WAYNE COUNTY AIRPORT AUTHORITY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

2016

FOR THE YEAR ENDED SEPTEMBER 30, 2016

WAYNE COUNTY AIRPORT AUTHORITY

Comprehensive Annual Financial Report

Year Ended September 30, 2016

Prepared by:
Controller's Office

WAYNE COUNTY AIRPORT AUTHORITY

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DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

L.C. Smith Terminal • Mezzanine
Detroit, MI 48242
ph 734 942 3550
fax 734 942 3793
www.metroairport.com

January 17, 2017

To the Wayne County Airport Authority Board:

The Comprehensive Annual Financial Report (CAFR) of the Wayne County Airport Authority (the Authority) as of and for the year ended September 30, 2016 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 – 3.

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 "unmodified opinion" from Plante & Moran, PLLC, the Authority's certified public accountants. An unmodified 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 (see pages 4-13), 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. Management's discussion and analysis (MD&A) immediately follows the independent auditor's report. The MD&A complements this letter of transmittal and should be read in conjunction with it.

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 2 CFR Part 200 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 an independent public benefit agency and considered an agency 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.

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, passenger facility charges (PFCs), and other discretionary funds.

Airport Use and Lease Agreement (the Agreement)

Leases. 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: Air France, American Airlines ("American"), Delta, Federal Express, KLM Royal Dutch Airlines ("KLM"), Lufthansa German Airlines, Southwest, Spirit Airlines ("Spirit"), United, United Parcel Service and US Airways (collectively, the "Signatory Airlines"). KLM is not currently operating at the Airport.

Activity Fees. Under the Airline Agreements, the Signatory Airlines are also obligated to pay activity fees which are calculated on an Airport residual basis (the "Activity Fees"). Essentially, the Activity Fee calculation for each Operating Year is based on all airport revenue bond Debt Service (net of Debt Service paid by PFCs and federal grant funds) and all O&M Expenses for such Operating Year, minus all non-airline revenue for such Operating Year, all airline rental payments for such Operating Year, all international facility use fees for such Operating Year and all payments for use of the Authority-controlled airline space, if any, in each terminal for such Operating Year.

Amendment to End-of-Year True-Up of Fees and Charges. In order to enable the Authority to issue airport revenue bonds for airfield-related capital projects without the bonds being subject to the federal alternative minimum tax, all of the Signatory Airlines agreed in 2012 to an amendment of the Airline Agreements that revised the end-of-year true-up provision so that the amount to be refunded to the Signatory Airlines would be calculated by taking into account the total amount of overpayment of Activity Fees by all Signatory Airlines and the total amount of Activity Fee overpayments by all non-Signatory Airlines. All airlines, Signatory and non-Signatory, participate in end-of-year refunds, not just the Signatory Airlines.

The total amount to be refunded to the Signatory Airlines and the total amount to be refunded to the non-Signatory Airlines, in respect of Activity Fee overpayments, are based on a pro-rata allocation between the Signatory Airlines and the non-Signatory Airlines, which reflect the same ratio as the ratio of total Activity Fees paid by the Signatory Airlines and total Activity Fees paid by the non-Signatory Airlines, respectively. The refund to the non-Signatory Airlines may be accomplished directly, or through a reduction in the non-Signatory Airlines' Activity Fees for the following Operating Year. The same provision applies in the event of underpayments, and the Authority would charge the shortfall to non-Signatory Airlines as well as Signatory Airlines.

Weighted Majority Approval. The Airline Agreements provide that a Weighted Majority of the Signatory Airlines can approve additional capital projects for which airport revenue bonds may be issued to pay the costs. A Weighted Majority is defined as either Signatory Airlines which, in the aggregate, landed eighty-five percent (85%) or more of the landed weight of all Signatory Airlines for the preceding 12-month period for which records are available or all but one of the Signatory Airlines regardless of landed weight.

Passenger Facility Charges. The Authority is obligated under the Use and Lease Agreements to use PFCs to pay Debt Service on airport revenue bonds issued to pay the costs of certain PFC-eligible projects at the Airport. These projects include the construction of both the South Terminal and the North Terminal. The Use Airline Agreements also set forth a required priority for the application of PFCs to pay Debt Service in the event there is insufficient PFC revenue available in any Operating Year to pay all PFC-eligible debt service.

The Airline Industry

The industry is susceptible to world events and global economic conditions. In the aftermath of the events of September 11, 2001, the U.S. airline industry saw a material adverse shift in the demand for air travel. The result was five years of reported industry operating losses between 2001 and 2005, totaling more than $28 billion (excluding extraordinary charges and gains). The airline industry finally gained ground in 2007 with virtually every U.S. airline posting a profit. In 2008 and through the first half of 2009, the combination of record-high fuel prices, weakening economic conditions, and a weak dollar resulted in many of the domestic network competitors announcing changes in business strategies. These included mergers, significant capacity reductions, and increases in fares and fees to mitigate these challenges.

Following a period of consolidations and mergers, the airlines have returned to profitability. Building upon earnings of $13.7 billion in net post-tax profits for the global airline industry in 2014 and $35.3 billion in 2015, the International Air Transport Association (IATA) forecasts the airlines' net profit will be $39.4 billion in 2016. Global passenger departures grew 5.6 percent and 7.2 percent in 2014 and 2015, respectively. IATA forecasts passenger traffic to grow by 6.0 percent in 2016. Performance among the industry is uneven across global regions. Over the past two years, North American airlines have fared best with profits of approximately $21.5 billion in 2015 and a forecast of $22.9 billion in 2016. Latin American airlines have fared the worst with weak home markets and currencies, despite a degree of consolidation and some long-haul success. A net profit of just $0.1 billion is forecast for 2016, following losses of $1.5 billion in 2015.

Cutting capacity during the economic downturn has been a key strategy to the airlines' return to profitability in recent years. In response to changes in demand, airlines have selectively added back domestic and international seat capacity over the past two years. To take advantage of strong demand for air travel, domestic air carriers are adding capacity that was trimmed over the past decade following a series of mergers and economic recession. The capacity growth is a result of additional seats on fewer flights. To accomplish this:

- The major airlines are up-gauging equipment by replacing smaller aircraft with larger aircraft.
- Small airlines are adding new planes to their fleets.

The year-over-year growth in system-wide domestic capacity for the twelve months ended Sepetmber 30, 2016 was 1.1 percent for flights and 4.1 percent seats. Capacity growth at DTW was slightly greater during that time period for flights and seats by 2.8 percent and 5.2 percent, respectively. The change does not correlate proportionately as seat growth outpaces operations, demonstrating the effect of the airlines' equipment up-gauging.

As reported to the investment community, three of the four largest domestic airlines expect to keep growth at or below 3.0 percent, approximately the rate of U.S. economic growth. However, smaller airlines such as Alaska Airlines, JetBlue Airways, and Spirit Airlines expect to increase seat capacity by at least 7.0 percent in 2016. Overall, seat capacity growth would likely be 3.1 percent to 4.5 percent in 2016.

Airport Activity

The Airport ended fiscal year 2016 with a 4.2 percent increase in enplaned passengers, a 3.2 percent increase in operations, a 7.4 percent increase in cargo, and a 4.1 percent increase in landed weight compared to the prior fiscal year. The Airport's activities for the years ended September 30, 2016 and 2015 were as follows:

	2016	2015	% Change
Enplanements	17,130,687	16,443,778	4.2%
Operations	392,383	380,160	3.2%
Cargo (in metric tons)	204,858	190,658	7.4%
Landed Weight (in thousands, lbs)	21,466,594	20,625,652	4.1%

A modest increase in demand for air travel is expected for 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 in accordance to the terms of the Signatory Lease & Use Agreements with the Airlines which differs from generally accepted accounting principles – the Authority's accounting basis. The Authority has additional funds that are audited but only the Operations and Maintenance funds are budgeted.

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 in the monthly management report.

AUTHORITY'S ECONOMIC CONDITION

Population & Air Trade Area

The Airport resides in a region which the United States Office of Management and Budget (OMB) defines as the Detroit-Warren-Livonia Metropolitan Statistical Area (MSA) and is comprised of the six Michigan counties of Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne. Also part of the geographic area served by the Airport are the Flint MSA, which includes Genesee County; the Monroe MSA, which includes Monroe County; and the Adrian Metropolitan Statistical Area, which includes Lenawee County. These counties represent the primary geographical area served by the Airport and is commonly called the "Air Trade Area." The estimated population of the Air Trade Area was 5.3 million in 2014, according to Woods and Poole Economic Inc. (April 2016).

Based on location, accessibility, and services available at other commercial service airports within nearby service areas, the borders of the Air Trade Area are generally established by Toledo Express Airport (TOL) to the south, Fort Wayne International Airport (FWA) to the southwest, Lansing Capital City Airport (LAN) to the west, and Bishop International Airport (FNT) to the north. The closest large hub airport to the Air Trade Area is Cleveland-Hopkins International Airport (CLE), which primarily serves its own air trade area approximately 150 miles southeast of the Airport across Lake Erie.

Other nearby airport facilities in close proximity to the Airport include the Coleman A. Young International Airport (formerly Detroit City Airport), Willow Run Airport, and Windsor International Airport across the U.S. border in Ontario, Canada. Coleman A. Young International Airport is approximately eight miles northeast of downtown Detroit; however, it has not had commercial passenger airline service since 2000. Willow Run Airport, also operated by the Authority, is located seven miles west of the Airport and serves cargo, corporate, and general aviation clients. Windsor International Airport (YQG) is located approximately nine miles southeast of downtown Detroit and provides year-round service to Toronto-Pearson Airport (YYZ) and Toronto City Airport (YTZ) along with seasonal service to four additional destinations in Canada and Cuba.

The Airport is the primary air carrier airport serving the Detroit Metropolitan area. In calendar year 2015, the Airport ranked 17th nationwide in total aircraft operations, with 379,376 aircraft movements, and 18th nationwide in total passengers, enplaning and deplaning, with approximately 33.4 million passengers.

Economy

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). Home to a number of Fortune 500 companies, the Air Trade Area has seen recent improvement in employment rates, and a high percentage of households in the uppermost income categories when compared to Michigan and the nation. The Air Trade area is home to 11 Fortune 500 Company Headquarters. Seven of the Air Trade Area's Fortune 500 companies are part of the automotive industry. The three largest employers in the Air Trade Area as of July 2016 are automobile manufacturers: Ford Motor (47,000 employees), General Motors (36,628 employees), and FCA US (32,508 employees). The University of Michigan (31,655 employees) and Beaumont Health (25,721 employees) complete the top five employers. Consistently appearing near the top of the Fortune 500 Rankings, in 2015, General Motors and Ford Motor were ranked 8th and 9th, respectively.

The Air Trade Area has experienced a significant recovery from high unemployment rates between 2009 and 2011. As of October 2016, the unemployment rate in the Air Trade Area was 5.2 percent (non-seasonally adjusted). This rate is higher than the unemployment rate in the state of Michigan (4.6 percent) and in the United States (4.7 percent). The Air Trade Area's unemployment rate is lower than it was a year ago (5.7 percent in October 2015). Employment growth is the greatest in professional-business services, leisure-hospitality, and financial activities industries.

Personal income is a composite measurement of market potential and indicates the general level of affluence of local residents, which corresponds to an area's ability to afford air travel, as well as the area's attractiveness to business and leisure travelers (lower income areas often have weaker business ties to the rest of the nation and a less developed tourism infrastructure). Since the economic recession, per capita personal income for the Air Trade Area increased at a compounded annual growth rate (CAGR) of 2.0 percent from 2010-2014, rising from $36,935 to $40,018. In the same time period, the CAGR for Michigan was 1.9 percent and the CAGR for the United States was also 1.6 percent. An additional measurement of the market's potential to generate demand for air transportation is the percentage of households in higher income categories. In 2014, 40.6 percent of households in the Air Trade Area had household incomes of $60,000 or more, which was higher than the 38.2 percent of households in this income category for Michigan but less than the nation as a whole at 42.3 percent.

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, 2016 was in excess of the requirements at 140 percent of senior lien debt service and 131 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 2017-2021 includes planned funding of approximately $713.4 million and $174.4 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 in the Authority's budget book.

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, 2016, the Airport had received approximately $1.3 billion of PFC revenue and interest earnings of approximately $73.5 million. The Airport had expended approximately $1.37 billion on approved projects. The current PFC expiration date is estimated at February 1, 2034.

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, 2015. This was the thirteenth 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 2016 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 2016. 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 2017 Approved Budget document was issued to the GFOA for consideration and to Board Members in December 2016.

Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Controllers' Department. We would like to express our appreciation to all members of this department.

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

Respectfully submitted,

Joseph R. Nardone
Chief Executive Officer

Terrence P. Teifer
Chief Financial Officer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Wayne County Airport Authority

Michigan

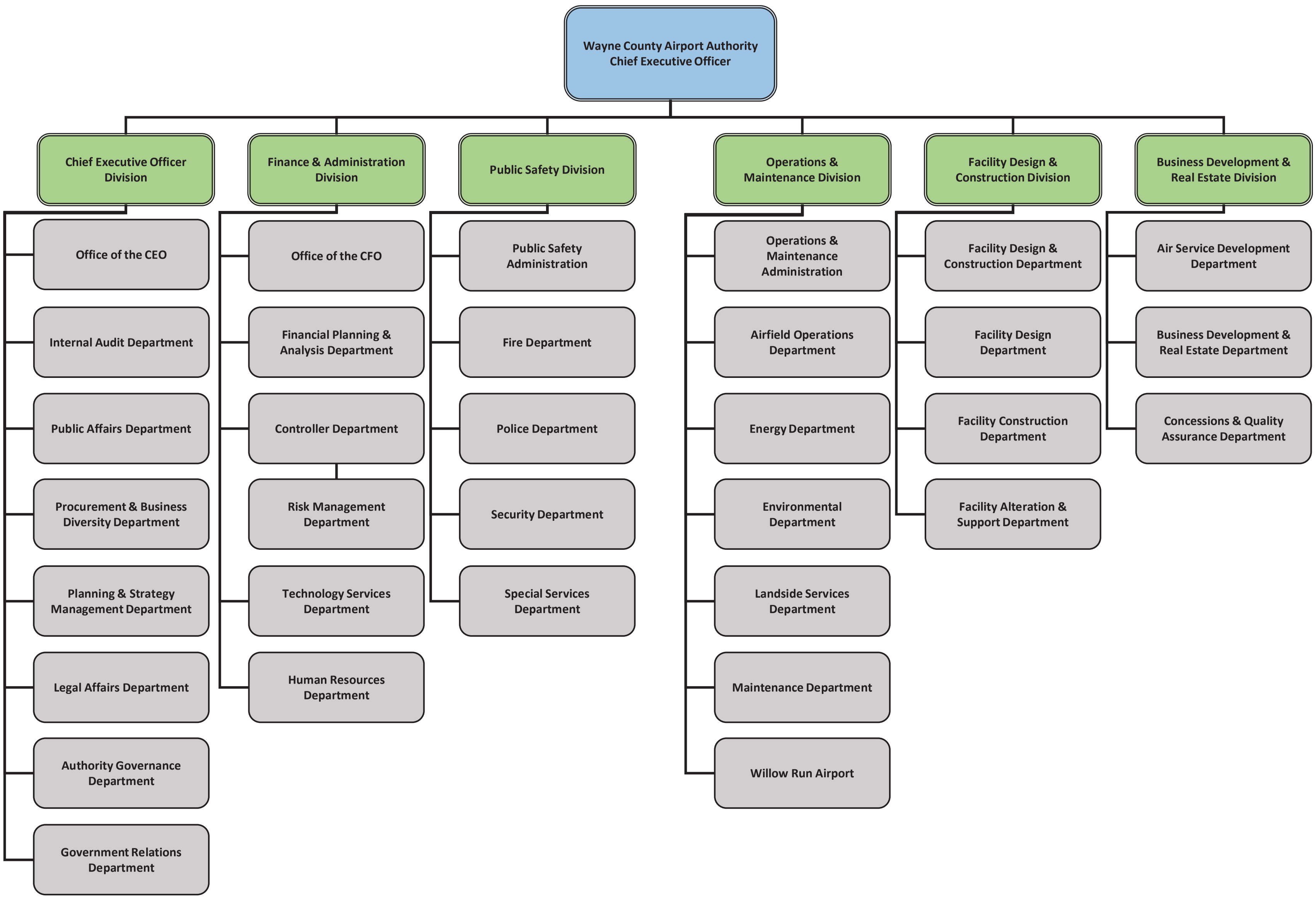
For its Comprehensive Annual Financial Report for the Fiscal Year Ended

September 30, 2015

Executive Director/CEO

DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

Wayne County Airport Authority Organizational Chart



LIST OF PRINCIPAL OFFICIALS

Authority Board	Position	Term Expires
Nabih H. Ayad	Board Member	October 2020
Irma Clark-Coleman	Board Member	October 2018
Michael Garavaglia	Vice-Chairperson	October 2020
Ronald Hall, Jr.	Secretary	October 2020
Dr. Curtis L. Ivery	Board Member	October 2018
Michael J. Jackson, Sr.	Board Member	October 2017
Mark Ouimet	Board Member	October 2022

Airport Management	Position
Joseph R. Nardone	Chief Executive Officer
Terrence P. Teifer	Chief Financial Officer
Margaret M. Basrai	Vice President – Controller
Gale L. LaRoche	Vice President – Human Resources
June Lee	Vice President – Administration
Derek Martin	Vice President – Operations and Maintenance
Thomas J. McCarthy	Vice President – Facilities Design & Construction
Chad Newton	Vice President – Public Safety
Samuel A. Nouhan	Vice President – Procurement
Istakur Rahman	Vice President – Internal Audit
Brian Sadek	Vice President – Legal & Authority Affairs

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Wayne County Airport Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Wayne County Airport Authority (the "Authority) as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the Wayne County Airport Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion 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 in accordance with 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Wayne County Airport Authority as of September 30, 2016 and the respective changes in its financial position, and, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
Wayne County Airport Authority

Emphasis of Matter

As described in Note 2 to the financial statements, the Authority has now combined the Airport Hotel Fund with the Detroit Metropolitan Airport Fund due to the Series 2001A Hotel Bond Refunding. As a result, beginning net position of the Detroit Metropolitan Airport Fund was restated for the effect of this change in fund structure. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wayne County Airport Authority's basic financial statements. The schedules of expenditures of federal awards as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, the schedule of passenger facility charge revenue and expenditures, as required by the Passenger Facility Charge Audit Guide for Public Agencies, and the introductory section, statistical section, and continuing disclosure section are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The schedules of expenditures of federal awards and passenger facility charge revenues and expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and passenger facility charge revenues and expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section, statistical section, and continuing disclosure section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion nor provide any assurance on them.

To the Board of Directors
Wayne County Airport Authority

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 17, 2017 on our consideration of the Wayne County Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. 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 an opinion 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* in considering the Wayne County Airport Authority's internal control over financial reporting and compliance.

Plante & Moran, PLLC

January 17, 2017

WAYNE COUNTY AIRPORT AUTHORITY
MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2016

The following discussion and analysis provides an overview of the financial performance and activities of the Wayne County Airport Authority (the "Authority") as of and for the year ended September 30, 2016, with selected comparative information for the year ended September 30, 2015. 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 Position, which presents the assets, liabilities, deferred inflows and outflows of resources, and net position of the Authority as of the end of the fiscal year; (b) Statement of Revenues, Expenses, and Changes in Net Position, 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.

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 including the Airport Hotel (the Airport), and Willow Run Airport.

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 on the 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 all Airlines up to the amount of the deficit. Conversely, if the Airport realizes a surplus, the Airport must refund the surplus to all the Airlines. The total amount to be charged or refunded is based on a pro-rata allocation between the Signatory Airlines and the Non-Signatory Airlines, which reflects the same ratio as the ratio of total activity fees paid by each group.

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 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 increased $13.3 million in 2016 as compared to 2015. Authority airline revenues increased by $2.5 million (1.5%) compared to 2015, primarily due to an increase in landing fee revenue ($4.8 million) offset by a decrease of terminal building rental revenue ($2.2 million). Authority non-airline revenues increased by $10.9 million (6.0%) compared to 2015 and outperformed budgeted non-airline revenues by $13.1 million (7.3%).

Operating expenses are $21.5 million (5.3%) more than fiscal year 2015. The primary categories that increased were salaries, wages and fringe benefits ($8.6 million), depreciation ($6.0 million), professional and contractual services ($4.7 million), equipment repair and maintenance ($3.2 million), security ($1.2 million) and hotel management ($3.6 million). These expenses were offset by decreases in utilities ($2.3 million) and buildings and ground maintenance ($3.2 million).

Nonoperating revenues in 2016 increased by $12.9 million compared to 2015. The primary categories that increased were federal and state sources by $4.2 million, customer facility charges by $4.0 million, passenger facility charges by $2.9 million and interest income by $2.4 million. Nonoperating expenses are $1.2 million (or 1.5%) less than fiscal year 2015. The decrease is primarily due to a reduction in interest expense ($9.0 million) offset by an increase in the loss on disposal of assets ($7.9 million). In addition, capital contributions increased $24.4 million over the prior year.

STATEMENT OF NET POSITION

The statement of net position includes all assets, liabilities, deferred inflows and outflows of resources, and the resulting net position. 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 position as of September 30, 2016 and 2015 is as follows:

	2016 (000's)	2015 (000's)
ASSETS:		
Current unrestricted assets	$ 158,837	$ 126,566
Restricted assets	556,797	471,580
Capital assets (net)	2,009,208	1,996,233
Other assets	7,350	8,600
Total assets	2,732,192	2,602,979
DEFERRED OUTFLOWS	51,392	43,684
LIABILITIES:		
Current liabilities	118,049	103,031
Liabilities payable from restricted assets	135,242	124,301
Long-term liabilities	2,287,412	2,145,810
Total liabilities	2,540,703	2,373,142
DEFERRED INFLOWS	1,377	1,836
NET POSITION:		
Net investment in capital assets	(97,448)	(6,890)
Restricted	319,728	287,088
Unrestricted (deficit)	19,224	(8,513)
TOTAL NET POSITION	$ 241,504	$ 271,685

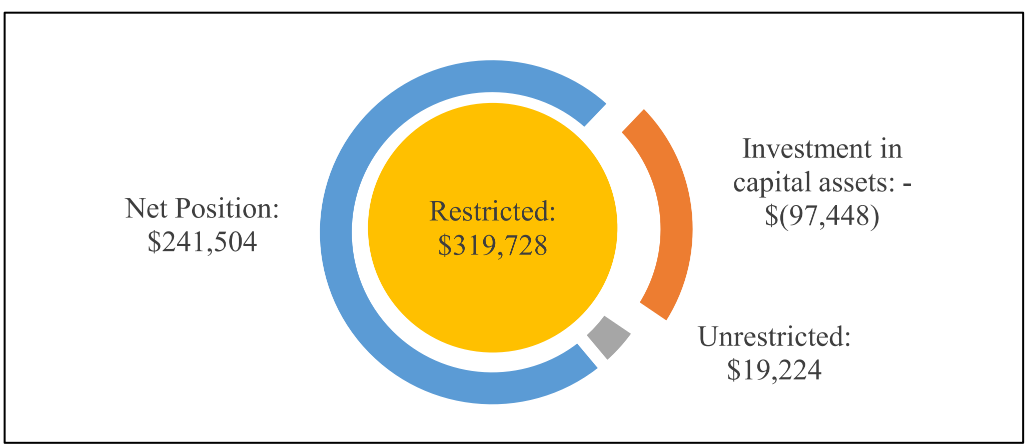
Current assets consist mainly of cash and investments, accounts receivable, prepaids and deposits and amounts due from other governmental units. Current assets increased $32.3 million over 2015, primarily due to additional grants receivable at year end. Restricted assets consist of cash and investments, accounts receivable and amounts due from other governmental units. Restricted assets increased approximately $85.2 million over the prior year due to the issuance of new bonds in fiscal year 2016, offset by the spending of construction funds on projects. 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 prepaid bond insurance premiums, net of related amortization, and net OPEB asset. Deferred outflows of resources represent the consumption of net position in one period that are applicable to future periods. They are reported separately from assets in accordance with GASB 65 and consist of the deferred amount on debt refunding and deferred outflows related to pensions.

In accordance with the terms of applicable ordinances, the Authority is required to restrict assets for various purposes. The components of net position 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, customer facility charges, and drug enforcement.

Current liabilities consist mainly of accounts payable, payroll-related liabilities, self-insurance liabilities, accrued vacation and sick time, amounts due to other governmental units, and security/performance deposits. Long-term liabilities consist primarily of long-term debt, net pension liability, and other accrued liabilities. Long-term liabilities increased approximately $141.6 million in fiscal year 2016. The primary reasons for the increase were issuance of new bonds of approximately $221 million offset by cash payments on debt of approximately $90.3 million. Deferred inflows of resources represent an acquisition of net position that are applicable to future periods.

Net position decreased by $30.2 million in the fiscal year ended September 30, 2016, which was an improvement over the decrease in net position in 2015 of $104.9 million, and in 2014 of $36 million. In 2015, $44.4 million of the $104.9 million decrease in net position was due to the restatement of beginning net position for GASB 68. Without this restatement, net position in 2015 would have decreased $60.5 million, which is $30.3 million more over the current year. An increase in contributed capital of $24.4 million accounted for the reduction of the loss in 2016 compared to prior years.

The chart below illustrates a breakdown of total net position as of September 30, 2016:



Total net position at September 30, 2016 was approximately $241.5 million. A total of $319.7 million of the components of the Airport's 2016 net position is restricted for future debt service, capital construction and replacement, bond and interest redemption, and passenger facility charges, subject to federal regulations. Net investment in capital assets was a negative $97.4 million and represents land, intangible assets, 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 remainder of net position includes an unrestricted amount of $19.2 million, which may be used to meet any of the Authority's ongoing operations.

CAPITAL ASSETS AND LONG-TERM DEBT ACTIVITY

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, 2016, the Authority had approximately $2.2 billion in outstanding bonds and other debt, both senior and subordinate, paying fixed and variable rates. The total annual debt service (principal and interest) was approximately $177.9 million in 2016 and long-term debt amounting to $90.3 million was paid off during the year. More detailed information on capital assets and long-term debt activity can be found in Notes 7 and 8, respectively, included in the Notes to Basic Financial Statements section of this report.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

The Statement of Revenues, Expenses, and Changes in Net Position presents 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. Nonoperating revenues consist primarily of passenger facility charges, federal and state sources, and interest income. Interest expense is the most significant nonoperating expense.

