned passenger	8.42	6.83	5.31	5.33	5.87	6.97	7.07	6.91

Note: GASB Statement 34 was implemented beginning in 2002 at the time the Airport was established as an authority.

Source: Audited Financial Statements of the Wayne County Airport Authority.

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-3

Airlines Rates and Charges **

(Unaudited)

		2009	2008	2007	2006	2005	2004	2003	2002
Landing Fees:									
Signatory Airlines [1]	$	2.83	3.58	2.37	2.49	2.74	3.74	3.44	3.32
Non-Signatory Airlines [2]		3.39	3.79	3.01	4.21	3.97	4.64	4.08	4.13
General Aviation [3]		1.50	1.50	1.50	1.50	1.38	1.00	0.75	0.50
Facility Use Fees:									
South Terminal	$	5.00	4.50	4.50	4.50	4.50	4.50	4.50	4.50
North Terminal		5.00	—	—	—	—	—	—	—
Smith/Berry Terminals		—	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Terminal Rental Rates (per SF per year):									
Office Space – Airline	$	—	19.71	19.71	19.71	19.71	19.71	17.92	17.92
South Terminal - Signatory Airlines		52.00	—	—	—	—	—	—	—
South Terminal - Non-Signatory Airlines		60.00	—	—	—	—	—	—	—
Nouth Terminal - Signatory Airlines		61.00	—	—	—	—	—	—	—
Nouth Terminal - Non-Signatory Airlines		71.00	—	—	—	—	—	—	—
Cargo Building/Warehouse		8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.00
Aircraft Ramp		0.96	0.96	0.96	0.96	0.96	0.96	1.00	0.88
Unimproved Land		0.31	0.31	0.31	0.31	0.31	0.31	0.32	0.29
Electric		4.67	1.24	1.24	1.24	1.24	1.24	1.20	1.17

** The revenue bases to which these rates are applied and their principal payers can be found in Schedules S-2 and S-4.

[1] Calculated pursuant to the formulas set forth in the Airport Use and Lease Agreement. The agreement provides the calculation of the annual landing fee, with rate adjustments at mid-year, if required.

[2] Average billed rate per 1,000 lbs. MGLW.

[3] General aviation rates are charged at Willow Run Airport only and represent an average of the tiered rates applied per 1,000 lbs. MGLW.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-4

Airline Landed Weights

(in thousands of pounds)

(Unaudited)

Detroit Metropolitan Airport

Airline [1]	2009 Landed weights	2009 Share	2008 Landed weights	2008 Share	2007 Landed weights	2007 Share	2006 Landed weights	2006 Share
Northwest Airlines	10,785,072	51.3%	13,385,015	57.3%	14,592,777	59.9%	14,456,719	60.0%
Pinnacle	2,616,584	12.5	2,516,756	10.8	2,402,170	9.9	2,227,894	9.2
Mesaba	1,484,510	7.1	1,118,993	4.8	679,531	2.8	1,371,475	5.7
Southwest Airlines	706,040	3.4	833,750	3.6	883,222	3.6	656,164	2.7
Spirit Airlines	690,048	3.3	925,981	4.0	1,116,697	4.6	952,127	3.9
Northwest (Compass)	596,054	2.8	173,768	0.7	—	—	—	—
Delta Airlines	548,594	2.6	218,996	0.9	263,257	1.1	266,479	1.1
American Airlines	399,070	1.9	506,633	2.2	538,336	2.2	548,634	2.3
US Airways	377,506	1.8	397,966	1.7	435,733	1.8	393,666	1.6
Federal Express	374,202	1.8	477,212	2.0	525,479	2.2	482,405	2.0
AirTran Airways	240,496	1.1	240,128	1.0	302,472	1.2	237,816	1.0
Continental Airlines	233,049	1.1	254,628	1.1	259,645	1.1	276,009	1.1
Delta (Comair)	187,696	0.9	125,020	0.5	137,273	0.6	137,285	0.6
Lufthansa	174,062	0.8	243,753	1.0	229,272	0.9	150,863	0.6
United Parcel Service	171,687	0.8	195,473	0.8	204,976	0.8	211,295	0.9
United Airlines	161,068	0.8	317,477	1.4	339,795	1.4	335,201	1.4
American (American Eagle)	155,625	0.7	107,737	0.5	116,715	0.5	93,732	0.4
Frontier	140,742	0.7	147,774	0.6	152,353	0.6	116,166	0.5
Air France	122,641	0.6	114,617	0.5	116,552	0.5	119,720	0.5
Continental Express	76,524	0.4	85,836	0.4	93,465	0.4	96,004	0.4
KLM	74,970	0.4	80,214	0.3	—	—	—	—
Delta (Atlantic Southeast)	1,474	0.0	64,185	0.3	44,137	0.2	40,937	0.2
British Airways	—	—	107,202	0.5	209,479	0.9	118,431	0.5
United (Air Canada)	—	—	28,994	0.1	28,960	0.1	29,070	0.1
Aeromexico	—	—	9,432	0.0	—	—	—	—
Independence Air	—	—	—	—	—	—	16,262	0.1
American Trans Air	—	—	—	—	—	—	—	—
Trans World Airlines	—	—	—	—	—	—	—	—
Atlantic Coast Air	—	—	—	—	—	—	—	—
Other [2]	686,932	3.2	681,370	3.0	684,407	2.7	775,286	3.2
Total	21,004,646	100.0%	23,358,910	100.0%	24,356,703	100.0%	24,109,640	100.0%

[1] Signatory Affiliate Airlines are associated based on 2009 affiliations and shown in parenthesis to major carrier name.
All historical landed weights for these affiliates are shown on one line regardless of prior affiliations

[2] Includes airlines no longer serving Detroit Metro or carriers with insignificant activity.

Source: WCAA Finance Department Records

See accompanying independent auditors' report. (Continued)

Detroit Metropolitan Airport

2005		2004		2003		2002	
Landed weights	**Share**	**Landed weights**	**Share**	**Landed weights**	**Share**	**Landed weights**	**Share**
16,325,796	63.1%	16,476,839	65.1%	15,846,925	64.3%	16,133,390	65.1%
2,186,581	8.4	1,757,142	6.9	1,246,064	5.0	661,337	2.7
1,818,552	7.0	1,583,408	6.3	1,805,442	7.3	2,209,367	8.9
648,992	2.5	658,960	2.6	662,963	2.7	720,982	2.9
877,491	3.4	937,300	3.7	943,670	3.8	761,410	3.1
—	—	—	—	—	—	—	—
440,410	1.7	415,417	1.6	400,250	1.6	506,780	2.0
621,399	2.4	701,026	2.8	805,564	3.3	804,060	3.2
454,692	1.8	548,455	2.2	637,774	2.5	684,677	2.7
479,467	1.9	493,409	1.9	480,983	1.9	488,667	2.0
—	—	—	—	—	—	—	—
286,972	1.1	298,145	1.2	373,464	1.5	387,994	1.6
191,421	0.7	189,889	0.8	185,601	0.8	141,658	0.6
151,089	0.6	155,152	0.6	147,460	0.6	10,650	—
195,519	0.8	193,016	0.8	183,217	0.7	185,364	0.7
334,306	1.3	491,974	1.9	496,162	2.0	480,179	1.9
43,656	0.2	—	—	—	—	—	—
36,220	0.1	—	—	—	—	—	—
44,044	0.2	—	—	—	—	—	—
92,214	0.4	96,519	0.4	81,539	0.3	80,754	0.3
—	—	—	—	115,368	0.5	75,124	0.3
12,220	—	21,929	0.1	10,951	0.1	30,691	0.1
153,285	0.6	150,523	0.6	107,573	0.4	111,439	0.4
27,443	0.1	33,957	0.1	29,908	0.1	—	—
—	—	—	—	—	—	—	—
105,750	0.4	14,570	0.1	—	—	—	—
—	—	10,396	0.0	68,727	0.3	126,537	0.5
—	—	—	—	—	—	61,860	0.2
—	—	60,511	0.2	75,159	0.3	73,309	0.3
359,736	1.3	19,173	0.1	—	—	46,668	0.5
25,887,255	100.0%	25,307,710	100.0%	24,704,764	100.0%	24,782,897	100.0%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-5

Enplaned Passengers

(Unaudited)

Detroit Metropolitan Airport

Airline [1]	2009 Passenger enplanements	2009 Share	2008 Passenger enplanements	2008 Share	2007 Passenger enplanements	2007 Share	2006 Passenger enplanements	2006 Share
Domestic:								
AirTran Airways	219,085	1.37%	216,149	1.21%	239,410	1.32%	182,972	1.03%
America West	—	—	—	—	241,961	1.34	259,600	1.46
American (AA Eagle)	125,766	0.79	85,637	0.48	91,529	0.51	73,918	0.42
American Airlines	346,775	2.18	442,012	2.48	443,530	2.45	440,680	2.48
American Trans Air (ATA)	—	—	—	—	—	—	—	—
Champion Air	—	—	—	—	34,462	0.19	34,055	0.19
Continental (ExpressJet)	63,765	0.40	63,856	0.36	70,559	0.39	73,606	0.41
Continental Airlines	193,026	1.21	210,747	1.18	219,751	1.21	226,707	1.27
Delta (Atlantic Southeast)	1,289	0.01	58,351	0.33	37,242	0.21	32,646	0.18
Delta (Comair)	145,990	0.92	90,839	0.51	94,044	0.52	91,216	0.51
Delta (Shuttle America)	10,599	0.07	36,813	0.21	—	—	33,902	0.19
Delta Airlines	477,436	2.99	194,211	1.09	214,721	1.19	202,891	1.14
Frontier	117,396	0.74	126,580	0.71	121,456	0.67	91,097	0.51
Independence Air	—	—	—	—	—	—	13,445	0.08
Northwest (Compass)	439,785	2.76	144,644	0.81	—	—	—	—
Northwest (Mesaba Aviation)	1,042,785	6.54	811,681	4.55	457,948	2.53	900,785	5.06
Northwest (Pinnacle)	2,066,229	12.96	2,043,385	11.46	1,915,685	10.58	1,663,236	9.34
Northwest Airlines	7,417,354	46.53	9,361,314	52.50	10,110,087	55.83	10,005,038	56.21
Ryan International	—	—	—	—	—	—	372	—
Southwest Airlines	523,304	3.28	595,944	3.34	606,113	3.35	496,693	2.79
Spirit Airlines	591,150	3.71	802,424	4.50	933,029	5.15	781,652	4.39
Trans Meridian	—	—	—	—	—	—	—	—
Trans World Airlines	—	—	—	—	—	—	—	—
United (Atlantic Coast)	—	—	—	—	—	—	—	—
United (GoJet)	56,837	0.36	—	—	—	—	—	—
United (Mesa)	47,908	0.30	43,380	0.24	57,546	0.32	55,148	0.31
United (Skywest)	31,407	0.20	24,640	0.14	36,475	0.20	39,041	0.22
United Airlines	94,542	0.59	239,332	1.34	263,054	1.45	275,380	1.55
US Airways	313,774	1.97	331,934	1.86	100,860	0.56	56,900	0.32
US Airways (Air Wisconsin)	95,658	0.60	104,993	0.59	83,203	0.46	89,264	0.50
US Airways (Mesa)	22,640	0.14	47,464	0.27	—	—	—	—
US Airways (Piedmont)	—	—	—	—	—	—	—	—
US Airways (PSA)	15,747	0.10	38,059	0.21	17,035	0.09	66,631	0.37
US Airways (Republic)	74,785	0.47	23,992	0.13	—	—	—	—
USA 3000	19,823	0.12	79,304	0.44	67,516	0.37	66,277	0.37
Other [2]	67,536	0.43	53,443	0.31	124,106	0.68	68,660	0.40
Total Domestic	14,622,391	91.74	16,271,128	91.25	16,581,322	91.57	16,321,812	91.70
International:								
Aeromexico	2,053	0.01	5,942	0.03	—	—	—	—
Air Canada	5,956	0.04	13,678	0.08	13,085	0.07	14,899	0.08
Air France	55,233	0.35	45,947	0.26	48,355	0.27	50,466	0.28
Airtran	271	—	—	—	—	—	—	—
British Airways	—	—	20,491	0.11	47,472	0.26	55,403	0.31
Compass	26,608	0.17	—	—	—	—	—	—
KLM-Royal Dutch Airlines	40,196	0.25	41,753	0.23	—	—	—	—
Lufthansa	72,884	0.46	102,121	0.57	98,008	0.54	67,305	0.38
Mesaba Aviation	45,248	0.28	37,906	0.21	37,538	0.21	32,103	0.18
Northwest Airlines	1,009,773	6.33	1,204,927	6.76	1,174,843	6.49	1,138,025	6.39
Royal Jordanian Airlines	14,822	0.09	16,434	0.09	14,150	0.08	16,028	0.09
Spirit Airlines	16,928	0.11	19,464	0.11	20,146	0.11	16,671	0.09
US Airways	1,853	0.01						
Other [2]	26,916	0.16	51,440	0.30	73,171	0.40	87,220	0.50
Total International	1,318,741	8.26	1,560,103	8.75	1,526,768	8.43	1,478,120	8.30
Grand Total	15,941,132	100.00%	17,831,231	100.00%	18,108,090	100.00%	17,799,932	100.00%

[1] Signatory Affiliate Airlines are associated based on 2009 affiliations and shown in parenthesis to major carrier name.