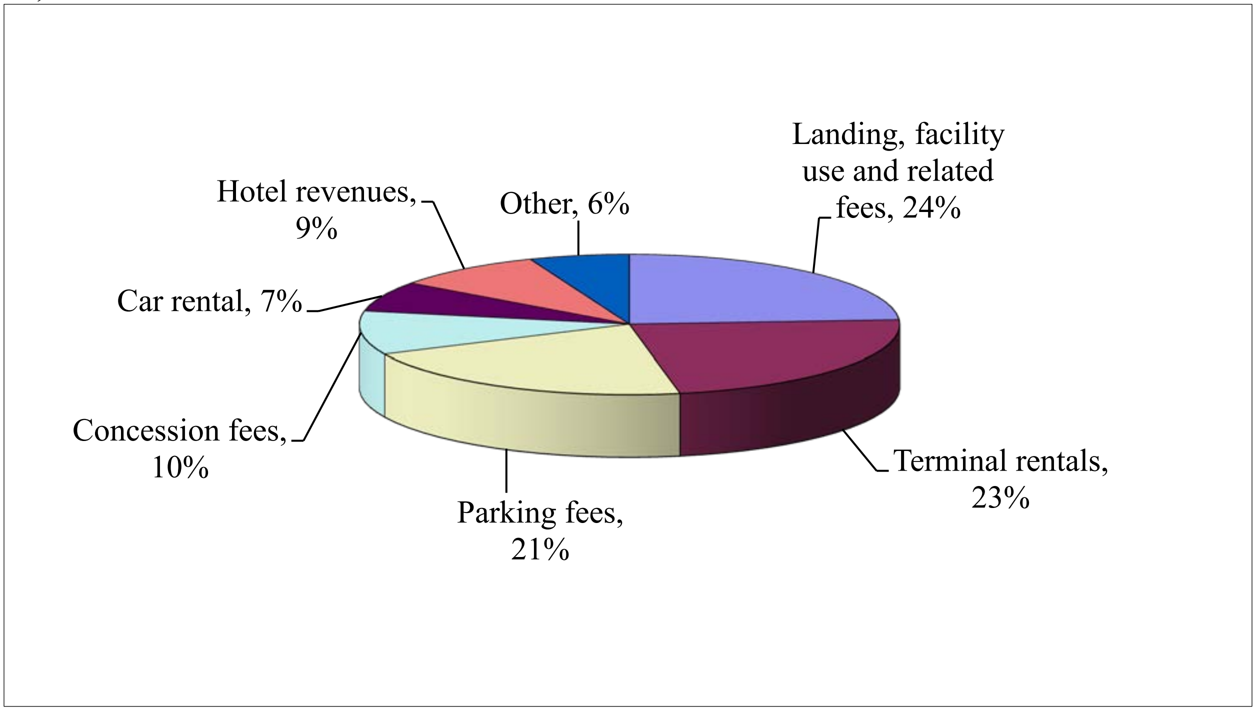
A summarized comparison of the Authority's revenues, expenses, and changes in net position for the years ended September 30, 2016 and 2015 follows:

September 30, 2016

		2016 (000's)		2015 (000's)
Operating revenues:				
Airline revenues:				
Airport landing and related fees	$	78,662	$	73,888
Terminal building rentals and fees		84,580		86,816
Facility use fees		8,288		8,367
Non-airline revenues:				
Parking fees		74,498		68,018
Concession fees		37,948		35,186
Car rental		23,872		22,429
Hotel		33,890		33,345
Other		21,332		21,686
Total operating revenues		363,070		349,735
Operating expenses:				
Salaries, wages, and fringe benefits		85,907		77,278
Parking management		7,909		7,882
Hotel management		22,357		18,793
Depreciation		173,102		167,106
Professional and contractual services		30,584		25,871
Utilities		22,221		24,500
Building, ground, equipment maintenance		44,676		44,700
Other		38,957		38,117
Total operating expenses		425,713		404,247
Operating loss		(62,643)		(54,512)
Nonoperating revenues (expense):				
Passenger facility charges		66,764		63,841
Other nonoperating revenues		13,785		3,854
Interest expense		(71,351)		(80,335)
Other nonoperating expenses		(9,689)		(1,936)
Net nonoperating expenses		(491)		(14,576)
Net loss before capital contribution		(63,134)		(69,088)
Capital Contribution		32,953		8,561
Changes in net position		(30,181)		(60,527)
Net position, beginning of the year, restated		271,685		332,212
Net position, end of the year	$	241,504	$	271,685

Operating Revenues:

The chart below illustrates the sources of total operating revenue for the year ended September 30, 2016:



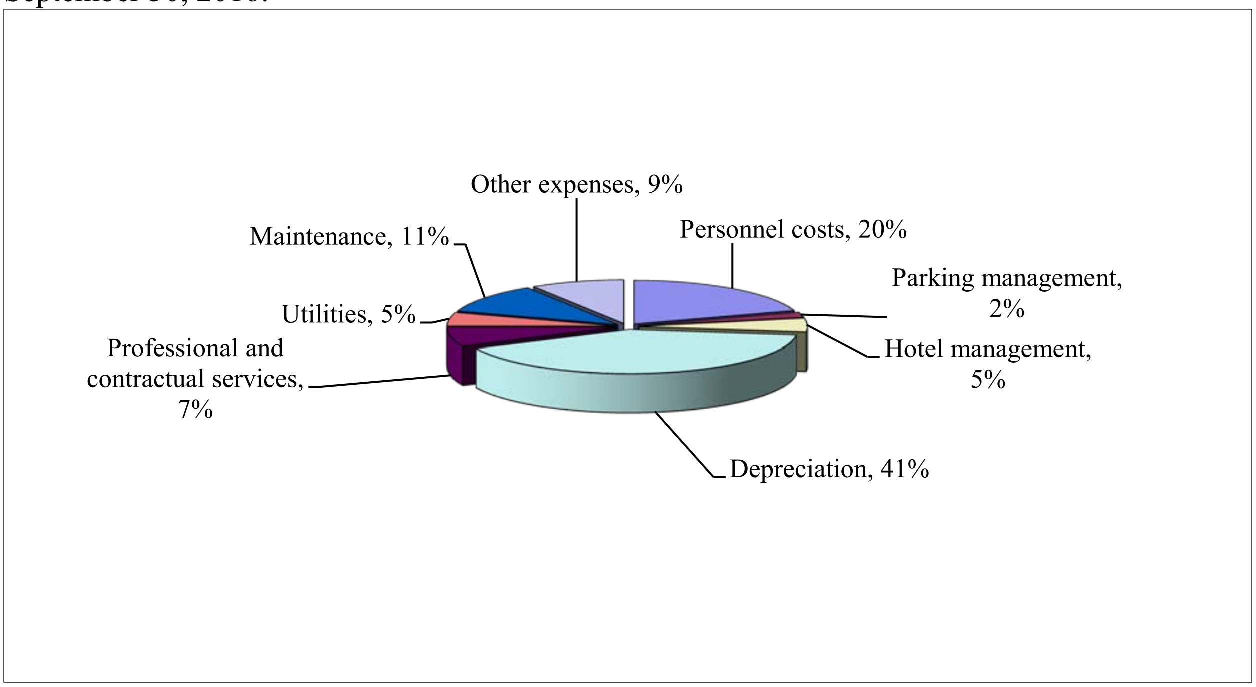
Operating revenues for the Authority increased $13.3 million in 2016 as compared to 2015.

Airline Revenues, a major category 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. Total Airline Revenues increased 1.5 percent to $171.5 million in 2016 from $169.1 million in 2015. Landing fee revenues increased 6.5 percent in 2016 to $78.7 million from $73.9 million in 2015. The change in landing rate (which drives landing fee revenues) was a 2.2 percent increase from the prior year, with a final Signatory rate of $3.62 per 1,000 pounds landed weight. In addition, total landed weight reported by the airlines increased 4.1 percent over the prior year, primarily from additional activity from the North Terminal airlines. Another aspect of Airline Revenues is terminal building rentals and fees, which are driven by the terminal rental rates. Terminal building rentals and fees decreased $2.2 million (2.6 percent) over the prior year. The change in terminal rental rates was a decrease from the prior year of 3.6 percent, with a final Signatory rate of $56.90 for the South Terminal and $119.35 for the North Terminal.

Non-Airline Revenues, the other major category of Operating Revenues, includes revenue collected for activities unrelated to aviation. In fiscal year 2016, total non-airline operating revenues rose by 6 percent to $191.5 million compared to $180.7 million in 2015. The growth was largely due to an increase in parking fees and concession fees. Parking fees increased $6.5 million over 2015. This can be attributed to the full-year impact of the rate increase on February 1, 2015 and a further rate increase of $1.00 on December 29, 2015. Concession fees rose $2.8 million (7.8 percent) over 2015, resulting from the new food & beverage program at the McNamara Terminal. In addition, enplanements at the North Terminal increased 4.2 percent over the prior year.

Operating Expenses:

The chart below illustrates the components of total operating expenses for the year ended September 30, 2016:



Operating expenses for the Authority increased by 5.3 percent to $425.7 million in 2016 from $404.2 million in 2015. The primary categories that had significant increases were salaries, wages, and fringe benefits ($8.6 million), depreciation ($6.0 million), professional and contractual services ($4.7 million), equipment repair and maintenance ($3.2 million), security ($1.2 million), and hotel management ($3.6 million). These expenses were offset by decreases in utilities ($2.3 million) and buildings and ground maintenance ($3.2 million).

Salaries, wages and fringe benefits increased $8.6 million (11.2 percent) in fiscal year 2016 due to the following: 1) increase in salaries and wages of approximately $3.5 million due to wage increases per the union contracts and for at-will employees, and the hiring of 52 new employees;

and 2) increase in the charge of health insurance expense of $4.6 million to the self-insurance fund based on higher health claims over the prior year.

Depreciation expense increased 3.6 percent ($6.0 million) over 2015 due to the acquisition and construction of approximately $150.2 million in various capital assets.

Professional and contractual services increased in fiscal 2016 by $4.7 million. The overall increase is due to various activities commencing at the Authority. During 2016, the Authority incurred $1.1 million in professional fees as a result of new bond issues and refundings of existing debt. The master plan was started for both the Airport and Willow Run, resulting in expenses during 2016 of $3.5 million. Various technology projects, including offering free Wi-Fi at the terminals and performing a strategic plan for the Technology Services Department, resulted in an increase of approximately $2 million over last fiscal year. During 2016, the Authority engaged an engineering firm to assess the need to upgrade Hangar 1 at Willow Run, resulting in the Authority recognizing an additional environmental liability of $930 thousand for asbestos remediation. The Authority continued its plan in 2016 to demolish various structures at the Airport and Willow Run. Demolition expenses were $2.9 million less than prior year due to the completion of Hangar 2 demolition at Willow Run Airport in 2015.

Equipment repair and maintenance increased in fiscal 2016 by $3.2 million (18 percent) due to an increase in repair activity relating to the North Terminal ($1.2 million), security equipment ($660 thousand), elevators and escalators ($419 thousand) and doors ($330 thousand).

Security expenses increased $1.2 million (46.4 percent) in 2016 over the prior year. In June 2016, Delta Airlines instituted new employee screening measures at the McNamara Terminal and at the South Employee lot. Shortly after, employee screening measures were added at the North Terminal. These changes resulted in increased security costs of $1.1 million.

Hotel management expenses increased $3.6 million (19 percent) in fiscal year 2016 primarily due to a one-time elimination of a long-term liability of $3.8 million in the prior fiscal year as a result of an amendment to the Hotel Operating Agreement in September 2015.

Utilities decreased $2.3 million in 2016 due to the following: 1) average electricity rate decreased by 14.2 percent from the previous year and 2) electricity consumption was reduced by 2.3 percent which can be attributed to the conversion to LED lighting.

Buildings and ground maintenance decreased $3.2 million (11.7 percent) due to several projects being completed in fiscal year 2015: 1) $1.2 million in repairs to the parking decks, and 2) $1.9 million in the South Terminal (includes repairs to the Dock Master dock, the Tram, and Jet Bridges).

Nonoperating Revenues and Expenses and Contributed Capital:

Nonoperating revenue increased $12.9 million in 2016 over 2015. The improvement in non-operating revenue was due to an increase in federal and state sources of $4.2 million, customer facility charges (CFC) of $4 million and passenger facility charges (PFC) of $2.9 million collected in 2016. The Authority collects $4.50 of PFC's per enplaned passenger and enplanements increased 4.2 percent in 2016. The Authority began collecting CFC's on September 1, 2015. The increase of $4 million in 2016 is a result of a full year of collections. There were two reasons for the increase in federal and state sources. First, effective April 1, 2016, the State of Michigan amended various statutes to earmark a portion of sales tax revenue from the retail sale of aviation fuel and a portion of use tax revenue from the use, storage and consumption of aviation fuel to the State Aeronautics Fund and created a "Qualified Airport Fund". Beginning October 1, 2016, the amount in the Qualified Airport Fund will be transferred to the Authority on a quarterly basis. These deposits must be used to pay (in the following order of priority) the next scheduled payments for revenue bonds issued by the Authority to finance capital improvements to landing areas at the Airport, or to defray the costs of capital improvements to landing areas of the Airport. For fiscal year 2016, the Authority recognized $2.4 million from these funds. The second reason for the increase in federal and state sources is that the Airport started the master plan update and received a grant to offset these costs in the amount of $2.3 million.

Nonoperating expense decreased $1.2 million in 2016. The primary reason for the decrease in nonoperating expense was a reduction in interest expense of $9 million offset by an increase in the loss on disposal of assets of $7.9 million. The decline in interest expense was a result of several debt refundings that were completed in fiscal years 2015 and 2016. The increase in the loss on the disposal of assets is the retirement of approximately $41.6 million of depreciable assets.

Capital contributions increased $24.4 million over the prior year. The two main reasons for the increase are as follows: 1) new grant revenue of $20.7 million received from the FAA for the reconstruction of runway 4L/22R and 2) $3.3 million of additional revenue for the North Terminal Baggage System.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Position

September 30, 2016

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Assets:			
Current assets:			
Cash and investments (note 4)	$ 99,715,523	$ 1,369,001	$ 101,084,524
Accounts receivable, less allowance (note 2)	17,192,164	472,252	17,664,416
Due from other governmental units	38,603,925	206,702	38,810,627
Due from other funds	112,424	126	112,550
Prepaids and deposits	1,150,715	13,824	1,164,539
Total current assets	156,774,751	2,061,905	158,836,656
Restricted assets (notes 4 and 6):			
Cash and investments	543,130,562	—	543,130,562
Accounts receivable	11,271,708	—	11,271,708
Due from other governmental units	2,394,852	—	2,394,852
Capital assets (note 7):			
Capital assets not being depreciated:			
Land and nondepreciable assets	227,361,355	17,476,885	244,838,240
Construction in progress	161,416,125	521,878	161,938,003
Capital assets being depreciated:			
Buildings and improvements	2,111,082,335	13,759,595	2,124,841,930
Equipment	87,390,079	5,779,724	93,169,803
Infrastructure	1,380,159,352	145,732,367	1,525,891,719
Total capital assets	3,967,409,246	183,270,449	4,150,679,695
Less accumulated depreciation	2,039,918,804	101,553,102	2,141,471,906
Net capital assets	1,927,490,442	81,717,347	2,009,207,789
Other assets:			
Prepaids and deposits	450,000	—	450,000
Prepaid bond insurance premiums (note 2)	3,040,653	—	3,040,653
Net OPEB asset (note 11)	3,859,487	—	3,859,487
Total noncurrent assets	2,491,637,704	81,717,347	2,573,355,051
Total assets	$ 2,648,412,455	$ 83,779,252	$ 2,732,191,707
Deferred Outflows of Resources:			
Deferred amount on refunding (note 2)	$ 28,881,083	$ —	$ 28,881,083
Deferred outflows from pensions (note 10)	22,180,588	330,478	22,511,066
Total deferred outflows of resources	$ 51,061,671	$ 330,478	$ 51,392,149

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Position

September 30, 2016

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Liabilities:			
Current liabilities:			
Accounts payable	$ 82,414,977	$ 956,115	$ 83,371,092
Accrued wages and benefits	2,737,195	40,758	2,777,953
Due to other governmental units	6,115,868	—	6,115,868
Due to other funds	126	112,424	112,550
Advance billings and payments received in advance	1,962,646	7,513	1,970,159
Bonds payable and other debt (note 8)	—	19,476	19,476
Other accrued liabilities	23,311,109	370,546	23,681,655
Total current liabilities	116,541,921	1,506,832	118,048,753
Payable from restricted assets:			
Accrued interest and other payables	39,267,760	—	39,267,760
Bonds payable and other debt (note 8)	95,974,704	—	95,974,704
Other accrued liabilities (note 8)	1,402,917	942,600	2,345,517
Net pension liability (note 10)	46,379,916	862,039	47,241,955
Bonds payable and other debt, net (note 8)	2,237,300,322	523,818	2,237,824,140
Total noncurrent liabilities	2,420,325,619	2,328,457	2,422,654,076
Total liabilities	$ 2,536,867,540	$ 3,835,289	$ 2,540,702,829
Deferred Inflows of Resources:			
Deferred inflows from pensions (note 10)	$ 1,351,803	$ 25,125	$ 1,376,928
Net position:			
Net investment in capital assets	$ (179,102,404)	$ 81,654,053	$ (97,448,351)
Restricted for:			
Capital assets	23,034,723	—	23,034,723
Debt service	255,559,788	—	255,559,788
Operations	39,822,109	—	39,822,109
Drug enforcement	1,311,645	—	1,311,645
Unrestricted (deficit)	20,628,922	(1,404,737)	19,224,185
Total net position	$ 161,254,783	$ 80,249,316	$ 241,504,099

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Revenue, Expenses, and Changes in Net Position

Year ended September 30, 2016

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Operating revenues:			
Airline revenues:			
Airport landing and related fees	$ 78,045,464	$ 616,317	$ 78,661,781
Terminal building rentals and related fees	84,286,483	293,972	84,580,455
Facility use fees	8,035,847	252,158	8,288,005
Nonairline revenues:			
Parking fees	74,497,683	—	74,497,683
Concession fees	37,947,768	—	37,947,768
Car rental	23,872,232	—	23,872,232
Hotel	33,889,957	—	33,889,957
Employee shuttle bus	2,316,970	—	2,316,970
Ground transportation	5,125,120	—	5,125,120
Utility service fees	4,690,641	122,064	4,812,705
Rental facilities	3,665,532	937,545	4,603,077
Other	3,747,414	726,534	4,473,948
Total operating revenues	360,121,111	2,948,590	363,069,701
Operating expenses:			
Salaries, wages, and fringe benefits	84,453,245	1,453,567	85,906,812
Parking management	7,908,549	—	7,908,549
Hotel management	22,357,224	—	22,357,224
Shuttle bus services	7,193,766	—	7,193,766
Janitorial services	11,991,806	22,650	12,014,456
Security	3,745,339	—	3,745,339
Professional and other contractual services	28,336,535	2,247,248	30,583,783
Utilities	21,644,998	575,806	22,220,804
Buildings and grounds maintenance	22,667,688	1,299,437	23,967,125
Equipment repair and maintenance	20,196,007	512,934	20,708,941
Materials and supplies	9,382,992	112,754	9,495,746
Insurance	2,074,876	29,488	2,104,364
Other	3,813,844	590,455	4,404,299
Depreciation	168,646,246	4,455,449	173,101,695
Total operating expenses	414,413,115	11,299,788	425,712,903
Operating loss	(54,292,004)	(8,351,198)	(62,643,202)
Nonoperating revenues (expenses):			
Passenger facility charges	66,764,363	—	66,764,363
Customer facility charges	4,260,370	—	4,260,370
Federal and state sources	5,551,480	16,650	5,568,130
Net insurance recovery	—	100,000	100,000
Interest income	3,853,990	2,869	3,856,859
Interest expense	(71,351,499)	—	(71,351,499)
(Loss) gain on disposal of assets	(9,513,823)	500	(9,513,323)
Amortization of bond insurance premiums	(175,438)	—	(175,438)
Net nonoperating (expenses) revenues	(610,557)	120,019	(490,538)
Net loss before capital contributions and transfers	(54,902,561)	(8,231,179)	(63,133,740)
Capital contributions	32,693,892	259,377	32,953,269
Transfers (out) in	(2,941,054)	2,941,054	—
Changes in net position	(25,149,723)	(5,030,748)	(30,180,471)
Net position – Beginning of year, restated (note 2)	186,404,506	85,280,064	271,684,570
Net position – End of year	$ 161,254,783	$ 80,249,316	$ 241,504,099

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year ended September 30, 2016

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	$ 355,897,733	$ 2,906,549	$ 358,804,282
Payments to suppliers	(155,411,345)	(4,670,234)	(160,081,579)
Payments to employees	(97,304,639)	(1,684,077)	(98,988,716)
Payments (to) from other funds for services provided	(2,507,019)	2,507,019	—
Advances from (to) other funds for services provided	126	(126)	—
Return of customer deposits	(1,139,471)	(400)	(1,139,871)
Collection of customer deposits	903,328	3,300	906,628
Net cash provided by (used in) operating activities	100,438,713	(937,969)	99,500,744
Cash flows from noncapital financing activities:			
Passenger facility charges received	433,380	—	433,380
Customer facility charges received	111,435	—	111,435
Transfers (to) from other funds	(931,158)	931,158	—
Grants from federal/state government	578,563	923	579,486
Net cash provided by noncapital financing activities	192,220	932,081	1,124,301
Cash flows from capital and related financing activities:			
Capital contributions received (reimbursed)	3,870,899	(1,744,647)	2,126,252
Passenger facility charges received	66,795,891	—	66,795,891
Customer facility charges received	4,053,454	—	4,053,454
Transfers from (to) other funds	100,550	(100,550)	—
Proceeds from capital debt	249,751,465	—	249,751,465
Principal paid on capital debt	(90,317,395)	(19,476)	(90,336,871)
Issuance costs paid on new bond issuances	(919,074)	—	(919,074)
Acquisition and construction of capital assets	(165,927,449)	(1,212,205)	(167,139,654)
Proceeds from disposal of capital assets	193,817	500	194,317
Interest paid on capital debt	(88,985,977)	—	(88,985,977)
Net cash used in capital and related financing activities	(21,383,819)	(3,076,378)	(24,460,197)
Cash flows from investing activities:			
Interest and dividends received	3,176,940	2,869	3,179,809
Purchases of investments	(659,315,746)	—	(659,315,746)
Maturities of investments	502,640,786	—	502,640,786
Net cash (used in) provided by investing activities	(153,498,020)	2,869	(153,495,151)
Net decrease in cash and cash equivalents	(74,250,906)	(3,079,397)	(77,330,303)
Cash and cash equivalents – Beginning of year	439,453,243	4,448,398	443,901,641
Cash and cash equivalents – End of year	$ 365,202,337	$ 1,369,001	$ 366,571,338

(Continued)

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year ended September 30, 2016

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Reconciliation of operating loss to net cash provided by (used in) operating activities:			
Operating loss	$ (54,292,004)	$ (8,351,198)	$ (62,643,202)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation expense	168,646,246	4,455,449	173,101,695
Increase in accounts receivable	(1,998,064)	(33,449)	(2,031,513)
Increase (decrease) in due from/to other funds	(2,506,893)	2,506,893	—
Increase in prepaids/deposits	(383,906)	(2,586)	(386,492)
Increase in due from other governmental units	—	(4,976)	(4,976)
Increase in net OPEB asset	(511,529)	—	(511,529)
Increase (decrease) in accounts payable	6,698,857	(220,925)	6,477,932
Decrease in accrued wages and benefits	(1,087,365)	(38,385)	(1,125,750)
Decrease in unearned revenue	(537,728)	(6,399)	(544,127)
Increase in due to other governmental units	1,043,608	—	1,043,608
(Decrease) increase in other accrued liabilities	(4,401,075)	852,951	(3,548,124)
Decrease in net pension liability	(10,231,434)	(95,344)	(10,326,778)
Total adjustments	154,730,717	7,413,229	162,143,946
Net cash provided by (used in) operating activities	$ 100,438,713	$ (937,969)	$ 99,500,744
Cash and investments at September 30, 2016 consist of:			
Cash and cash equivalents	$ 365,202,337	$ 1,369,001	$ 366,571,338
Investments	277,643,748	—	277,643,748
Total cash and investments	$ 642,846,085	$ 1,369,001	$ 644,215,086

Noncash operating activities:
- Loans due from Willow Run Airport Fund to Detroit Metropolitan Airport Fund of $2,394,595 were forgiven during fiscal year 2016.

Noncash capital and related financing activities:
- Assets transferred to Detroit Metropolitan Airport Fund from Willow Run Airport Fund of $203,243, less accumulated depreciation of $191,590
- The issuance of refunding bonds resulted in several noncash activities. The major components are as follows: $322.1 million of principal and $30.9 of bond premium additions offset by $343.7 million of principal reductions; additional deferred refunding charges of $1.9 million offset by write-offs of bond discount of $1.2 million, bond premiums of $3.9 million and prepaid bond insurance premiums of $2.4 million.
- Interest expense of approximately $12.6 million was capitalized into Detroit Metropolitan Airport capital assets during 2016.

Noncash investing activities
- Detroit Metropolitan Airport Fund had a noncash change in the fair market value of investments of approximately $150,000 in 2016.

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 (which includes the Airport Hotel) and Willow Run Airport.

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 10 airlines. These airlines, along with their affiliates, constitute approximately 96 percent of total landed weight in 2016. 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, which includes the Airport Hotel.

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

(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 as applicable to governmental units; revenues are recorded when earned, and expenses are recorded as incurred.

(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 value.

(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 from airlines on an accrual basis.

(f) Customer Facility Charges

The Authority collects customer facility charges (CFC) from all rental car concessionaires that operate at Detroit Metropolitan Airport. Currently, $1.00 is charged to each airport rental car concessionaire customer on a per transaction day basis. CFC revenues are classified as nonoperating on the statement of revenue, expenses and changes in net position. Such amounts are restricted for operating and maintenance expense, capital improvements, and debt service related to the rental car operations at Detroit Metropolitan Airport.

(g) 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.

(h) Net Position

Equity is displayed in three components, as follows:

Net Investment in Capital Assets – 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 position that is 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 position that does not meet the definition of "restricted" or "net investment in capital assets."

(i) 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.

(j) 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.

(k) 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 lives 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 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.

(l) 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". Activity for the year ended September 30, 2016 was as follows:

Beginning balance	Increases	Decreases	Ending balance
$ 5,762,443	$ 5,968,428	$ (6,194,011)	$ 5,536,860

(m) Retirement Contributions and Other Postemployment Benefit Costs

The Wayne County Airport Authority offers defined benefit and defined contribution retirement benefits though the Wayne County Employees' Retirement System (WCERS), an agent multi-employer retirement system. Related to the defined benefit plans, the Authority records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan's fiduciary net position. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by WCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Related to the defined contribution plans, employers and employee contributions are recognized in the period in which the contributions are due.

The Authority offers retiree healthcare 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.

(n) Accounts Receivable

Net receivables at September 30, 2016 consist of trade receivables incurred by customers during the normal course of business. Total allowance for uncollectible accounts at September 30, 2016 was $354,801, of which $349,801 was for the Detroit Metropolitan Airport Fund and $5,000 was for the Willow Run Airport Fund.

(o) Accounts Payable

Total payables at September 30, 2016 consist of payables due to vendors used during the normal course of business.

(p) Restricted Assets and Liabilities

Restricted assets consist of cash, investments, accounts receivable, and due from other governmental units 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. CFC program funds are restricted to pay the cost of car rental operations. 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 accrued interest and current portion of long-term debt associated with the purchase and construction of the capital projects funded by the restricted assets.

(q) 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 expenses 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 and capital projects.

(r) Prepaid Bond Insurance Premiums

Prepaid bond insurance premium costs are amortized over the period the bond is outstanding using the straight-line method. Accumulated amortization at September 30, 2016 is $504,668.

(s) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Authority has two items that qualify for reporting in this category. One is the deferred charge on refunding reported on the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is the deferred outflow for pensions. This amount represents employer contributions to the plan subsequent to the pension measurement date, the net difference between projected and actual earnings on pension plan investments, and the net difference between projected and actual experience.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has one item that qualifies for reporting in this category. It is the net difference between projected and actual earnings on pension plan investments.

(t) 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.

(u) 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 statement of net position as current and long-term "other accrued liabilities."

In certain instances, environmental remediation costs cannot be reasonably estimated; however, the nature of the matters are disclosed in the notes to the basic 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.

(v) Self Insurance

During the year ended September 30, 2004, the Authority became self insured for disability, unemployment, and liability insurance. 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, self-insured retentions, and legal bills are paid out of these funds. Until November 30, 2010, the Authority purchased commercial insurance for general liability claims in excess of $50,000. Since September 30, 2004, there have been four losses that have exceeded this $50,000 retention wherein the insurer has been responsible for settlement and legal fees. Beginning December 1, 2010, the maximum amount paid for legal bills and claims paid out of these funds was reduced to $10,000 per general liability claim and $25,000 per auto liability claim. The Authority now purchases general liability and auto liability insurance for claims in excess of $10,000 and $25,000, respectively. Since December 1, 2010, there have been two losses that have exceeded the $10,000 retention and no losses that exceeded the $25,000 retention. In December 2010, the Authority purchased Law Enforcement liability insurance with a $50,000 SIR. There have been two losses that have exceeded this $50,000 retention. In December 2015, the Law Enforcement liability insurance SIR was increased to $75,000. Since that time, there have been no losses that have exceeded this retention.

During the year ended September 30, 2005, the Authority became self-insured for health insurance and workers' compensation. 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 workers' compensation excess insurance for claims that exceed $1 million. Since September 30, 2005, there have been two claims that have exceeded the $1 million retention wherein the insurer has been responsible for settlement of all future wages, medical, and legal costs. 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. Prior to January 2016, the Authority, as part of the County's umbrella, paid 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 included the County). This stop/loss threshold has not been met since the Authority became self insured. In January 2016, the Authority separated its contracts from the County and pays Blue Cross directly for stop/loss coverage. The amount of the stop/loss coverage is $500,000. Since that time, there have been no claims that have exceeded this threshold.

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, 2016 follows:

	Health Insurance	Workers' Compensation	Other Claims	Total
Claims liability, September 30, 2014	$ 3,601,634	$ 2,752,930	$ 890,733	$ 7,245,297
Claims incurred during fiscal year 2015	13,448,965	104,176	482,302	14,035,443
Payments on claims	(11,816,497)	(336,792)	(364,394)	(12,517,683)
Decrease in the reserve	(465,480)	(1,847,297)	(605,707)	(2,918,484)
Claims liability, September 30, 2015	4,768,622	673,017	402,934	5,844,573
Claims incurred during fiscal year 2016	14,475,807	247,402	475,477	15,198,686
Payments on claims	(14,958,023)	(302,076)	(332,530)	(15,592,629)
Increase (decrease) in the reserve	(511,688)	137,103	(118,761)	(493,346)
Claims liability, September 30, 2016	$ 3,774,718	$ 755,446	$ 427,120	$ 4,957,284

(w) New Accounting Pronouncements

The Authority adopted GASB Statement No. 72, *Fair Value Measurement and Application*, for the year ended September 30, 2016. This statement required additional disclosures presented in these notes, but has no impact on the net position of the funds. These disclosures address fair value measurements, the level of fair value hierarchy, and valuation techniques.

(x) Change in Fund Structure

In prior years, the Authority presented the Airport Hotel Fund as a separate enterprise fund in accordance with GASB Statement No. 34 due to specific provisions of the Airport Hotel Revenue Bonds. During the year, the Authority issued $97.9 million in Airport Revenue Refunding Bonds to refund the Airport Hotel Series 2001A Bonds. The net revenues of Metro Airport have been pledged towards the repayment of the new bonds. The definition of net revenues has also been modified to now include revenue from the Airport Hotel.

As a result, the Authority has combined the Airport Hotel Fund with the Detroit Metropolitan Airport Fund as allowed under the provisions of GASB Statement No. 34.

The beginning net position of the Detroit Metropolitan Airport Fund has been restated as follows:

Net position - September 30, 2015 - As previously reported	$ 236,272,238
Adjustment for change in acceptable fund type	(49,867,732)
Net position - September 30, 2015 - As restated	$ 186,404,506

The effect on the change in net position for the prior year is as follows:

Change in net postion - September 30, 2015 - As previously reported	$	(65,122,849)
Adjustment for Change in acceptable fund type		5,285,611
Change in net postion - September 30, 2015 - As restated	$	(59,837,238)

(3) Major Customer

Delta Air Lines (Delta) and its affiliates account for approximately 33 percent of total Authority operating revenues for the year ended September 30, 2016, including 72 percent of landing and related fees, 66 percent of airline rental and related fees, and 80 percent of facility use fees. Approximately 74 percent of total 2016 enplanements are attributable to Delta's (and affiliates) operations. In the event that Delta 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 $8.7 million in receivables from Delta at September 30, 2016.

The airlines serving the Airport have been impacted by global events to varying degrees. American Airlines filed for bankruptcy reorganization in November 2011. With its emergence from bankruptcy in 2013, American Airlines began merger plans with US Airways. Delta Air Lines filed for bankruptcy reorganization in 2005 (it has since emerged). During 2008, Delta Air Lines completed a merger with Northwest Airlines, which was formerly the primary carrier servicing the Airport. This consolidation has affected Detroit Metropolitan Airport positively as Delta has continued to utilize Detroit as a hub and remains the primary carrier.

It is reasonable to assume that any additional financial or operational difficulties incurred by Delta, 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.

(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 deposits, commercial paper (rated A2/P2 or above), bankers' acceptances, repurchase agreements, overnight deposits, or mutual funds. For overnight deposits, the treasurer may invest overnight or short-term liquid assets to cover cash flow requirements in the following types of pools: investment pools organized under the Surplus Funds Investment Pool Act of 1982, PA 367, 1 MCL 129.111 to MCL 129.118, or investment pools organized under the Urban Cooperation Act of 1967, PA 7, MCL 124.501 to 124.512. For mutual funds, the treasurer may invest in no-load fixed-income mutual funds composed of investment vehicles 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 and municipal bonds) are as follows:

Investment	Fair value	Rating	Organization
Money market funds	$ 9,083,208	AAA	S&P
Commercial paper	67,822,809	A1+, P1	S&P, Moody
Commercial paper	217,386,561	A1, P1	S&P, Moody

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 $250,000 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 $79,107,398 of bank deposits (certificates of deposit and checking and savings accounts) that were 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 were 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.
- lnvestments 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:			
General pool funds:			
Municipal Bonds	$	4,532,923	6.3 months
Bond reserves:			
U.S. Agencies		90,494,725	1.8 years
Long-term repo		3,629,278	5.2 years
Commercial paper		49,508,637	4.3 months
Bond payment funds:			
U.S. Treasuries		107,283,854	2 months
Capital interest funds:			
2015D Construction:			
Commercial paper		1,199,785	1 month
Construction funds:			
2007 Construction:			
Commercial paper		8,196,516	27 days
2012A Construction:			
Commercial paper		13,798,437	11 days
2012B Construction:			
Commercial paper		10,096,567	23 days
2014A Construction:			
Commercial paper		5,699,591	8 days
2014B Construction:			
Commercial paper		21,793,295	22 days
2014C Construction:			
Commercial paper		27,178,767	1.3 months
2015D Construction:			
U.S. Agencies		18,043,540	5 months
Commercial paper		80,684,685	16 days
2015E Construction:			
U.S. Agencies		1,001,590	4.7 months
Commercial paper		4,799,464	11 days
Other construction and operating funds:			
Commercial paper		62,253,626	1.2 months
Investments subject to risk		510,195,280	
Deposits/investments not subject to risk:			
Deposits		124,936,598	
Money market funds		9,083,208	
Total deposits and investments	$	644,215,086	

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% 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	7.3
Money market funds	50	1.4
Commercial paper	60	44.3
U.S. Government	100	33.7

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% of total portfolio are as follows:

Issuer	Investment type	Fair value	Percentage of portfolio	Rating
Credit Agricole N.A.	Commercial paper	$ 53,398,149	8.29%	A1, P1
Bank of Tokyo-Mitsubishi	Commercial paper	51,086,133	7.93	A1, P1
Sumitomo MTSU Bkg Co	Commercial paper	37,295,524	5.79	A1, P1
Credit Suisse NY	Commercial paper	35,582,978	5.52	A1, P1
Abbey National NA LLC	Commercial paper	34,425,009	5.34	A1, P1

(5) Fair Market Measurement

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority has the following recurring fair value measurements as of September 30, 2016:

- U.S. Treasury securities of $107,283,854 are valued using quoted market prices (Level 1 inputs).
- Commercial paper of $285,209,370 is valued using a matrix pricing model and par value (Level 2 inputs).
- Money market mutual funds of $9,083,208 are valued using $1 per share (Level 2 inputs).
- U.S. Government Agency securities of $109,539,855 are valued using quoted market prices and various market and industry inputs (Level 2 inputs).
- Municipal securities of $4,532,923 are valued using observable inputs, either directly or indirectly (Level 2 inputs).
- Repurchase agreements of $3,629,278 are valued using par value (Level 2 inputs).

(6) Restricted Assets

In accordance with the terms of applicable ordinances, the Authority is required to restrict assets for various purposes. Net position has been restricted related to certain of the restricted assets. A summary of the restricted assets at September 30, 2016 is as follows:

Operations and maintenance:	
Cash and investments	$ 39,656,840
Accounts receivable	165,269
Total	39,822,109
Replacement and improvements:	
Cash and investments	950,680
Construction:	
Cash and investments	228,070,357
Accounts receivable	243,030
Total	228,313,387
Bond and interest redemption:	
Cash and investments	257,745,451
Accounts receivable	600,061
Due from other governmental units	2,394,852
Total	260,740,364
Passenger facility charges:	
Cash and investments	11,304,501
Accounts receivable	9,863,357
Total	21,167,858
Customer facility charges:	
Cash and investments	4,091,088
Accounts receivable	399,991
Total	4,491,079
Drug enforcement:	
Cash and investments	1,311,645
Total restricted assets	$ 556,797,122

(7) Capital Assets

Capital asset activity for the year ended September 30, 2016 was as follows:

	Beginning balance as restated	Increases *	Decreases	Ending balance
Detroit Metropolitan Airport Fund:				
Capital assets not being depreciated:				
Land and nondepreciable assets	$ 227,466,431	$ —	$ (105,076)	$ 227,361,355
Construction in progress	115,850,150	188,280,376	(142,714,401)	161,416,125
Total capital assets not being depreciated	343,316,581	188,280,376	(142,819,477)	388,777,480
Capital assets being depreciated:				
Buildings and improvements	2,103,609,457	8,532,619	(1,059,741)	2,111,082,335
Equipment	84,004,995	8,748,429	(5,363,345)	87,390,079
Infrastructure	1,282,291,801	132,774,345	(34,906,794)	1,380,159,352
Total capital assets being depreciated	3,469,906,253	150,055,393	(41,329,880)	3,578,631,766
Less accumulated depreciation for:				
Buildings and improvements	1,101,935,928	82,257,745	(599,339)	1,183,594,334
Equipment	57,014,583	6,032,540	(5,254,653)	57,792,470
Infrastructure	743,847,773	80,547,551	(25,863,324)	798,532,000
Total accumulated depreciation	1,902,798,284	168,837,836	(31,717,316)	2,039,918,804
Total capital assets being depreciated, net	1,567,107,969	(18,782,443)	(9,612,564)	1,538,712,962
Total Detroit Metropolitan Airport Fund capital assets, net	1,910,424,550	169,497,933	(152,432,041)	1,927,490,442

* During the year, Willow Run transferred an asset of $203,243 with associated accumulated depreciation of $191,590 to the Detroit Metropolitan Airport Fund.

	Beginning balance as restated	Increases	Decreases	Ending balance
Willow Run Airport Fund:				
Capital assets not being depreciated:				
Land and nondepreciable assets	$ 17,476,885	$ —	$ —	$ 17,476,885
Construction in progress	278,897	285,573	(42,592)	521,878
Total capital assets not being depreciated	17,755,782	285,573	(42,592)	17,998,763
Capital assets being depreciated:				
Buildings and improvements	13,711,872	47,723	-	13,759,595
Equipment	5,957,648	42,216	(220,140)	5,779,724
Infrastructure	145,689,775	42,592	-	145,732,367
Total capital assets being depreciated	165,359,295	132,531	(220,140)	165,271,686
Less accumulated depreciation for:				
Buildings and improvements	4,743,622	533,463	-	5,277,085
Equipment	4,787,764	297,589	(208,487)	4,876,866
Infrastructure	87,774,754	3,624,397	-	91,399,151
Total accumulated depreciation	97,306,140	4,455,449	(208,487)	101,553,102
Total capital assets being depreciated, net	68,053,155	(4,322,918)	(11,653)	63,718,584
Total Willow Run Airport Fund capital assets, net	85,808,937	(4,037,345)	(54,245)	81,717,347
Total Authority capital assets, net	$ 1,996,233,487	$ 165,460,588	$ (152,486,286)	$ 2,009,207,789

The beginning balance in the Detroit Metropolitan Airport Fund was combined with the Airport Hotel Fund. As described in Note 2, the Authority has combined the Hotel Fund with the Metro Fund as allowed under provision of GASB Statement No. 34. The total beginning capital asset balance for all funds has not changed.

(8) Long-term Debt

The detail of long term debt at September 30, 2016 is as follows:

Detroit Metropolitan Airport Fund:		
Airport Revenue Bonds:		
Series 2007A Jr. Lien, 4.85% to 5.00%, due 12/1/2037	$	162,200,000
Series 2007B, 4.00% to 5.382%, due 12/1/2028		103,700,000
Series 2008A, 4.00% to 5.75%, due 12/1/2032		104,050,000
Series 2010A, 2.00% to 5.00%, due 12/1/2018		91,900,000
Series 2010C, 1.50% to 5.50%, due 12/1/2022		95,900,000
Series 2010D, 1.50% to 5.50%, due 12/1/2021		17,195,000
Series 2011A, 4.00% to 5.00%, due 12/1/2022		152,465,000
Series 2011B, 3.00% to 5.00%, due 12/1/2020		12,630,000
Series 2012A, 3.00% to 5.00%, due 12/1/2042		177,565,000
Series 2012B, 5.00%, due 12/1/2037		25,090,000
Series 2012C, 3.00% to 4.00%, due 12/1/2020		1,220,000
Series 2012D, 3.00% to 5.00%, due 12/1/2028		50,990,000
Series 2013A, Variable, Current Yield at 9/30/16, 1.050557%, due 12/1/2033		199,400,000
Series 2013B, Variable, Current Yield at 9/30/16, 1.036254%, due 12/1/2028		74,560,000
Series 2013C, Variable, Current Yield at 9/30/16, 1.07626%, due 12/1/2028		114,980,000
Series 2014A, Variable, Current Yield at 9/30/16, 1.076254%, due 12/1/2034		30,000,000
Series 2014B, 3.00% to 5.00%, due 12/1/2044		66,595,000
Series 2014C, 3.00% to 5.00%, due 12/1/2044		31,845,000
Series 2015A, 1.67%, due 12/1/2020		85,000,000
Series 2015B, 2.716%, due 12/1/2024		75,000,000
Series 2015C, 3.75%, due 12/1/2034		25,640,000
Series 2015D, 3.00% to 5.00%, due 12/1/2045		213,330,000
Series 2015E, 5.00%, due 12/1/2038		7,755,000
Series 2015F, 5.00%, due 12/1/2034		224,155,000
Series 2015G, 2.00% to 5.00%, due 12/1/2036		74,815,000
Series 2015H, Variable, Current Yield at 9/30/16, 1.076254%, due 12/1/2039		23,125,000
Installment purchase contract, 4.33%, due 5/21/2023		2,411,326
Installment purchase contract, 4.05%, due 4/8/2018		73,021
Installment purchase contract, 1.77%, due 3/16/2017		58,964
Installment purchase contract, 1.77%, due 5/18/2017		171,971
Installment purchase contract, 1.77%, due 5/18/2017		45,145
Installment purchase contract, 1.64%, due 9/27/2017		172,042
Total Detroit Metropolitan Airport Fund		2,244,037,469

Willow Run Airport Fund:	
Notes payable – Washtenaw County, 0%, due 12/31/2019	63,294
Notes payable – Downriver Community Conference, 0%, due 5/1/2027	480,000
Total Willow Run Airport Fund	543,294
Total Authority bonds payable and other debt	2,244,580,763
Add (less):	
Certain bond discounts	(521,022)
Certain bond premiums	89,758,579
Total Authority bonds payable and other debt, net	2,333,818,320
Less current portion	95,994,180
Total Authority bonds payable and other debt, noncurrent	$ 2,237,824,140

The annual requirements to pay principal and interest on the Authority's debt outstanding at September 30, 2016 are summarized as follows:

	Principal			
	Airport Revenue Bonds	Installment Purchase Contracts	Willow Run Debt	Total
2017	$ 95,195,000	$ 779,704	$ 19,476	$ 95,994,180
2018	92,295,000	337,782	19,476	92,652,258
2019	96,440,000	336,439	39,476	96,815,915
2020	102,545,000	363,758	64,866	102,973,624
2021	101,355,000	392,636	60,000	101,807,636
2022 to 2026	520,405,000	722,150	300,000	521,427,150
2027 to 2031	512,135,000	-	40,000	512,175,000
2032 to 2036	381,405,000	-	-	381,405,000
2037 to 2041	201,550,000	-	-	201,550,000
2042 to 2046	137,780,000	-	-	137,780,000
Total	$ 2,241,105,000	$ 2,932,469	$ 543,294	$ 2,244,580,763

	Interest			
	Airport Revenue Bonds	Installment Purchase Contracts	Willow Run Debt	Total
2017	$ 82,385,168	$ 108,658	$ -	$ 82,493,826
2018	82,384,908	86,346	-	82,471,254
2019	79,098,401	72,022	-	79,170,423
2020	74,733,511	56,917	-	74,790,428
2021	70,324,414	40,602	-	70,365,016
2022 to 2026	292,725,344	27,863	-	292,753,207
2027 to 2031	208,768,149	-	-	208,768,149
2032 to 2036	118,644,782	-	-	118,644,782
2037 to 2041	55,443,250	-	-	55,443,250
2042 to 2046	15,231,000	-	-	15,231,000
Total	$ 1,079,738,927	$ 392,408	$ -	$ 1,080,131,335

Pursuant to the Authority Act, the Authority is liable for all of the obligations with respect to the Authority and 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 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 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 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" 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. 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.

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 June 2007, the Authority issued $180.4 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 lien 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. The Authority used $5,397,299 of this agreement and entered into five Installment Purchase Contracts to pay for equipment and additional energy conservation improvements at Metro Airport. As of September 30, 2016, three of the five Installment Purchase Contracts were paid in full.

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 operations of Metro Airport.

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 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 new revenues derived by the Authority from the operations 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 December 2010, the Authority issued $722.7 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2010A, 2010B, 2010C, 2010D, 2010E-1, 2010E-2, and 2010F. The Series 2010A, 2010B, 2010C, 2010D, 2010E-1, 2010E-2, and 2010F 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 2010A Refunding Bonds were issued to refund a portion of the Series 1998A Bonds. The Series 2010B Refunding Bonds were issued to refund a portion of the Series 1998B Bonds. The Series 2010C Refunding Bonds were issued to refund a portion of the Series 2008B Bonds, a portion of the Series 2008C Bonds, the Series 2008E Bonds, and the Series 2008F Bonds. The Series 2010D Refunding Bonds were issued to refund the Series 2008D Bonds. The Series 2010E-1 Refunding Bonds were issued to refund a portion of the Series 1998A Bonds. The Series 2010E-2 Refunding Bonds were issued to refund a portion of the Series 1998A Bonds. The Series 2010F Refunding Bonds were issued to refund a portion of the Series 2008B Bonds and a portion of the Series 2008C Bonds. The Series 2010A Bonds, Series 2010B Bonds, Series 2010C Bonds, Series 2010D Bonds, Series 2010E-1 Bonds, Series 2010E-2 Bonds, and Series 2010F 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 refunded portions of the Series 1998A Bonds, Series 1998B Bonds, Series 2008B Bonds, Series 2008C Bonds, Series 2008D Bonds, Series 2008E Bonds, and Series 2008F Bonds by placing the proceeds of the Series 2010A Bonds, Series 2010B Bonds, Series 2010C Bonds, Series 2010D Bonds, Series 2010E-1 Bonds, Series 2010E-2 Bonds, and Series 2010F Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998A Bonds, Series 1998B Bonds, Series 2008B Bonds, Series 2008C Bonds, Series 2008D Bonds, Series 2008E Bonds, and Series 2008F Bonds were subsequently called and paid in full in January 2011 and February 2011. The difference between the cash flows required to service the new debt and complete the refunding was approximately $52.2 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 $25.5 million.

In November 2011, the Authority issued $169.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2011A and 2011B. The Series 2011A and 2011B 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 2011A Refunding Bonds were issued to refund a portion of the Series 1998A Bonds. The Series 2011B Bonds were issued to refund a portion of the Series 2002C Refunding Bonds. The Series 2011A Bonds and Series 2011B 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 refunded portions of the Series 1998A Bonds and the refunded portions of the Series 2002C Bonds by placing the proceeds of the Series 2011A Bonds and Series 2011B Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998A Bonds and Series 2002C Bonds were subsequently called and paid in full in December 2011 and December 2012. The difference between the cash flows required to service the new debt and complete the refunding was approximately $10.6 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 $8.1 million.

In March 2012, the Authority executed a Master Lease Purchase Agreement to finance up to $2.2 million in major equipment purchases over a nine-month period. The Authority used $2,166,104 of this agreement and entered into four Installment Purchase Contracts to pay for equipment at Metro Airport.

In September 2012, the Authority issued $202.7 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 and parking decks/lots, the replacement and construction of support facilities, acquisition of fleet and heavy equipment, design of a powerhouse control room, watermain replacements, security network upgrades, and roof replacements. The Series 2012A Bonds and Series 2012B Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In September 2012, the Authority issued $75.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2012C and 2012D. The Series 2012C and 2012D 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 2012C Refunding Bonds were issued to refund a portion of the Series 2002C Refunding Bonds. The Series 2012D Bonds were issued to refund a portion of the Series 1998A Bonds and the Series 2002D Refunding Bonds. The Series 2012C Bonds and Series 2012D 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 refunded portions of the Series 1998A Bonds, the refunded portions of the Series 2002C Bonds, and the refunded Series 2002D Bonds by placing the proceeds of the Series 2012C Bonds and Series 2012D Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998A Bonds, Series 2002C Bonds, and Series 2002D Bonds were subsequently called and paid in full in October 2012 and December 2012. The difference between the cash flows required to service the new debt and complete the refunding was approximately $10.0 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 $7.8 million.

In November 2013, the Authority issued a $200 million Direct Placement Bond with JPMorgan Chase Bank, N.A., Series 2013A Bonds. The Series 2013A Bonds were issued to refund the Series 2010E-1 Revenue Refunding Bonds and the Series 2010F Revenue Refunding Bonds. The Series 2013A Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2010E-1 Bonds and the Series 2010F Bonds by placing the proceeds of the Series 2013A Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2010E-1 Bonds and Series 2010F Bonds were subsequently called and paid in full in November 2013 and December 2013.

The Series 2013A Bonds are variable-rate bonds. JPMorgan Chase Bank N.A. is responsible under an agreement with Metro Airport to establish the interest rate monthly. The interest rate is determined as the rate of interest which, in the judgment of JPMorgan Chase Bank N.A., would cause the Series 2013A Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

In November 2013, the Authority issued a $74.9 million Direct Placement Bond with PNC Bank, N.A., Series 2013B Bonds. The Series 2013B Bonds were issued to refund the Series 2010E-2 Revenue Refunding Bonds. The Series 2013B Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2010E-2 Bonds by placing the proceeds of the Series 2013B Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2010E-2 Bonds were subsequently called and paid in full in December 2013.

The Series 2013B Bonds are variable-rate bonds. PNC Bank N.A. is responsible under an agreement with Metro Airport to establish the interest rate monthly. The interest rate is determined as the rate of interest which, in the judgment of PNC Bank N.A., would cause the Series 2013B Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

In November 2013, the Authority issued a $115.6 million Direct Placement Bond with Wells Fargo Bank, N.A., Series 2013C Bonds. The Series 2013C Bonds were issued to refund the Series 2010G Direct Placement Bond. The Series 2013C Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2010G Direct Placement Bond by paying Wells Fargo Bank, N.A. directly with the proceeds of the Series 2013C Bonds. The Series 2010G Direct Placement Bond was paid in full in November 2013.