All historical enplanements for these affiliates are shown on one line regardless of prior affiliations.

[2] Includes airlines no longer serving Detroit Metro or carriers with insignificant activity.

Source: WCAA Finance Department Records

See accompanying independent auditor's report. (Continued)

Detroit Metropolitan Airport

2005		2004		2003		2002	
Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share
—	—	—	—	—	—	—	—
267,776	1.46%	215,539	1.24%	217,906	1.34%	199,768	1.28%
32,203	0.18	—	—	—	—	—	—
471,863	2.58	446,589	2.58	497,564	3.06	475,390	3.05
—	—	8,027	0.05	39,887	0.25	48,937	0.31
31,283	0.17	31,195	0.18	35,235	0.22	80,880	0.52
62,265	0.34	63,440	0.37	52,790	0.32	49,349	0.32
226,260	1.24	234,109	1.35	259,989	1.60	290,999	1.87
8,316	0.05	4,867	0.03	5,324	0.03	16,689	0.11
108,322	0.59	103,012	0.59	115,244	0.71	97,492	0.63
4,385	0.02	—	—	—	—	—	—
312,881	1.71	286,970	1.66	260,560	1.60	270,906	1.74
28,184	0.15	—	—	—	—	—	—
74,496	0.41	6,378	0.04	—	—	—	—
—	—	—	—	—	—	—	—
1,108,615	6.06	973,875	5.62	1,032,906	6.35	1,149,931	7.37
1,477,582	8.08	1,201,651	6.94	798,915	4.91	415,887	2.67
10,602,457	57.98	10,367,894	59.87	9,691,220	59.53	9,440,793	60.55
—	—	11,400	0.07	1,037	0.01	528	—
461,535	2.52	449,778	2.60	414,123	2.54	442,169	2.84
793,510	4.34	854,526	4.93	873,055	5.36	664,250	4.26
25,488	0.14	14,958	0.09	—	—	—	—
—	—	—	—	—	—	27,932	0.18
—	—	44,199	0.26	56,463	0.35	50,636	0.32
—	—	—	—	—	—	—	—
70,388	0.38	—	—	—	—	—	—
11,609	0.06	—	—	—	—	—	—
266,825	1.46	354,429	2.05	340,115	2.09	322,979	2.07
91,892	0.50	193,798	1.12	224,041	1.37	262,968	1.69
748	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
53,283	0.29	—	—	—	—	—	—
—	—	—	—	—	—	—	—
52,788	0.29	34,099	0.20	432	—	—	—
113,467	0.64	14,149	0.06	335	—	19,373	0.11
16,758,421	91.64	15,914,882	91.90	14,917,141	91.64	14,327,856	91.89
—	—	—	—	—	—	—	—
13,921	0.08	13,746	0.08	13,996	0.09	17,285	0.11
19,174	0.10	—	—	—	—	—	—
—	—	1,684	0.01	20,928	0.13	47,633	0.31
59,658	0.33	59,507	0.34	51,600	0.32	51,164	0.33
—	—	—	—	—	—	—	—
—	—	—	—	60,897	0.37	42,444	0.27
70,372	0.38	74,608	0.43	70,087	0.43	63,576	0.41
36,362	0.20	22,787	0.13	16,987	0.10	19,369	0.12
1,199,496	6.56	1,100,843	6.36	1,037,952	6.38	973,201	6.24
14,581	0.08	10,369	0.06	6,220	0.04	3,398	0.02
—	—	—	—	1,276	0.01	—	—
114,297	0.63	118,354	0.69	81,149	0.49	46,631	0.30
1,527,861	8.36	1,401,898	8.10	1,361,092	8.36	1,264,701	8.11
18,286,282	100.00%	17,316,780	100.00%	16,278,233	100.00%	15,592,557	100.00%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-6

Debt Service Detail

(Unaudited)

Detroit Metropolitan and Willow Run Airports

		2009		2008		2007		2006	
		Principal	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**
Airport Revenue Bonds:									
Series 1990A	$	—	—	—	—	—	—	—	—
Series 1990B		—	—	—	—	—	—	—	—
Series 1991A		—	—	—	—	—	—	—	—
Series 1991B		—	—	—	—	—	—	—	—
Series 1993A		—	—	—	—	—	—	—	—
Series 1993B		—	—	—	—	—	—	—	—
Series 1993C		—	—	—	—	—	—	—	—
Series 1994A		2,975,000	29,131	3,020,000	204,352	3,070,000	381,627	3,120,000	558,111
Series 1994B		—	—	—	—	—	—	—	—
Series 1996A		39,710,000	—	3,300,000	3,026,299	3,100,000	2,258,438	3,000,000	2,398,779
Series 1996B		39,710,000	—	3,300,000	3,075,232	3,100,000	2,265,728	3,000,000	2,398,963
Series 1998A		20,280,000	37,614,200	19,195,000	38,719,655	18,195,000	39,756,688	17,275,000	40,692,075
Series 1998B		3,890,000	960,013	124,705,000	1,133,787	3,560,000	7,386,740	3,410,000	7,540,969
Series 2001 Jr. Lien		—	8,956,732	52,965,000	743,403	18,580,000	2,080,789	17,635,000	2,441,237
Series 2002A		—	—	141,720,000	843,758	—	5,285,612	—	4,710,152
Series 2002C		120,000	1,367,806	115,000	1,372,573	110,000	1,377,139	105,000	1,381,331
Series 2002D		3,630,000	3,487,750	3,435,000	3,676,619	3,270,000	3,855,513	1,035,000	4,007,631
Series 2003A-1		—	—	75,000,000	3,048,146	—	2,840,173	—	2,510,843
Series 2003A-2		—	—	75,000,000	2,859,421	—	2,838,896	—	2,533,444
Series 2003A-3		—	—	64,975,000	2,314,922	—	2,467,024	—	2,182,817
Series 2003B		—	—	65,000,000	2,440,830	3,450,000	2,354,989	3,125,000	2,472,482
Series 2003C		—	—	44,375,000	1,594,832	3,425,000	1,506,226	3,150,000	1,615,689
Series 2004		—	—	10,800,000	465,882	400,000	439,732	375,000	453,099
Series 2005		—	25,718,425	—	25,718,425	—	25,718,425	—	26,861,465
Series 2007A Jr. Lien		—	—	—	8,920,544	—	2,549,050	—	—
Series 2007B		—	5,742,850	—	5,152,612	—	—	—	—
Series 2008A		2,580,000	7,796,648	—	2,994,129	—	—	—	—
Series 2008B		—	2,884,226	—	1,323,247	—	—	—	—
Series 2008C		3,470,000	3,629,604	—	980,225	—	—	—	—
Series 2008D		2,500,000	1,708,255	—	495,441	—	—	—	—
Series 2008E		300,000	2,317,172	—	—	—	—	—	—
Series 2008F		300,000	2,280,328	—	—	—	—	—	—
Series 2009A		—	1,559	—	—	—	—	—	—
Installment Purchase Contracts		2,018,534	490,406	1,724,791	452,981	1,540,000	455,531	1,495,000	540,680
Willow Run Notes Payable:		—	—						
Washtenaw County		19,475	—	19,475	—	19,476	—	19,476	—
University of Michigan		5,492	34,733	7,162	33,064	5,352	34,872	3,931	36,294
Less: Bond Refundings [2]		(74,770,000)	—	(590,355,000)	—	—	—	—	—
Totals	$	46,738,501	105,019,838	98,301,428	111,590,379	61,824,828	105,853,192	56,748,407	105,336,061

Airport Hotel

		2009		2008		2007		2006	
		Principal	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**
Airport Hotel Bonds:									
Series 2001A	$	—	5,089,375	—	5,089,375	—	5,089,375	—	5,089,375
Series 2001B		590,000	669,745	210,000	701,590	135,000	713,440	100,000	721,190
Other Hotel Debt:									
Capital/FF&E Reserve Loan		345,848	346,501	319,342	373,006	223,341	361,738	—	482,131
Working Capital Loan		—	120,000	—	120,000	—	120,467	—	126,067
Totals	$	935,848	6,225,621	529,342	6,283,971	358,341	6,285,020	100,000	6,418,763

[1] Interest does not include adjustments for capitalized interest, amortization of issuance costs, discount, premium, or refunding costs, and arbitrage.

[2] Amount of debt service paid through issuance of refunding bonds.

Source: WCAA Finance Department Records

See accompanying independent auditor's report. (Continued)

Detroit Metropolitan and Willow Run Airports

2005		2004		2003		2002	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	—	—	—	—	—	41,815,000	1,937,341
—	—	—	—	—	—	24,830,000	993,200
—	—	—	—	—	—	945,000	10,080
—	—	—	—	—	—	36,605,000	1,619,193
—	—	11,340,000	99,362	545,000	600,484	520,000	626,045
—	—	63,110,000	562,305	1,930,000	3,389,104	1,845,000	3,479,645
—	—	54,690,000	469,965	2,535,000	2,839,220	1,465,000	2,947,382
3,165,000	734,288	3,215,000	909,872	4,245,000	1,093,737	4,175,000	1,319,525
11,260,000	58,337	265,000	686,444	255,000	701,281	240,000	715,254
2,800,000	2,575,422	2,700,000	2,844,177	2,500,000	3,021,847	2,400,000	3,219,432
2,800,000	2,572,463	2,700,000	2,834,116	2,500,000	3,004,723	2,400,000	3,199,812
16,415,000	41,574,274	15,670,000	42,370,697	15,020,000	43,037,345	—	43,563,045
3,265,000	7,686,289	3,130,000	7,823,442	390,000	7,897,963	2,615,000	8,054,241
18,200,000	1,978,673	17,300,000	1,166,125	17,220,000	1,577,534	—	2,198,957
—	3,090,894	—	1,519,173	—	1,277,561	—	1,255,096
100,000	1,384,456	100,000	1,387,456	—	1,390,138	—	254,644
—	4,052,913	—	4,052,913	—	4,053,441	—	742,506
—	1,614,219	—	663,417	—	—	—	—
—	1,620,687	—	662,635	—	—	—	—
—	1,437,901	—	619,013	—	—	—	—
3,475,000	2,600,251	—	2,125,829	—	—	—	—
3,350,000	1,735,027	—	1,439,799	—	—	—	—
—	398,552	—	—	—	—	—	—
—	10,858,891	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—
1,395,000	621,493	1,300,000	696,843	1,270,000	769,708	270,000	865,670
14,606	—	—	—	—	—	—	—
3,460	36,767	531	39,693	—	40,223	—	77,222
(10,980,000)	—	(123,890,000)	—	—	—	(104,015,000)	—
55,263,066	86,631,797	51,630,531	72,973,276	48,410,000	74,694,309	16,110,000	77,078,290

Airport Hotel

2005		2004		2003		2002	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	5,089,375	—	5,089,375	—	5,089,375	—	6,785,833
—	726,190	—	726,190	—	726,190	—	968,253
—	358,049	—	431,945	—	364,363	—	—
—	126,333	—	125,733	—	105,000	—	—
—	6,299,947	—	6,373,243	—	6,284,928	—	7,754,086

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-7

Revenue Coverage

(Unaudited)