The Series 2013C Bonds are variable-rate bonds. Wells Fargo Bank N.A. is responsible under an agreement with Metro Airport to establish the interest rate monthly. The interest rate is determined as the rate of interest which, in the judgment of Wells Fargo Bank N.A., would cause the Series 2013C Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

In May 2014, the Authority issued a $30 million Direct Placement Bond with Banc of America Preferred Funding Corporation, Series 2014A Bonds. The Series 2014A Bonds were issued to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include airfield pavement rehabilitation and reconstruction, development of wide-body aircraft parking apron, various electrical upgrades throughout the airport grounds, North power plant chillers, support systems and HVAC/air handler replacements, roadway reconstructions, demolition costs for various buildings and site improvement costs related to those demolition sites. The Series 2014A Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Series 2014A Bonds are variable-rate bonds. Banc of America Preferred Funding Corporation is responsible under an agreement with Metro Airport to establish the interest rate monthly. The interest rate is determined as the rate of interest which, in the judgment of Banc of America Preferred Funding Corporation, would cause the Series 2014A Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

In August 2014, the Authority issued $98.4 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 taxiway rehabilitation and reconstruction, road reconstruction, bridges and roadway rehabilitation, fleet and heavy equipment acquisitions, various electrical projects, power plant equipment replacements, and demolition of various buildings. The Series 2014B Bonds and Series 2014C Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In January and March 2015, the Authority received $600,000 from a note payable signed in May 2014 with the Downriver Community Conference to assist Willow Run Airport with the demolition of Hangar 2. In May 2015, $120,000 of the funds borrowed was converted into a grant, thereby reducing the amount of the note payable to $480,000. The agreement calls for principal to be paid in monthly installments commencing June 1, 2019.

In September 2015, the Authority issued an $85 million Direct Placement Bond with PNC Bank, N.A., Series 2015A Bonds. The Series 2015A Bonds were issued to refund a portion of the Series 2005A Revenue Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2015A Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2005A Bonds by placing the proceeds of the Series 2015A Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds were subsequently called and paid in full in December 2015. The difference between the cash flows required to service the new debt and complete the refunding was approximately $10.5 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 $8.3 million.

In September 2015, the Authority issued a $75 million Direct Placement Bond with Bank of America, N.A., Series 2015B Bonds. The Series 2015B Bonds were issued to refund a portion of the Series 2005A Revenue Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2015B Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2005A Bonds by placing the proceeds of the Series 2015B Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds were subsequently called and paid in full in December 2015. The difference between the cash flows required to service the new debt and complete the refunding was approximately $16 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 $12.7 million.

In September 2015, the Authority issued a $25.6 million Direct Placement Bond with Citibank, N.A., Series 2015C Bonds. The Series 2015C Bonds were issued to refund a portion of the Series 2005A Revenue Bonds which were initially issued to finance the cost of various capital projects at Metro Airport. The Series 2015C Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2005A Bonds by placing the proceeds of the Series 2015C Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds were subsequently tendered and paid in full in September 2015. The difference between the cash flows required to service the new debt and complete the refunding was approximately $4.4 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 $3.5 million.

In October 2015, the Authority issued $221.1 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 reconstruction and rehabilitation of airfield pavement, acquisition of fleet and heavy equipment, roadway rehabilitation and lighting, GTC heating system reconfiguration, retaining wall reconstruction, construction of administration building, power plant building rehabilitation, and security system upgrades. The series 2015D Bonds and Series 2015E Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In October 2015, the Authority issued $299 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2015F and 2015G. The Series 2015F and 2015G 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 2015F Refunding Bonds were issued to refund a portion of the Series 2005A Revenue Bonds. The Series 2015G Refunding Bonds were issued to refund a portion of the Series 2001A Airport Hotel Revenue Bonds. The Series 2015F Bonds and the Series 2015G Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the refunded portion of the Series 2005A Bonds and the refunded portion of the Series 2001A Bonds by placing the proceeds of the Series 2015F Bonds and Series 2015G Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds and the Series 2001A Bonds were subsequently called and paid in full in December 2015.

The difference between the cash flows required to service the new debt and complete the refunding was approximately $27.1 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 $29.6 million.

In October 2015, the Authority issued a $23.1 million Direct Placement Bond with Bank of America, N.A., Series 2015H Bonds. The Series 2015H Bonds were issued to refund a portion of the Series 2001A Airport Hotel Revenue Bonds which were initially issued to finance the cost of the Westin Hotel located in the McNamara Terminal. The Series 2015H Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2001A Bonds by placing the proceeds of the Series 2015H Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2001A Bonds were subsequently called and paid in full in December 2015.

The Series 2015H Bonds are variable-rate bonds. Bank of America, N.A. is responsible under an agreement with Metro Airport to establish the interest rate monthly. The interest rate is determined as the rate of interest which, in the judgment of Bank of America N.A., would cause the Series 2015H Bonds to have a market value as of the date of determination equal to the principal amount, taking into account prevailing market provisions.

The Authority capitalizes net financing costs during construction for debt issues specifically related to construction projects. During the year ended September 30, 2016, interest expense incurred on these debt issues totaled $87,544,123. For 2016, net financing costs capitalized were $12,565,232.

Long-term debt activity for the year ended September 30, 2016 was as follows:

	Beginning balance as restated	Additions	Reductions	Ending balance	Due Within One Year
Detroit Metropolitan Airport Fund:					
Airport Revenue Bonds	$ 2,031,565,000	$ 543,180,000	$ (333,640,000)	$ 2,241,105,000	$ 95,195,000
Airport Hotel Bonds	99,630,000	-	(99,630,000)	-	-
Installment Purchase Contracts	3,679,864	-	(747,395)	2,932,469	779,704
Add (less):					
Certain bond discounts	(1,766,475)	1,245,453	-	(521,022)	-
Certain bond premiums	51,018,768	50,597,970	(11,858,159)	89,758,579	-
Total Detroit Metropolitan Airport Fund	2,184,127,157	595,023,423	(445,875,554)	2,333,275,026	95,974,704
Willow Run Airport Fund:					
Notes payable	562,770	-	(19,476)	543,294	19,476
Total Willow Run Airport Fund	562,770	-	(19,476)	543,294	19,476
Total Long-Term Debt	$ 2,184,689,927	$ 595,023,423	$ (445,895,030)	$ 2,333,818,320	$ 95,994,180

Other long-term liability activity for the year ended September 30, 2016 was as follows:

	Beginning balance as restated	Additions	Reductions	Ending balance	Due within one year
Detroit Metropolitan Airport Fund -					
Accrued interest and other payables	$ 33,983,822	$ 13,649,209	$ (8,365,271)	$ 39,267,760	$ —
Other accrued liabilities	4,759,751	1,544,774	(2,540,515)	3,764,010	2,361,093
Net pension liability	46,850,328	—	(470,412)	46,379,916	—
Willow Run Airport Fund -					
Other accrued liabilities	21,600	949,980	(8,880)	962,700	20,100
Net pension liability	853,707	8,332	—	862,039	—
Total other long-term liabilities	$ 86,469,208	$ 16,152,295	$ (11,385,078)	$ 91,236,425	$ 2,381,193

The beginning balance in the Detroit Metropolitan Airport Fund was combined with the Airport Hotel Fund. As described in Note 2, the Authority has combined the Hotel Fund with the Metro Fund as allowed under provisions of GASB Statement No. 34. The total beginning balance for all funds has not changed.

(9) 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 $713.4 million at September 30, 2016, 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 $74.5 million at September 30, 2016.

The estimated costs to complete Willow Run Airport's current capital improvement program totaled $174.4 million at September 30, 2016, 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 $2.1 million at September 30, 2016.

(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, 2016, the Authority had accrued obligations of $4.1 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. Thirty percent of the recorded environmental liabilities are related to a Consent Decree and judgment issued during 1994 that identifies the Airport as one of the fourteen responsible parties to the improvements to the Wayne County Downriver Sewage Disposal System (the System). The bulk of the remainder 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 $7.6 million to the City of Romulus for prior year debt service as of September 30, 2016 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.

WCAA personnel, with the assistance of WCAA contractors, have performed preliminary assessments of the nature and extent of the material. Based upon the information gathered and provided of the remediation costs, the Authority recorded asbestos-related liabilities of $1.9 million and $963 thousand at Detroit Metro and Willow Run Airports, respectively, as of September 30, 2016.

Additional Remediation Matters

In the mid-1990s, it was discovered that areas at or near the Willow Run airport were contaminated with toxic materials. Various public and private entities (including the County of Wayne, the predecessor entity to WCAA) were tasked by the EPA to remediate the areas. Toxic materials were dredged from Tyler Pond, and then encapsulated in a controlled facility located on a plot of land owned by WCAA. Pursuant to the various documents and orders governing the remediation, title to the real property where the controlled facility is located was required to be transferred to General Motors or Ford Motor Company, as both entities were jointly and severally liable. In June 2009, before taking title to the real property where the controlled facility is located, General Motors filed for bankruptcy protection. While Ford Motor Company has continued to operate the controlled facility, to date, and despite the WCAA's attempts, Ford Motor Company has not taken title to the real property where the controlled facility is located. WCAA is in negotiation to facilitate the transfer of real property where the controlled facility is located to the Ford Motor Company.

(10) Employee Benefits

(a) Plan Description

The Authority provides retirement benefits to its employees through the Wayne County Employees' Retirement System (WCERS), an agent multi-employer public employee retirement system that is governed by the Wayne County Retirement Ordinance as amended. The Retirement System provides five defined benefit retirement options, of which two are contributory and two of which are hybrids between a defined benefit and a defined contribution (together, the Defined Benefit Plan), and two Defined Contribution Plans. 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 WCERS website at www.wcers.org.

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

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.

On 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, 2012, WCERS established the Wayne County Defined Contribution Plan #4A and Wayne County Hybrid Retirement Plan #5A, which contains both a defined benefit component and a defined contribution component. Participants in the plan options previously in existence (Plan Option 4 and Plan Option 5) could elect to transfer their account balances to Plan Option 5A. Plan Options 1, 2, 3, and 4 were closed to new hires.

At the September 30, 2015 measurement date, the following employees were covered by the defined pension benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	196
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	6
Active Plan Members	351
Total Plan Members	553

(b) 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 (less workers' compensation payments).

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 (less workers' compensation payments).

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 (less workers' compensation payments).

Plan Option 5A – 1.50 percent for each year up to 20 years and 1.75 percent for each year over 20 years. Maximum pension is 75 percent of average final compensation (less workers' compensation payments).

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, 5 and 5A, 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, 5, and 5A and duty disability for Plan Option 2.

(c) Contributions

Participants in Plan Option 1 contribute 2.00 percent to 6.58 percent of annual compensation, depending on years of credited service. 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 1.25/1.5 percent multiplier contribute 0 percent of covered compensation depending on the collective bargaining agreement. Participants in Plan 5A contribute 2.00 percent of annual compensation, unless the Annual Actuarial Valuation Report of the Wayne County Employees' Retirement System show the Authority's funding level less than 100 percent, then the participant's contribution level will increase to 3 percent until the funding level is at 100 percent.

The obligation to contribute and to maintain the Plan for these employees was established by negotiations with the County's and subsequently the Authority's collective bargaining units. For the year ended September 30, 2015, the average Authority's contribution rate was 23 percent of annual payroll.

(d) Pension Plan Investments – Policy and Rate of Return

The authority for the purchase and sale of investments rests with the Retirement Commission. Investments made are subject to statutory regulations imposed under the Michigan Public Pension Investment Act 314 of 1965, as amended (Act 55, P.A. 1982), and investment policy established by the Retirement Commission. The Investment Act incorporates the prudent person rule and requires investment fiduciaries to act solely in the interest of the Plan's participants and beneficiaries.

Accordingly, the Retirement Commission has the authority to invest the Plan's assets in common and preferred stock; obligations of the United States, its agencies or United States government-sponsored enterprises; obligations of any state or political subdivision of a state having the power to levy taxes; bankers' acceptances; certificates of deposit; commercial paper; repurchase agreements; reverse repurchase agreements; real and personal property; mortgages; and certain other investments.

Investment Allocation Policy. The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Retirement Commission. The policy pursues an investment strategy that protects the financial health of the Plan and reduces risk through prudent diversification of the portfolio across a broad selection of distinct asset classes. Plan assets are invested in the broad investment categories and asset classes to achieve the allocation targets below. Recognizing that asset returns may vary, causing fluctuations in the relative dollar value levels of assets within classes, the Plan may not maintain strict adherence to the targets in the short term, but may allow the values to fluctuate within these ranges. Over the long term, the Plan will strive to adhere to the given targets as financially practicable and move toward target allocations in a prudent manner consistent with its fiduciary duty.

The adopted asset allocation policy as of September 30, 2015 was as follows:

Asset Class	Target Allocation
Domestic Equity	41.17%
International Equity	17.65%
Domestic Bonds	17.65%
International Bonds	5.88%
Real Estate	17.65%
	100%

Rate of Return. For the year ended September 30, 2015, the annual money-weighted rate of return on plan investments, net of investment expenses, was 0.7 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(e) Net Pension Liability

The Authority has chosen to use September 30, 2015 as its measurement date for the net pension liability. The September 30, 2016 reported net pension liability was determined using a measure of the total pension liability and the pension net position as of September 30, 2015. The September 30, 2015 total pension liability was determined by an actuarial valuation performed as of September 30, 2015.

Changes in the net pension liability during the measurement year were as follows:

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at 9/30/14	$ 137,248,153	$ 89,544,118	$ 47,704,035
Changes for the year:			
Service cost	1,910,254	-	1,910,254
Interest	10,408,880	-	10,408,880
Difference between expected and actual experience	2,360,317		2,360,317
Contributions - employer	-	13,105,600	(13,105,600)
Contributions - employee	-	2,168,732	(2,168,732)
Net investment income	-	786,957	(786,957)
Benefit payments, including refunds	(7,790,299)	(7,790,299)	-
Administrative expenses	-	(919,758)	919,758
Balance at 9/30/15	$ 144,137,305	$ 96,895,350	$ 47,241,955

For the fiscal year ended September 30, 2016, the Authority recognized pension expense of $5,094,413. At fiscal year end, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 5,107,209	$ 1,376,928
Net difference between projected and actual experience	1,982,666	-
Employer contributions to the plan subsequent to the measurement date	11,021,191	-
Total	$ 18,111,066	$ 1,376,928

Deferred outflows of resources related to pensions related to contributions after the measurement date will be a reduction of the net pension liability at September 30, 2017. Amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended September 30,	
2017	$ 1,195,478
2018	1,195,478
2019	1,195,478
2020	1,654,451
2021	377,651
Thereafter	94,411
Total	$ 5,712,947

Actuarial Assumptions. The total pension liability in the September 30, 2015 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.5%
Salary increases	3.5% to 8.8% including inflation
Investment rate of return	7.75%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected 20 years.

The actuarial assumptions used to calculate contribution rates in the September 30, 2015 valuation were determined using an experience-based table of rates specific to the type of eligibility condition. The experience-based table of rates was last updated for the 2011 valuation pursuant to an experience study of the period beginning October 1, 2005 and ending September 30, 2010.

Discount Rate. The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine this rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The assumed rate of investment return was adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary. Additional information about the assumed rate of investment return is included in the September 30, 2015 actuarial valuation report.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class, and in conjunction with a formal study of experience during the period from October 1, 2005 through September 30, 2010. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of September 30, 2015, these best estimates are as follows:

Asset Class	Long-term Real Return
Domestic Equity	7.5%
International Equity	8.5%
Domestic Bonds	2.5%
International Bonds	3.5%
Real Estate	4.5%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Authority, calculated using the discounted rate of 7.75 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.75 percent) or one percentage point higher (8.75 percent) than the current rate.

	1% Decrease 6.75%	Current Rate 7.75%	1% Increase 8.75%
Net Pension Liability	$ 62,933,691	$ 47,241,954	$ 33,851,529

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued financial report. For purposes of measuring the net pension liability, deferred outflows of resources or deferred inflow of resources related to pension and pension expense, information about the Plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are reported by the Plan. The Plan uses the economic resources measurement focus and the full accrual basis of accounting; investments are stated at fair value. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments and refunds of employee contributions are recognized as expense when due and payable in accordance with the benefit terms.

(f) Pre-2002 Retirees

The Authority participates in the Wayne County Employees' Retirement System (WCERS) with the County, an agent multiple employer defined benefit plan. Pursuant to Public Act 90 and Michigan Public Act of 2002, the Authority was granted operational jurisdiction of the Detroit Metropolitan Wayne County Airport, the Willow Run Airport, and the Airport Hotel, with the exclusive right, responsibility, and authority to occupy, operate, control, and use them. Prior to the Act, the Authority and its employees were employees of Wayne County. In connection with the Authority's assumption of control and operations of the Airports pursuant to Act 90, the Authority was responsible for funding any retirement obligations it has for those employees that were previously County employees. In 2007, the County and the Authority agreed that the asset and the liability related to the pre-2002 retirees were equal, and both remained with the County. During fiscal year 2016, an updated evaluation resulted in agreement that the assets were now less than the related liability due to funding experience differences. The Authority committed to a five-year payment schedule of $1.1 million per quarter to WCERS to reimburse the County for its estimated share (10.25 percent) of the Combined Pre-2002 Retiree Liability of $20,948,822 as of September 30, 2015. Prior to the end of the five-year period, an actuarial evaluation will be prepared to determine the Authority's funding of its estimated share of the County's liability (if any). The funding requirement and payment amortization of any remaining liability will be determined at that time. The Authority has concluded that this arrangement represents a special funding situation under GASB Statement No. 68 given that both the asset and liability for these pre-2002 retirees remain on the books of the County. Since this arrangement was entered into during the fiscal year ended September 30, 2016, the Authority's liability under this arrangement will be reflected as of the Authority's measurement date of September 30, 2016, which will be presented on the Authority's balance sheet as of September 30, 2017 in accordance with GASB 68. The $4.4 million of payments made during fiscal year 2016 are presented on the balance sheet as deferred outflows of resources for employer contributions to the plan subsequent to the measurement date.

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

The Wayne County Employees' Retirement System instituted a Defined Contribution Plan (Plan Option 4, Plan Option 4A, Plan Option 5, and Plan Option 5A) 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 were eligible to transfer from the WCERS Defined Benefit Plan to the Plan through September 30, 2002. Effective September 30, 2012, the Authority closed the Plan Option 4 to new hires.

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 4A must contribute 4 percent and can elect to contribute an additional 7.5 percent of their compensation. The Authority makes matching contribution of 8 percent of an employee's compensation and will be vested after three years.

Participants in Plan Option 5 and Plan Option 5A contribute 3 percent of gross pay. The Authority makes matching contributions at a rate equal to the amount contributed by each employee. 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.

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 2016 were $3,230,283 and $1,744,958, respectively.

(11) Other Postemployment Benefits

<u>Wayne County Airport Authority Act 149 Health Care Fund</u>

(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 657 members (including 435 Authority employees in active service and 222 retired Authority employees and beneficiaries currently receiving benefits who retired after September 1, 2002).

This is an agent multiple-employer defined benefit plan administered by the Municipal Employees' Retirement System (MERS). 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. In September 2012, the Authority transferred these funds into a MERS of Michigan Retiree Health Funding Vehicle, which is held in a separate reserve, but invested on a pooled basis by MERS with other governmental units. The balance as of September 30, 2016 in this restricted plan is $45,131,814. Non-Medicare retirees are required to contribute either 10 percent of the Blue Cross-Blue Shield illustrative rate or 10 percent of the lesser of HAP active and HAP retiree 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, 2016, the Authority has estimated the cost of providing retiree health-care benefits through an actuarial valuation as of October 1, 2014. 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)	$	7,294,964
Interest on the prior year's net OPEB obligation		(267,837)
Add adjustment to the annual required contribution		201,872
Annual OPEB cost		7,228,999
Amounts contributed:		
Payments of current premiums		(3,501,802)
Advance funding		(4,238,726)
Change in net OPEB asset		(511,529)
OPEB asset - beginning of year		(3,347,958)
OPEB asset - end of year	$	(3,859,487)

The annual OPEB costs, the percentage contributed to the plan, and the net OPEB asset for the current and two preceding years were as follows:

		Fiscal Year Ended September 30		
		2014	2015	2016
Annual OPEB Costs	$	7,523,588	7,039,057	7,228,999
Percentage contributed		100.0%	100.4%	107.1%
Net OPEB asset	$	(3,317,974)	(3,347,958)	(3,859,487)

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

Valuation as of October 1, 2014		
Actuarial value of assets	$	33,302,599
Actuarial accrued liability (AAL)	$	107,766,031
Unfunded AAL (UAAL)	$	74,463,432
Funded ratio		30.9%
Annual covered payroll		35,961,381
Ratio of UAAL to covered payroll		207.1%

(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, 2014 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 3.5 percent salary increase, and an annual healthcare cost trend rate of 7.6 percent initially, reduced to an ultimate rate of 5 percent after 11 years. The UAAL is being amortized on an open basis 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. The plan's members includes retirees for the County and the Authority that 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 two preceding years were as follows:

	Fiscal Year Ended September 30		
	2014	2015	2016
Required contribution	$ 1,937,447	$ 2,604,514	$ 1,353,345
Actual contribution	$ 1,937,447	$ 2,604,514	$ 1,353,345
% of required contribution made	100.0%	100.0%	100.0%

(12) Upcoming Reporting Changes

In June 2015, the GASB issued Statement No. 75*, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This OPEB standard will require the Authority to recognize on the face of the financial statements its proportionate share of the net OPEB liability related to other postemployment benefits provided to its employees. The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2018.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations,* which addresses accounting and financial reporting for legally enforceable liabilities associated with the retirement of a tangible capital asset. This standard will require entities that have legal obligations to perform future asset retirement activities related to its tangible assets to recognize an estimated liability based on the current value of outlays expected to be incurred. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending September 30, 2019.

REQUIRED SUPPLEMENTARY INFORMATION

WAYNE COUNTY AIRPORT AUTHORITY

Required Supplementary Information

September 30, 2016

Schedule of Changes in the Authority Net Pension Liability and Related Ratios

	2015	2014
Total Pension Liability		
Service cost	$ 1,910,254	$ 1,784,942
Interest	10,408,880	10,007,566
Changes in benefits	-	1,083,361
Difference between expected and actual experince	2,360,317	-
Benefit payments, including refunds	(7,790,299)	(7,621,347)
Net Change in Total Pension Liability	6,889,152	5,254,522
Total Pension Liability - Beginning of Year	137,248,153	131,993,631
Total Pension Liability - End of Year	**$ 144,137,305**	**$ 137,248,153**
Plan Fiduciary Net Position		
Contributions - Employer	$ 13,105,600	$ 8,475,718
Contributions - Member	2,168,732	1,359,927
Net investment income	786,957	8,502,195
Administrative expenses	(919,758)	(319,237)
Benefit payments, including refunds	(7,790,299)	(7,621,347)
Net Change in Plan Fiduciary Net Position	7,351,232	10,397,256
Plan Fiduciary Net Position - Beginning of Year	89,544,118	79,146,862
Plan Fiduciary Net Position - End of Year	**$ 96,895,350**	**$ 89,544,118**
Authority's Net Pension Liability - Ending	**$ 47,241,955**	**$ 47,704,035**
Plan Fiduciary Net Position as a % of Total Pension Liability	67.22%	65.24%
Covered Employee Payroll	**$ 28,300,056**	**$ 27,197,880**
Authority's Net Pension Liability as a % of Covered Employee Payroll	166.93%	175.40%

Schedule of Contributions

Measurement Date of:	2015	2014
Actuarially determined contribution	$ 7,001,434	$ 5,782,269
Contributions in relation to the actuarially determined contribution	13,105,600	8,475,718
Contribution Deficiency (Excess)	$ (6,104,166)	$ (2,693,449)
Covered Employee Payroll	$ 28,300,056	$ 27,197,880
Contributions as a Percentage of Covered Employee Payroll	46.31%	31.16%

GASB Statement No. 68 was implemented September 30, 2015 and does not require retroactive implementation. Data will be added as information is available until 10 years of such information is available.

Notes to Schedule of Authority Contributions

Valuation date	Actuarially determined contribution rates are calculated as of September 30 each year, which is one period to the beginning of the fiscal year in which contributions are reported.
Methods and assumptions used to determine contribution rates:	
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	22 years from September 30, 2015
Asset valuation method	4-year smoothed market; 20% corridor
Inflation	3.5%
Salary increases	3.5% to 8.8% including inflation
Investment rate of return	7.75%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2011 valuation pursuant to an experience study of the period October 1, 2005 - September 30, 2010
Mortality	RP-2000 Combined Healthy Mortality Table projected 20 years. Set forward 5 year for disabled retirees.
Cost of living adjustment	None
Other Information	
Notes	The amortiziation period declines two years every valuation year in accordance with WCERS' Funding Policy

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
10/1/2010	$ 10.1	$ 68.2	$ 58.1	14.8%	*	*
10/1/2012	$ 18.9	$ 97.7	$ 78.8	19.3%	$ 34.2	230.6%
10/1/2014	$ 33.3	$ 107.8	$ 74.5	30.9%	$ 36.0	207.1%

* Information not available

The information presented above was determined as part of the actuarial valuations at the dates indicated. Additional information as of October 1, 2014 the latest actuarial valuation follows:

Actuarial Cost Method	Projected Unit Credit
Amortization method	Level percent of pay amortized annually
Amortization period (open)	30 years
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate of return	8.00%
Projected salary increases	3.50%

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 – *Exhibits S-1, S-2*

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

Revenue Capacity – *Exhibits S-3, S-5*

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

Debt Capacity – *Exhibits S-6 to S-8*

These exhibits 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 – *Exhibits S-10 series*

These exhibits 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 – *Exhibits S-4, S-5, S-9, S-11, S-12*

These exhibits 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 exhibits is derived from the comprehensive annual financial reports of the relevant year.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-1

Annual Revenues, Expenses, and Changes in Net Position

(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Operating revenues:										
Airport landing and related fees	$ 78,661,781	73,888,139	76,406,397	65,493,268	67,299,967	69,099,578	70,172,024	60,059,740	84,607,837	59,512,753
Concession fees	61,820,000	57,615,102	54,161,908	51,696,676	51,689,387	50,575,848	47,974,977	48,424,882	51,851,089	50,242,144
Parking fees	74,497,683	68,017,761	61,187,198	57,828,811	56,091,494	54,145,257	48,309,486	49,911,261	58,682,741	58,858,882
Hotel	33,889,957	33,345,294	32,922,844	29,301,463	27,611,922	29,372,498	26,828,936	23,246,792	31,496,580	33,382,432
Rental facilities	104,913,627	107,356,129	105,234,040	103,155,137	107,353,758	96,449,901	91,822,952	90,110,146	53,748,737	53,145,882
Expense recoveries	4,812,705	4,722,477	5,027,074	5,282,902	4,927,372	5,010,457	4,445,747	4,535,773	4,721,175	4,249,853
Other	4,473,948	4,790,511	4,784,310	6,007,508	3,664,924	6,406,295	7,542,765	4,470,468	5,603,796	7,121,369
Total operating revenues	363,069,701	349,735,413	339,723,771	318,765,765	318,638,824	311,059,834	297,096,887	280,759,062	290,711,955	266,513,315
Nonoperating revenues:										
Passenger facility charges	66,764,363	63,840,589	62,016,364	61,705,013	62,134,255	62,197,495	60,305,754	59,711,453	68,202,594	70,754,074
Customer facility charges	4,260,370	304,510	—	—	—	—	—	—	—	—
Federal and state sources	5,568,130	1,339,342	1,029,619	1,353,122	1,378,911	1,326,034	1,264,891	1,089,499	2,192,613	5,962,547
Interest income and other	3,956,859	2,209,999	2,808,958	2,048,283	1,834,241	3,390,214	5,021,589	7,310,241	28,603,234	46,903,106
Total nonoperating revenues	80,549,722	67,694,440	65,854,941	65,106,418	65,347,407	66,913,743	66,592,234	68,111,193	98,998,441	123,619,727
Total revenues	443,619,423	417,429,853	405,578,712	383,872,183	383,986,231	377,973,577	363,689,121	348,870,255	389,710,396	390,133,042
Operating expenses:										
Salaries, wages, and fringe benefits	85,906,812	77,278,115	80,339,925	72,891,273	70,105,901	71,489,016	70,060,439	75,098,962	77,942,240	72,396,333
Parking management	7,908,549	7,882,292	6,630,160	6,280,332	6,048,290	6,794,062	6,504,949	7,082,235	8,905,534	10,325,232
Hotel management	22,357,224	18,793,497	23,063,942	21,064,105	20,888,610	22,644,120	20,032,541	18,693,537	23,032,852	24,054,417
Janitorial services	12,014,456	11,967,572	11,809,916	11,400,627	11,498,166	11,164,616	10,988,244	10,599,304	2,422,889	2,433,551
Security	3,745,339	2,557,818	2,511,402	2,260,167	2,288,013	2,401,473	2,293,067	2,657,120	2,757,886	3,433,065
Utilities	22,220,804	24,499,913	28,939,467	27,035,597	26,676,454	24,886,104	26,691,836	27,700,377	30,429,231	26,570,574
Repairs, professional services, and other	98,458,024	94,162,429	82,616,234	75,658,752	71,689,848	79,689,990	74,617,012	69,556,874	84,887,031	75,042,299
Depreciation	173,101,695	167,105,516	141,539,710	140,526,973	142,828,398	142,754,436	146,151,075	146,151,805	129,574,853	121,087,982
Total operating expenses	425,712,903	404,247,152	377,450,756	357,117,826	352,023,680	361,823,817	357,339,163	357,540,214	359,952,516	335,343,453
Nonoperating expenses:										
Interest expense	71,351,499	80,334,978	82,352,146	82,825,198	85,514,177	91,549,044	105,913,828	116,392,802	94,925,971	105,855,656
Loss on disposal of assets	9,513,323	1,564,607	1,016,927	5,488,973	2,555,076	—	—	1,104,513	6,214,429	317,452
Amortization of bond insurance premiums	175,438	371,068	371,068	—	—	—	—	—	—	—
Amortization of bond issuance costs	—	—	—	1,968,924	2,035,607	1,902,952	2,161,678	1,942,959	2,315,453	2,267,001
Total nonoperating expenses	81,040,260	82,270,653	83,740,141	90,283,095	90,104,860	93,451,996	108,075,506	119,440,274	103,455,853	108,440,109
Total expenses	506,753,163	486,517,805	461,190,897	447,400,921	442,128,540	455,275,813	465,414,669	476,980,488	463,408,369	443,783,562
Capital contributions	32,953,269	8,560,699	32,679,821	41,637,536	27,121,478	17,750,671	29,137,352	36,318,566	54,816,676	66,212,355
Change in net position	$ (30,180,471)	(60,527,253)	(22,932,364)	(21,891,202)	(31,020,831)	(59,551,565)	(72,588,196)	(91,791,667)	(18,881,297)	12,561,835
Net position at year end composed of:										
Net investment in capital assets	(97,448,351)	(6,890,342)	39,760,424	27,234,267	36,778,052	86,906,586	120,302,294	151,759,863	170,385,938	131,815,887
Restricted	319,728,265	287,087,714	314,707,433	323,698,561	338,786,218	322,488,477	358,386,114	405,007,255	430,322,283	471,545,803
Unrestricted	19,224,185	(8,512,802)	(22,256,034)	48,582,410	58,895,731	56,085,769	46,343,989	40,853,475	37,745,179	53,973,007
Total net position	$ 241,504,099	271,684,570 [3]	332,211,823 [2]	399,515,238	434,460,001	465,480,832	525,032,397 [1]	597,620,593	638,453,400	657,334,697

[1] In 2010, the Authority restated beginning net position by $50,958,860. This amount less the increase/decrease in net position is used to arrive at ending net position.

[2] In 2014, the Authority restated beginning net position by $13,053,561. This amount less the increase/decrease in net position is used to arrive at ending net position.

[3] In 2015, the Authority restated beginning net position by $44,371,051. This amount less the increase/decrease in net position is used to arrive at ending net position.

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)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Airline revenues:										
Airport landing and related fees	$ 78,661,781	73,888,139	76,406,397	$ 65,493,268	$ 67,299,967	$ 69,099,578	$ 70,172,024	$ 60,059,740	$ 84,607,837	$ 59,512,753
Terminal building rentals and fees	84,580,455	86,816,124	85,169,050	84,354,836	86,463,382	74,347,911	71,852,635	67,703,125	28,972,704	28,621,629
Facility use fees	8,288,005	8,367,454	8,608,737	7,552,051	7,489,497	7,143,733	6,302,145	6,468,964	8,159,193	7,962,948
Total airline revenues	171,530,241	169,071,717	170,184,184	157,400,155	161,252,846	150,591,222	148,326,804	134,231,829	121,739,734	96,097,330
Percentage of total revenues	38.7%	40.5%	42.0%	41.0%	42.0%	39.8%	40.8%	38.5%	31.2%	24.6%
Non-Airline revenues:										
Parking fees	74,497,683	68,017,761	61,187,198	57,828,811	56,091,494	54,145,257	48,309,486	49,911,261	58,682,741	58,858,882
Concession fees	37,947,768	35,185,895	32,253,029	31,536,249	32,063,017	31,592,316	30,702,401	30,885,107	30,358,313	29,382,953
Car rental	23,872,232	22,429,207	21,908,879	20,160,427	19,626,370	18,983,532	17,272,576	17,539,775	21,492,776	20,859,191
Hotel	33,889,957	33,345,294	32,922,844	29,301,463	27,611,922	29,372,498	26,828,936	23,246,792	31,496,580	33,382,432
Employee shuttle bus	2,316,970	2,100,820	2,032,346	2,502,311	5,210,640	5,869,315	5,467,240	5,655,355	5,773,430	5,253,731
Ground transportation	5,125,120	5,428,501	5,452,612	5,094,540	4,882,553	4,944,291	4,738,700	6,510,045	7,055,550	7,394,349
Utility service fees	4,812,705	4,722,477	5,027,074	5,282,902	4,927,372	5,010,457	4,445,747	4,535,773	4,721,175	4,249,853
Rental facilities	4,603,077	4,643,230	3,971,295	3,651,399	3,307,686	4,144,651	3,462,232	3,772,657	3,787,860	3,913,225
Other	4,473,948	4,790,511	4,784,310	6,007,508	3,664,924	6,406,295	7,542,765	4,470,468	5,603,796	7,121,369
Total non-Airline revenues	191,539,460	180,663,696	169,539,587	161,365,610	157,385,978	160,468,612	148,770,083	146,527,233	168,972,221	170,415,985
Percentage of total revenues	43.2%	43.3%	41.8%	42.0%	41.0%	42.5%	40.9%	42.0%	43.4%	43.7%
Nonoperating revenues:										
Passenger facility charges	66,764,363	63,840,589	62,016,364	61,705,013	62,134,255	62,197,495	60,305,754	59,711,453	68,202,594	70,754,074
Customer facility charges	4,260,370	304,510	—	—	—	—	—	—	—	—
Federal and state grants	5,568,130	1,339,342	1,029,619	1,353,122	1,378,911	1,326,034	1,264,891	1,089,499	2,192,613	5,962,547
Interest	3,856,859	1,454,197	1,388,246	1,616,192	1,810,277	3,241,109	4,941,344	7,310,241	28,082,306	45,948,105
Other	100,000	755,802	1,420,712	432,091	23,964	149,105	80,245	—	520,928	955,001
Total nonoperating revenues	80,549,722	67,694,440	65,854,941	65,106,418	65,347,407	66,913,743	66,592,234	68,111,193	98,998,441	123,619,727
Percentage of total revenues	18.1%	16.2%	16.2%	17.0%	17.0%	17.7%	18.3%	19.5%	25.4%	31.7%
Total revenues	$ 443,619,423	417,429,853	405,578,712	$ 383,872,183	$ 383,986,231	$ 377,973,577	$ 363,689,121	$ 348,870,255	$ 389,710,396	$ 390,133,042
Enplaned passengers	17,130,687	16,443,778	16,216,673	16,077,652	16,169,584	16,226,201	15,876,381	15,941,132	17,831,231	18,108,090
Total revenue per enplaned passenger	$ 25.90	25.39	25.01	23.88	23.75	23.29	22.91	21.88	21.86	21.54
Airline revenue per enplaned passenger	$ 10.01	10.28	10.49	9.79	9.97	9.28	9.34	8.42	6.83	5.31

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)

		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Landing Fees:											
Signatory Airlines [1]	$	3.62	3.54	3.71	3.14	3.23	3.26	3.44	2.83	3.58	2.37
Non-Signatory Airlines [2]		4.52	4.43	4.64	3.93	4.04	4.08	4.30	3.39	3.79	3.01
General Aviation [3]		2.25	2.00	2.00	1.75	1.50	1.50	1.50	1.50	1.50	1.50
Facility Use Fees:											
South Terminal	$	5.50	5.50	5.50	5.00	5.00	5.00	5.00	5.00	4.50	4.50
North Terminal		5.50	5.50	5.50	5.00	5.00	5.00	5.00	5.00	—	—
Smith/Berry Terminals		—	—	—	—	—	—	—	—	3.50	3.50
Terminal Rental Rates (per SF per year):											
Office Space – Airline	$	—	—	—	—	—	—	—	—	19.71	19.71
South Terminal - Signatory Airlines [1]		56.90	58.74	60.00	57.71	60.00	57.70	54.51	52.00	—	—
South Terminal - Non-Signatory Airlines		65.44	67.55	69.00	66.36	69.00	69.00	68.00	60.00	—	—
North Terminal - Signatory Airlines [1]		119.35	124.12	117.00	118.95	118.00	51.20	65.17	61.00	—	—
North Terminal - Non-Signatory Airlines		137.25	142.74	134.00	136.79	136.00	78.00	88.00	71.00	—	—
Cargo Building/Warehouse		8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Aircraft Ramp		0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96	0.96
Unimproved Land		0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31	0.31
Electric		4.67	4.67	4.67	4.67	4.67	4.67	4.67	1.24	1.24	1.24

** 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 and terminal rental rates, 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]	2016 Landed weights	2016 Share	2015 Landed weights	2015 Share	2014 Landed weights	2014 Share	2013 Landed weights	2013 Share	2012 Landed weights	2012 Share
Delta	10,616,006	49.5%	10,615,528	51.5%	10,273,955	50.4%	10,051,320	48.7%	9,655,644	46.9%
Delta (Endeavor) [5]	1,960,734	9.1	1,824,960	8.8	2,523,978	12.4	3,661,163	17.7	3,237,417	15.7
Delta (ExpressJet) [2]	1,423,967	6.6	1,544,732	7.5	1,351,443	6.6	1,260,107	6.1	1,110,252	5.4
Spirit Airlines	1,293,177	6.0	1,129,323	5.5	886,234	4.3	765,188	3.7	749,026	3.6
Southwest/AirTran Airways [3]	898,636	4.2	854,196	4.1	904,127	4.4	969,194	4.7	942,596	4.6
Delta (Sky West)	864,151	4.0	465,842	2.3	294,404	1.4	—	—	—	—
American/US Airways [7]	861,963	4.0	843,916	4.1	842,150	4.1	785,631	3.8	755,222	3.7
Federal Express	483,114	2.3	479,295	2.3	493,528	2.4	446,450	2.2	461,450	2.2
Delta (Shuttle America)	276,165	1.3	480,607	2.3	97,562	0.5	139,035	0.7	221,668	1.1
Delta (GoJet)	271,737	1.3	128,707	0.6	190,615	0.9	—	—	—	—
United/Continental [4]	209,604	1.0	136,885	0.7	100,958	0.5	95,890	0.5	166,107	0.8
American/US Airways (Republic) [7]	194,949	0.9	225,467	1.1	107,669	0.5	—	—	—	—
United Parcel Service	179,533	0.8	175,421	0.9	170,445	0.8	167,762	0.8	168,483	0.8
JetBlue Airways	168,108	0.8	129,654	0.6	—	—	—	—	—	—
Lufthansa	165,418	0.8	162,237	0.8	180,296	0.9	153,106	0.7	146,790	0.7
United/Continental (Mesa) [4]	157,475	0.7	91,642	0.4	—	—	—	—	—	—
Delta (Compass)	154,667	0.7	165,734	0.8	252,328	1.2	225,942	1.1	288,096	1.4
Frontier	140,122	0.7	100,624	0.5	105,448	0.5	84,124	0.4	124,080	0.6
Virgin Atlantic Airways	135,699	0.6	—	—	—	—	—	—	—	—
Air France	134,644	0.6	138,530	0.7	136,291	0.7	142,397	0.7	146,639	0.7
DHL (Atlas)	119,608	0.6	—	—	—	—	—	—	—	—
United/Continental (Republic) [4]	114,619	0.5	—	—	—	—	—	—	—	—
American/US Airways (Envoy) [6,7]	77,245	0.4	176,287	0.9	209,816	1.0	207,170	1.0	195,133	0.9
United/Continental (SkyWest) [4]	73,679	0.4	—	—	—	—	—	—	—	—
Delta (Chatauqua)	—	—	141,015	0.7	564,145	2.8	467,713	2.3	217,005	1.1
United/Continental (ExpressJet) [2, 4]	—	—	78,571	0.4	147,800	0.7	—	—	—	—
Lufthansa Cargo	—	—	—	—	17,657	0.1	52,480	0.3	31,390	0.2
Delta (Comair)	—	—	—	—	—	—	—	—	942,080	4.6
Mesaba	—	—	—	—	—	—	—	—	144,408	0.7
KLM	—	—	—	—	—	—	—	—	—	—
British Airways	—	—	—	—	—	—	—	—	—	—
United (Air Canada)	—	—	—	—	—	—	—	—	—	—
Aeromexico	—	—	—	—	—	—	—	—	—	—
Other [8]	491,574	2.2	536,479	2.5	531,852	2.9	954,189	4.6	904,865	4.3
Total	21,466,594	100.0%	20,625,652	100.0%	20,382,701	100.0%	20,628,861	100.0%	20,608,351	100.0%

[1] Signatory Affiliate Airlines are associated based on 2014 affiliations and shown in parentheses to major carrier name. All historical landed weights for these affiliates are shown on one line regardless of prior affiliations.

[2] Atlantic Southwest Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one on this report.

[3] Southwest Airlines acquired AirTran Airways on May 2, 2011 and for comparative purposes, are shown as one on this report.

[4] Continental Airlines merged with and into United Airlines on October 1, 2010, and for comparative purposes, are shown as one on this report.

[5] Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

[6] Effective April 15, 2014, American Eagle changed its legal name to Envoy Air.

[7] US Airways merged with American Airlines on April 8, 2015 and, for comparative purposes, are shown as one on this report.

[8] Includes airlines no longer serving Detroit Metro or carriers with insignificant activity. Several airlines reported in the "Other" category in prior years have been reported individually in the current year. Prior year numbers were not reclassified and remain in "Other".

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

(Continued)

Detroit Metropolitan Airport

2011		2010		2009		2008		2007	
Landed weights	Share	Landed weights	Share	Landed weights	Share	Landed weights	Share	Landed weights	Share
10,153,498	48.5%	10,369,432	51.4%	11,333,666	54.0%	13,604,011	58.2%	14,856,034	61.0%
2,743,336	13.1	2,817,713	14.0	2,616,584	12.5	2,516,756	10.8	2,402,170	9.9
795,381	3.8	104,058	0.5	1,474	—	64,185	0.3	44,137	0.2
752,623	3.6	637,083	3.2	690,048	3.3	925,981	4.0	1,116,697	4.6
973,682	4.6	894,080	4.4	946,536	4.5	1,073,878	4.6	1,185,694	4.8
—	—	—	—	—	—	—	—	—	—
741,329	3.5	692,460	3.4	776,576	3.7	904,599	3.9	974,069	4.0
409,567	2.0	361,807	1.8	374,202	1.8	477,212	2.0	525,479	2.2
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
242,335	1.2	238,808	1.2	394,117	1.9	572,105	2.5	599,440	2.5
—	—	—	—	—	—	—	—	—	—
171,832	0.8	171,234	0.8	171,687	0.8	195,473	0.8	204,976	0.8
—	—	—	—	—	—	—	—	—	—
147,477	0.7	142,243	0.7	174,062	0.8	243,753	1.0	229,272	0.9
—	—	—	—	—	—	—	—	—	—
371,436	1.8	438,616	2.2	596,054	2.8	173,768	0.7	—	—
143,844	0.7	126,776	0.6	140,742	0.7	147,774	0.6	152,353	0.6
—	—	—	—	—	—	—	—	—	—
146,476	0.7	138,582	0.7	122,641	0.6	114,617	0.5	116,552	0.5
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
180,815	0.9	193,235	1.0	155,625	0.7	107,737	0.5	116,715	0.5
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,115,580	5.3	669,929	3.3	187,696	0.9	125,020	0.5	137,273	0.6
872,731	4.2	1,202,839	6.0	1,484,510	7.1	1,118,993	4.8	679,531	2.8
—	—	—	—	74,970	0.4	80,214	0.3	—	—
—	—	—	—	—	—	107,202	0.5	209,479	0.9
—	—	—	—	—	—	28,994	0.1	28,960	0.1
—	—	—	—	—	—	9,432	—	—	—
961,771	4.6	968,370	4.8	763,456	3.5	767,206	3.4	777,872	3.1
20,923,713	100.0%	20,167,265	100.0%	21,004,646	100.0%	23,358,910	100.0%	24,356,703	100.0%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-5

Enplaned Passengers

(Unaudited)

Detroit Metropolitan Airport

Airline [1]	2016 Passenger enplanements	2016 Share	2015 Passenger enplanements	2015 Share	2014 Passenger enplanements	2014 Share	2013 Passenger enplanements	2013 Share	2012 Passenger enplanements	2012 Share
Domestic:										
Alaska Airlines	66,040	0.39	57,636	0.35	—	—	—	—	—	—
America West	—	—	—	—	—	—	—	—	—	—
American/US Airways (Air Wisconsin) [7]	63,898	0.37	34,465	0.21	57,178	0.35	63,752	0.40	71,394	0.44
American/US Airways (Envoy) [6, 7]	67,414	0.39	136,328	0.83	169,854	1.05	169,407	1.05	162,633	1.01
American/US Airways (Mesa) [7]	—	—	13,713	0.08	29,246	0.18	26,173	0.16	37,154	0.23
American/US Airways (PSA) [7]	58,585	0.34	39,344	0.24	5,492	0.03	6,519	0.04	10,716	0.07
American/US Airways (Republic) [7]	156,144	0.91	178,734	1.09	92,224	0.57	96,509	0.60	80,347	0.50
American/US Airways [7]	761,214	4.44	732,616	4.46	725,183	4.47	662,355	4.12	635,870	3.95
Champion Air	—	—	—	—	—	—	—	—	—	—
Delta (ExpressJet) [1, 3]	1,150,700	6.72	1,276,020	7.76	1,098,157	6.77	978,390	6.09	885,230	5.47
Delta (Chautauqua)	—	—	140,318	0.85	560,376	3.46	448,754	2.79	217,573	1.35
Delta (Comair)	—	—	—	—	—	—	—	—	811,218	5.02
Delta (Compass)	111,614	0.65	120,847	0.73	207,036	1.28	175,829	1.09	241,508	1.49
Delta (GoJet)	230,733	1.35	107,108	0.65	160,650	0.99	—	—	—	—
Delta (Mesaba Aviation)	—	—	—	—	—	—	—	—	123,066	0.76
Delta (Endeavor) [4]	1,677,874	9.79	1,556,601	9.46	2,159,842	13.32	3,080,866	19.16	2,698,992	16.69
Delta (Shuttle America)	264,188	1.54	475,505	2.89	86,319	0.53	121,712	0.76	190,663	1.18
Delta (Sky West)	570,927	3.33	353,817	2.15	251,177	1.55	—	—	—	—
Delta Air Lines	7,486,766	43.70	7,249,879	44.09	6,856,076	42.28	6,568,924	40.86	6,349,263	39.27
Frontier	149,124	0.87	92,038	0.56	98,958	0.61	80,496	0.50	125,186	0.77
JetBlue Airways	146,799	0.86	105,591	0.64	—	—	—	—	—	—
Southwest/Airtran Airlines [5]	845,604	4.94	784,365	4.77	828,595	5.11	832,772	5.18	842,732	5.21
Spirit Airlines	1,289,024	7.52	1,096,225	6.67	875,463	5.40	755,169	4.70	711,134	4.40
United/Continental (ExpressJet) [2, 3]	9,002	0.05	76,704	0.47	143,587	0.89	130,342	0.81	123,199	0.76
United/Continental (GoJet) [2]	31,741	0.19	42,751	0.26	40,249	0.25	44,311	0.28	34,532	0.21
United/Continental (Mesa) [2]	140,502	0.82	80,084	0.49	18,478	0.11	42,346	0.26	43,702	0.27
United/Continental (Republic) [3]	92,302	0.54	—	—	—	—	—	—	—	—
United/Continental (Skywest) [2]	69,388	0.41	65,860	0.40	31,384	0.19	58,464	0.36	43,592	0.27
United/Continental Airlines [2]	171,058	1.00	105,188	0.64	78,956	0.49	70,789	0.44	128,634	0.80
USA 3000	—	—	—	—	—	—	—	—	—	—
Other [8]	68,915	0.40	86,562	0.53	177,393	1.09	251,438	1.56	233,942	1.45
Total Domestic	15,679,556	91.52	15,008,299	91.27	14,751,873	90.97	14,665,317	91.21	14,802,280	91.57
International:										
Aeromexico	—	—	—	—	—	—	—	—	—	—
Air Canada	32,392	0.19	23,980	0.15	21,253	0.13	17,156	0.11	14,887	0.09
Air France	71,642	0.42	75,576	0.46	73,512	0.45	77,751	0.48	82,675	0.51
American/US Airways [7]	566	—	520	—	1,256	0.01	1,302	0.01	1,459	0.01
British Airways	—	—	—	—	—	—	—	—	—	—
Delta (Comair)	—	—	—	—	—	—	—	—	—	—
Delta (Compass)	18,703	0.11	17,102	0.10	8,691	0.05	—	—	—	—
Delta (Mesaba Aviation)	—	—	—	—	—	—	—	—	—	—
Delta (Endeavor) [4]	—	—	—	—	—	—	2,175	0.01	18,094	0.11
Delta Air Lines	1,161,607	6.78	1,178,621	7.17	1,226,121	7.56	1,180,193	7.34	1,119,589	6.92
KLM-Royal Dutch Airlines	—	—	—	—	—	—	—	—	—	—
Lufthansa	71,472	0.42	76,694	0.47	77,650	0.48	66,977	0.42	64,854	0.40
Royal Jordanian Airlines	13,403	0.08	12,225	0.07	14,755	0.09	14,334	0.09	15,143	0.09
Southwest/Airtran Airlines [5]	—	—	—	—	12,255	0.08	11,120	0.07	10,295	0.06
Spirit Airlines	22,575	0.13	22,457	0.14	22,986	0.14	22,669	0.14	23,339	0.14
Virgin Atlantic Airways	47,380	0.28	20,442	0.12	—	—	—	—	—	—
Other [8]	11,391	0.07	7,862	0.05	6,321	0.04	18,658	0.12	16,969	0.10
Total International	1,451,131	8.48	1,435,479	8.73	1,464,800	9.03	1,412,335	8.79	1,367,304	8.43
Grand Total	17,130,687	100.00%	16,443,778	100.00%	16,216,673	100.00%	16,077,652	100.00%	16,169,584	100.00%

[1] Signatory Affiliate Airlines are associated based on 2013 affiliations and shown in parentheses to major carrier name.
All historical enplanements for these affiliates are shown on one line regardless of prior affiliations.

[2] Continental Airlines merged with and into United Airlines on October 1, 2010 and for comparative purposes, are shown as one in this report.

[3] Atlantic Southeast Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one in this report

[4] Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

[5] Southwest Airlines acquired AirTran Airways on May 2, 2011 and for comparative purposes, are shown as one in this report.

[6] Effective April 15, 2014, American Eagle changed its legal name to Envoy Air.

[7] US Airways merged with American Airlines on April 8, 2015 and for comparative purposes, are shown as one in this report.

[8] Includes airlines no longer serving Detroit Metro or carriers with insignificant activity. Activity previously recorded as Other remains as Other even if a carrier subsequently has significant activity.