	2009	2008	2007	2006	2005	2004	2003	2002
Detroit Metro and Willow Run Airports								
Net revenues:								
Operating revenues	$ 257,512,270	259,215,375	233,130,883	222,468,787	222,174,589	218,956,819	210,114,018	189,545,653
Interest income and other	7,143,858	28,101,968	46,264,411	42,905,863	19,469,004	7,075,748	6,231,047	8,289,769
Federal and state grants	1,089,499	2,192,613	5,962,547	12,110,868	15,673,226	10,065,228	8,478,808	6,318,972
Passenger facility charges	59,711,453	68,202,594	70,754,074	67,831,365	70,694,871	67,901,716	63,370,379	61,055,997
Total revenues	325,457,080	357,712,550	356,111,915	345,316,883	328,011,690	303,999,511	288,194,252	265,210,391
Less operating expenses, not including depreciation	(192,698,372)	(207,318,908)	(190,201,421)	(185,283,254)	(187,799,946)	(188,883,437)	(177,391,720)	(160,965,239)
Net revenues	132,758,708	150,393,642	165,910,494	160,033,629	140,211,744	115,116,074	110,802,532	104,245,152
Net debt service:								
Principal [3]	46,738,501	98,301,428	61,824,828	56,748,407	55,263,066	51,630,531	48,410,000	16,110,000
Interest [1]	105,019,840	111,590,379	105,853,192	105,336,061	86,631,797	72,973,276	74,694,309	77,078,290
Net debt service	151,758,341	209,891,807	167,678,020	162,084,468	141,894,863	124,603,807	123,104,309	93,188,290
Debt Service Coverage [2]	0.87	0.72	0.99	0.99	0.99	0.92	0.90	1.12
Pledged Revenue Coverage – Airport Hotel								
Net revenues:								
Operating revenues	23,246,792	31,496,580	33,382,432	30,535,204	29,213,232	24,834,017	10,834,274	—
Interest income	166,383	501,266	638,695	433,711	226,206	98,512	289,420	2,201,221
Total revenues	23,413,175	31,997,846	34,021,127	30,968,915	29,439,438	24,932,529	11,123,694	2,201,221
Less operating expenses, not including depreciation	(18,690,037)	(23,058,755)	(24,054,050)	(22,272,550)	(22,119,060)	(19,675,287)	(12,687,714)	—
Net revenues	4,723,138	8,939,091	9,967,077	8,696,365	7,320,378	5,257,242	(1,564,020)	2,201,221
Net debt service:								
Principal	935,848	529,342	358,341	100,000	—	—	—	—
Interest [1]	6,225,621	6,283,971	6,285,020	6,418,763	6,299,947	6,373,243	6,284,928	7,754,086
Net debt service	7,161,469	6,813,313	6,643,361	6,518,763	6,299,947	6,373,243	6,284,928	7,754,086
Debt Service Coverage [2]	0.66	1.31	1.50	1.33	1.16	0.82	(0.25)	n/a
Combined net debt service:								
Principal	47,674,349	98,830,770	62,183,169	56,848,407	55,263,066	51,630,531	48,410,000	16,110,000
Interest [1]	111,245,461	117,874,350	112,138,212	111,754,824	92,931,744	79,346,519	80,979,237	84,832,376
Total combined net debt service	$ 158,919,810	216,705,120	174,321,381	168,603,231	148,194,810	130,977,050	129,389,237	100,942,376

Notes: The Authority has pledged all net Airport Hotel revenues solely for the payment of the Bonds and the Parity Obligations, and a statutory first lien has been granted upon all net Airport Hotel Revenues for such purpose. In addition, the County has pledged its limited ta: full faith and credit as additional security for payment of the principal, premium, if any, and interest on the Bonds, subject to constitutiona statutory, and charter tax rate limitations

[1] Interest does not include adjustments for capitalized interest, amortization of issuance costs, discount, premium, or refunding costs, and arbitrage.

[2] Coverage calculations presented in this schedule differ from those required by the Master Bond Ordinance and all series ordinances as shown in the Continuing Disclosures.

[3] Principal payments do not include bond refunding payoffs

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-8

Ratios of Outstanding Debt

(Unaudited)

Outstanding Debt per Enplaned Passenger		**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**	**2002**
Outstanding debt by type: [1]									
Airport revenue bonds	$	2,188,500,000	2,231,195,000	2,326,065,000	2,205,935,000	2,261,165,000	1,807,285,000	1,637,180,000	1,684,320,000
Installment purchase contracts		8,853,973	10,508,525	7,532,539	8,740,000	10,235,000	11,630,000	12,930,000	14,200,000
Willow Run notes payable		619,498	644,465	671,102	695,930	719,337	737,403	—	—
Airport hotel bonds		109,885,000	110,475,000	110,685,000	110,820,000	110,920,000	110,920,000	110,920,000	110,920,000
Other hotel debt		5,641,648	5,987,496	6,306,838	6,500,000	6,500,000	6,500,000	6,500,000	—
Total outstanding debt	$	2,313,500,119	2,358,810,486	2,451,260,479	2,332,690,930	2,389,539,337	1,937,072,403	1,767,530,000	1,809,440,000
Enplaned passengers		15,941,132	17,831,231	18,108,090	17,799,932	18,286,282	17,316,780	16,278,233	15,592,557
Outstanding debt per enplaned passenger	$	145.13	132.29	135.37	131.05	130.67	111.86	108.58	116.05

Combined net debt service per enplaned passenger									
Combined net debt service [2]	$	158,919,810	216,705,120	174,321,381	168,603,231	148,194,810	130,977,050	129,389,237	100,942,376
Enplaned passengers		15,941,132	17,831,231	18,108,090	17,799,932	18,286,282	17,316,780	16,278,233	15,592,557
Net debt service per enplaned passenger	$	9.97	12.15	9.63	9.47	8.10	7.56	7.95	6.47

[1] Outstanding Debt amounts do not include refundings, discounts, or premiums.

[2] Combined Net Debt Service does not include adjustments for capitalized interest, amortization of issuance costs, discount, premium, or refunding costs, and arbitrage.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-9

Authority Employees

Last Seven Fiscal Years **

(Unaudited)

	Authority Full-Time Positions *						
	2009	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**
Administration	15	18	20	20	20	20	19
Internal Audit	2	3	3	3	2	2	2
Legal	5	7	7	7	7	7	7
North Terminal Development Team	—	4	6	6	5	9	1
Finance	31	36	37	37	36	32	29
Information Technology/Telecommunications	14	14	16	13	7	7	6
Procurement & Compliance	20	25	25	24	21	19	14
Human Resources	14	15	15	15	18	22	17
Maintenance/Facilities	203	223	228	228	238	239	240
Airfield Operations	44	47	47	46	49	48	45
Public Safety	207	247	248	241	270	270	270
Planning & Development	16	14	15	15	22	22	17
Business Development	37	52	56	54	44	49	38
Willow	11	27	27	27	23	23	26
Central Communications [1]	—	—	—	8	27	28	29
Totals	619	732	750	744	789	797	760

* Represents both filled and budget-approved full-time positions as of each fiscal year end. Headcount actuals are lower due to employee turnover and amount of available positions at different times during the year.

** This schedule shows seven years of employee data as the Authority was still a part of Wayne County for a large part of fiscal year 2002 and thus employee levels are not comparative.

[1] As of 10/1/2007, staff were reallocated to other divisions at the Authority or returned to Wayne County.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

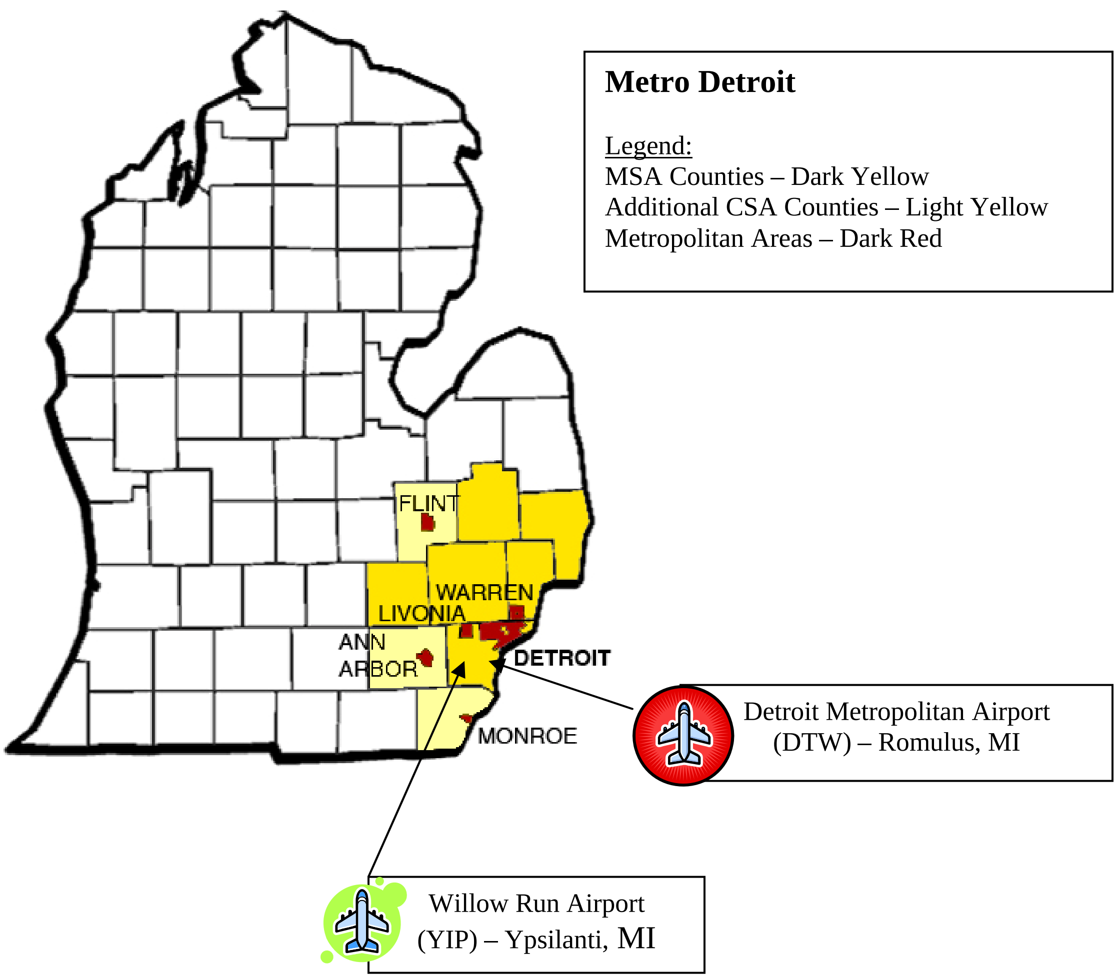
Exhibit S-10: Demographic and Economic Information

Wayne County Airport Authority (the Authority) is a regional entity that spans multiple jurisdictions. The Authority has operational jurisdiction of Detroit Metropolitan Wayne County Airport (DTW) and Willow Run Airport (YIP), as well as an Airport Hotel.

Detroit Metropolitan Wayne County Airport is a major commercial airport located in Romulus, Michigan classified a large hub by the FAA with 1% or more of total U.S. passengers enplaned. As of 2008, Detroit Metro Airport is the eleventh busiest airport in the United States and the fifteenth busiest airport in the world. Nearby to DTW is the smaller non-commercial airport Willow Run that serves freight, corporate, and general aviation clients. Together, these airports serve a Primary Air Trade Area commonly referred to as Metropolitan Detroit (Metro Detroit).

The United States Office of Management and Budget (OMB) defines the six counties of Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne the *Detroit-Warren-Livonia Metropolitan Statistical Area (MSA)*. Further, the larger OMB designated *Detroit-Warren-Flint Combined Statistical Area (CSA)* incorporates both the above MSA and the metropolitan areas of Flint, Ann Arbor, and Monroe. This area is defined based on commuting patterns and results in the nine-county labor market region of Metro Detroit with a population of 5.4 million as of the 2000 census.

Detroit Metro Airport also serves the Toledo, Ohio, area, which is located approximately 47 miles south of the airport, and the city of Windsor, Ontario in nearby Canada. The Total Air Trade Area incorporates these regions along with the Primary Air Trade Area of Metro Detroit.