Source: WCAA Finance Department Records

See accompanying independent auditor's report. (Continued)

Detoit Metropolitan Airport									
2011		2010		2009		2008		2007	
Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	241,961	1.34
81,860	0.50	76,414	0.48	95,658	0.60	104,993	0.59	83,203	0.46
154,136	0.95	161,692	1.02	125,766	0.79	85,637	0.48	91,529	0.51
19,074	0.12	22,387	0.14	22,640	0.14	47,464	0.27	—	—
5,990	0.04	5,860	0.04	15,747	0.10	38,059	0.21	17,035	0.09
111,361	0.69	112,838	0.71	74,785	0.47	23,992	0.13	—	—
616,654	3.80	588,264	3.70	660,549	4.15	773,946	4.34	544,390	3.01
—	—	—	—	—	—	—	—	34,462	0.19
650,836	4.01	83,690	0.53	1,289	0.01	58,351	0.33	37,242	0.21
168,194	1.04	95,086	0.60	4,798	0.03	9,211	0.05	—	—
945,095	5.82	540,781	3.41	145,990	0.92	90,839	0.51	94,044	0.52
312,578	1.93	340,262	2.14	439,785	2.76	144,644	0.81	—	—
—	—	—	—	—	—	—	—	—	—
721,808	4.45	949,610	5.98	1,042,785	6.54	811,681	4.55	457,948	2.53
2,254,208	13.89	2,186,627	13.77	2,066,229	12.96	2,043,385	11.46	1,915,685	10.58
85,863	0.53	4,462	0.03	10,599	0.07	36,813	0.21	—	—
—	—	—	—	—	—	—	—	—	—
6,651,576	40.99	7,328,799	46.16	7,894,790	49.52	9,555,525	53.59	10,324,808	57.02
140,291	0.86	117,044	0.74	117,396	0.74	126,580	0.71	121,456	0.67
—	—	—	—	—	—	—	—	—	—
813,744	5.02	755,276	4.76	742,389	4.65	812,093	4.55	845,523	4.67
703,335	4.33	558,596	3.52	591,150	3.71	802,424	4.50	933,029	5.15
112,402	0.69	118,001	0.74	63,765	0.40	63,856	0.36	70,559	0.39
57,089	0.35	66,206	0.42	56,837	0.36	—	—	—	—
19,733	0.12	29,999	0.19	47,908	0.30	43,380	0.24	57,546	0.32
—	—	—	—	—	—	—	—	—	—
29,789	0.18	68,400	0.43	31,407	0.20	24,640	0.14	36,475	0.20
195,711	1.21	186,520	1.17	287,568	1.80	450,079	2.52	482,805	2.66
153	—	2,226	0.01	19,823	0.12	79,304	0.44	67,516	0.37
61,052	0.37	215,005	1.36	62,738	0.40	44,232	0.26	124,106	0.68
14,912,532	91.89	14,614,045	92.05	14,622,391	91.74	16,271,128	91.25	16,581,322	91.57
—	—	—	—	2,053	0.01	5,942	0.03	—	—
12,340	0.08	6,875	0.04	5,956	0.04	13,678	0.08	13,085	0.07
76,568	0.47	70,685	0.45	55,233	0.35	45,947	0.26	48,355	0.27
1,493	0.01	1,997	0.01	1,853	0.01	—	—	—	—
—	—	—	—	—	—	20,491	0.11	47,472	0.26
—	—	20,851	0.13	—	—	—	—	—	—
—	—	13,301	0.08	26,608	0.17	—	—	—	—
67	—	19,583	0.12	45,248	0.28	37,906	0.21	37,538	0.21
44,711	0.28	97,518	0.61	—	—	—	—	—	—
1,065,984	6.57	921,973	5.81	1,009,773	6.33	1,204,927	6.76	1,174,843	6.49
—	—	—	—	40,196	0.25	41,753	0.23	—	—
67,952	0.42	65,568	0.41	72,884	0.46	102,121	0.57	98,008	0.54
14,051	0.09	15,258	0.10	14,822	0.09	16,434	0.09	14,150	0.08
11,436	0.07	5,849	0.04	271	—	—	—	—	—
15,579	0.10	12,274	0.08	16,928	0.11	19,464	0.11	20,146	0.11
—	—	—	—	—	—	—	—	—	—
3,488	0.02	10,604	0.07	26,916	0.16	51,440	0.30	73,171	0.40
1,313,669	8.11	1,262,336	7.95	1,318,741	8.26	1,560,103	8.75	1,526,768	8.43
16,226,201	100.00%	15,876,381	100.00%	15,941,132	100.00%	17,831,231	100.00%	18,108,090	100.00%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-6

Debt Service Detail

(Unaudited)

Detroit Metropolitan and Willow Run Airports (a)

		2016		2015		2014		2013		2012	
		Principal	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**	**Principal**	**Interest [1]**
Airport Revenue Bonds:											
Series 1994A	$	—	—	—	—	—	—	—	—	—	—
Series 1996A		—	—	—	—	—	—	—	—	—	—
Series 1996B		—	—	—	—	—	—	—	—	—	—
Series 1998A		—	—	—	—	—	—	—	—	188,455,000	2,369,208
Series 1998B		—	—	—	—	—	—	—	—	—	—
Series 2001 Jr. Lien		—	—	—	—	—	—	—	—	—	—
Series 2002A		—	—	—	—	—	—	—	—	—	—
Series 2002C		—	—	—	—	—	—	2,105,000	17,542	23,425,000	422,686
Series 2002D		—	—	—	—	—	—	6,920,000	59,508	49,935,000	2,046,127
Series 2003A-1		—	—	—	—	—	—	—	—	—	—
Series 2003A-2		—	—	—	—	—	—	—	—	—	—
Series 2003A-3		—	—	—	—	—	—	—	—	—	—
Series 2003B		—	—	—	—	—	—	—	—	—	—
Series 2003C		—	—	—	—	—	—	—	—	—	—
Series 2004		—	—	—	—	—	—	—	—	—	—
Series 2005		257,075,000	539,025	196,950,000	22,271,263	11,720,000	23,153,925	11,130,000	23,759,217	10,590,000	24,310,175
Series 2007A Jr. Lien		3,985,000	8,080,440	3,795,000	8,278,108	3,615,000	8,466,358	3,480,000	8,645,983	3,315,000	8,818,607
Series 2007B		5,580,000	5,004,850	5,305,000	5,281,558	—	5,502,600	4,805,000	5,542,642	—	5,742,850
Series 2008A		5,305,000	5,783,957	5,225,000	6,061,768	5,155,000	6,335,469	5,100,000	6,603,500	5,020,000	6,857,833
Series 2008B		—	—	—	—	—	—	—	—	—	—
Series 2008C		—	—	—	—	—	—	—	—	—	—
Series 2008D		—	—	—	—	—	—	—	—	—	—
Series 2008E		—	—	—	—	—	—	—	—	—	—
Series 2008F		—	—	—	—	—	—	—	—	—	—
Series 2009A		—	—	—	—	—	—	—	—	—	—
Series 2010A		27,680,000	4,825,667	26,310,000	6,198,250	27,560,000	7,478,233	26,185,000	8,527,825	22,855,000	9,258,634
Series 2010B		—	—	—	—	4,800,000	40,000	—	240,000	3,995,000	266,633
Series 2010C		21,275,000	5,039,317	20,305,000	6,094,983	18,675,000	7,096,650	16,990,000	8,016,358	15,270,000	8,762,450
Series 2010D		2,380,000	909,759	2,310,000	1,028,175	2,165,000	1,135,250	2,055,000	1,196,225	1,940,000	1,235,325
Series 2010E-1		—	—	—	—	75,275,000	17,663	85,000	104,432	—	123,572
Series 2010E-2		—	—	—	—	74,895,000	21,997	105,000	97,698	—	115,477
Series 2010F		—	—	—	—	124,640,000	28,980	—	171,296	—	190,434
Series 2010G		—	—	—	—	115,760,000	106,848	240,000	1,279,419	—	1,326,022
Series 2011A		—	7,296,000	—	7,296,000	—	7,296,000	—	7,296,000	—	6,100,267
Series 2011B		2,200,000	599,034	2,135,000	701,375	—	754,750	—	754,750	—	631,055
Series 2012A		—	8,876,250	—	8,876,250	—	8,876,250	—	8,900,906	—	591,750
Series 2012B		—	1,254,500	—	1,254,500	—	1,254,500	—	1,257,985	—	83,633
Series 2012C		220,000	47,650	215,000	54,225	2,230,000	70,750	—	126,852	—	8,433
Series 2012D		7,065,000	2,608,375	7,000,000	2,961,083	6,470,000	3,285,100	—	3,456,425	—	229,790
Series 2013A		330,000	1,953,055	280,000	1,654,399	—	1,494,922	—	—	—	—
Series 2013B		180,000	716,561	120,000	600,329	—	541,947	—	—	—	—
Series 2013C		365,000	1,151,923	270,000	973,334	—	880,323	—	—	—	—
Series 2014A		—	300,414	—	253,070	—	104,169	—	—	—	—
Series 2014B		—	3,314,625	—	3,072,166	—	619,958	—	—	—	—
Series 2014C		—	1,579,250	—	1,463,732	—	295,378	—	—	—	—
Series 2015A		—	1,458,931	—	—	—	—	—	—	—	—
Series 2015B		—	2,093,583	—	—	—	—	—	—	—	—
Series 2015C		—	988,208	—	—	—	—	—	—	—	—
Series 2015D		—	7,896,028	—	—	—	—	—	—	—	—
Series 2015E		—	308,046	—	—	—	—	—	—	—	—
Series 2015F		—	10,771,893	—	—	—	—	—	—	—	—
Series 2015G		—	3,580,860	—	—	—	—	—	—	—	—
Series 2015H		—	223,981	—	—	—	—	—	—	—	—
Airport Hotel Bonds:											
Series 2001A		99,630,000	212,057	—	—	—	—	—	—	—	—
Installment Purchase Contracts		747,395	129,884	774,760	150,941	818,958	173,405	846,437	198,465	400,464	179,411
Willow Run Notes Payable:											
Washtenaw County		19,476	—	19,476	—	19,476	—	19,476	—	19,476	—
University of Michigan		—	—	—	—	—	—	401,148	24,251	7,543	32,682
Less: Bond Refundings [2]		(343,700,000)	—	(184,605,000)	—	(390,570,000)	—	—	—	(255,600,000)	—
Totals	$	90,336,871	87,544,123	86,409,236	84,525,509	83,228,434	85,031,425	80,467,061	86,277,279	69,627,483	79,703,054

Airport Hotel (a)

		2016		2015		2014		2013		2012	
		Principal	**Interest [1]**	**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		—	—	4,185,000	194,535	1,645,000	294,305	1,480,000	401,060	1,200,000	494,860
Less: Bond Refundings [2]		—	—	—	—	—	—	—	—	—	—
Other Hotel Debt:											
Capital/FF&E Reserve Loan		—	—	—	—	—	—	2,922,147	93,522	439,308	253,040
Working Capital Loan		—	—	—	—	1,500,000	80,000	—	120,000	—	120,000
Totals	$	—	—	4,185,000	5,283,910	3,145,000	5,463,680	4,402,147	5,703,957	1,639,308	5,957,275

[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.

(a) In October 2015, the Authority entered into a new hotel management agreement and the 2001A Hotel Bonds, which were special facility revenue bonds, were refunded by the 2016G-H Airport Revenue Refunding Bonds. As a result, the operations of the Airport Hotel have been included with the operations of Detroit Metro Airport (see Note 2 of 2016 financial statements for additional discussion).

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

(Continued)

Detroit Metropolitan and Willow Run Airports (a)

2011		2010		2009		2008		2007	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	—	—	—	2,975,000	29,131	3,020,000	204,352	3,070,000	381,627
—	—	—	—	39,710,000	—	3,300,000	3,026,299	3,100,000	2,258,438
—	—	—	—	39,710,000	—	3,300,000	3,075,232	3,100,000	2,265,728
523,050,000	13,903,092	21,400,000	36,492,050	20,280,000	37,614,200	19,195,000	38,719,655	18,195,000	39,756,688
13,885,000	119,395	4,085,000	752,119	3,890,000	960,013	124,705,000	1,133,787	3,560,000	7,386,740
—	—	—	—	—	8,956,732	52,965,000	743,403	18,580,000	2,080,789
—	—	—	—	—	—	141,720,000	843,758	—	5,285,612
130,000	1,357,673	125,000	1,362,839	120,000	1,367,806	115,000	1,372,573	110,000	1,377,139
4,005,000	3,089,613	3,800,000	3,289,738	3,630,000	3,487,750	3,435,000	3,676,619	3,270,000	3,855,513
—	—	—	—	—	—	75,000,000	3,048,146	—	2,840,173
—	—	—	—	—	—	75,000,000	2,859,421	—	2,838,896
—	—	—	—	—	—	64,975,000	2,314,922	—	2,467,024
—	—	—	—	—	—	65,000,000	2,440,830	3,450,000	2,354,989
—	—	—	—	—	—	44,375,000	1,594,832	3,425,000	1,506,226
—	—	—	—	—	—	10,800,000	465,882	400,000	439,732
10,080,000	24,835,425	9,590,000	25,332,592	—	25,718,425	—	25,718,425	—	25,718,425
—	8,956,733	—	8,956,733	—	8,956,733	—	8,920,544	—	2,549,050
—	5,742,850	—	5,742,850	—	5,742,850	—	5,152,612	—	—
4,955,000	7,108,292	4,895,000	7,355,542	2,580,000	7,796,648	—	2,994,129	—	—
196,450,000	105,706	4,800,000	658,931	—	2,884,226	—	1,323,247	—	—
81,250,000	453,996	4,715,000	2,336,011	3,470,000	3,629,604	—	980,225	—	—
33,375,000	222,333	3,800,000	1,154,563	2,500,000	1,708,255	—	495,441	—	—
33,340,000	267,251	3,725,000	1,736,496	300,000	2,317,172	—	—	—	—
33,375,000	266,992	3,730,000	1,705,727	300,000	2,280,328	—	—	—	—
—	—	9,000,000	36,125	—	1,559	—	—	—	—
—	7,631,310	—	—	—	—	—	—	—	—
—	316,509	—	—	—	—	—	—	—	—
—	7,088,049	—	—	—	—	—	—	—	—
—	997,163	—	—	—	—	—	—	—	—
—	128,462	—	—	—	—	—	—	—	—
—	121,786	—	—	—	—	—	—	—	—
—	192,729	—	—	—	—	—	—	—	—
—	1,031,784	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
2,253,902	257,251	2,245,693	378,987	2,018,534	490,406	1,724,791	452,981	1,540,000	455,531
19,476	—	19,475	—	19,475	—	19,475	—	19,476	—
3,038	37,186	8,144	32,081	5,492	34,733	7,162	33,064	5,352	34,872
(866,085,000)	—	—	—	(74,770,000)	—	(590,355,000)	—	—	—
70,086,416	84,231,580	75,938,312	97,323,384	46,738,501	113,976,571	98,301,428	111,590,379	61,824,828	105,853,192

Airport Hotel (a)

2011		2010		2009		2008		2007	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	5,089,375	—	5,089,375	—	5,089,375	—	5,089,375	—	5,089,375
980,000	566,905	765,000	624,908	590,000	669,745	210,000	701,590	135,000	713,440
—	—	—	—	—	—	—	—	—	—
405,640	286,708	374,553	317,796	345,848	346,501	319,342	373,006	223,341	361,738
—	120,000	—	120,000	—	120,000	—	120,000	—	120,467
1,385,640	6,062,988	1,139,553	6,152,079	935,848	6,225,621	529,342	6,283,971	358,341	6,285,020

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-7

Revenue Coverage

(Unaudited)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Detroit Metro and Willow Run Airports (a)										
Net revenues:										
Operating revenues	$ 363,069,701	$ 316,390,119	$ 306,800,927	$ 289,464,302	$ 291,026,902	$ 281,687,336	$ 270,267,951	$ 257,512,270	$ 259,215,375	$ 233,130,883
Interest income and other	3,956,859	2,157,671	2,789,211	2,026,745	1,798,471	3,354,863	4,992,574	7,143,858	28,101,968	46,264,411
Federal and state sources	5,568,130	1,339,342	1,029,619	1,353,122	1,378,911	1,326,034	1,264,891	1,089,499	2,192,613	5,962,547
Passenger facility charges	66,764,363	63,840,589	62,016,364	61,705,013	62,134,255	62,197,495	60,305,754	59,711,453	68,202,594	70,754,074
Customer facility charges	4,260,370	304,510	—	—	—	—	—	—	—	—
Total revenues	443,619,423	384,032,231	372,636,121	354,549,182	356,338,539	348,565,728	336,831,170	325,457,080	357,712,550	356,111,915
Less operating expenses, not including depreciation	(252,611,208)	(218,348,139)	(212,847,104)	(195,526,748)	(188,306,672)	(196,428,761)	(191,159,047)	(192,698,372)	(207,318,908)	(190,201,421)
Net revenues	191,008,215	165,684,092	159,789,017	159,022,434	168,031,867	152,136,967	145,672,123	132,758,708	150,393,642	165,910,494
Net debt service:										
Principal [3]	90,336,871	86,409,236	83,228,434	80,467,061	69,627,483	70,086,416	75,938,312	46,738,501	98,301,428	61,824,828
Interest [1]	87,544,123	84,525,509	85,031,425	86,277,279	79,703,054	84,231,580	97,323,384	105,019,840	111,590,379	105,853,192
Net debt service	177,880,994	170,934,745	168,259,859	166,744,340	149,330,537	154,317,996	173,261,696	151,758,341	209,891,807	167,678,020
Debt Service Coverage [2]	1.07	0.97	0.95	0.95	1.13	0.99	0.84	0.87	0.72	0.99
Pledged Revenue Coverage – Airport Hotel (a)										
Net revenues:										
Operating revenues	—	33,345,294	32,922,844	29,301,463	27,611,922	29,372,498	26,828,936	23,246,792	31,496,580	33,382,432
Interest income and other	—	52,328	19,747	21,538	43,320	35,351	29,015	166,383	501,266	638,695
Total revenues	—	33,397,622	32,942,591	29,323,001	27,655,242	29,407,849	26,857,951	23,413,175	31,997,846	34,021,127
Less operating expenses, not including depreciation	—	(18,793,497)	(23,063,942)	(21,064,105)	(20,888,610)	(22,640,620)	(20,029,041)	(18,690,037)	(23,058,755)	(24,054,050)
Net revenues	—	14,604,125	9,878,649	8,258,896	6,766,632	6,767,229	6,828,910	4,723,138	8,939,091	9,967,077
Net debt service:										
Principal	—	4,185,000	3,145,000	4,402,147	1,639,308	1,385,640	1,139,553	935,848	529,342	358,341
Interest [1]	—	5,283,910	5,463,680	5,703,957	5,957,275	6,062,988	6,152,079	6,225,621	6,283,971	6,285,020
Net debt service	—	9,468,910	8,608,680	10,106,104	7,596,583	7,448,628	7,291,632	7,161,469	6,813,313	6,643,361
Debt Service Coverage [2]	—	1.54	1.15	0.82	0.89	0.91	0.94	0.66	1.31	1.50
Combined net debt service:										
Principal	90,336,871	90,594,236	86,373,434	84,869,208	71,266,791	71,472,056	77,077,865	47,674,349	98,830,770	62,183,169
Interest [1]	87,544,123	89,809,419	90,495,105	91,981,236	85,660,329	90,294,568	103,475,463	111,245,461	117,874,350	112,138,212
Total combined net debt service	$ 177,880,994	$ 180,403,655	$ 176,868,539	$ 176,850,444	$ 156,927,120	$ 161,766,624	$ 180,553,328	$ 158,919,810	$ 216,705,120	$ 174,321,381

Notes: The Authority has pledged all net Airport revenues solely for the payment of the Airport Revenue Bonds and the Parity Obligations, and a statutory first lien has been granted upon all net revenues for such purpose.

[1] Interest does not include adjustments for capitalized interest, amortization of issuance costs/ bond insurance premiums, discount, premium, refunding costs, or 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.

(a) In October 2015, the Authority entered into a new hotel agreement and the 2001A Hotel Bonds, which were special facility bonds, were refunded by the 2016G-H Aiport Revenue Refunding Bonds. As a result, the operations of the Airport Hotel have been included with the operations of Detroit Metro Airport (see Note 2 of 2016 financial statements for additional discussion).

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	**2016**	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
Outstanding debt by type: [1]										
Airport revenue bonds	$ 2,241,105,000	$ 2,031,565,000	$ 2,116,145,000	$ 2,070,180,000	$ 2,149,380,000	$ 2,026,685,000	$ 2,121,835,000	$ 2,188,500,000	$ 2,231,195,000	$ 2,326,065,000
Installment purchase contracts	2,932,469	3,679,864	4,454,624	5,273,582	6,120,019	4,354,379	6,608,280	8,853,973	10,508,525	7,532,539
Willow Run notes payable	543,294	562,770	102,246	102,246	542,346	569,365	591,879	619,498	644,465	671,102
Airport hotel bonds	—	99,630,000	103,815,000	105,460,000	106,940,000	108,140,000	109,120,000	109,885,000	110,475,000	110,685,000
Other hotel debt	—	—	—	1,500,000	4,422,147	4,861,455	5,267,095	5,641,648	5,987,496	6,306,838
Total outstanding debt	$ 2,244,580,763	$ 2,135,437,634	$ 2,224,516,870	$ 2,182,515,828	$ 2,267,404,512	$ 2,144,610,199	$ 2,243,422,254	$ 2,313,500,119	$ 2,358,810,486	$ 2,451,260,479
Enplaned passengers	17,130,687	16,443,778	16,216,673	16,077,652	16,169,584	16,226,201	15,876,381	15,941,132	17,831,231	18,108,090
Outstanding debt per enplaned passenger	$ 131.03	$ 129.86	$ 137.17	$ 135.75	$ 140.23	$ 132.17	$ 141.31	$ 145.13	$ 132.29	$ 135.37
Combined net debt service per enplaned passenger										
Combined net debt service [2]	$ 177,880,994	$ 180,403,655	$ 176,868,539	$ 176,850,444	$ 156,927,120	$ 161,766,624	$ 180,553,328	$ 158,919,810	$ 216,705,120	$ 174,321,381
Enplaned passengers	17,130,687	16,443,778	16,216,673	16,077,652	16,169,584	16,226,201	15,876,381	15,941,132	17,831,231	18,108,090
Net debt service per enplaned passenger	$ 10.38	$ 10.97	$ 10.91	$ 11.00	$ 9.71	$ 9.97	$ 11.37	$ 9.97	$ 12.15	$ 9.63

[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/bond insurance premiums, discount, premium, refunding costs, or arbitrage.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-9

Authority Employees

(Unaudited)

	Authority Full-Time Positions *									
	2016	**2015**	**2014**	**2013**	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**
Administration	10	11	9	8	8	16	11	15	18	20
Internal Audit	3	3	3	3	3	3	2	2	3	3
Legal	5	5	5	5	5	5	5	5	7	7
North Terminal Development Team	—	—	—	—	—	—	—	—	4	6
Finance	33	32	33	32	31	34	35	31	36	37
Information Technology/Telecommunications	17	18	15	14	12	13	14	14	14	16
Procurement & Compliance	19	16	15	14	14	18	24	20	25	25
Human Resources	13	13	11	11	11	14	12	14	15	15
Maintenance/Facilities	216	196	199	194	192	206	204	203	223	228
Airfield Operations	47	42	40	39	40	44	44	44	47	47
Public Safety	223	205	204	203	204	209	207	207	247	248
Planning & Development	32	31	25	28	24	19	17	16	14	15
Business Development	41	37	37	32	33	34	35	37	52	56
Willow	13	11	11	11	11	11	11	11	27	27
Totals	672	620	607	594	588	626	621	619	732	750

* 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.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

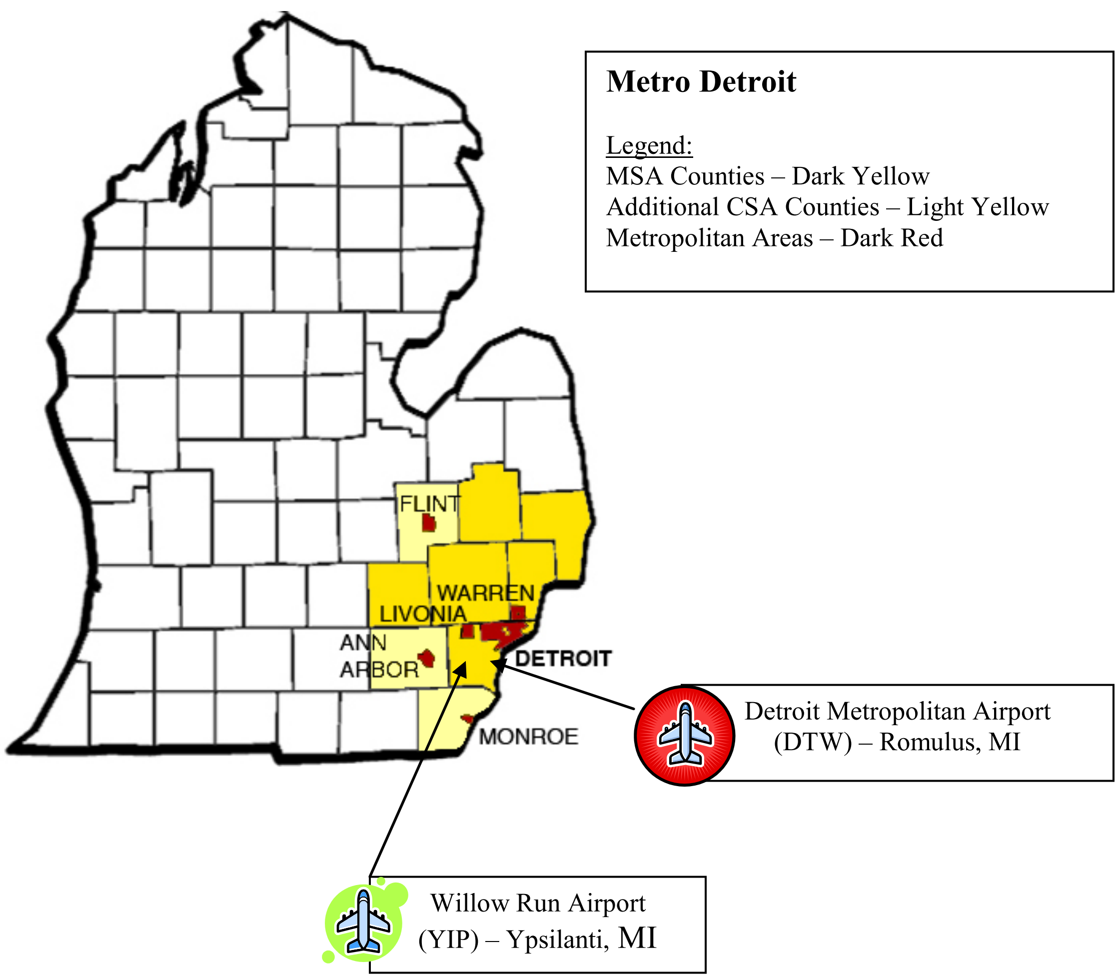
Exhibit S-10: Demographic and Economic Information

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 percent or more of total U.S. passengers enplaned. As of 2015, Detroit Metro Airport is the seventeenth busiest airport in the United States and the thirty-second 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 5.2 million as of the 2010 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.



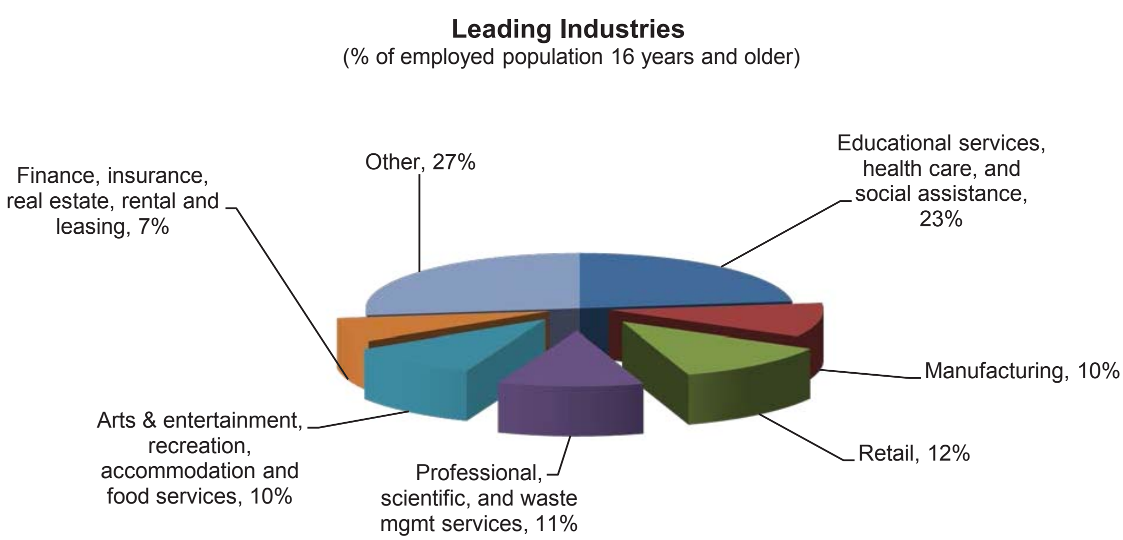
WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-10 A

Selected Demographic and Economic Information for the Primary Air Trade Area

(Unaudited)

Population (2012) Est.	5,212,462
Population (2010)	5,218,852
Population (2000)	5,357,538
Population (1990)	5,095,695
Percentage Decrease in Population - 2010 to 2012	-0.1%
Percentage Female	51.5%
Percentage Male	48.5%
Personal Income (millions) (2015)	$241,468
Percent of U.S. Total	1.8%
Per Capita Personal Income (2015)	$46,894
Per Capita Personal Income (2015) - U.S.	$49,827
Unemployment Rate (2016 September)	5.4%
Unemployment Rate (2015 Annual)	6.2%
Unemployment Rate (2014 Annual)	8.3%
Total Households (millions)	2.0
Average Household Size (people)	2.5



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 2016 *	Metro Employees 2015 **	Percentage (%) Change	Type of Business
Ford Motor Co.	Dearborn	47,000	44,598	5.4%	Automobile Manufacturer
General Motors Corp.	Detroit	36,628	32,353	13.2%	Automobile Manufacturer
FCA US LLC	Auburn Hills	32,508	32,356	0.5%	Automobile Manufacturer
University of Michigan	Ann Arbor	31,655	30,852	2.6%	Public University & Health Care System
Beaumont Health	Southfield	25,721	24,774	3.8%	Health Care System
U.S. Government	Detroit	18,862	18,701	0.9%	Federal Government
Henry Ford Health System	Detroit	16,919	17,332	(2.4)%	Health Care System
Trinity Health Michigan	Livonia	15,214	14,231	6.9%	Health Care System
Rock Ventures	Detroit	14,237	13,445	5.9%	Financial Services/Real Estate
Ascension Michigan	Warren	11,271	11,303	(0.3)%	Health Care System

* Data as of July 2016

** Data as of July 2015

Source: Crain's Detroit Business, December 26, 2016

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:	7,380 acres			
Airport Code:	DTW			
Runways:	3R/21L 3L/21R 9R/27L 9L/27R 4R/22L 4L/22R			
Terminal:	McNamara Terminal Airlines	911,853	sq ft	
	North Terminal Airlines	215,579	sq ft	(b)
	Tenants/Concessionaires	204,726	sq ft	(b)
	TSA/FIS	245,924	sq ft	
	Public/Common	1,609,671	sq ft	(b)
	Number of In-Service Passenger Gates	131		
	Number of Concessionaires	31		(b)
	Number of Rental Car Agencies On-Airport	6		
Airfield:	Runways	15,283,212	sq ft	
	Taxiways	23,547,466	sq ft	(a)
	Aprons	21,419,177	sq ft	(a)
Parking:	Spaces Available:			
	McNamara Parking Structure	10,117		
	Big Blue Deck and Short-Term	5,842		
	Green Lot 1	1,670		
	Green Lot 2	900		
		18,529	spaces	
Cargo:	Cargo/Hangar Buildings	1,224,989	sq ft	(a)
International:	Customs/Immigration F.I.S. Facility			
Tower(s):	AIR TRAFFIC CONTROL TOWER 24/7/365 Wayne County Operations Control Towers 24/7/365			
FBO(s):	Signature Flight Support			

(a) These totals have changed from the prior year due to physical inventory reconciliation and construction activity.
(b) These numbers changed from the prior year due to changes in agreements.

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:	2,360 acres			
Airport Code:	YIP			
Runways:	5L/23R 5R/23L 9/27			
Airfield:	Runways	3,147,605	sq ft	
	Taxiways	4,282,931	sq ft	
	Ramps/Aprons	5,093,764	sq ft	
Corporate/Private Space:	Hangar	415,700	sq ft	(a)
	Tenants Other	98,600	sq ft	(a)
	T-Hangars (qty. 110)	44,800	sq ft	
	Number of Rental Car Agencies On-Airport	1		
Additional Space:	WCAA Admin, Maintenance, Ops, Public Safety	56,200	sq ft	
	Yankee Air Museum	53,400	sq ft	
	FAA	35,000	sq ft	
International:	U.S. Customs (user fee airport)			
Tower:	FAA 24/7			
FBOs:	Active Aero Service Avflight			

(a) These numbers changed from the prior year due to changes in agreements.

Source: WCAA Finance Department Records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Documents Incorporated By Reference

Operating Year Ended September 30, 2016

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, $520,055,000 Wayne County Airport Authority Airport Revenue Bonds, Series 2015D-E; and Wayne County Authority Airport Revenue Refunding Bonds, Series 2015F-G	Continuing Disclosures

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #1

Debt Service Requirements and Coverage

Operating Year 2016

(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	$ 241,283	$ 172,095	$ 1.40	$ 9.95
Total Senior Lien and Junior Lien	$ 241,283	$ 184,365	$ 1.31	$ 9.95

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 ended September 30

(In thousands of dollars, except as noted)

(Unaudited)

Description		Historical				
		2016	2015	2014	2013	2012
Salaries and wages	$	52,684	49,221	46,661	41,975	43,159
Employee benefits		35,497	34,357	27,027	25,513	25,268
		88,181	83,578	73,688	67,488	68,427
Contractual services:						
Parking management		7,909	7,882	6,630	6,280	6,048
Hotel management (a)		22,678	—	—	—	—
Security expenses		3,745	2,558	2,511	2,260	2,288
Janitorial services		11,992	11,948	11,792	11,383	11,480
Shuttle bus		7,194	6,540	6,123	6,501	8,098
Other services		24,870	19,811	24,352	18,394	16,456
Total contractual services		78,388	48,739	51,408	44,818	44,370
Wayne County administrative services		103	159	138	130	157
Repairs and maintenance		33,123	32,567	31,144	29,296	31,661
Supplies and other operating expenses		13,791	13,252	12,511	10,499	8,930
Insurance		2,075	2,145	2,200	2,298	2,370
Utilities		21,939	24,105	28,441	26,628	26,280
Rentals		113	720	718	705	699
Interest expense and paying agent fees		92	107	182	163	173
Capital expenses		10,874	6,311	3,371	3,647	3,898
		82,110	79,366	78,705	73,366	74,168
Total O&M expenses	$	248,679	211,683	203,801	185,672	186,965

(a) On October 15, 2015, the Authority entered into a new hotel management agreement and the 2001A Hotel Bonds, which were special facility revenue bonds, were refunded by the 2016G-H Airport Revenue Refunding Bonds. As a result, as of October 15, 2015, the net revenues of the Hotel are included in the Net Revenues pledged toward the repayment of all the Authority's general airport revenue bonds and hotel management expenses are included in the Authority's operation and management expenses. At this time, all outstanding bonds, including the 2016G-H Airport Revenue Refunding Bonds, are all general airport revenue bonds.

Source: Wayne County Airport Authority

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #3

Operating Revenues

Operating years ended September 30

(In thousands of dollars, except as noted)

(Unaudited)

Description		Historical 2016	2015	2014	2013	2012
Airline revenues:						
Rental and use fees:						
Terminal building rentals and fees	$	61,227	62,776	63,523	64,322	62,763
Common-use/shared-use area rentals		24,161	26,779	25,988	23,098	23,419
Debt service recapture		1,718	1,718	1,718	1,718	1,773
Facilities use fees		8,036	8,065	8,361	7,262	7,092
Less rental fee adjustment		(2,820)	(4,859)	(6,313)	(5,134)	(2,144)
Total rental and use fees		92,322	94,479	93,277	91,266	92,903
Activity fees:						
Signatory airlines		75,525	72,369	75,360	64,394	66,993
Nonsignatory airlines		3,452	1,967	1,393	953	1,236
Less rental fee adjustment		(931)	(1,069)	(973)	(425)	(1,510)
Total activity fees		78,046	73,267	75,780	64,922	66,719
Total airline revenues		170,368	167,746	169,057	156,188	159,622
Nonairline revenues:						
Concessions:						
Automobile parking		74,498	68,018	61,187	57,829	56,091
Hotel (b)		33,890	—	—	—	—
Rental car		23,872	22,429	21,909	20,160	19,626
Food and beverage		18,016	14,149	12,948	12,877	12,878
Retail		12,745	13,347	12,526	11,663	12,489
Marketing and communications		1,635	2,235	2,388	2,603	2,357
Other concessions		5,110	5,057	4,012	4,044	3,990
Total concessions		169,766	125,235	114,970	109,176	107,431
Rentals		3,666	3,654	2,975	2,612	2,255
Utility fees		4,691	4,601	4,904	5,152	4,790
Interest income		162	110	76	138	205
Ground transportation		5,125	5,428	5,453	5,095	4,883
Other (a)		8,951	7,780	7,186	8,971	9,437
Total nonairline revenues		192,361	146,808	135,564	131,144	129,001
Total operating revenues	$	362,729	314,554	304,621	287,332	288,623

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

(b) On October 15, 2015, the Authority entered into a new hotel management agreement and the 2001A Hotel Bonds, which were special facility revenue bonds, were refunded by the 2016G-H Airport Revenue Refunding Bonds. As a result, as of October 15, 2015, the net revenues of the Hotel are included in the Net Revenues pledged toward the repayment of all the Authority's general airport revenue bonds and hotel management expenses are included in the Authority's operation and management expenses. At this time, all outstanding bonds, including the 2016G-H Airport Revenue Refunding Bonds, are all general airport revenue bonds.

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 ended September 30

(In thousands of dollars, except as noted)

(Unaudited)

Priority			2016	2015	2014	2013	2012
	Revenues:						
	Airline revenues	$	170,368	167,746	169,057	156,188	159,622
	Nonairline revenues		192,361	146,808	135,564	131,144	129,001
	Interest income generated in bond funds and reserves		8,091	12,705	7,056	5,404	2,502
	Other available monies:						
	PFC contributions		66,178	63,596	62,443	62,838	65,538
	Capitalized interest contribution		13,219	8,731	12,131	12,621	2,657
	Other		4,604	1,847	1,933	4,201	1,894
	Total revenues	$	454,821	401,433	388,184	372,396	361,214
	Application of revenues:						
1	Operation and Maintenance Fund (a)	$	259,980	218,398	210,219	191,715	192,475
2	Bond Fund		172,095	161,733	157,187	160,307	148,478
3	Junior Lien Bond Fund		12,270	12,231	12,231	12,239	12,271
4	Operation and Maintenance Reserve Fund		1,965	560	412	—	—
5	Renewal and Replacement Fund		500	500	500	500	500
6	County Discretionary Fund		350	350	350	350	350
7	Airport Development Fund		7,661	7,661	7,285	7,285	7,140
	Total application of revenues	$	454,821	401,433	388,184	372,396	361,214

(a) Includes amounts applied to the Hotel Furniture, Fixtures and Equipment Account established under the Authority's hotel management agreement effective October 15, 2015.

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #5

Net Revenues and Debt Service Coverage

Operating year ended September 30, 2016

(In thousands of dollars, except as noted)

(Unaudited)

Revenues:			
Revenues		$	362,729
Revenue fund balance at beginning of year			59,661
Other available monies:			
PFC contributions			66,178
Other			4,604
Interest income generated in bond funds and reserves			8,091
Total revenues	[A]		501,263
Operation and maintenance expenses	[B]		259,980
Net revenues available for Sr. Lien debt service	[A - B] = [C]		241,283
Bond debt service - Senior Lien	[D]		172,095
Net revenues available for Jr. Lien debt service	[C - D] = [E]		69,188
Bond debt service - Junior Lien	[F]		12,270
Net revenues remaining in revenue fund			56,918
Debt service coverage:			
Senior Lien bonds	[C]/[D]		1.40
Senior Lien and Junior Lien bonds	[C]/[D + F]		1.31
Rate covenant elements:			
Operation and maintenance expenses		$	259,980
125% debt service – Bonds	[(1.25 x D) + F]		227,389
Other fund requirements			10,476
Total rate covenant elements		$	497,845

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 ended September 30

(Unaudited)

Operating year	Domestic	International	Total	Percent increase (decrease)
2016	15,679,556	1,451,131	17,130,687	4.2%
2015	15,008,299	1,435,479	16,443,778	1.4
2014	14,751,873	1,464,800	16,216,673	0.9
2013	14,665,317	1,412,335	16,077,652	(0.6)
2012	14,802,280	1,367,304	16,169,584	(0.3)

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 ended December 31

(Unaudited)

Calendar year	Detroit Metro: Number of passengers	Detroit Metro: Percent increase (decrease)	United States: Number of passengers	United States: Percent increase (decrease)	Detroit as a percentage of U.S. total
2016	16,282,552	1.5%	757,096,534	0.9%	2.2%
2015	16,038,743	2.9	750,164,431	4.8%	2.1
2014	15,587,638	0.5	715,681,042	2.7	2.2
2013	15,507,719	0.5	696,930,821	0.7	2.2
2012	15,424,226	(0.8)	692,369,957	0.7	2.2

Note: 2016 estimate based on six months of data; 2015 updated with final 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 ended December 31

(Unaudited)

Calendar year	Departures by carrier type			Total departures	
	Majors	Nationals	Regionals	Total (a)	Percent increase (decrease)
2016	133,432	52,758	786	186,976	2.9%
2015	126,785	54,522	459	181,766	(3.4)
2014	119,462	68,043	609	188,114	(8.0)
2013	107,804	96,650	70	204,524	(0.6)
2012	76,944	126,245	2,586	205,775	(3.9)

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

Note: 2016 estimate based on six months of data; 2015 updated with final 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 ended December 31

(Unaudited)

Calendar year	Domestic originations Number	Domestic originations Percent of total	Domestic connections Number	Domestic connections Percent of total
2016	7,670,562	49.9%	7,696,644	50.1%
2015	7,303,964	47.8	7,975,161	52.2
2014	6,952,520	47.0	7,831,959	53.0
2013	6,713,171	45.6	8,020,045	54.4
2012	6,743,905	45.9	7,964,675	54.1

Note: 2016 estimate based on six months of data; 2015 updated with final data

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

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ended September 30

(Unaudited)

	OY 2016		OY 2015		OY 2014	
Airline	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**
Domestic:						
Alaska Airlines	66,040	0.4%	57,636	0.4%	3,927	—%
American/US Airways (Air Wisconsin) [(4)]	63,898	0.4	34,465	0.2	57,178	0.4
American/US Airways (Chautauqua) [(4)]	—	—	—	—	—	—
American/US Airways (Envoy) [(3)(4)]	67,414	0.4	136,328	0.9	169,854	1.2
American/US Airways (Mesa) [(4)]	—	—	13,713	0.1	29,246	0.2
American/US Airways (Piedmont) [(4)]	3,621	—	—	—	—	—
American/US Airways (PSA) [(4)]	58,585	0.4	39,344	0.3	5,492	—
American/US Airways (Republic) [(4)]	156,144	1.0	178,734	1.2	130,553	0.9
American/US Airways (TransStates) [(4)]	31,705	0.2	—	—	—	—
American/US Airways [(4)]	761,214	4.9	732,616	4.9	725,183	4.9
Delta (Chautauqua)	—	—	140,318	0.9	560,376	3.8
Delta (Comair)	—	—	—	—	—	—
Delta (Compass)	111,614	0.7	120,847	0.8	207,036	1.4
Delta (Endeavor) [(2)]	1,677,874	10.7	1,556,601	10.4	2,159,842	14.6
Delta (ExpressJet) [(1)]	1,150,700	7.3	1,276,020	8.5	1,098,157	7.5
Delta (GoJet)	230,733	1.5	107,108	0.7	160,650	1.1
Delta (Mesaba Aviation)	—	—	—	—	—	—
Delta (Shuttle America)	264,188	1.7	475,505	3.2	86,319	0.6
Delta (SkyWest)	570,927	3.6	353,817	2.4	251,177	1.7
Delta Air Lines	7,486,766	47.8	7,249,879	48.3	6,856,076	46.5
Frontier	149,124	1.0	92,038	0.6	98,958	0.7
JetBlue Airways	146,799	0.9	105,591	0.7	46,011	0.3
Southwest Airlines	845,604	5.4	784,365	5.2	828,595	5.6
Spirit Airlines	1,289,024	8.2	1,096,225	7.3	875,463	5.9
United Airlines (ExpressJet) [(1)]	9,002	0.1	76,704	0.5	143,587	1.0
United Airlines (GoJet)	31,741	0.2	42,751	0.3	40,249	0.3
United Airlines (Mesa)	140,502	0.9	80,084	0.5	18,478	0.1
United Airlines (Republic)	92,302	0.6	11,580	0.1	—	—
United Airlines (Shuttle America)	32,527	0.2	52,359	0.4	70,345	0.5
United Airlines (SkyWest)	69,388	0.4	65,860	0.4	31,384	0.2
United Airlines (TransStates)	1,051	—	20,680	0.1	15,316	0.1
United Airlines	171,058	1.1	105,188	0.7	78,956	0.5
Other [(5)]	11	—	1,943	—	3,465	—
Subtotal – Domestic	15,679,556	100.0%	15,008,299	100.0%	14,751,873	100.0%
International:						
Air Canada (Jazz)	4,502	0.3	11,011	0.8	7,976	0.6
Air Canada (Air Georgian)	27,890	1.9	12,969	0.9	13,277	0.9
Air France	71,642	4.9	75,576	5.3	73,512	5.0
American/US Airways [(4)]	566	—	520	—	1,256	0.1
Delta (Chautauqua)	—	—	—	—	—	—
Delta (Compass)	18,703	1.3	17,102	1.2	8,691	0.6
Delta (Endeavor) [(2)]	—	—	—	—	—	—
Delta (ExpressJet) [(1)]	—	—	—	—	5,947	0.4
Delta Air Lines	1,161,607	80.1	1,178,621	82.1	1,226,121	83.7
Frontier	—	—	7,831	0.5	—	—
Lufthansa	71,472	4.9	76,694	5.3	77,650	5.3
Royal Jordanian Airlines	13,403	0.9	12,225	0.9	14,755	1.0
Southwest Airlines	—	—	—	—	12,255	0.8
Spirit	22,575	1.6	22,457	1.6	22,986	1.6
Virgin Atlantic Airways	47,380	3.3	20,442	1.4	—	—
Other [(5)]	11,391	0.8	31	—	374	—
Subtotal – International	1,451,131	100.0%	1,435,479	100.0%	1,464,800	100.0%
Total – All Markets	17,130,687		16,443,778		16,216,673	

[(1)] Atlantic Southeast Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one in this report.

[(2)] Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

[(3)] American Eagle Airlines was rebranded as Envoy Air on April 15, 2014, and for comparative purposes all American Eagle data has been combined with Envoy Air in this report.

[(4)] US Airways merged with and into American Airlines on April 8, 2015, and for comparative purposes, all US Airways data has been combined with American Airlines in this report.

[(5)] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2016.

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ended September 30

(Unaudited)

Airline	OY 2013 Enplaned passengers	OY 2013 Percent of market	OY 2012 Enplaned passengers	OY 2012 Percent of market
Domestic:				
Alaska Airlines	—	—%	—	—%
American/US Airways (Air Wisconsin) [4]	63,752	0.4	71,394	0.5
American/US Airways (Chautauqua) [4]	9,220	0.1	8,431	0.1
American/US Airways (Envoy) [3][4]	169,407	1.2	162,633	1.1
American/US Airways (Mesa) [4]	26,173	0.2	37,154	0.2
American/US Airways (Piedmont) [4]	—	—	—	—
American/US Airways (PSA) [4]	6,519	—	10,716	0.1
American/US Airways (Republic) [4]	96,509	0.7	80,347	0.5
American/US Airways (TransStates) [4]	—	—	—	—
American/US Airways [4]	662,355	4.5	635,870	4.3
Delta (Chautauqua)	448,754	3.1	217,573	1.5
Delta (Comair)	—	—	811,218	5.5
Delta (Compass)	175,829	1.2	241,508	1.6
Delta (Endeavor) [2]	3,080,866	21.0	2,698,992	18.2
Delta (ExpressJet) [1]	978,390	6.7	885,230	6.0
Delta (GoJet)	87,296	0.6	73,634	0.5
Delta (Mesaba Aviation)	—	—	123,066	0.8
Delta (Shuttle America)	121,712	0.8	190,663	1.3
Delta (SkyWest)	91,610	0.6	85,570	0.6
Delta Air Lines	6,568,924	44.8	6,349,263	42.9
Frontier	80,496	0.5	125,186	0.8
JetBlue Airways	—	—	—	—
Southwest Airlines	832,772	5.7	842,732	5.7
Spirit Airlines	755,169	5.1	711,134	4.8
United Airlines (ExpressJet) [1]	130,342	0.9	123,199	0.9
United Airlines (GoJet)	44,311	0.3	34,532	0.2
United Airlines (Mesa)	42,346	0.3	43,702	0.3
United Airlines (Republic)	—	—	—	—
United Airlines (Shuttle America)	60,856	0.4	63,163	0.4
United Airlines (SkyWest)	58,464	0.4	43,592	0.3
United Airlines (TransStates)	—	—	728	—
United Airlines	70,789	0.5	128,634	0.9
Other [5]	2,456	—	2,416	—
Subtotal – Domestic	14,665,317	100.0%	14,802,280	100.0%
International:				
Air Canada (Jazz)	9,706	0.7	6,423	0.5
Air Canada (Air Georgian)	7,450	0.5	8,464	0.6
Air France	77,751	5.5	82,675	6.0
American/US Airways [4]	1,302	0.1	1,459	0.1
Delta (Chautauqua)	3,608	0.3	141	—
Delta (Compass)	—	—	—	—
Delta (Endeavor) [2]	2,175	0.2	18,094	1.3
Delta (ExpressJet) [1]	14,706	1.0	15,244	1.1
Delta Air Lines	1,180,193	83.6	1,119,589	81.9
Frontier	—	—	—	—
Lufthansa	66,977	4.7	64,854	4.7
Royal Jordanian Airlines	14,334	1.0	15,143	1.1
Southwest Airlines	11,120	0.8	10,295	0.8
Spirit	22,669	1.6	23,339	1.8
Virgin Atlantic Airways	—	—	—	—
Other [5]	344	—	1,584	0.1
Subtotal – International	1,412,335	100.0%	1,367,304	100.0%
Total – All Markets	16,077,652		16,169,584	

[1] Atlantic Southeast Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one in this report.

[2] Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

[3] American Eagle Airlines was rebranded as Envoy Air on April 15, 2014, and for comparative purposes all American Eagle data has been combined with Envoy Air in this report.

[4] US Airways merged with and into American Airlines on April 8, 2015, and for comparative purposes, all US Airways data has been combined with American Airlines in this report.

[5] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2016.