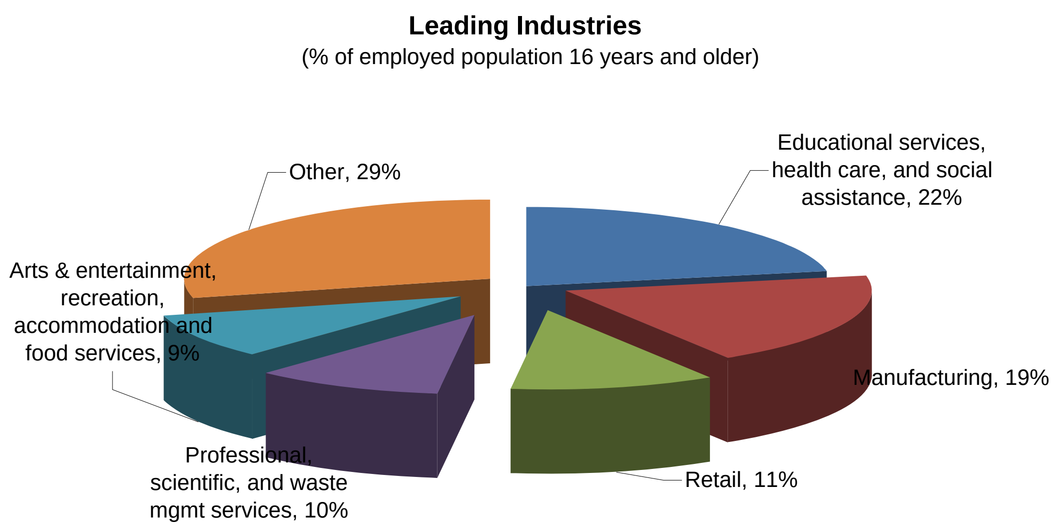
WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-10 A

Selected Demographic and Economic Information for the Primary Air Trade Area

(Unaudited)

Population (2008) Est.	5,390,157
Population (2000)	5,357,538
Population (1990)	5,095,695
Percentage Increase in Population - 2000 to 2008	0.6%
Percentage Female	51.1%
Percentage Male	48.9%
Personal Income (millions) (2008) Prelim.	$207,881
Percent of U.S. Total	1.7%
Per Capita Personal Income (2007)	$38,113
Per Capita Personal Income (2007) - U.S.	$38,615
Unemployment Rate (2009 September) Prelim.	16.5%
Unemployment Rate (2008 Annual)	8.7%
Unemployment Rate (2007 Annual)	7.4%
Total Households (millions)	2.0
Average Household Size (people)	2.6



Sources: U.S. Census Bureau, U.S. Bureau of Economic Analysis, and Bureau of Labor Statistics

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-10 B

Principal Employers in Primary Air Trade Area

(Unaudited)

Employer	City	Metro Employees 2009 *	Metro Employees 2008 *	Percentage (%) change	Type of business
Ford Motor Co.	Dearborn	44,000	45,000	(2.2)%	Automobile Manufacturer
University of Michigan	Ann Arbor	26,433	25,699	2.9	Public University & Health Care System
General Motors Corp.	Detroit	20,800	40,142	(48.2)	Automobile Manufacturer
Chrysler L.L.C.	Auburn Hills	19,882	29,205	(31.9)	Automotive Manufacturer
Henry Ford Health System	Detroit	18,282	16,542	10.5	Health Care System
U.S. Government	Detroit	16,694	15,617	6.9	Federal Government
Beaumont Hospitals	Royal Oak	15,275	16,432	(7.0)	Hospital
Detroit Public Schools	Detroit	13,750	15,904	(13.5)	Public School System
City of Detroit	Detroit	13,187	13,352	(1.2)	City Government
U.S. Postal Service	Detroit	12,800	15,701	(18.5)	Postal Service
St. John Health	Warren	12,684	11,243	12.8	Health Care System
Detroit Medical Center	Detroit	11,626	11,578	0.4	Health Care System
Trinity Health	Novi	10,941	11,414	(4.1)	Health Care System
State of Michigan	Detroit	10,887	10,791	0.9	State Government
Blue Cross Blue Shield of Michigan	Detroit	7,206	7,321	(1.6)	Health Care Insurer
DTE Energy Co.	Detroit	6,632	6,623	0.1	Energy and Energy-Technology Co.
Oakwood Healthcare Inc.	Dearborn	5,679	7,465	(23.9)	Health Care System
Comerica Inc.	Detroit	5,616	5,984	(6.1)	Financial Institution
Wayne State University	Detroit	5,019	4,946	1.5	Public University
Wayne County government	Detroit	4,545	4,775	(4.8)	County Government
Johnson Controls Inc. Automotive Experience	Plymouth	4,120	4,205	(2.0)	Automotive Supplier
EDS Corp.	Detroit	4,000	6,260	(36.1)	Information-Technology Services
Utica Community Schools	Sterling Heights	3,756	3,676	2.2	Public School System
AutoAlliance International Inc.	Flat Rock	3,508	3,508	—	Automotive Assembly
Oakland County	Waterford	3,474	3,699	(6.1)	County Government

* Calendar year basis

Source: Crain’s Detroit Business , December 7, 2009

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-11

Airport Information

(Unaudited)

Detroit Metropolitan Airport

Location:	20 miles southwest of Detroit in the city of Romulus			
Area:	7,072 acres			
Airport Code:	DTW			
Runways:	3R/21L 3L/21R 9R/27L 9L/27R 4R/22L 4L/22R			
Terminal:	McNamara Terminal Airlines	905,837	sq ft	
	Smith/Berry Terminal Airlines	208,053	sq ft	
	Tenants/Concessionaires	163,798	sq ft	
	TSA/FIS	149,199	sq ft	
	Public/Common	1,640,836	sq ft	
	Number of In-Service Passenger Gates	145		
	Number of Concessionaires	31		
	Number of Rental Car Agencies On-Airport	6		
Airfield:	Runways	14,977,001	sq ft	(a)
	Taxiways	21,316,545	sq ft	(b)
	Aprons	20,886,462	sq ft	(c)
Parking:	Spaces Available:			
	McNamara Parking Structure	10,117		
	Big Blue Deck and Short-Term	7,355		
	Yellow Economy Lot	893		
	Green Lot	1,404		
		19,769	spaces	
Cargo:	Cargo/Hangar Buildings	1,425,760	sq ft	
International:	Customs/Immigration F.I.S. Facility			
Tower(s):	AIR TRAFFIC CONTROL TOWER 24/ 7/ 365 Operations Control Tower			
FBOs:	ASIG (Aircraft Service International Group) Metro Flight Services			

(a) This total has increased from the prior year due to the reconstruction of runway 3R/21L.

(b) Increase in square footage for 2009 is a result of reconstruction of the southern portion of Taxiway W.

(c) Increase is attributed to the reconstruction of apron east of Taxiway K.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-12

Airport Information

(Unaudited)

Willow Run Airport

Location:	7 miles west of Detroit Metropolitan Airport bordering on Wayne and Washtenaw Counties			
Area:	2,367 acres			
Airport Code:	YIP			
Runways:	5L/23R 5R/23L 9/27 14/32			
Airfield:	Runways	5,173,021	sq ft	(a)
	Taxiways	3,516,929	sq ft	(b)
	Ramps/Aprons	5,093,764	sq ft	
Corporate/Private Space:	Hangar/Arrivals Buildings	224,900	sq ft	
	Tenants Other	126,600	sq ft	
	T-Hangars (qty. 110)	175,000	sq ft	
	Number of Rental Car Agencies On-Airport	2		
Cargo & Additional Space:	Hangar/Office/Shop	359,600	sq ft	
	WCAA Admin, Maintenance, Ops, Public Safety	128,500	sq ft	
	Yankee Air Museum	30,200	sq ft	
	Educational & Flight Training	51,500	sq ft	
	FAA	41,500	sq ft	
	Common	10,000	sq ft	
International:	U. S. Customs (user fee airport)			
Tower:	FAA 24/7			
FBOs:	Active Aero Service Avflight			

(a) This total was decreased due to the removal of pavement from Runway 9R-27L for the development of Taxiway H.

(b) The increase in square footage for 2009 can be attributed to the addition of Taxiway H.

See accompanying independent auditor's report.

CONTINUING DISCLOSURE SECTION
(UNAUDITED)

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Documents Incorporated By Reference

Operating Years Ended September 30, 2009

Portions of the following documents are incorporated herein by reference into sections of the Comprehensive Annual Financial Report (CAFR) as indicated:

Document	Part of CAFR into which incorporated
Official Statement, $330,360,000 Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008A-C	Continuing Disclosures
Official Statement, $74,770,000 Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2008E-F	Continuing Disclosures

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #1

Debt Service Requirements and Coverage

Operating Year 2009

(Unaudited)

	Net revenues, revenue fund balance, and other available monies (thousands)	Total debt service requirements (thousands)	Debt service coverage	Airline cost per enplaned passenger
Senior Lien	$ 203,529	$ 160,689	1.27	$ 8.28
Total Senior Lien and Junior Lien	$ 204,134	$ 165,978	1.23	$ 8.28

Source: Wayne County Airport Authority

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #2

Operation and Maintenance Expenses

Operating years ending September 30

(In thousands of dollars, except as noted)

(Unaudited)

Description		Historical				
		2009	**2008**	**2007**	**2006**	**2005**
Salaries and wages	$	46,274	47,323	46,151	43,932	42,761
Employee benefits		26,422	27,891	23,725	20,386	19,433
		72,696	75,214	69,876	64,318	62,194
Contractual services:						
Parking management		7,082	8,905	10,325	9,754	10,647
Security expenses		2,657	2,758	3,433	3,501	3,463
Janitorial services		10,577	2,403	2,417	2,031	1,995
Shuttle bus		8,483	9,221	8,251	9,943	10,354
Other services		14,481	13,369	9,107	9,264	10,153
Total contractual services		43,280	36,656	33,533	34,493	36,612
Wayne County administrative services		163	150	127	45	5
Repairs and maintenance		28,445	35,529	33,311	33,930	30,363
Supplies and other operating expenses		9,272	10,016	6,157	5,009	6,894
Insurance		2,710	2,593	2,826	2,972	3,342
Utilities		26,933	29,558	25,586	21,801	20,958
Rentals		66	146	166	119	179
Interest expense and paying agent fees		556	2,388	2,328	2,310	3,430
Capital expenses		1,500	2,086	1,942	4,107	2,685
		69,645	82,466	72,443	70,293	67,856
Total O&M expenses	$	185,621	194,336	175,852	169,104	166,662

Source: Wayne County Airport Authority

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #3

Operating Revenues

Operating years ending September 30

(In thousands of dollars, except as noted)

(Unaudited)

Description		Historical				
		2009	2008	2007	2006	2005
Airline revenues:						
Rental and use fees:						
Terminal building rentals and fees	$	49,318	22,254	22,034	20,574	19,794
Common-use/shared-use area rentals		16,381	2,852	2,781	2,516	2,154
Debt service recapture		1,828	1,828	1,828	1,936	1,936
Facilities use fees		6,320	7,885	7,525	6,767	7,075
Add (less) rental fee adjustment		(1,550)	—	—	—	—
Total rental and use fees		72,297	34,819	34,168	31,793	30,959
Activity fees:						
Signatory airlines		58,584	69,567	57,265	79,223	81,222
Nonsignatory airlines		1,610	1,595	1,790	2,313	2,660
Add (less) activity fee adjustment		(471)	12,860	(315)	(21,374)	(10,691)
Total activity fees		59,723	84,022	58,740	60,162	73,191
Total airline revenues		132,020	118,841	92,908	91,955	104,150
Nonairline revenues:						
Concessions:						
Automobile parking		49,911	58,683	58,859	53,026	46,004
Rental car		17,540	21,493	20,859	19,175	18,081
Food and beverage		12,872	12,628	12,486	12,197	10,803
Retail		12,565	11,855	8,633	7,821	7,830
Marketing and communications		1,490	2,295	752	788	531
Other concessions		3,636	3,264	7,207	7,086	6,981
Total concessions		98,014	110,218	108,796	100,093	90,230
Rentals		3,767	3,783	3,906	3,640	3,143
Utility fees		4,320	4,498	4,078	3,622	3,721
Interest income		730	1,498	2,100	2,235	844
Ground transportation		6,510	7,056	5,136	4,039	3,407
Other (a)		9,540	10,468	11,047	8,126	9,263
Total nonairline revenues		122,881	137,521	135,063	121,755	110,608
Total operating revenues	$	254,901	256,362	227,971	213,710	214,758

(a) Includes shuttle bus revenue, badging fees, miscellaneous fees, chargebacks, and state and federal grants

Source: Wayne County Airport Authority

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #4

Application of Revenues

Operating years ending September 30

(In thousands of dollars, except as noted)

(Unaudited)

Priority			2009	2008	2007	2006	2005
	Revenues:						
	Airline revenues	$	132,020	118,841	92,908	91,955	104,150
	Nonairline revenues		122,881	137,521	135,063	121,755	110,608
	Interest income generated in bond funds and reserves		8,069	22,802	9,385	6,830	11,371
	Other available monies:						
	PFC contributions		97,862	78,589	63,013	54,484	54,626
	Letter of intent		605	18,281	19,745	18,582	17,639
	Capitalized interest contribution		3,852	30,470	25,564	32,548	16,059
	Other		2,308	1,475	5,450	10,238	49
	Transfer credit from Airport funds (a)		—	782	1,300	5,349	—
	Total revenues	$	367,597	408,761	352,428	341,741	314,502
	Application of revenues:						
1	Operation and Maintenance Fund	$	190,098	194,336	175,852	169,104	166,662
2	Bond Fund		160,873	155,005	145,189	144,831	122,070
3	Junior Lien Bond Fund		8,957	52,467	24,691	21,207	19,544
4	Operation and Maintenance Reserve Fund		—	—	—	—	—
5	Renewal and Replacement Fund		500	500	500	500	500
6	County Discretionary Fund		350	350	350	350	350
7	Airport Development Fund		6,819	6,103	5,846	5,749	5,376
	Total application of revenues	$	367,597	408,761	352,428	341,741	314,502

(a) Represents a credit given to the Airlines, which was paid from the Airport Authority's Airport Development Fund.

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #5

Net Revenues and Debt Service Coverage

Operating year ending September 30

(In thousands of dollars, except as noted)

(Unaudited)

Revenues:			
Revenues		$	254,901
Revenue fund balance at beginning of year			30,487
Other available monies:			
PFC contributions			97,862
Other			2,913
Interest income generated in bond funds and reserves			8,069
Total revenues	[A]		394,232
Operation and maintenance expenses	[B]		190,098
Net revenues available for Sr. Lien debt service	[A - B] = [C]		204,134
Bond debt service - Senior Lien	[D]		160,689
Net revenues available for Jr. Lien debt service	[C - D] = [E]		43,445
Bond debt service - Junior Lien	[F]		5,289
Net revenues available for deposit to other funds			38,156
Debt service coverage:			
Senior Lien bonds	[C]/[D]		1.27
Senior Lien and Junior Lien bonds	[C]/[D + F]		1.23
Rate covenant elements:			
Operation and maintenance expenses		$	190,098
125% debt service – Bonds	[(1.25 x D) + F]		206,150
Other fund requirements			7,669
Total rate covenant elements		$	403,917

Source: Wayne County Airport Authority

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #6

Historical Airline Passenger Enplanements

Operating years ending September 30

(Unaudited)

Operating year	Domestic	International	Total	Percent increase (decrease)
2009	14,622,391	1,318,741	15,941,132	(10.6)%
2008	16,271,128	1,560,103	17,831,231	(1.5)
2007	16,581,322	1,526,768	18,108,090	1.7
2006	16,321,812	1,478,120	17,799,932	(2.7)
2005	16,758,421	1,527,861	18,286,282	5.6

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #7

Historical Comparative Total Enplanements

Calendar years ending December 31

(Unaudited)

	Detroit Metro		United States		
Calendar year	Number of passengers	Percent increase (decrease)	Number of passengers	Percent increase (decrease)	Detroit as a percentage of U.S. total
2009	15,077,552	(10.0)	650,227,592	(7.0)	2.3
2008	16,751,796	(2.9)	699,164,160	(2.6)	2.4
2007	17,246,272	(0.3)	717,920,039	2.1	2.4
2006	17,291,304	(0.6)	703,377,278	0.3	2.5
2005	17,387,321	3.5	701,551,735	7.3	2.5

Note: 2009 estimate based on six months of data

Source: U.S. Department of Transportation, Bureau of Transportation Statistics, Airport Activity Statistics of Certificated Route Air Carriers, Form 41, Schedule T3

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #8

Historical Airline Departures

Calendar years ending December 31

(Unaudited)

Calendar year	Departures by carrier type			Total departures	
	Majors	Nationals	Regionals	Total (a)	Percent increase (decrease)
2009	105,236	96,168	8,904	210,308	(4.5)%
2008	118,470	94,130	7,660	220,260	(0.3)
2007	133,628	86,206	1,068	220,902	(2.9)
2006	133,544	92,208	1,772	227,524	(8.0)
2005	140,566	103,582	3,032	247,180	0.5

(a) Total does not include departures by commuters or charters.

Note: 2009 estimate based on six months of data

Source: U.S. Department of Transportation, Bureau of Transportation Statistics, Airport Activity Statistics of Certificated Route Air Carriers, Form 41, Schedule T3

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #9

Historical Domestic Originations and Connections

Calendar years ending December 31

(Unaudited)

Calendar year	Domestic originations		Domestic connections	
	Number	Percent of total	Number	Percent of total
2009	6,671,800	46.7%	7,627,030	53.3%
2008	7,386,420	46.2	8,591,640	53.8
2007	7,721,720	47.2	8,629,815	52.8
2006	7,297,730	44.2	9,216,455	55.8
2005	7,165,770	43.1	9,464,995	56.9

Note: 2009 estimate based on six months of data

Source: U.S. Department of Transportation Origin and Destination Passenger Ticket Survey, 298c Commuter Data, and Airport Activity Statistics of Certificated Route Air Carriers

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ending September 30

(Unaudited)

	OY 2009		OY 2008		OY 2007	
Airline	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**
Domestic:						
Air Tran Airways	219,085	1.5%	216,149	1.3%	239,410	1.4%
America West Airlines	—	—	—	—	241,961	1.5
American (AA Eagle)	125,766	0.9	85,637	0.5	91,529	0.6
American Airlines	346,775	2.4	442,012	2.7	443,530	2.7
Champion Air	—	—	—	—	34,462	0.2
Continental (Chautauqua)	—	—	824	—	—	—
Continental (CommutAir)	—	—	13,181	0.1	9,371	0.1
Continental (ExpressJet)	63,765	0.4	63,856	0.4	70,559	0.4
Continental Airlines	193,026	1.3	210,747	1.3	219,751	1.3
Delta (Atlantic Southeast)	1,289	0.0	58,351	0.4	37,242	0.2
Delta (Chautauqua)	4,798	0.0	9,211	0.1	—	—
Delta (Comair)	145,990	1.0	90,839	0.6	94,044	0.6
Delta (Freedom)	19,912	0.1	6,142	—	—	—
Delta (Shuttle America)	10,599	0.1	36,813	0.2	—	—
Delta (SkyWest)	4,681	0.0	3,362	—	6,676	—
Delta Air Lines	477,436	3.3	194,211	1.2	214,721	1.3
Frontier	117,396	0.8	126,580	0.8	121,456	0.7
Independence Air	—	—	—	—	—	—
Northwest (Compass)	439,785	3.0	144,644	0.9	—	—
Northwest (Mesaba Aviation)	1,042,785	7.1	811,681	5.0	457,948	2.8
Northwest (Pinnacle)	2,066,229	14.1	2,043,385	12.6	1,915,685	11.6
Northwest Airlines	7,417,354	50.7	9,361,314	57.5	10,110,087	61.0
Ryan International	—	—	—	—	—	—
Southwest Airlines	523,304	3.6	595,944	3.7	606,113	3.7
Spirit Airlines	591,150	4.1	802,424	4.9	933,029	5.6
Trans Meridian	—	—	—	—	—	—
United (Air Wisconsin)	—	—	—	—	—	—
United (GoJet)	56,837	0.4	—	—	—	—
United (Mesa)	47,908	0.3	43,380	0.3	57,546	0.3
United (SkyWest)	31,407	0.2	24,640	0.2	36,475	0.2
United (TransStates)	32,140	0.2	14,916	0.1	—	—
United Airlines	94,542	0.7	239,332	1.5	263,054	1.6
US Airways	313,774	2.1	331,934	2.0	100,860	0.6
US Airways (Air Wisconsin)	95,658	0.7	104,993	0.6	83,203	0.5
US Airways (Chautauqua)	—	—	1,260	—	1,928	—
US Airways (Mesa)	22,640	0.2	47,464	0.3	71,535	0.4
US Airways (Piedmont)	—	—	—	—	—	—
US Airways (PSA)	15,747	0.1	38,059	0.2	17,035	0.1
US Airways (Republic)	74,785	0.5	23,992	0.1	29,729	0.2
USA 3000	19,823	0.2	79,304	0.5	67,516	0.4
Other (1)	6,005	0.0	4,547	—	4,867	—
Subtotal – Domestic	14,622,391	100.0%	16,271,128	100.0%	16,581,322	100.0%
International:						
Aeromexico	2,053	0.2	5,942	0.4	—	—
Air Canada	5,956	0.5	13,678	0.9	13,085	0.9
Air France	55,233	4.2	45,947	2.9	48,355	3.2
Airtran	271	0.0	—	—	—	—
British Airways	—	—	20,491	1.3	47,472	3.1
Compass	26,608	2.0				
KLM-Royal Dutch Airlines	40,196	3.0	41,753	2.7	—	—
Lufthansa	72,884	5.5	102,121	6.5	98,008	6.4
Mesaba Aviation	45,248	3.4	37,906	2.4	37,538	2.5
Northwest Airlines	1,009,773	76.6	1,204,927	77.2	1,174,843	76.9
Royal Jordanian Airlines	14,822	1.1	16,434	1.1	14,150	0.9
Spirit	16,928	1.3	19,464	1.2	20,146	1.3
US Airways	1,853	0.1	—	—	—	—
Other (1)	26,916	2.1	51,440	3.4	73,171	4.8
Subtotal – International	1,318,741	100.0%	1,560,103	100.0%	1,526,768	100.0%
Total – All Markets	15,941,132		17,831,231		18,108,090	

(1) Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2009

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ending September 30

(Unaudited)

	OY 2006		OY 2005	
Airline	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**
Domestic:				
Air Tran Airways	182,972	1.1%	—	—
America West Airlines	259,600	1.6	267,776	1.6%
American (AA Eagle)	73,918	0.5	32,203	0.2
American Airlines	440,680	2.7	471,863	2.8
Champion Air	34,055	0.2	31,283	0.2
Continental (Chautauqua)	—	—	—	—
Continental (CommutAir)	7,812	—	4,585	—
Continental (ExpressJet)	73,606	0.5	62,265	0.4
Continental Airlines	226,707	1.4	226,260	1.4
Delta (Atlantic Southeast)	32,646	0.2	8,316	—
Delta (Chautauqua)	—	—	—	—
Delta (Comair)	91,216	0.6	108,322	0.6
Delta (Freedom)	—	—	—	—
Delta (Shuttle America)	33,902	0.2	4,385	—
Delta (SkyWest)	—	—	—	—
Delta Air Lines	202,891	1.2	312,881	1.9
Frontier	91,097	0.6	28,184	0.2
Independence Air	13,445	0.1	74,496	0.4
Northwest (Compass)	—	—	—	—
Northwest (Mesaba Aviation)	900,785	5.5	1,108,615	6.6
Northwest (Pinnacle)	1,663,236	10.2	1,477,582	8.8
Northwest Airlines	10,005,038	61.4	10,602,457	63.4
Ryan International	372	—	—	—
Southwest Airlines	496,693	3.0	461,535	2.8
Spirit Airlines	781,652	4.8	793,510	4.7
Trans Meridian	—	—	25,488	0.2
United (Air Wisconsin)	—	—	19,734	0.1
United (GoJet)	—	—	—	—
United (Mesa)	55,148	0.3	70,388	0.4
United (SkyWest)	39,041	0.2	11,609	0.1
United (TransStates)	—	—	—	—
United Airlines	275,380	1.7	266,825	1.6
US Airways	56,900	0.3	91,892	0.5
US Airways (Air Wisconsin)	89,264	0.5	748	—
US Airways (Chautauqua)	—	—	3,888	—
US Airways (Mesa)	37,757	0.2	55,631	0.3
US Airways (Piedmont)	—	—	1,527	—
US Airways (PSA)	66,631	0.4	53,283	0.3
US Airways (Republic)	11,339	0.1	26,586	0.2
USA 3000	66,277	0.4	52,788	0.3
Other [1]	11,752	0.1	1,516	—
Subtotal – Domestic	16,321,812	100.0%	16,758,421	100.0%
International:				
Aeromexico	—	—	—	—
Air Canada	14,899	1.0	13,921	0.9
Air France	50,466	3.4	19,174	1.3
Airtran	—	—	—	—
British Airways	55,403	3.7	59,658	3.9
Compass	—	—	—	—
KLM-Royal Dutch Airlines	—	—	—	—
Lufthansa	67,305	4.6	70,372	4.6
Mesaba Aviation	32,103	2.2	36,362	2.4
Northwest Airlines	1,138,025	77.0	1,199,496	78.5
Royal Jordanian Airlines	16,028	1.1	14,581	1.0
Spirit	16,671	1.1	—	—
US Airways	—	—	—	—
Other [1]	87,220	5.9	114,297	7.4
Subtotal – International	1,478,120	100.0%	1,527,861	100.0%
Total – All Markets	17,799,932		18,286,282	

[1] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2008

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #11

Historical Airline Cargo

Operating years ending September 30

(Unaudited)

	Cargo by type (metric tons)				Total Cargo	
	Freight and Express (a)		Mail			Percent increase
Operating year	Enplaned	Deplaned	Enplaned	Deplaned	Total Cargo	(decrease)
2009	68,021	85,235	4,264	3,849	161,369	(28.6)%
2008	99,578	117,636	4,225	4,415	225,854	(1.8)
2007 (b)	94,226	130,901	2,253	2,582	229,962	6.5
2006	86,515	123,348	3,186	2,953	216,002	(1.6)
2005	89,223	121,645	3,866	4,796	219,530	(0.3)

(a) Includes small packages

(b) Lufthansa Airlines' cargo was reported for the first time in October 2007 covering the period from February 2007 to September 2007. Prior year data is unavailable for comparison.

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #12

Historical Aircraft Landed Weight

Operating years ending September 30

(Unaudited)

	OY 2009		OY 2008		OY 2007	
Airline	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**
Aeromexico	4,352	—%	9,432	—%	—	—%
Air Canada	21,049	0.1	28,994	0.1	28,960	0.1
Air France	122,641	0.6	114,617	0.5	116,552	0.5
Air Tran Airways	240,496	1.1	240,128	1.0	302,472	1.2
America West Airlines	—	—	—	—	265,091	1.1
American (AA Eagle)	155,625	0.7	107,737	0.5	116,715	0.5
American Airlines	399,070	1.9	506,633	2.2	538,336	2.2
American Trans Air	—	—	—	—	—	—
British Airways	—	—	107,202	0.5	209,479	0.9
Champion Air	—	—	900	—	45,900	0.2
Continental (CommutAir)	35	—	27,894	0.1	14,392	0.1
Continental (Chautauqua)	—	—	1,610	—	—	—
Continental (ExpressJet)	76,524	0.4	85,836	0.4	93,465	0.4
Continental Airlines	233,049	1.1	254,629	1.1	259,645	1.1
Delta (Atlantic Southeast)	1,474	—	64,185	0.3	44,137	0.2
Delta (Chautauqua)	6,200	—	11,052	—	—	—
Delta (Comair)	187,696	0.9	125,020	0.5	137,273	0.6
Delta (Freedom)	23,702	—	8,617	—	—	—
Delta (Shuttle America)	13,437	0.1	49,342	0.2	—	—
Delta (SkyWest)	5,100	—	4,425	—	8,617	—
Delta Air Lines	548,594	2.6	218,996	0.9	263,257	1.1
DHL/ABX	67,939	0.3	64,605	0.3	68,865	0.3
Federal Express	374,202	1.8	477,212	2.0	525,479	2.2
Frontier	140,742	0.7	147,774	0.6	152,353	0.6
Independence Air	—	—	—	—	—	—
KLM-Royal Dutch Airlines	74,970	0.4	80,214	0.3	—	—
Lufthansa	174,062	0.8	243,753	1.0	229,272	0.9
Northwest (Compass)	596,054	2.8	173,768	0.7	—	—
Northwest (Mesaba Aviation)	1,484,510	7.1	1,118,993	4.8	679,531	2.8
Northwest (Pinnacle)	2,616,584	12.5	2,516,756	10.8	2,402,170	9.9
Northwest Airlines	10,785,072	51.1	13,385,015	57.3	14,592,777	59.6
Royal Jordanian Airlines	42,294	0.2	41,895	0.2	40,698	0.2
Ryan International	480	—	7,811	—	21,883	0.1
Southwest Airlines	706,040	3.4	833,750	3.6	883,222	3.6
Spirit Airlines	690,048	3.3	925,981	4.0	1,116,697	4.6
United (Air Wisconsin)	—	—	—	—	—	—
United (GoJet)	69,077	0.3	—	—	—	—
United (Mesa)	54,058	0.3	45,532	0.2	67,597	0.3
United (SkyWest)	34,341	0.2	25,976	0.1	44,048	0.2
United (TransStates)	36,379	0.2	15,998	0.1	—	—
United Airlines	161,068	0.8	317,477	1.4	339,795	1.4
United Parcel Service	171,687	0.8	195,473	0.8	204,976	0.8
US Airways	377,507	1.8	397,966	1.7	170,642	0.7
US Airways (Air Wisconsin)	113,082	0.5	121,072	0.5	104,763	0.4
US Airways (Chautauqua)	—	—	1,447	—	2,085	—
US Airways (Mesa)	21,261	0.1	41,942	0.2	63,181	0.3
US Airways (Piedmont)	—	—	—	—	—	—
US Airways (PSA)	15,835	0.1	38,762	0.2	17,219	0.1
US Airways (Republic)	78,548	0.4	28,519	0.1	37,006	0.2
US Airways (Trans States)	—	—	—	—	—	—
USA 3000	53,149	0.3	117,801	0.5	116,664	0.5
Other (1)	26,613	0.3	26,169	0.3	31,489	0.1
Total	21,004,646	100.0%	23,358,910	100.0%	24,356,703	100.0%

(1) Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2009

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #12

Historical Aircraft Landed Weight

Operating years ending September 30

(Unaudited)

	OY 2006		OY 2005	
Airline	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**
Aeromexico	—	—%	—	—%
Air Canada	29,070	0.1	27,443	0.1
Air France	119,720	0.5	44,044	0.2
Air Tran Airways	237,816	1.0	—	—
America West Airlines	308,035	1.3	306,507	1.2
American (AA Eagle)	93,732	0.4	43,656	0.2
American Airlines	548,634	2.3	621,399	2.4
American Trans Air	—	—	—	—
British Airways	118,431	0.5	153,285	0.6
Champion Air	45,750	0.2	24,060	0.1
Continental (CommutAir)	13,728	0.1	8,532	—
Continental (Chautauqua)	—	—	—	—
Continental (ExpressJet)	96,004	0.4	92,214	0.4
Continental Airlines	276,009	1.1	286,972	1.1
Delta (Atlantic Southeast)	40,937	0.2	12,220	—
Delta (Chautauqua)	—	—	—	—
Delta (Comair)	137,285	0.6	191,421	0.7
Delta (Freedom)	—	—	—	—
Delta (Shuttle America)	49,895	0.2	8,099	—
Delta (SkyWest)	—	—	—	—
Delta Air Lines	266,479	1.1	440,410	1.7
DHL/ABX	77,754	0.3	—	—
Federal Express	482,405	2.0	479,467	1.9
Frontier	116,166	0.5	36,220	0.1
Independence Air	16,262	0.1	105,750	0.4
KLM-Royal Dutch Airlines	—	—	—	—
Lufthansa	150,863	0.6	151,089	0.6
Northwest (Compass)	—	—	—	—
Northwest (Mesaba Aviation)	1,371,475	5.7	1,818,552	7.0
Northwest (Pinnacle)	2,227,894	9.2	2,186,581	8.4
Northwest Airlines	14,456,719	59.8	16,325,796	63.0
Royal Jordanian Airlines	41,501	0.2	—	—
Ryan International	31,404	0.1	—	—
Southwest Airlines	656,164	2.7	648,992	2.5
Spirit Airlines	952,127	3.9	877,491	3.4
United (Air Wisconsin)	—	—	23,458	0.1
United (GoJet)	—	—	—	—
United (Mesa)	67,320	0.3	82,363	0.3
United (SkyWest)	50,555	0.2	15,109	0.1
United (TransStates)	—	—	—	—
United Airlines	335,201	1.4	334,306	1.3
United Parcel Service	211,295	0.9	195,519	0.8
US Airways	85,631	0.4	148,185	0.6
US Airways (Air Wisconsin)	112,471	0.5	940	—
US Airways (Chautauqua)	—	—	8,687	—
US Airways (Mesa)	31,143	0.1	75,364	0.3
US Airways (Piedmont)	33	—	2,065	—
US Airways (PSA)	77,036	0.3	70,534	0.3
US Airways (Republic)	15,978	0.1	—	—
US Airways (Trans States)	12,120	0.1	40,525	0.2
USA 3000	119,790	0.5	—	—
Other [(1)]	28,807	0.1	—	—
Total	24,109,639	100.0%	25,887,255	100.0%

[(1)] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2008

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #13

Historical Aircraft Operations

Operating years ending September 30

(Unaudited)

	Operations by class of carrier				Total operations	
Operating year	**Air carrier**	**Air taxi and commuter**	**General aviation**	**Military**	**Total**	**Percent increase (decrease)**
2009	211,998	218,172	7,006	140	437,316	(6.4)%
2008	253,024	203,629	10,580	153	467,386	(1.1)
2007	280,062	181,025	11,335	100	472,522	(2.6)
2006	287,793	185,109	12,280	91	485,273	(8.5)
2005	325,415	191,394	13,599	229	530,637	3.1

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #14

Historical Aviation Demand Statistics

Operating years ending September 30

(Unaudited)

	Historical				
	2009	**2008**	**2007**	**2006**	**2005**
Enplaned passengers:					
Domestic:					
Scheduled:					
Originating (a)	6,810,722	6,969,007	7,702,170	6,989,659	7,543,124
Connecting (a)	7,785,841	9,218,270	8,772,307	9,227,647	9,104,222
Subtotal – scheduled	14,596,563	16,187,277	16,474,477	16,217,306	16,647,346
Percentage connecting	53.3%	51.7%	53.2%	56.9%	54.7%
Charter	25,828	83,851	106,845	104,506	111,075
Subtotal – domestic	14,622,391	16,271,128	16,581,322	16,321,812	16,758,421
International:					
Scheduled:					
U.S. airlines	1,100,681	1,262,297	1,232,527	1,186,799	1,235,858
Foreign flag	191,144	246,366	221,070	204,101	177,706
Subtotal – scheduled	1,291,825	1,508,663	1,453,597	1,390,900	1,413,564
Charter	26,916	51,440	73,171	87,220	114,297
Subtotal – international	1,318,741	1,560,103	1,526,768	1,478,120	1,527,861
Total enplaned passengers	15,941,132	17,831,231	18,108,090	17,799,932	18,286,282
Enplaned cargo (tons):					
Freight	68,021	99,578	94,226	86,515	89,223
Mail	4,264	4,225	2,253	3,186	3,866
Total cargo	72,285	103,803	96,479	89,701	93,089
Aircraft departures (b):					
Domestic	199,483	206,716	209,880	215,856	232,764
International	13,268	15,785	15,268	15,480	14,467
Total aircraft departures	212,751	222,501	225,148	231,336	247,231
Aircraft operations:					
Air carrier	211,998	253,024	280,062	287,793	325,415
Air taxi and commuter	218,172	203,629	181,025	185,109	191,394
General aviation	7,006	10,580	11,335	12,280	13,599
Military	140	153	100	91	229
Total aircraft operations	437,316	467,386	472,522	485,273	530,637
Landed weight (1,000-pound units):					
Passenger:					
U.S. carriers:					
Major/national	14,339,238	17,359,185	19,070,127	18,436,064	20,050,338
Commuter/regional	5,589,520	4,614,483	3,832,199	4,413,869	4,786,070
Subtotal – U.S. carriers	19,928,758	21,973,668	22,902,326	22,849,933	24,836,408
Foreign flag	439,368	626,107	624,960	459,585	375,861
Subtotal – passenger	20,368,126	22,599,775	23,527,286	23,309,518	25,212,269
All cargo	636,520	759,135	829,417	800,122	674,986
Total landed weight	21,004,646	23,358,910	24,356,703	24,109,640	25,887,255

(a) 2009 originating and connecting activity statistics are estimated based on calendar-year percentages.

(b) 2009 departures are estimated based on both actual and scheduled data.

Sources: Wayne County Airport Authority records, U.S. Department of Transportation T100 and Commuter (298c) data, the Origin and Destination Passenger Ticket Survey, and the BACK Aviation Database

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #15

Nonstop International Destinations Added and Dropped

Calendar years ending December 31

(Unaudited)

Year	Cities added	Cities dropped	Net change
2009	Rome, Italy Shanghai (Pu Dong), China	Dusseldorf, Germany Ixtapa/Zihuatanejo, Mexico	—
2008	Monterrey, Mexico	Acapulco, Mexico Aruba, Aruba Brussels, Belgium Mazatlan, Mexico	(3)
2007	Acapulco, Mexico Aruba, Aruba Brussels, Belgium Dusseldorf, Germany		4
2006	Ixtapa/Zihuatanejo, Mexico Los Cabos, Mexico Mazatlan, Mexico	Bermuda, Bermuda Calgary Alberta, Canada Rome, Italy	—
2005	Bermuda, Bermuda Punta Cana, Dominican Republic Charlottetown, Canada	Ixtapa/Zihuatanejo, Mexico	2

Notes: Data reflect new and discontinued nonstop international destinations served from DTW during the entire calendar year

2009 estimate based on nine months of data (January through September)

Source: BACK Aviation Database

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #16

Historical Operating Results

Operating Years Ended September 30

(Unaudited)

		OY 2009	OY 2008	OY 2007	OY 2006	OY 2005
Operating revenues:						
Airport landing and related fees	$	59,723	84,022	58,741	60,162	73,191
Concession fees		88,230	51,851	50,242	47,351	44,496
Parking fees		49,911	58,683	58,859	53,026	46,003
Rental facilities		48,425	51,431	50,722	45,519	43,312
Utility service fees		4,320	4,498	4,078	3,622	3,721
Other		4,100	5,024	6,371	8,220	6,955
Total operating revenues		254,709	255,509	229,013	217,900	217,678
Operating expenses:						
Salaries, wages, and fringe benefits		72,696	75,214	69,877	66,383	64,515
Parking management		7,082	8,905	10,325	9,754	10,647
Janitorial services		10,584	2,403	2,418	2,031	1,995
Security		2,657	2,758	3,433	3,501	3,463
Utilities		26,499	29,166	25,143	21,809	20,965
Repairs, professional services, and other		67,310	80,699	73,020	76,211	80,086
Depreciation		135,777	120,145	111,942	107,110	98,551
Total operating expenses		322,605	319,290	296,158	286,799	280,222
Operating loss		(67,896)	(63,781)	(67,145)	(68,899)	(62,544)
Nonoperating revenues (expenses):						
Passenger facility charges		59,712	68,203	70,754	67,832	70,695
Federal and state grants		999	1,969	5,867	12,055	15,643
Interest income and other		7,070	27,970	44,897	42,666	18,856
Interest expense and other		(111,113)	(94,695)	(99,406)	(100,238)	(85,923)
Amortization of bond issuance costs		(1,615)	(1,985)	(1,936)	(1,963)	(1,773)
Total nonoperating revenue (expenses)		(44,947)	1,462	20,176	20,352	17,498
Net loss before capital contributions and transfers		(112,843)	(62,319)	(46,969)	(48,547)	(45,046)
Capital contributions		27,431	52,218	58,787	32,028	33,618
Transfers out		(8,178)	(2,813)	(1,419)	(627)	(350)
Changes in net assets		(93,590)	(12,914)	10,399	(17,146)	(11,778)
Net assets – beginning of year		623,528	636,442	626,043	643,189[1]	713,650
Net assets – end of year	$	529,938	623,528	636,442	626,043	701,872

[1] In 2006, Detroit Metro Airport restated beginning net assets to $643,189 (see Note 2 of 2006 financial statements for additional discussion). This amount less the 2006 decrease in net assets is used to arrive at ending net assets.

Source: Audited Financial Statements of the Wayne County Airport Authority.

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #17

Top 20 Domestic O&D Markets

Calendar year ending December 31, 2008

(Unaudited)

Rank	Market	Total O&D Passengers	Percentage of O&D Passengers	Primary Carrier	Market Share	Secondary Carrier	Market Share	Non-Stop Service
1	Orlando	1,018	7.0%	Northwest/Delta	44.1%	Spirit	26.7%	●
2	New York	975	6.7%	Northwest/Delta	66.9%	Spirit	11.9%	●
3	Chicago	745	5.1%	Northwest/Delta	48.2%	Southwest	22.4%	●
4	Las Vegas	734	5.0%	Northwest/Delta	48.2%	Spirit	26.5%	●
5	Los Angeles	487	3.3%	Northwest/Delta	64.7%	Spirit	15.4%	●
6	Fort Myers	478	3.3%	Spirit	43.4%	Northwest/Delta	33.6%	●
7	Tampa	471	3.2%	Northwest/Delta	51.2%	Spirit	28.2%	●
8	Fort Lauderdale	457	3.1%	Spirit	46.9%	Northwest/Delta	40.5%	●
9	Washington	441	3.0%	Northwest/Delta	83.5%	US Airways	9.3%	●
10	Atlanta	414	2.8%	Northwest/Delta	76.9%	AirTran	20.0%	●
11	Phoenix	396	2.7%	Northwest/Delta	58.0%	US Airways	20.9%	●
12	Dallas	377	2.6%	American	52.7%	Northwest/Delta	33.0%	●
13	Minneapolis/St Paul	361	2.5%	Northwest/Delta	90.5%	American	4.3%	●
14	Denver	286	2.0%	Northwest/Delta	45.7%	Frontier	25.6%	●
15	Houston	268	1.8%	Continental	46.8%	Northwest/Delta	31.5%	●
16	San Francisco	252	1.7%	Northwest/Delta	79.6%	US Airways	5.5%	●
17	St Louis	243	1.7%	Northwest/Delta	54.2%	Southwest	42.3%	●
18	Baltimore/Wash Intl	235	1.6%	Northwest/Delta	67.4%	Southwest	29.9%	●
19	Boston	234	1.6%	Northwest/Delta	84.3%	US Airways	10.1%	●
20	Philadelphia	227	1.6%	Northwest/Delta	60.9%	US Airways	30.9%	●
Other O&D Markets		5,471	37.5%					
Domestic O&D Passengers		14,571						
O&D % of Domestic Passengers		46%						

Note: Figures may not add due to rounding

Source: Wayne County Airport Authority records; U.S. Department of Transportation, Origin & Destination Survey of Airline Passenger Traffic, Domestic

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #18

Top 20 International O&D Markets

Calendar year ending December 31, 2008

(Unaudited)

Rank	Market	Total O&D Passengers	Non-Stop Service
1	Cancun	111	●
2	London	47	●
3	Tokyo	35	●
4	Montego Bay	31	●
5	Mexico City	27	●
6	Frankfurt	25	●
7	Montreal	23	●
8	Amsterdam	21	●
9	Monterrey	21	●
10	Puerto Vallarta	20	●
11	Toronto	19	●
12	Punta Cana	19	●
13	Nassau	16	●
14	San Jose Cabo	15	●
15	Paris	14	●
16	Nagoya	14	●
17	Vancouver	14	●
18	Shanghai	13	
19	Osaka	9	●
20	Seoul	9	

Source: US DOT Origin & Destination Survey of Airline Passenger Traffic, Domestic via Sabre ADI, Adjusted for Foreign Flag Carriers

See accompanying independent auditor's report.

COMPLIANCE SECTION

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Independent Auditor's Report

To the Wayne County Airport Authority Board
Wayne County Airport Authority

We have audited the financial statements of each major fund and the aggregate remaining fund of the Wayne County Airport Authority (the "Authority") as of and for the year ended September 30, 2009, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 20, 2010. Those basic financial statements are the responsibility of the management of the Authority. Our responsibility was to express opinions on those basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The accompanying schedule of expenditures of federal awards and schedule of passenger facility charge revenues and expenditures are presented for the purpose of additional analysis and are not required parts of the basic financial statements. The information in these schedules has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Plante & Moran, PLLC

January 20, 2010

plante moran

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Wayne County Airport Authority Board
Wayne County Airport Authority

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Wayne County Airport Authority (the "Authority") as of and for the year ended September 30, 2009, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated January 20, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Wayne County Airport Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Authority's financial statements that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Authority's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the board of directors, management, officials of the State of Michigan, the U.S. Department of Transportation, the Federal Aviation Administration, other federal awarding agencies, and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

January 20, 2010

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Report on Compliance and on Internal Control Over Compliance Applicable to the Major Federal Awards Program and Passenger Facility Charge Program

To the Wayne County Airport Authority Board
Wayne County Airport Authority

Compliance

We have audited the compliance of the Wayne County Airport Authority (the "Authority") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program. In addition, we audited compliance with the applicable requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (the "Guide"), for the year ended September 30, 2009. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. The passenger facility charge program is identified in the passenger facility charge revenue and expenditures schedule. Compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs and the passenger facility charge program is the responsibility of the Authority's management. Our responsibility is to express an opinion on the Authority's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* and the Guide. Those standards, OMB Circular A-133, and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Authority's compliance with those requirements.

In our opinion, the Authority complied, in all material respects, with the requirements referred to above that are applicable to its major federal program and its passenger facility charge program for the year ended September 30, 2009.

To the Wayne County Authority Board
Wayne County Airport Authority

Internal Control Over Compliance

The management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and the passenger facility charge program. In planning and performing our audit, we considered the Authority's internal control over compliance with the requirements that could have a direct and material effect on a major federal program or the passenger facility charge program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance with OMB Circular A-133 and the Guide. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Authority's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Authority's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Authority's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the board of directors, management, officials of the State of Michigan, the U.S. Department of Transportation, the Federal Aviation Administration, other federal awarding agencies, and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Plante & Moran, PLLC

January 20, 2010

Wayne County Airport Authority

Schedule of Expenditures of Federal Awards
Year Ended September 30, 2009

Federal Agency/Pass-through Agency/Program Title	Federal CFDA Number	Contract/Grant Number	Award Amount	Federal Expenditures
Metro Airport				
U.S. Department of Transportation:				
Federal Aviation Administration - Direct Program -				
Airport Improvement Program (major program):				
DEICING FACILITY	20.106	3-26-0026-7505	$ 2,950,000	$ 767,684
RUNWAY 3R/21L, TAXIWAY W	20.106	3-26-0026-7806	11,868,906	251,261
RUNWAY 3R/21L, TAXIWAYS F & V	20.106	3-26-0026-8107	22,107,995	124,660
NORTH TERMINAL VALE INFRASTRUCTURE	20.106	3-26-0026-8207	5,099,971	521,508
TAXIWAY K	20.106	3-26-0026-8608	1,000,000	(281,842)
DEICING FACILITY PHASE 2A	20.106	3-26-0026-8708	3,800,000	236,249
RUNWAY 9L/27R (DESIGN)	20.106	3-26-0026-8808	2,207,046	2,207,045
TAXIWAY K (PARTS 2 & 3)	20.106	3-26-0026-9008	1,607,960	556,270
DEICING FACILITY PHASE 2B1	20.106	3-26-0026-9109	1,889,237	7,935
RUNWAY 3L/21R (southern 4,700')	20.106	3-26-0026-9309	13,746,583	8,885,763
RUNWAY 9L/27R (east of R/W 3L/27R)	20.106	3-26-0026-9509	2,722,016	2,722,016
RUNWAY 4R/22L	20.106	3-26-0026-9609	1,136,250	288,583
ARRA-RUNWAY 9L/27R (west of R/W 4R/22L)	20.106	3-26-0026-9209	15,000,000	10,867,993
Subtotal Airport Improvement Program			85,135,964	27,155,125
U.S. Department of Homeland Security:				
Transportation Security Administration -				
National Explosives Detection Canine Program	97.072	HSTS 02-08-H-CAN420	438,000	438,000
Law Enforcement Officer (L.E.O.) Reimbursement Agreement	97.090	HSTS 02-08-H-SLR309	415,454	415,454
Passed through County of Wayne, Michigan -				
2006 DHS Grant - Michigan Citizens Corps Program	97.067	N/A	6,000	6,000
Total U.S. Department of Homeland Security			859,454	859,454
U.S. Department of Environment:				
Detroit Commuter Hydrogen Project	81.087	N/A	574,132	102,627
U.S. Department of Justice:				
2008 Bulletproof Vest Program	16.607	N/A	41,225	22,872
Asset Forfeiture Equitable Sharing Program	16.xxx	N/A	-	116,812
Organized Crime Drug Enforcement Task Force	16.xxx	N/A	7,301	7,301
Total U.S. Department of Justice			48,526	146,985
Total Metro Airport			86,618,076	28,264,191
Willow Run Airport				
U.S. Department of Transportation				
Federal Aviation Administration - Direct Program -				
Airport Improvement Program (major program)				
NOISE STUDY 1	20.106	3-26-0024-2506	500,000	85,926
NOISE STUDY 2	20.106	3-26-0024-2707	163,463	4,270
PERIMETER FENCING	20.106	3-26-0024-2907	499,287	6,403
LAND ACQUISITION & RUNWAY SAFETY IMPROVEMENTS 3	20.106	3-26-0024-3007	3,675,541	2,311,300
RUNWAY SAFETY IMPROVEMENTS 3 (RW 5R SAFETY AREA, ETC.)	20.106	3-26-0024-3108	8,540,464	5,880,992
RUNWAY 5R/23L (CRACK SEALING)	20.106	3-26-0024-3208	93,892	93,892
TAXIWAY D LIGHTING PHASE 1	20.106	3-26-0024-3309	131,532	36,850
Total Willow Run Airport			13,604,179	8,419,633
Total expenditures of federal awards			**$ 100,222,255**	**$ 36,683,824**

See Note to Schedule of Expenditures of Federal Awards.

Note to Schedule of Expenditures of Federal Awards
Year Ended September 30, 2009

Note - Significant Accounting Policies

A. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") summarizes the expenditures of the Wayne County Airport Authority (the "Authority") under programs of the federal government and is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The Authority's reporting entity is defined in the notes to the Authority's basic financial statements.

For the purpose of the Schedule, federal awards include all grants, contracts, and similar agreements entered into between the Authority and agencies and departments of the federal government and all sub-awards to the Authority by nonfederal organizations pursuant to federal grants, contracts, and similar agreements.

Federal CFDA numbers are obtained from the Catalog of Federal Domestic Assistance published by the Office of Management and Budget and the General Services Administration. Programs without a CFDA number are presented with only the federal agency's two-digit prefix in place of a CFDA number.

Federal awards are reported in the Authority's statement of revenues, expenses, and changes in net assets included with federal and state grants as well as capital contributions.

B. Basis of Accounting

The accompanying Schedule is presented on the accrual basis of accounting. Expenditures are recorded, accordingly, when incurred rather than when paid.

C. American Recovery and Reinvestment Act of 2009 (ARRA) Reporting

During 2009, the Authority received a Federal Award under the American Recovery and Reinvestment Act of 2009 (ARRA). Funding of $15 million was authorized for the reconstruction of two portions of runway 9L/27R. Expenditures of $10.9 million were incurred during 2009 and are shown on the Schedule of Expenditures of Federal Awards identified with the prefix "ARRA" as required under OMB Circular A-133.

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ____ Yes __X__ None reported

Noncompliance material to financial statements noted? ____ Yes __X__ No

Federal Awards

Internal control over major program(s):

- Material weakness(es) identified? ____ Yes __X__ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ____ Yes __X__ None reported

Type of auditor's report issued on compliance for major program(s): Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ____ Yes __X__ No

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
20.106	Airport Improvement Program

Dollar threshold used to distinguish between type A and type B programs: $1,100,515

Auditee qualified as low-risk auditee? __X__ Yes ____ No

Section II - Financial Statement Audit Findings

None

Section III - Federal Program Audit Findings

None

WAYNE COUNTY AIRPORT AUTHORITY
Schedule of Passenger Facility Charge Revenues and Expenditures
Year ended September 30, 2009

	Amended Amount Approved	Cumulative Total October 1, 2008	Quarter Ended December 31, 2008	Quarter Ended March 31, 2009	Quarter Ended June 30, 2009	Quarter Ended September 30, 2009	Total FY 2009	Cumulative Total September 30, 2009
Passenger Facility Charges Collected	$ 3,164,332,836	809,721,063	14,942,284	13,835,540	16,315,863	14,311,279	59,404,966	869,126,029
Interest Earned	N/A	71,202,032	730,804	396,329	251,116	216,594	1,594,843	72,796,875
Total Revenues	$ 3,164,332,836	880,923,095	15,673,088	14,231,869	16,566,979	14,527,873	60,999,809	941,922,904
Passenger Facility Charges Expended for Approved Projects								
APPLICATION NO. 1								
South Airport Access Road Construction	$ 38,620,000	28,664,340	-	-	-	-	-	28,664,340
Storm Water Retention & Drainage Facilities Construction	4,980,000	4,169,572	-	-	-	-	-	4,169,572
Noise Berm Construction	225,000	224,927	-	-	-	-	-	224,927
Noise Mitigation Program	104,084,000	19,205,348	336,743	423,488	430,432	473,285	1,663,948	20,869,296
Willow Run Airport Layout Plan Update	5,000	5,000	-	-	-	-	-	5,000
APPLICATION NO. 2								
Land Acquisition and Preliminary Design for Fourth Parallel Runway	6,391,000	2,098,631	-	-	-	-	-	2,098,631
Perimeter Property Fencing and Removal of Airport Hazard - Willow Run	52,000	16,665	-	-	-	-	-	16,665
APPLICATION NO. 3								
Midfield Domestic and International Terminal Facilities Construction	1,370,450,360	530,350,168	1,539,677	9,481,728	9,481,728	9,481,728	29,984,861	560,335,029
Reconstruction of Existing Terminals and Concourses	673,408,000	24,498,657	7,631,987	9,357,047	9,374,825	9,484,533	35,848,392	60,347,049
Concourse C Expansion & Domestic Terminals Facilities Construction (Interim Improvement)	22,967,000	21,693,389	-	-	-	-	-	21,693,389
International Passenger Processing Facilities Expansion (Interim Improvement)	32,000,000	31,800,730	-	-	-	-	-	31,800,730
APPLICATION NO. 4								
Runway 21C/3C Keel Section Replacement	16,991,000	4,675,734	26,321	162,091	162,091	162,091	512,594	5,188,328
Runway 4R/22L Design and Construction	169,274,000	39,525,200	219,497	1,351,716	1,351,716	1,351,716	4,274,645	43,799,845
Rebuild Outfall Structures at Ponds 3 and 4	2,413,000	665,587	3,747	23,073	23,073	23,073	72,966	738,553
21C Remote Primary Deicing	23,958,000	7,907,100	34,283	211,121	211,121	211,121	667,646	8,574,746
Grade/Pave Taxiway "K" Islands	704,000	194,129	1,093	6,730	6,730	6,730	21,283	215,412
APPLICATION NO. 5								
North Terminal Apron	59,574,000	-					-	-
McNamara Terminal Phase II Program	277,941,000	25,101,388	1,724,577	1,517,075	1,532,883	1,630,439	6,404,974	31,506,362
Third Aircraft Rescue and Firefighting Facility	1,315,000	52,271	5,378	4,438	4,560	5,305	19,681	71,952
West Airfield Improvements	31,906,000	5,681,390	551,457	505,762	505,762	505,762	2,068,743	7,750,133
Interconnect Re-route	1,441,000	270,543	26,260	24,084	24,084	24,084	98,512	369,055
Taxiway Q Construction	4,153,000	749,194	72,720	66,694	66,694	66,694	272,802	1,021,996
Runway 4R/22L Shoulders/Overburden (fka 3L/21R)	2,090,000	395,405	38,380	35,200	35,200	35,200	143,980	539,385
Deicing Pad at Runway 22L	18,123,000	3,204,887	311,078	285,302		570,604	1,166,984	4,371,871
Deicing Pads at Runway 4R and 3L	39,941,000	8,607,054	52,469	323,116	323,116	323,116	1,021,817	9,628,871
Perimeter Fencing and Other Security Enhancement	710,000	-	-	-	-	-	-	-
Surface Movement Guidance Control System	1,310,000	-	-	-	-	-	-	-
Runway 3L/21R Planning	700,000	-	-	-	-	-	-	-
Runway 3R/21L Design and Pavement Evaluation	1,200,000	-	-	-	-	-	-	-
Part 150 Study Update	386,156	-	-	-	-	326,095	326,095	326,095
APPLICATION NO. 6								
Airfield Snow Removal Vehicles & Equipment	16,873,119	-	-	-	285,302	(285,302)	-	-
McNamara Terminal In-Line Explosive Detection	110,328,130	-	-	-	711,864	711,864	1,423,728	1,423,728
Infill Island at Taxiway Y-10	811,236	20,569	5,234	5,234	5,234	5,234	20,936	41,505
Master Plan Update	946,500	12,226	6,113	6,113	6,113	6,113	24,452	36,678
Runway Surface Monitor System for RW 4L/22R	1,000,000	-	-	-			-	-
Runway and Taxiway Improvements	97,694,583	1,866,266	157,099	157,099	157,099	157,099	628,396	2,494,662
Reconstruct Runway 4R/22L (Impose Only)	29,366,752	-	-	-	-	-	-	-
Total Amount Approved	$ 3,164,332,836							
Total Expenditures		$ 761,656,370	$ 12,744,113	$ 23,947,111	$ 24,699,627	$ 25,276,584	$ 86,667,435	$ 848,323,805
Unexpended Passenger Facility Charges		$ 119,266,725						$ 93,599,099

See accompanying independent auditors' report and the notes to schedule of passenger facility charge revenues and expenditures.

WAYNE COUNTY AIRPORT AUTHORITY

Notes to Schedule of Passenger Facility Charge Revenues and Expenditures

September 30, 2009

(1) General

The Aviation Safety and Capacity Expansion Act of 1990 (Public Law 101-508, Title II, Subtitle B) authorized domestic airports to impose a Passenger Facility Charge (PFC) on enplaning passengers. PFCs may be used for airport projects which meet at least one of the following criteria: (1) preserve or enhance safety, security, or capacity of the national air transportation system; (2) reduce noise or mitigate noise impacts resulting from an airport; or (3) furnish opportunities for enhanced competition between or among carriers.

Since 1992, the Federal Aviation Administration (FAA) has approved six PFC applications and amendments submitted by Wayne County Airport Authority (the Authority). The most recent application was approved during fiscal year 2008 and resulted in an additional $.3 billion of collection authority from the FAA. The Authority is currently authorized to collect PFCs in the amount of $4.50 per enplaned passenger up to a total for approved collections of $3.2 billion. Project expenditures may include amounts for the payment of principal, interest, and other financing costs on bonds for which the proceeds are used to pay PFC-eligible costs on approved projects.

As of September 30, 2009, the Authority had received approximately $869.1 million of PFC revenue, which includes interest earnings of approximately $72.8 million. The Authority had expended approximately $848.3 million on approved projects.

(2) Basis of Accounting

The accompanying Schedule of Passenger Facility Charge Revenues and Expenditures (the Schedule) has been prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP).

PFC charges collected, expended, and interest earned represent amounts reported to the FAA on the Passenger Facility Charge Quarterly Status Reports and total $59.4 million, $86.7 million, and $1.6 million, respectively, for the year ended September 30, 2009. The Authority also maintained a receivable of approximately $6.5 million for PFCs collected by the airlines but not remitted to the Authority as of September 30, 2009.

(3) Interest Earned

Interest income is allocated to the PFC program (the Program) based on a ratio of the Program’s cash and investments to the total Authority cash and investments included in the pooled cash funds, with the exception of funds for the Revenue Account, which are held in a separate interest-bearing account and credited directly to the Program.

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WAYNE COUNTY AIRPORT AUTHORITY