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #11

Historical Airline Cargo

Operating years ended September 30

(Unaudited)

	Cargo by type (metric tons)				Total Cargo	
Operating	Freight and Express (a)		Mail		Total	Percent increase
year	Enplaned	Deplaned	Enplaned	Deplaned	Cargo	(decrease)
2016	81,744	106,500	8,975	7,639	204,858	7.4%
2015	77,043	97,381	8,225	8,009	190,658	(8.7)
2014	85,475	107,634	8,543	7,187	208,839	(3.0)
2013	85,072	114,892	8,965	6,434	215,363	(1.0)
2012	84,018	120,091	8,267	4,998	217,374	5.3

(a) Includes small packages

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 ended September 30

(Unaudited)

	OY 2016		OY 2015		OY 2014	
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**
Air Canada (Jazz)	9,413	—%	20,584	0.1%	13,916	0.1%
Air Canada (Air Georgian)	43,749	0.2	18,548	0.1	16,600	0.1
Air France	134,644	0.6	138,530	0.7	136,291	0.7
Alaska Airlines	65,210	0.3	55,208	0.3	4,199	—
American/US Airways (Air Wisconsin) [4]	72,615	0.4	48,927	0.2	69,466	0.3
American/US Airways (Chautauqua) [4]	—	—	—	—	—	—
American/US Airways (Envoy) [3][4]	77,245	0.4	176,287	0.9	209,816	1.0
American/US Airways (Mesa) [4]	—	—	14,333	0.1	29,594	0.2
American/US Airways (Piedmont) [4]	4,540	—	—	—	—	—
American/US Airways (PSA) [4]	68,183	0.3	40,838	0.2	6,025	—
American/US Airways (Republic) [4]	194,949	0.9	225,467	1.1	153,468	0.8
American/US Airways (TransStates) [4]	28,674	0.1	—	—	—	—
American/US Airways [4]	861,963	4.0	843,916	4.1	842,150	4.1
Delta (Chautauqua)	—	—	141,015	0.7	564,145	2.8
Delta (Comair)	—	—	—	—	—	—
Delta (Compass)	154,667	0.7	165,734	0.8	252,328	1.3
Delta (Endeavor) [2]	1,960,734	9.1	1,824,960	8.8	2,523,978	12.4
Delta (ExpressJet) [1]	1,423,967	6.6	1,544,732	7.5	1,351,443	6.6
Delta (GoJet)	271,737	1.3	128,707	0.6	190,615	0.9
Delta (Mesaba Aviation)	—	—	—	—	—	—
Delta (Shuttle America)	276,165	1.3	480,607	2.3	97,562	0.5
Delta (SkyWest)	864,151	4.0	465,842	2.3	294,404	1.5
Delta Air Lines	10,616,006	49.5	10,615,528	51.5	10,273,955	50.4
DHL/Atlas	119,608	0.6	—	—	—	—
DHL/ATI	4,950	—	—	—	—	—
Federal Express	483,114	2.3	479,295	2.3	493,528	2.4
Frontier	140,122	0.7	100,624	0.5	105,448	0.5
JetBlue Airways	168,108	0.8	129,654	0.6	58,298	0.3
Lufthansa	165,418	0.8	162,237	0.8	180,296	0.9
Lufthansa Cargo	—	—	—	—	17,657	0.1
Royal Jordanian Airlines	39,520	0.2	38,257	0.2	40,645	0.2
Southwest Airlines	898,636	4.2	854,196	4.1	904,127	4.4
Spirit Airlines	1,293,177	6.0	1,129,323	5.5	886,234	4.3
United Airlines (ExpressJet) [1]	8,508	—	78,571	0.4	147,800	0.7
United Airlines (GoJet)	36,917	0.2	46,297	0.2	45,091	0.2
United Airlines (Mesa)	157,475	0.7	91,642	0.4	23,919	0.1
United Airlines (Republic)	114,619	0.5	15,275	0.1	—	—
United Airlines (Shuttle America)	40,929	0.2	64,068	0.3	86,919	0.4
United Airlines (SkyWest)	73,679	0.4	69,752	0.3	33,738	0.2
United Airlines (TransStates)	1,129	—	21,159	0.1	15,871	0.1
United Airlines	209,604	1.0	136,885	0.7	100,958	0.5
United Parcel Service	179,533	0.8	175,421	0.8	170,445	0.8
Virgin Atlantic Airways	135,699	0.6	49,683	0.2	—	—
Other [5]	67,237	0.3	33,550	0.2	41,772	0.2
Total	21,466,594	100.0%	20,625,652	100.0%	20,382,701	100.0%

[1] Atlantic Southeast Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one in this report.

[2] Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

[3] American Eagle Airlines was rebranded as Envoy Air on April 15, 2014, and for comparative purposes all American Eagle data has been combined with Envoy Air in this report.

[4] US Airways merged with and into American Airlines on April 8, 2015, and for comparative purposes, all US Airways data has been combined with American Airlines in this report.

[5] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2016.

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 ended September 30

(Unaudited)

	OY 2013		OY 2012	
Airline	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**
Air Canada (Jazz)	19,403	0.1%	12,919	0.1%
Air Canada (Air Georgian)	10,790	0.1	12,218	0.1
Air France	142,397	0.7	146,639	0.7
Alaska Airlines	—	—	—	—
American/US Airways (Air Wisconsin) (4)	77,597	0.4	85,634	0.4
American/US Airways (Chautauqua) (4)	10,935	0.1	9,233	—
American/US Airways (Envoy) (3)(4)	207,170	1.0	195,133	0.9
American/US Airways (Mesa) (4)	27,342	0.1	38,514	0.2
American/US Airways (Piedmont) (4)	—	—	—	—
American/US Airways (PSA) (4)	7,744	—	12,186	0.1
American/US Airways (Republic) (4)	107,113	0.5	93,946	0.5
American/US Airways (TransStates) (4)	—	—	—	—
American/US Airways (4)	785,631	3.8	755,222	3.7
Delta (Chautauqua)	467,713	2.3	217,005	1.0
Delta (Comair)	—	—	942,080	4.6
Delta (Compass)	225,942	1.1	288,096	1.4
Delta (Endeavor) (2)	3,661,163	17.7	3,237,417	15.7
Delta (ExpressJet) (1)	1,260,108	6.1	1,110,252	5.4
Delta (GoJet)	105,190	0.5	89,311	0.4
Delta (Mesaba Aviation)	—	—	144,408	0.7
Delta (Shuttle America)	139,035	0.7	221,668	1.1
Delta (SkyWest)	115,235	0.6	94,263	0.5
Delta Air Lines	10,051,320	48.7	9,655,644	46.9
DHL/Atlas	—	—	—	—
DHL/ATI	—	—	—	—
Federal Express	446,450	2.2	461,450	2.2
Frontier	84,124	0.4	124,080	0.6
JetBlue Airways	—	—	—	—
Lufthansa	153,106	0.7	146,790	0.7
Lufthansa Cargo	52,480	0.3	31,390	0.2
Royal Jordanian Airlines	42,452	0.2	40,244	0.2
Southwest Airlines	969,194	4.7	942,596	4.6
Spirit Airlines	765,188	3.7	749,026	3.6
United Airlines (ExpressJet) (1)	139,629	0.7	133,100	0.6
United Airlines (GoJet)	51,389	0.2	39,329	0.2
United Airlines (Mesa)	51,657	0.2	50,987	0.2
United Airlines (Republic)	—	—	—	—
United Airlines (Shuttle America)	80,628	0.4	93,208	0.4
United Airlines (SkyWest)	65,129	0.3	50,850	0.3
United Airlines (TransStates)	—	—	681	—
United Airlines	95,890	0.5	166,107	0.8
United Parcel Service	167,762	0.8	168,483	0.8
Virgin Atlantic Airways	—	—	—	—
Other (5)	41,955	0.2	48,242	0.2
Total	20,628,861	100.0%	20,608,351	100.0%

(3) Atlantic Southeast Airlines acquired ExpressJet on November 22, 2011 and began operating as ExpressJet. For comparative purposes, entities are shown as one in this report.

(4) Effective August 1, 2013, Pinnacle Airlines changed its legal name to Endeavor Air.

(5) American Eagle Airlines was rebranded as Envoy Air on April 15, 2014, and for comparative purposes all American Eagle data has been combined with Envoy Air in this report.

(6) US Airways merged with and into American Airlines on April 8, 2015, and for comparative purposes, all US Airways data has been combined with American Airlines in this report.

(7) Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2016.

Source: Wayne County Airport Authority records

See accompanying independent auditor's report.

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #13

Historical Aircraft Operations

Operating years ended September 30

(Unaudited)

Operating year	Operations by class of carrier: Air carrier	Air taxi and commuter	General aviation	Military	Total operations: Total	Percent increase (decrease)
2016	286,336	99,811	6,104	132	392,383	3.2%
2015	268,876	105,649	5,540	95	380,160	(4.9)
2014	237,863	155,405	6,511	117	399,896	(6.0)
2013	228,398	191,274	5,855	96	425,623	(1.6)
2012	208,358	217,951	6,127	247	432,683	(3.2)

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 ended September 30

(Unaudited)

	2016	2015	Historical 2014	2013	2012
Enplaned passengers:					
Domestic:					
Scheduled:					
Originating (a)	7,826,472	7,173,571	6,935,557	6,681,114	6,785,759
Connecting (a)	7,853,084	7,832,785	7,812,851	7,981,747	8,014,105
Subtotal – scheduled	15,679,556	15,006,356	14,748,408	14,662,861	14,799,864
Percentage connecting	50.1%	52.2%	53.0%	54.4%	54.1%
Charter	—	1,943	3,465	2,456	2,416
Subtotal – domestic	15,679,556	15,008,299	14,751,873	14,665,317	14,802,280
International:					
Scheduled:					
U.S. airlines	1,203,451	1,226,531	1,277,256	1,235,773	1,188,161
Foreign flag	236,289	208,917	187,170	176,218	177,559
Subtotal – scheduled	1,439,740	1,435,448	1,464,426	1,411,991	1,365,720
Charter	11,391	31	374	344	1,584
Subtotal – international	1,451,131	1,435,479	1,464,800	1,412,335	1,367,304
Total enplaned passengers	17,130,687	16,443,778	16,216,673	16,077,652	16,169,584
Enplaned cargo (tons):					
Freight	81,744	77,043	85,475	85,072	84,018
Mail	8,975	8,225	8,543	8,965	8,267
Total cargo	90,719	85,268	94,018	94,037	92,285
Aircraft departures (b):					
Domestic	177,587	172,440	180,546	193,214	196,728
International	12,025	12,197	13,157	13,222	13,664
Total aircraft departures	189,612	184,637	193,703	206,436	210,392
Aircraft operations:					
Air carrier	286,336	268,876	237,863	228,398	208,358
Air taxi and commuter	99,811	105,649	155,405	191,274	217,951
General aviation	6,104	5,540	6,511	5,855	6,127
Military	132	95	117	96	247
Total aircraft operations	392,383	380,160	399,896	425,623	432,683
Landed weight (1,000-pound units):					
Passenger:					
U.S. carriers:					
Major/national	14,252,825	13,865,334	13,175,369	12,752,997	12,397,260
Commuter/regional	5,830,936	5,648,967	6,102,680	6,803,630	7,147,300
Subtotal – U.S. carriers	20,083,761	19,514,301	19,278,049	19,556,627	19,544,560
Foreign flag	546,473	427,839	387,749	368,149	358,810
Subtotal – passenger	20,630,234	19,942,140	19,665,798	19,924,776	19,903,370
All cargo	836,360	683,512	716,903	704,085	704,981
Total landed weight	21,466,594	20,625,652	20,382,701	20,628,861	20,608,351

(a) 2016 originating and connecting activity statistics are estimated based on calendar-year percentages.

(b) 2016 departures are estimated based on both actual and scheduled data.

Sources: Wayne County Airport Authority records, U.S. Department of Transportation data, Diio MI Database and the OAG 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 ended December 31

(Unaudited)

Year	Cities added	Cities dropped	Net change
2016	Munich, Germany		1
2015		Halifax, Canada	(1)
2014		Quebec City, Canada	(1)
2013		Hong Kong, China Tokyo (Haneda), Japan	(2)
2012		London, Canada	(1)

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

Source: Diio MI Database and OAG 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 2016	OY 2015	OY 2014	OY 2013	OY 2012
Operating revenues:						
Airport landing and related fees	$	78,045	73,268	75,780	64,922	66,719
Concession fees		61,820	57,615	54,162	51,697	51,689
Parking fees		74,498	68,018	61,187	57,829	56,092
Hotel (a)		33,890	—	—	—	—
Rental facilities/ground transportation		103,430	105,663	103,737	101,474	105,251
Utility service fees		4,691	4,601	4,904	5,152	4,790
Other		3,747	4,104	4,098	5,431	3,027
Total operating revenues		360,121	313,269	303,868	286,505	287,568
Operating expenses:						
Salaries, wages, and fringe benefits		84,453	75,991	79,026	71,656	68,848
Parking management		7,909	7,882	6,630	6,280	6,048
Hotel management (a)		22,357	—	—	—	—
Janitorial services		11,992	11,948	11,792	11,383	11,480
Security		3,745	2,558	2,511	2,260	2,288
Utilities		21,645	23,842	28,089	26,274	25,882
Repairs, professional services, and other		93,666	89,118	79,781	73,563	69,340
Depreciation		168,646	159,560	134,938	133,335	134,891
Total operating expenses		414,413	370,899	342,767	324,751	318,777
Operating loss		(54,292)	(57,630)	(38,899)	(38,246)	(31,209)
Nonoperating revenues (expenses):						
Passenger facility charges		66,764	63,841	62,016	61,705	62,134
Customer facility charges		4,260	304	—	—	—
Federal and state sources		5,551	1,332	1,030	1,353	1,379
Interest income and other		3,854	1,927	1,646	1,622	1,783
Interest expense and other		(80,865)	(76,494)	(79,307)	(82,461)	(81,961)
Amortization of bond insurance premiums		(175)	(352)	(352)	—	—
Amortization of bond issuance costs		—	—	—	(1,663)	(1,722)
Total nonoperating expenses		(611)	(9,442)	(14,967)	(19,444)	(18,387)
Net loss before capital contributions and transfers		(54,903)	(67,072)	(53,866)	(57,690)	(49,596)
Capital contributions		32,694	6,181	15,026	27,395	25,208
Transfers out		(2,941)	(4,232)	(5,249)	(5,846)	(357)
Changes in net position		(25,150)	(65,123)	(44,089)	(36,141)	(24,745)
Net position – beginning of year		186,405 [1]	301,395 [2]	389,061 [3]	435,196	459,941
Net position – end of year	$	161,255	236,272	344,972	399,055	435,196

(a) Effective October 2015, the operations of the Airport Hotel have been included with the operations of Detroit Metro Airport (see Note 2 of 2016 financial statements for additional discussion).

[1] In 2016, Detroit Metro Airport restated beginning net position to $186,405 (see Note 2 of 2016 financial statements for additional discussion). This amount less the 2016 decrease in net position is used to arrive at ending net position.

[2] In 2015, Detroit Metro Airport restated beginning net position to $301,395 (see Note 2 of 2015 financial statements for additional discussion). This amount less the 2015 decrease in net position is used to arrive at ending net position.

[3] In 2014, Detroit Metro Airport restated beginning net position to $389,061 (see Note 2 of 2014 financial statements for additional discussion). This amount less the 2014 decrease in net position is used to arrive at ending net position.

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 ended December 31, 2015

(Unaudited)

Rank	Market	Total O&D Passengers	Percentage of O&D Passengers	Primary Carrier	Market Share	Secondary Carrier	Market Share	Non-Stop Service
1	New York	1,017	7.0%	Delta	52.6%	American	17.5%	●
2	Florida South	901	6.2%	Delta	55.6%	Spirit	23.6%	●
3	Orlando	780	5.3%	Delta	64.0%	Spirit	25.0%	●
4	Los Angeles	703	4.8%	Delta	50.5%	American	15.5%	●
5	Las Vegas	698	4.8%	Delta	44.6%	Spirit	38.8%	●
6	Washington D.C.	677	4.6%	Delta	63.8%	Southwest	18.2%	●
7	Atlanta	559	3.8%	Delta	61.0%	Southwest	18.1%	●
8	Tampa	537	3.7%	Delta	57.7%	Spirit	29.4%	●
9	Dallas	491	3.4%	American	34.8%	Delta	31.6%	●
10	Denver	476	3.3%	Delta	35.7%	Southwest	25.0%	●
11	Chicago	470	3.2%	Delta	52.8%	Southwest	18.3%	●
12	San Francisco	464	3.2%	Delta	64.2%	Southwest	11.6%	●
13	Fort Myers	463	3.2%	Delta	57.9%	Spirit	35.6%	●
14	Boston	429	2.9%	Delta	53.8%	JetBlue	30.1%	●
15	Phoenix	400	2.7%	Delta	48.0%	American	26.8%	●
16	Houston	346	2.4%	Delta	31.5%	Spirit	29.5%	●
17	Seattle	290	2.0%	Delta	66.4%	Alaska	22.1%	●
18	Nashville	248	1.7%	Delta	61.3%	Southwest	33.9%	●
19	Minneapolis	241	1.6%	Delta	67.9%	Spirit	18.8%	●
20	San Diego	225	1.5%	Delta	52.9%	Southwest	18.7%	●
Other O&D Markets		4,193	28.7%					
Domestic O&D Passengers		14,608						
O&D % of Domestic Passengers		50%						

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 ended December 31, 2015

(Unaudited)

Rank	Market	Total O&D Passengers	Non-Stop Service
1	Cancún	93,822	●
2	Punta Cana	36,086	●
3	Shanghai	35,467	●
4	Mexico City	34,920	●
5	London (Heathrow)	34,376	●
6	Frankfurt	32,361	●
7	Tokyo	25,414	●
8	Montego Bay	24,748	●
9	Seoul	22,087	●
10	Monterrey	21,898	●
11	Paris	21,438	●
12	São Paulo	19,886	●
13	Rome	17,734	●
14	Amsterdam	16,351	●
15	Beijing	16,269	●
16	Nassau	13,471	●
17	Los Cabos	13,090	●
18	Nagoya	12,289	●
19	Vancouver	12,213	●
20	Montréal	12,210	●

Source: US DOT Origin & Destination Survey of Airline Passenger Traffic, and the Diio Mi Database

See accompanying independent auditor's report.

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

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*

Independent Auditor's Report

To Management and the Wayne
County Airport Authority Board
Wayne County Airport Authority

We have audited, in accordance with the 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, the financial statements of the business-type activities and each major fund of the Wayne County Airport Authority (the "Authority") as of and for the year ended September 30, 2016, and related notes to the financial statements, which collectively comprise the Authority's financial statements, and have issued our report thereon dated January 17, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wayne County Airport Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To Management and the Wayne
County Airport Authority Board
Wayne County Airport Authority

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wayne County Airport Authority's financial statements are free from 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.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

January 17, 2017

Plante & Moran, PLLC
27400 Northwestern Highway
P.O. Box 307
Southfield, MI 48037-0307
Tel: 248.352.2500
Fax: 248.352.0018
plantemoran.com

Report on Compliance for the Major Federal Programs and Passenger Facility Charge Program; Report on Internal Control Over Compliance

Independent Auditor's Report

To the Wayne County Airport Authority Board
Wayne County Airport Authority

Report on Compliance for the Major Federal Programs and Passenger Facility Charge Program

We have audited the Wayne County Airport Authority's (the "Authority") compliance with the types of compliance requirements described in U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on its major federal program for the year ended September 30, 2016. 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, 2016. The Authority's major federal program is 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 expenditure schedule.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program and the passenger facility charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Authority's major federal program and the passenger facility charge program based on our audit of the types of compliance requirements referred to above.

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; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance 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 on compliance for the major federal programs and passenger facility charge program. However, our audit does not provide a legal determination of the Authority's compliance.

To the Wayne County Airport Authority Board
Wayne County Airport Authority

Opinion on the Major Federal Program and Passenger Facility Charge Program

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program and its passenger facility charge program for the year ended September 30, 2016.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above for its federal program and the passenger facility charge program. In planning and performing our audit of compliance, we considered the Authority's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program or the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and the passenger facility charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or the passenger facility charge program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or the passenger facility charge program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or the passenger facility charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *Passenger Facility Charge Audit Guide for Public Agencies*. Accordingly, this report is not suitable for any other purpose.

Plante & Moran, PLLC

January 17, 2017

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year ended September 30, 2016

Federal Agency/Pass-through Entity/Program Title	Federal CFDA Number	Contract/Grant Number	Award Amount	Federal Expenditures	
DETROIT METROPOLITAN AIRPORT					
U.S. Department of Transportation:					
Federal Aviation Administration - Direct Program -					
Airport Improvement Program (major program):					
RUNWAY 4R/22L-Phase 4	20.106	3-26-0026-10814	$ 19,301,529	$ 2,395,121	
75ADS-8Squitter Units	20.106	3-26-0026-10914	421,875	78,344	
Rehab TW W (Phase 1)	20.106	3-26-0026-11014	5,792,048	568,445	
Reconstruct Taxiway Whiskey	20.106	3-26-0026-09415	9,357,639	5,733,666	
Conduct Airport System Plan	20.106	3-26-0026-11115	4,621,620	2,254,103	
Rehab RW 4L/22R	20.106	3-26-0026-11216	20,654,150	20,654,150	
Subtotal Airport Improvement Program			60,148,861	31,683,829	
U.S. Department of Justice:					
Asset Forfeiture Equitable Sharing Program	16.922	MI-8293900	-	600,343	
Bulletproof Vest Partnership	16.607		17,705	3,530	
Total U.S. Department of Justice			17,705	603,873	
Federal Emergency Management Agency -					
Assistance to Firefighters	97.044		3,000	3,000	
Total Federal Emergency Management Agency			3,000	3,000	
Total Detroit Metropolitan Airport			60,169,566	32,290,702	
WILLOW RUN AIRPORT					
U.S. Department of Transportation:					
Federal Aviation Administration - Direct Program -					
Airport Improvement Program (major program):					
RUNWAY 5R/23L-Phase 1, R/W wind cones	20.106	3-26-0024-3712	9,385,219	(4,378)	*
RUNWAY 5R/23L-Phase 2-Northern Portion	20.106	3-26-0024-3812	5,878,947	(157,050)	*
RUNWAY 5R/23L-Phase 3 -Southern Portion	20.106	3-26-0024-3913	9,355,145	71,480	
RUNWAY 5R/23L-Phase 4 -Southern Portion	20.106	3-26-0024-4013	11,775,575	12,451	
MISCELLANEOUS AIRPORT IMPROVEMENTS	20.106	3-26-0024-4114	813,524	276	
Subtotal Airport Improvement Program			37,208,410	(77,221)	
Total Willow Run Airport			37,208,410	(77,221)	
Total Expenditures of Federal Awards			**$ 97,377,976**	**$ 32,213,481**	

* Reflects adjustments for final billings as a result of project closeout

See Note to Schedule of Expenditures of Federal Awards.

(1) Summary of 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). The Authority's reporting entity is defined in the notes to the Authority's basic financial statements.

For the purposes 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 awards are reported in the Authority's statement of revenues, expenses, and changes in net position included with federal and state grants as well as capital contributions. The Schedule presents only a selected portion of the operations of the Authority. It is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

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. Expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments,* or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. The Authority has elected not to use the 10-percent *de minimus* indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

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 programs:

- 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 programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516 (a)? ______ Yes __X__ No

Identification of major programs:

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

Dollar threshold used to distinguish between type A and type B programs: $966,404

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, 2016

	Amended Amount Approved	Cumulative Total October 1, 2015	Quarter Ended December 31, 2015	Quarter Ended March 31, 2016	Quarter Ended June 30, 2016	Quarter Ended September 30, 2016	Total FY 2016	Cumulative Total September 30, 2016
Passenger Facility Charges Collected	$ 3,164,332,836	1,237,521,991	17,156,366	15,270,509	17,720,428	17,081,967	67,229,270	1,304,751,261
Interest Earned	N/A	73,484,129	9,380	12,114	10,299	9,043	40,836	73,524,965
Total Revenues	$ 3,164,332,836	1,311,006,120	17,165,746	15,282,623	17,730,727	17,091,010	67,270,106	1,378,276,226
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	19,011,457	104,100	110,998	106,837	111,445	433,380	19,444,837
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	2,439,199	-	-	-	-	-	2,439,199
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	766,722,878	7,629,256	8,134,825	7,829,893	8,167,627	31,761,601	798,484,479
Reconstruction of Existing Terminals and Concourses	673,408,000	202,569,630	6,933,113	7,243,783	6,902,196	7,079,292	28,158,384	230,728,014
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	7,904,713	100,424	107,078	103,065	107,511	418,078	8,322,791
Runway 4R/22L Design and Construction	169,274,000	60,327,562	486,001	518,211	498,783	520,297	2,023,292	62,350,854
Rebuild Outfall Structures at Ponds 3 and 4	2,413,000	1,124,400	14,265	15,210	14,640	15,271	59,386	1,183,786
21C Remote Primary Deicing	23,958,000	12,114,648	130,869	139,540	134,310	140,104	544,823	12,659,471
Grade/Pave Taxiway "K" Islands	704,000	328,037	4,164	4,440	4,272	4,458	17,334	345,371
APPLICATION NO. 5								
North Terminal Apron	59,574,000	9,941,028	-	-	-	-	-	9,941,028
McNamara Terminal Phase II Program	277,941,000	86,698,285	2,497,531	2,548,204	2,438,735	2,521,921	10,006,391	96,704,676
Third Aircraft Rescue and Firefighting Facility	1,315,000	129,764	-	-	-	-	-	129,764
West Airfield Improvements	31,906,000	9,112,409	-	-	-	-	-	9,112,409
Interconnect Re-route	1,441,000	369,055	-	-	-	-	-	369,055
Taxiway Q Construction	4,153,000	1,552,756	-	-	-	-	-	1,552,756
Runway 4R/22L Shoulders/Overburden (fka 3L/21R)	2,090,000	735,822	-	-	-	-	-	735,822
Deicing Pad at Runway 22L	18,123,000	6,601,048	-	-	-	-	-	6,601,048
Deicing Pads at Runways 4R and 3L	39,941,000	9,628,871	-	-	-	-	-	9,628,871
Perimeter Fencing and Other Security Enhancements	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
APPLICATION NO. 7								
Airfield Snow Removal Vehicles & Equipment	16,873,119	1,833,188	-	-	-	-	-	1,833,188
McNamara Terminal In-Line Explosive Detection	110,328,130	4,277,033	-	-	-	-	-	4,277,033
Infill Island at Taxiway Y-10	811,236	85,294	-	-	-	-	-	85,294
Master Plan Update	946,500	87,823	-	-	-	-	-	87,823
Runway Surface Monitor System for RW 4L/22R	1,000,000	-	-	-	-	-	-	-
Runway and Taxiway Improvements	97,694,583	3,053,440	-	-	-	-	-	3,053,440
Reconstruct Runway 4R/22L (Impose Only)	29,366,752	-	-	-	-	-	-	-
Total Amount Approved	$ 3,164,332,836							
Total Expenditures		$ 1,293,549,058	$ 17,899,723	$ 18,822,289	$ 18,032,731	$ 18,667,926	$ 73,422,669	$ 1,366,971,727
Unexpended Passenger Facility Charges		$ 17,457,062						$ 11,304,499

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, 2016

(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, 2016, the Authority had received approximately $1.3 billion of PFC revenue and interest earnings of approximately $73.5 million. The Authority had expended approximately $1.37 billion 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 $67.2 million, $73.4 million, and $40.8 thousand, respectively, for the year ended September 30, 2016. The Authority also maintained a receivable of approximately $9.9 million for PFCs collected by the airlines but not remitted to the Authority as of September 30, 2016.

(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.

DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY