

Approved Budget Fiscal Year 2009
Wayne County Airport Authority

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



2009



DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

Wayne County Airport Authority

Board Members



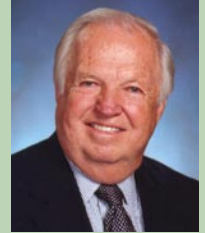
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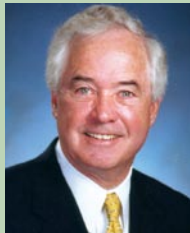
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Wayne County Airport Authority

Detroit, Michigan

Approved Budget Fiscal Year 2009

*Formally approved, as submitted by Management,
at the regular Board meeting, September 23, 2008*

Executive Summary

The Wayne County Airport Authority's (the Authority) Fiscal Year 2009 Budget was formally adopted by the Authority Board on September 23, 2008. The Budget represents a comprehensive plan based on well-thought-out assumptions that are mindful of both the airline industry's continuing difficulties, but also takes into consideration the Authority's fiduciary responsibilities to provide a safe, secure, and efficient airport operation to all its stakeholders. Further, the Budget's preparation was coordinated with the Authority's strategic planning and performance measurement efforts.

On September 17, 2008 the new North Terminal complex opened with 23 gates. The terminal houses all passenger airlines at the Airport except Northwest, its regional affiliates and its alliance partners, Continental, Delta, Air France, KLM and Aeromexico. The new terminal replaces the L.C. Smith Terminal and the Berry International Terminal. The new terminal includes a Federal Inspection Station (FIS) facility for processing arriving international passengers. The Authority is proud that this major capital project concludes its major capital improvement program for new facilities over the past decade that resulted in the McNamara Terminal which opened in February 2002, with concourses B and C expansions completed in 2005 and 2007, respectively. The McNamara Terminal is utilized by Northwest and its affiliates and its alliance partner airlines. In anticipation of the new terminals, a fourth 10,000 foot parallel runway was opened in December 2001.

Two additional items of note are that the North Terminal was completed on time and on budget and beginning with Fiscal Year 2009 the method for accounting for costs will change to a cost center model. Effective October 1, 2008 costs will be accounted for in three cost centers, one for each Terminal and the Airport. Airlines will be charged the full cost of operating the respective terminal they use. All other costs of operating the Airport will be recorded in the Airport cost center and an airport-wide residual cost formula for calculating Activity Fees based on the landed weights of aircraft using the Airport will be utilized.

Challenges

The U.S. aviation industry in 2008 experienced another year of significant change. The biggest challenge affecting the industry has been the unprecedented increase in energy cost driving most airlines to operate at significant losses. Airlines have responded to this challenge in a variety of ways. By managing capacity and increasing load factors, the industry has been able to increase its revenue per available seat mile, but overall passenger traffic in North America for the calendar year-to-date through September 2008 had remained essentially flat (decrease of 0.9 percent) over 2007. Airlines have been able to pass along several fare increases and add-on fees for such things as checked baggage, fuel surcharges, food on board the aircraft, etc. during the past twelve months. These actions have allowed the airlines to recover some of their increases in the costs of jet fuel, but despite these efforts airlines continue to operate at a loss. Some airlines have also attempted to mitigate fuel costs by hedging future purchases with mixed results. Unfortunately, the problems faced by the airlines have a direct impact on airports. Decreased passengers lower non-airline and hotel revenues; decreased operations impact revenues from landing fees; and the overall airlines'

financial problems result in significant pressure on airports to lower operating costs and increase non-airline revenues.

Decline in enplaned passengers at Detroit Metropolitan Airport, as a result of Northwest's actual capacity reductions in domestic air service, restrained revenue growth for the Authority. Consequentially, the Authority ended Fiscal Year 2008 with an estimated 3.1 percent shortfall in enplaned passengers from budget. As a result of all the announced airline schedule cutbacks for the fall of 2008 and first quarter of 2009 the Authority's 2009 budget reflects a further reduction in enplaned passengers of approximately 3.9 percent.

Decline in landed weights at the Airport is also a result of industry-wide capacity reductions. As Airlines struggle with financial challenges due to increased costs and reduced demand, they have eliminated unprofitable flights as well as right-sized the availability of seats. For the Airport, this has resulted in an estimated 5.4 percent deficit in landed weights compared to the Fiscal Year 2008 Budget. It is expected that Airlines will continue to make a further reduction in landed weights in Fiscal Year 2009 of approximately 3.6 percent.

Uncertainties Beyond the Authority's Control. The outlook for the airports is stable; however there are significant uncertainties in the U.S. economy, the airline industry and the financial markets.

- **Weak National Economy.** The U.S. economic activity slumped to its lowest level in nearly five years in February and worsened again in late summer indicating a likelihood that a U.S. recession had begun. In fact recent international events indicate that we have entered a worldwide recession.
- **Consumer Confidence and Spending Down.** The Reuters/University of Michigan consumer-sentiment survey for October 2008 was 57.6, a record 12.7 points below the 70.3 in September, and 23.3 points below last October's 80.9. Since the cyclical peak was set in January 2007, the sentiment index has declined 41 percent, the largest peak to trough decline in history.
- **Regional Economy in Recession.** While the troubles in the national economy have only surfaced in 2008, the economy of Southeastern Michigan continues to experience an extended period of decline in jobs and population. Concerns about the future of the automotive industry plague the region.
- **Fuel Costs to Result in Airline Losses.** Despite back-to-back profitable years in 2006 and 2007, "current fuel trends imply an operating loss of \$6 billion" for the U.S. airlines industry this year (*Wall Street Journal*, April 17, 2008).
- **Industry to Cut Capacity.** The industry is moving into "survival mode and has entered into uncharted territory with fuel costs above \$100/bbl at the beginning of 2008 resulting in the airlines aggressively cutting capacity."
- **More Airline Mergers Possible.** The next few years may be characterized by further U.S. airline consolidation and continued capacity discipline.
- **Airlines Cease Operation and/or File for Bankruptcy Protections.** Aloha AirGroup, ATA Airlines, Champion, Eos Airlines, MAXjet, and Skybus Airlines ceased operations in recent months; and Frontier Airlines filed for bankruptcy protection but continues to operate.

The economic landscape for Southeastern Michigan, and the State as a whole, is in the midst of an economic restructuring. With exception to 2005, the State has lost jobs every year since 2000 – 126,000 in total. In contrast, the U.S. job market rebounded in 2003. Much of the region's economic woes stem from the restructuring efforts of the U.S. automotive manufacturers. While Detroit's heritage of the Motor City has brought great prosperity to Southeast Michigan over the last century, restructuring efforts at Chrysler, Ford, and General Motors have resulted in early retirements, employee buy-outs, and lay-offs. Passenger travel and air cargo is directly correlated with economic prosperity; the Authority has had to adjust its revenue expectations and closely control costs as a result of a weak local economy.

Utility costs for the Airport Authority projected to increase 15% in Fiscal Year 2009. The increases in utility costs are primarily due to the opening of the new North Terminal. The projected utility costs of the McNamara Terminal are increasing \$0.7 million or 3.8 percent. The North Terminal utility costs are projected to be \$7.4 million. Utility costs for the remainder of the airport are projected to decline by \$3.8 million due to closing the Berry Terminal and significantly reduced activity at the Smith Terminal.

Employee and retiree health benefit costs increases continue to exceed the rate of inflation. The Authority projects health benefit costs to increase 8.5 percent in the coming year. The impact to the Authority is compounded by new regulations of the Government Accounting Standards Board (GASB) Statement 45 that require public agencies the size of the Authority to report their costs and obligations pertaining to post employment health benefits of current and future retired employees for the first time in Fiscal 2008.

Responses

The Fiscal Year 2009 Budget represents the Authority's continuing efforts to restrain costs as it has done for the past three years. Operation and maintenance (O&M) expenses of Detroit Metropolitan Airport increased at a compounded growth rate of 2.6 percent between Fiscal Years 2003 and 2008 as evidence of the fiscal constraints adopted. The budget process for 2009 promoted a continuation of spending at 2008 levels, eliminated all discretionary spending, provided for known contractual changes and any inflation adjustment where appropriate, removed all Fiscal Year 2008 one-time expenses, and held funding for filled positions and any vacant positions actively being recruited at the beginning of the budget process. The budgeted increase in operating expenses of \$13.7 million is primarily due to the opening of the new North Terminal. Budgeted operating expenses for the McNamara Terminal are increasing \$1.7 million or 4%, budgeted operating expenses for the North Terminal are \$18.8 million, these increases are offset by reduced operating expenses for the rest of the airport of \$6.8 million or 5%.

Early Retirement Program Initiated at the start of Fiscal Year 2009 as the first step in a three year work reduction plan with a goal of reducing fulltime employees by the end of fiscal 2010 to 640 from the 750 authorized in Fiscal Year 2008.

The Authority has continued its efforts to actively manage utility costs. These measures include the purchase of a natural gas fired generator to serve as back-up for the North Terminal Power Plant. The addition of the generator will allow the Authority to be switched from Primary Supply Rate (D6) to Interruptible Supply Rate (D8) reducing the

rate charged by an estimated \$0.03kHh generating savings of approximately \$1.3 million in Fiscal Year 2008.

Health benefit costs are reigned-in by using a three step process to address health care costs with "Ownership-Analysis-Best Practices." The Authority took ownership of health plans in 2007, from Wayne County, and was able to have direct access to health benefit utilization information. With this data, the Authority was able to begin adjusting benefit offerings to best serve its beneficiaries based on needs and hold down costs by eliminating under-utilized benefits. For the first time health benefits cost sharing was implemented with the new collective bargaining agreements; cost sharing also became effective for all executive and non-executive exempt employees on October 1, 2008.

Starting in Fiscal Year 2009, retirement costs for the Authority's defined benefit plans will be more reflective of the Airport's Actuarial costs rather than pooled with the County of Wayne. This will result in a reduction in the current contribution rate and allow for improved long-term management of retirement costs.

Airline Cost Per Enplaned Passenger

The estimated overall cost per enplaned passenger for Fiscal Year 2009 is \$8.13. The higher rate from the prior year reflects the impact of the new North Terminal.

<u>FY 2004 Actual</u>	<u>FY 2005 Actual</u>	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Budget</u>	<u>FY 2009 Budget</u>
\$6.87	\$5.70	\$5.17	\$5.13	\$5.40	\$8.13

Strategic Priorities

To support its mission of operating a safe, secure and dynamic air transportation facilities for its customers and creating economic vitality by providing global travel, cargo and business opportunities, the Authority has established five priorities for Fiscal Year 2009 to guide its operations:

- Priority #1 – Conduct a comprehensive organization structure review and develop a succession planning process
- Priority #2 – Implement an employee performance management plan for all appointed positions
- Priority #3 – Develop a business plan for Willow Run Airport (YIP)
- Priority #4 – Complete the design of an Authority Administration Building and begin building construction
- Priority #5 – Increase passenger satisfaction as measured by the Airport Service Quality (ASQ) survey; improve overall score from 4.16 to 4.25 (out of 5.00)

This presentation of the Budget for Fiscal Year 2009 reflects the best efforts by leaders at the Authority to meet the operational and financial targets set forth by the CEO of the Authority.

Fiscal Year 2009 Budget

The Authority's approved Fiscal Year 2009 Budget appropriates \$309 million in combined operating and non-operating expenses, representing an increase of nine percent over the Fiscal Year 2008 Budget. Combined revenues from airline and non-airline sources are projected to total \$311 million, also a nine percent increase.

Fiscal Year 2009 Consolidated Operating Budget by Fund (\$ in Thousands)

	Detroit Metropolitan Airport	Westin Hotel	Willow Run Airport	Total
Airline Revenue				
Landing Fees	\$ 59,500	\$ -	\$ 660	\$ 60,160
Airline Rents and Other Fees	79,600	-	2,725	82,325
Total	\$ 139,100	\$ -	\$ 3,385	\$ 142,485
Non-Airline revenue				
Parking	59,000	-	-	59,000
Concession Fees	51,500	-	-	51,500
Service Fees and Other Revenue	22,900	31,900	670	55,470
Total	\$ 133,400	\$ 31,900	\$ 670	\$ 165,970
Non-Operating Revenue				
Interest Income	\$ 1,600	\$ 420	\$ 5	\$ 2,025
Grants	400	-	-	400
Total	\$ 2,000	\$ 420	\$ 5	\$ 2,425
Total Revenue	\$ 274,500	\$ 32,320	\$ 4,060	\$ 310,880
Operating Expenses				
Wages and Benefits	\$ 76,600	\$ -	\$ 2,650	\$ 79,250
Materials & Supplies	5,920	-	220	6,140
Contractual Services	45,290	21,700	1,060	68,050
Insurance	3,300	-	20	3,320
Utilities	33,000	-	770	33,770
Buildings & Grounds	17,800	-	260	18,060
Equipment Repair	15,840	-	340	16,180
Other Operating Exp.	2,650	-	480	3,130
Total	\$ 200,400	\$ 21,700	\$ 5,800	\$ 227,900
Non-Operating Expenses				
Debt Service	\$ 61,400	\$ 7,254	\$ 20	\$ 68,674
O&M Capital	1,700	-	60	1,760
Fund Requirements	11,000	1,959	(1,820)	11,139
Total	\$ 74,100	\$ 9,213	\$ (1,740)	\$ 81,573
Total Expense	\$ 274,500	\$ 30,913	\$ 4,060	\$ 309,473
Change in Net Assets	\$ -	\$ 1,407	\$ -	\$ 1,407



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Wayne County Airport Authority, Michigan for its annual budget for the fiscal year beginning October 1, 2006. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. The Authority's Fiscal Year 2007 Budget conforms to the program requirements and will be submitted to GFOA to determine its eligibility for another award.

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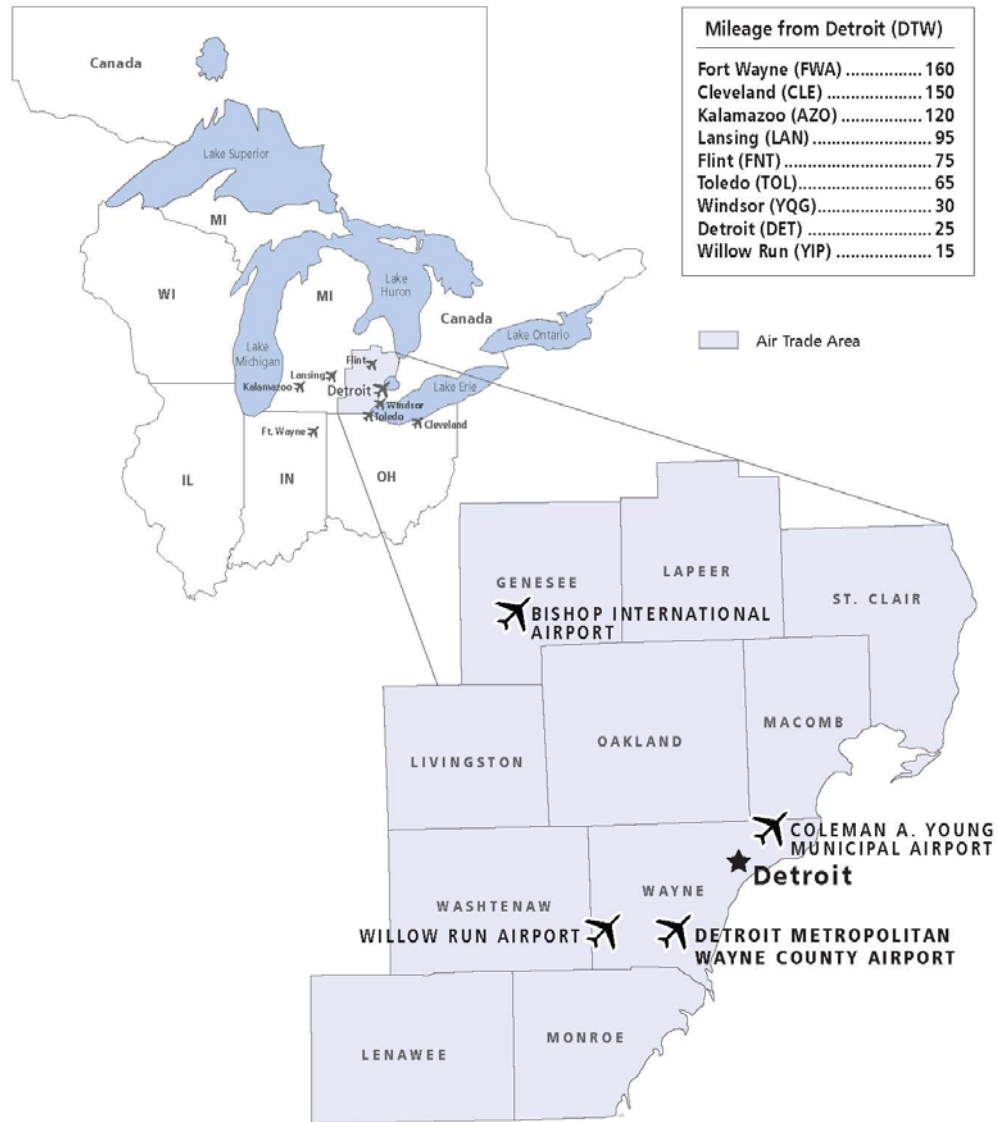
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Airport Authority Facts

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



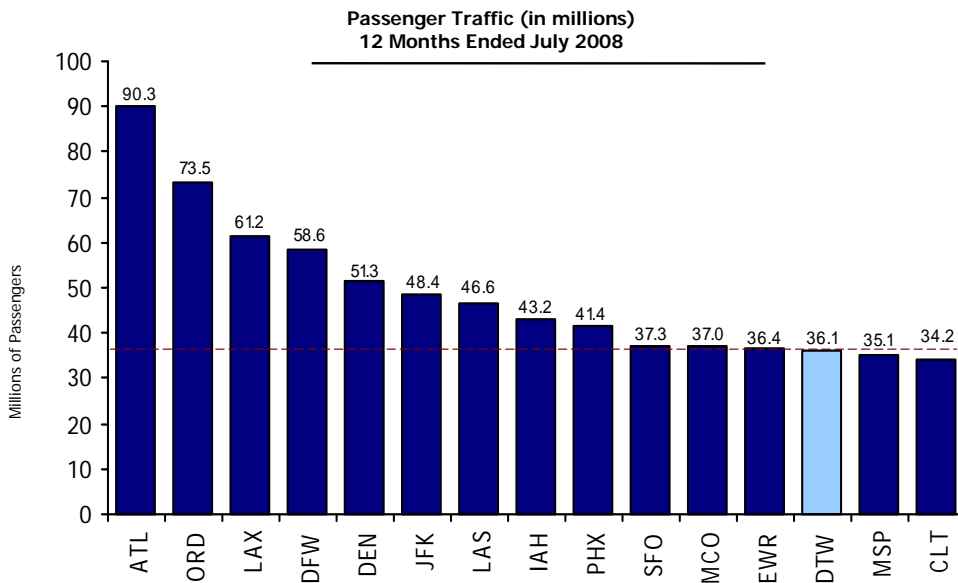
Source: Cartesia Software, Map Art, 1998.
Prepared by: Ricondo & Associates, Inc.

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

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

Detroit Metropolitan Airport is the 13th busiest airport in North America in terms of total passengers and 11th busiest in terms of total aircraft operations according to the most current comparative statistics compiled by Airports Council International North America (ACI) for the twelve months ended July, 2008.

Passenger Traffic – Top US Airports



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

Source: ACI updated November 10, 2008

During Fiscal Year 2008, Airlines operating from the Airport provided non-stop scheduled service to 132 domestic and 31 international destinations including the Bahamas, Canada, the Dominican Republic, France, Germany, Jamaica, Japan, Jordan, Mexico the Netherlands, the United Kingdom, and the West Indies.



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

- McNamara Terminal – domestic carriers Northwest, Mesaba, Pinnacle, Continental, Continental Express, Delta and Comair; foreign carriers Aeroméxico, Air France, and KLM
- North Terminal – AirTran, American, American Eagle, Frontier, Southwest, Spirit, US Airways, and United; foreign carriers Air Canada, Lufthansa and Royal Jordanian; and all charter carriers

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

Based on airline schedules for a typical day in September 2008, the airport had 584 scheduled daily departures including service to 124 non-stop domestic destinations and 22 non-stop international destinations, including Canada, the Dominican Republic, France, Germany, Jamaica, Japan, Jordan, Mexico the Netherlands, the United Kingdom and the West Indies.

The new North Terminal began service on September 17, 2008. Designed as a 26-gate facility (capable of expanding to 31-gates) with 825,000 square feet of space including approximately 52,000 square feet of concessions space. The North Terminal replaced the airport's aging L.C. Smith Terminal and Berry Terminal. The facility includes a Federal Inspection Station (FIS) to accommodate international air traffic.



The North Terminal at Detroit Metropolitan Wayne County Airport opened to passengers on September 17, 2008, replacing the aging Smith and Berry Terminals. CREDIT: Glenn Triest/Wayne County Airport Authority.

Strategic Plan

Making the World Available

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

During Fiscal Year 2008, the Strategy Management Division worked with each senior manager to develop department scorecards and, as appropriate, division/unit scorecards. This process will continue as the CEO and his direct reports seek to find the best measures to help manage the Authority's business. Furthermore, each Division developed initiatives linked to the balanced scorecard and/or a strategic priority. Funding for these initiatives were considered as a part of the Fiscal Year 2009 Budget process.

In Fiscal Year 2009, a Scorecard "Task Force" will be started to provide a central clearing-house for scorecard best practices, to improve internal communication related to the scorecard, and to develop the skill set of performance measuring and process improvement within the organization.

Mission and Vision

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

Vision – Making the world available

Core Values

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

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

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

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

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

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

Diversity – Foster a welcoming environment for all airport users.

Strategic Priorities

To support its mission of operating safe, secure, and dynamic air transportation facilities for its customers and creating economic vitality by providing global travel, cargo and business opportunities, the Authority has established five priorities for Fiscal Year 2009 to guide its operations:

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The Balanced Scorecard – Authority Level

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

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

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

The Authority-wide score card is illustrated starting on page 8.

Plans for Fiscal Year 2009

Business Reviews – A critical component the Authority's strategic plan execution are the monthly business reviews between the CEO and his direct reports. These reviews focus on the sustained improvement of the Authority's key business measures. The Authority believes the key benefits of this practice include highlighting underperforming strategic measures, identifying and eliminating the root causes of poor performance, and ensuring the timely implementation of key initiatives.

Department Scorecards – During Fiscal Year 2009, the Strategy Management Division will continue to work with all senior managers of the Authority to refine Department-level scorecards. The main focus this year will be to ensure that senior leadership is using the best measures to help manage the Authority's business. This process is expected to be ongoing.

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

The quarterly results of the customer satisfaction survey continue to help the Authority serve the traveling passenger by benchmarking its performance relative to peer airports, identifying other airports' successful practices, and in turn, optimizing future customer satisfaction and performance improvement decisions. For its customer satisfaction performance during the past two years, the Authority has received three ASQ awards based on feedback from international travelers.

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

Table: The Authority-wide Balanced Score Card

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

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Overview & Fiscal Policies

Fiscal Year 2009

Governance & Reporting

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

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

In addition to preparing the budget, the Authority provides the Board with quarterly financial management reports that provide budget status information including actual and forecasted expenditures throughout the Fiscal Year.

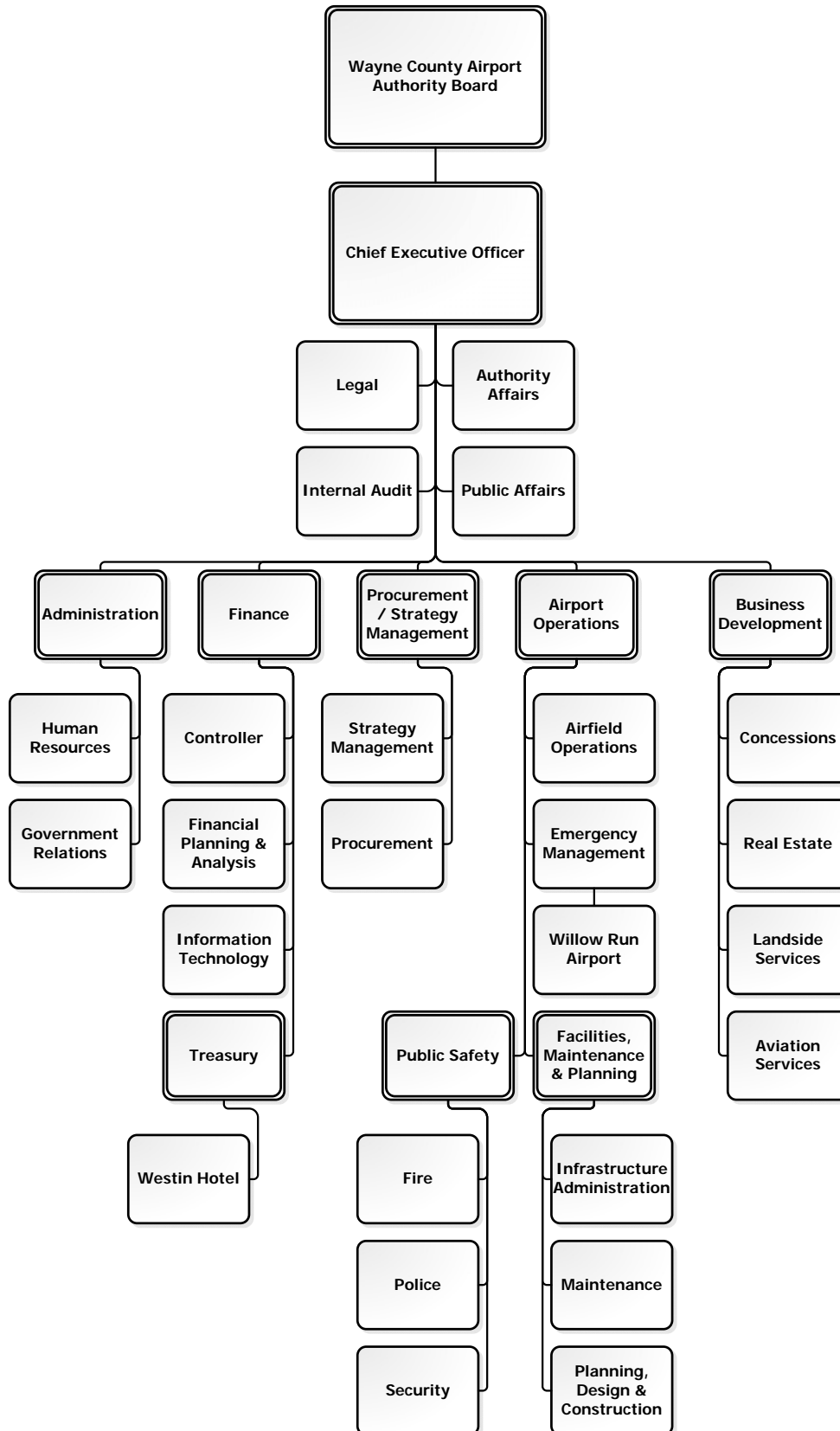
Basis of Budgeting & Accounting

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

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

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

Authority Organization Chart



Fund Structure

There are three separate operating funds used to manage the Authority's finances: the Detroit Metropolitan Airport Fund, the Willow Run Airport Fund and the Westin Hotel Fund. The largest fund covers the operations of Detroit Metropolitan Airport and accounts for about 89 percent of the Authority's estimated expenses for Fiscal Year 2009. The approved budget includes all three funds.

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

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

Balanced Budget

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

Net Assets

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

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

The chart below illustrates the projected fund balance for Fiscal Years 2008 and 2009.

Funds	9/30/2008	Revenue	Expenses	Change	9/30/2009
Operating Funds					
Detroit Metro Airport Operating Fund	\$ 23,324	\$ 274,500	\$ 274,500	\$ -	\$ 23,324
Willow Run Operating Fund	(9,482)	4,060	\$ 4,060	-	(9,482)
O&M Reserve	15,941	1,500	-	1,500	17,441
Revenue Fund	21,436	1,000	-	1,000	22,436
Westin Hotel Operating Fund	5,634	32,320	30,913	1,407	7,041
Subtotal	\$ 56,853	\$ 313,380	\$ 309,473	\$ 3,907	\$ 60,760
Designated Funds					
Marketing Fund	1,659	\$ 400	\$ -	\$ 400	\$ 2,059
Central Communications	3,100	200	500	(300)	2,800
Drug Forfeitures	3,934	800	-	800	4,734
Airport Development Fund	33,811	9,330	20,620	(11,290)	22,521
Renewal/Replacement	2,822	523	2,763	(2,240)	582
Discretionary Fund	43	350	393	(43)	-
Noise Fund	16,663	2,500	5,000	(2,500)	14,163
Post retirement Liability	3,100	3,500	-	3,500	6,600
Subtotal	\$ 65,133	\$ 17,603	\$ 29,276	\$ (11,673)	\$ 53,460
All Construction Funds	\$ 518,563	\$ 130,970	\$ 196,805	\$ (65,835)	\$ 452,728
Total	\$ 640,549	\$ 461,953	\$ 535,554	\$ (73,601)	\$ 566,948

The net reduction in All Construction Funds represents the expenditure of bond proceeds used to finance various capital improvement projects including the North Terminal Redevelopment Project. For a complete description of the Capital Improvement Program, see page 93. The North Terminal opened September 17, 2008.

Budget Process

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

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

Budget Process for Fiscal Year 2009

The Authority's budget process for Fiscal Year 2009 departed from previous budget cycles given the shockwave sent through the aviation industry through 2008 from the unprecedented growth in crude oil and jet fuel costs, and announced service cutbacks starting in the fall of 2008 by all major airlines. The Financial Planning & Analysis Division (FP&A) began the 2009 budget process by collected landed weights and enplanement projections from the airlines and independently analyzed forecasted activity data and adjusted based on actual and projected airline schedules in the Official Airline Guide (OAG), current and projected seats available, current and projected load factors, Federal Aviation Administration (FAA) forecasts and historical actual levels.

In light of potentially severe reductions in activity at both Detroit Metropolitan and Willow Run airports, FP&A prepared a white paper that analyzed the crisis in the aviation industry and its potential to adversely impact demand for aviation services in the air trade area. The paper was presented to the Authority's leadership and Senior Leadership Team on May 29 as a primer to the challenges ahead for the Fiscal Year 2009 Budget.

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

- Covered all Departments and Divisions and all accounts in each
- Provided for known contractual changes and any inflation adjustment where appropriate
- Removed all discretionary spending
- Removed all Fiscal Year 2008 one-time expenses
- Provided funding for all filled-positions and any vacant positions actively being recruited as of May 31, 2008

In addition to the development of the current services budget, FP&A made several cost saving and efficiency recommendations to the Authority's leadership for their consideration. The details of this process were explained formally in a meeting called by the Chief Executive Officer with all Senior Vice Presidents. Meetings were conducted with all of the Authority's Divisions to share draft versions of the current services

budget. Departments and divisions were asked to submit planning requirements and document key assumptions for the budget year where differences existed with the FP&A prepared current services budget model.

Parallel to the development of the current services budget, the Division of Strategy Management worked with all divisions to develop Fiscal Year 2009 initiatives that addressed the Authority's challenges and opportunities given the outlook for weakened aviation demand. The Divisions responded by submitting targeted initiatives, that met the Authority's strategic vision, yet were cognizant of current fiscal constraints, to the Senior Leadership Team for funding consideration.

A final draft of the current services budget was prepared to account for changes discovered through a series of meetings with the Departments and Divisions and was presented to the Senior Management staff along with formal initiatives submitted to Strategy Management. Over a series of days, the Senior Management staff reviewed the Department/Division submitted initiatives and discussed additional cost saving initiatives. Once a consensus was met, a revised draft was then prepared and reviewed again by the Senior Management staff; the recommended budget was submitted to the Signatory Airlines on August 1, 2008, as required by the terms of the Airport Use and Lease Agreement, for their review and comment.

In August, a presentation of the Fiscal Year 2009 budget was made to the Detroit Airline Airport Affairs Committee (DAAAC) detailing the assumptions and drivers for change in the budget. Numerous meetings were subsequently held with the airline representatives.

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

A presentation of Fiscal Year 2009 recommended budget was made to the Authority's Board in a study session on September 11, 2008 to give the Authority Board Members an opportunity to comment and make suggestions to the proposed budget. A final budget was presented to the full Board for approval and adoption on September 23, 2008 at their last meeting of the current Fiscal Year.

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

Budget Monitoring - The independent monitoring of the budget continues throughout the Fiscal Year for management control purposes. On a detailed level, FP&A is responsible to verify budget amounts on all requisitions sent to purchasing as well as review, approve, and process all budget transfers. Account analysis is done on all revenue and expense accounts each month and compared to budgets. The operating forecast is adjusted based on this analysis and the results are reported to the Chief Financial Officer and distributed to Board Members, senior management and all divisional managers.

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

April – May 2008

- CEO and Senior Leadership Team deliberate and communicate the organization's Fiscal Year 2009 Priorities
- White paper outlining the challenges and opportunities to the aviation industry circulated to the Authority's leadership
- Initial meeting with CEO & CFO to discuss budget goals
- Activity data requested from airlines
- FP&A begins preparation of *Current Services* budget
- Division of Strategy Management begins Business Review meetings with all Authority divisions

June 2008

- Prepared initial revenue projections
- Input revenue and expense projections into MUNIS budget system
- Payroll and benefits calculated
- Divisions prepared initiative requests

July 2008

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

August 2008

- 2009 Recommended Budget sent to the Airlines and the Board
- Preliminary 2009 Airline Rates and Charges developed
- Review meeting conducted with Signatory Airlines
- FP&A due diligence review (ongoing)

September 2008

- Proposed final adjustments reviewed with Senior Leadership Team
- Board study session to review the recommended budget
- 2009 Recommended Budget adopted by the Board

October 2008

- Fiscal Year 2009 starts
- Fiscal Year 2009 activity fee communicated to Airlines
- Approved Budget distributed

Revenues & Expenditures Policies**Classification**

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

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

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

Use of Estimates

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

Revenue

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

Airport Use and Lease Agreements – Funding for the Airport operations is predicated upon the stipulations in the Airport Use and Lease Agreements between the Authority and 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, it is designated a *Signatory Airline*.

The Use and Lease Agreements also determine the budget and financing (activity fee and terminal rental rates) methodologies 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 hybrid methodology that combines both features.

For Detroit Metropolitan Airport, airline rates, fees and charges up until September 30, 2008 were calculated based on and Airport-wide residual rate setting methodology, with adjustable terminal rental. Following the end of each operating year, the Authority must provide the Signatory Airlines with a report of rentals and activity fees actually chargeable for such year based on actual data for the year. The Signatory Airlines are required to pay additional amounts owed, and the Authority is required to refund airline overpayments, if the rates on which Signatory Airline activity fee payments had been based during the year were either too low or too high based on actual data. Since the Airport utilizes the residual methodology, annual operating costs and debt service requirements of the Airport have been funded.

New lease agreements became effective on September 17, 2008 when the Authority opened the new North Terminal. Included in the new lease agreement is a new method of setting rental rates and landing fees. Terminal rental rates will be based on actual terminal operation and maintenance expenses and annual debt service costs specific to those facilities. The new fees became effective October 1, 2008.

The Authority has agreements in place with Northwest, Mesaba, Pinnacle, Continental, Delta, AirTran, American, Southwest, Spirit, United and US Airways with terms expiring September 30, 2032. The Authority has separate agreements with Lufthansa, KLM, FedEx and UPS with terms expiring January 1, 2009.

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

Debt Policies

The Authority issues Airport Revenue Bonds (Bonds) to finance a major portion of its Capital Improvement Program (CIP). The Bonds are revenue obligations of the Authority and do not constitute indebtedness of Wayne County or the State of Michigan within the meaning of any constitutional, statutory or charter provision or limitation. Neither the credit nor the taxing power of the County or the State is pledged for the payment of principal, premium, if any, or interest on the Bonds. The Authority pledges its net revenues, as defined in the Authority's Master Airport Revenue Bond Ordinance toward the repayment of the Bonds. The Authority has no legal debt limit.

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

- Debt financing is undertaken for required capital projects after all reasonable financing alternatives, including the use of PFCs and grants are considered. No debt limit exists.
- Pay-as-you-go mode of financing is utilized to fund capital improvement projects to the extent feasible.

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

Additional information concerning the Authority's debt management program, including complete debt repayment schedules, starts on page 143.

Investment Policies

Cash & Investments

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

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

The investment policy adopted by the Authority in accordance with Public Act 20 of 1948, as amended, authorizes investments in U.S. Treasuries, U.S. agencies and instrumentalities (date specific maturities only), non-negotiable certificates of deposits, commercial paper (rated A2/P2 or above), bankers' acceptances, repurchase agreements, overnight deposits, or mutual funds. For overnight deposits, the treasurer may invest overnight or short-term liquid assets to cover cash flow requirements in the

following types of pools: investment pools organized under the Surplus Funds Investment Pool Act of 1982, PA 367, 1 MCL 129.111 to MCL 129.118 or investment pools organized under the Urban Cooperation Act of 1967, PA 7, MCL 124.501 to 124.512. For mutual funds, the treasurer may invest in no-load fixed income mutual funds composed of investment vehicles, which are legal for direct investment by local units of government in Michigan, either taxable or tax-exempt. This authorization is limited to mutual funds whose intent is to maintain a net asset value of \$1.00 per share.

Cash Flows

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

Financial Reserve Policies

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

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

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

Capital Assets

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

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

Expenditures with a cost of \$5,000 or more for capital assets and for major renewals and betterments that extend the estimated useful life of the assets are capitalized; routine maintenance and repairs are charged to expense as incurred. All costs relating to the construction of property and equipment owned by the Authority are capitalized, including salaries, employee benefits, and interest costs during construction. At the time fixed assets are sold, retired, or disposed of, the costs of such assets and related accumulated depreciation are removed from the accounts, and any gain or loss is reflected in the results of operations.

GFOA Distinguished Budget Award

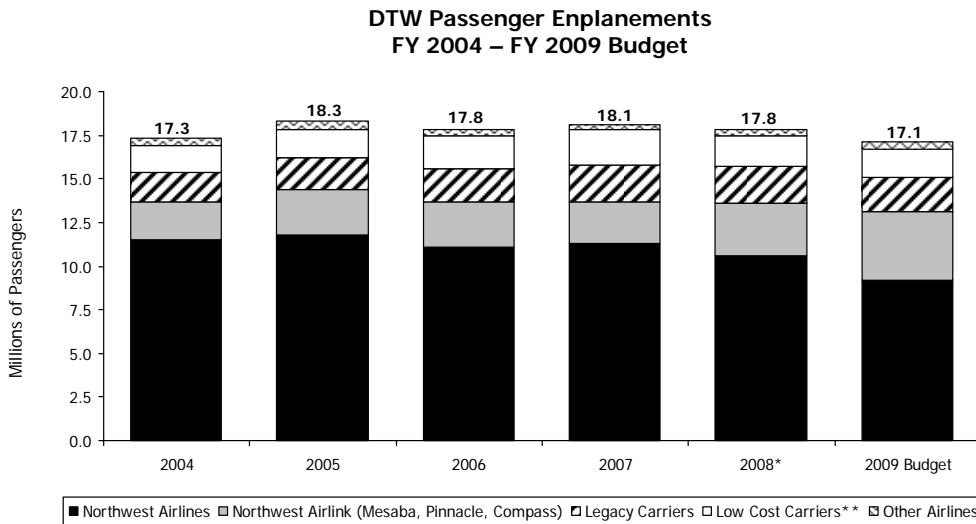
The Fiscal Year 2009 budget has been prepared in conformance with the guidelines recommended by the Government Finance Officers Association's (GFOA) Distinguished Budget Presentation Award program. The Authority has received the GFOA's award for Fiscal Years 2005 through 2008.

Budget Assumptions for Fiscal Year 2009

In response to the economic turmoil in the credit markets the authority conducted three revenue bond refundings in 2008 to mitigate, in part, the negative financial consequences from the turmoil in the credit markets caused by the sub-prime mortgage market and variable auction-rate bond problems. In preparation for these refundings the Authority's Airport Consultant twice reviewed and updated its comprehensive financial feasibility study (June 2007) with letter reports on April 17, 2008 and October 13, 2008. All of these reports assessed the condition of the economy and the airline industry and much of the field work occurred concurrently with the Fiscal Year 2009 budget process. Key quantitative and qualitative factors affecting aviation demand were excerpted from the Airport Consultant's reports and are included below as they also mirror the budget assumptions used to develop the 2009 budget.

Historical Airline Activity

Passenger activity at the Airport increased from approximately 15.3 million enplanements in Fiscal Year 1998 to approximately 18.1 million enplanements in Fiscal Year 2007, the last year for which final passenger data is available. This increase represents a compounded annual growth rate (CAGR) of 1.9 percent during this period. The Airport currently estimates year-end Fiscal Year 2008 total enplanements to reach approximately 17.8 million, a reduction of 0.3 million enplaned passengers below Fiscal Year 2007 enplanements. The table below presents total enplaned passengers at the Airport for the period of Fiscal Year 2004 to Fiscal Year 2009, budget.



* Indicates preliminary data which has yet to be audited

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

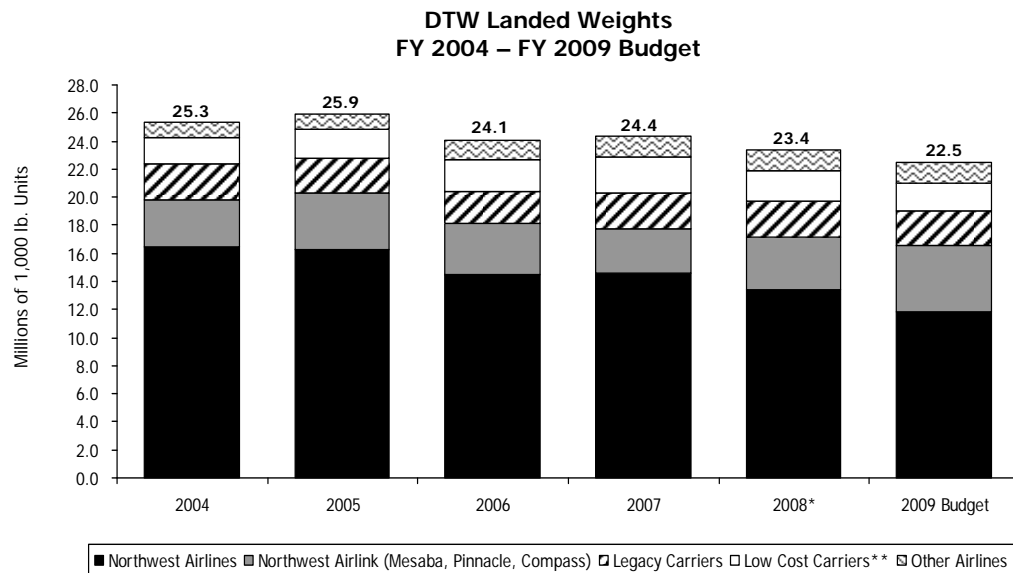
Note: Based on fiscal year data. Legacy Carriers numbers include their regional affiliates.

Source: Wayne County Airport Authority

The Airport's share of total U.S. passengers remained relatively stable at 2.4 to 2.5 percent in each Fiscal Year 1998 through Fiscal Year 2007 with one exception where it increased to 2.7 percent in Fiscal Year 1999. Based on estimates for the Airport and projections for the nation, the Airport's market share of U.S. total enplanements is estimated at 2.4 percent in Fiscal Year 2008. The Airport's enplanement growth over the period Fiscal Year 1998 through Fiscal Year 2007 is consistent with the national trend where enplanement levels decreased in Fiscal Year 2001 and Fiscal Year 2002 as a result of the national economic slowdown that was accelerated by the terrorist attacks of September 11, 2001.

The decrease in Airport enplanements in Fiscal Year 2006, as compared to Fiscal Year 2005, can be partially attributed to the bankruptcy filings of Northwest and its affiliated carrier Mesaba, and to a much lesser degree the bankruptcy filing of Delta Air Lines, as all of these carriers decreased their system capacity. Despite on-going turmoil in the airline industry the Airport experienced a 1.7 percent growth in enplanements in Fiscal Year 2007, however Fiscal Year 2008 enplanements are currently estimated to be 1.6 percent less than actual Fiscal Year 2007 levels.

Aircraft operations have decreased at the Airport by a CAGR of approximately 1.3 percent over this period. This decrease can be somewhat attributed to September 11, the economic slowdown in the U.S. earlier this decade, and airline business decisions driven by the general financial condition of the industry. An ongoing trend in the airline industry has been to decrease capacity to attempt to better match overall demand and profitability, which has resulted in higher load factors throughout the national aviation system. As part of its restructuring plan, Northwest "right-sized" and "re-optimized" its aircraft fleet, reducing its system-wide capacity by approximately ten percent during its first 12 months in bankruptcy. This capacity reduction by Northwest, and similar capacity reductions by other carriers serving the Airport, has contributed to recent decreases in the Airport's aircraft operations.



* Indicates preliminary data which has yet to be audited

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

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

Source: Wayne County Airport Authority

Total landed weight for commercial airlines has decreased between Fiscal Year 2003 and Fiscal Year 2007 from 24.7 million pound units to 24.4 million pound units, decreasing at a CAGR of approximately 0.4 percent. The total landed weight of Northwest and its affiliates decreased at a CAGR of approximately 1.7 percent over the period, reflecting its capacity reduction and increased use of regional aircraft by its affiliates. This decrease was partially offset by growth in landed weight by Spirit (CAGR of 4.3 percent) and Southwest (CAGR of 7.34 percent) at the Airport.

Factors Affecting Aviation Demand Forecast in Fiscal Year 2009

The projections of aviation demand developed for this budget were, in part, prepared on the basis of quantitative factors (e.g., socioeconomic variables) that determine aviation activity at the Airport. Qualitative factors that could influence future aviation activity at the Airport are discussed below.

National Economy. Air travel demand is directly correlated with income. For example, as consumer income and business profits increase, so does air travel. The current state of the national economy has been one of concern, given a weak housing sector, credit tightening, and high energy prices.

Local Economy. The Air Trade Area continues to be referred to as the "Automotive Capital of the World", and as such this industry remains a major driver of the region's economy. In 2005, the State of Michigan was responsible for manufacturing 21 percent (or 2.6 million vehicles) of the nation's vehicle production, and approximately 92 percent of this production occurred in the Air Trade Area. The major automotive manufacturers in the Air Trade Area have experienced significant job reductions in recent years due to a slowdown of the automotive industry. Unemployment in the Air Trade Area for 2007 increased to 7.5 percent, which is above levels for the nation and Michigan.

Airline Industry. The U.S. aviation industry recorded a \$3 billion net profit in 2006; and, the Air Transport Association reported that the U.S. airlines industry had a net profit of approximately \$5 billion in 2007. However, recent record oil prices have severely impacted the airline industry and the Air Transportation Association announced in June 2008 that the airlines could lose nearly \$10 billion collectively in 2008. As such, almost all U.S. major airlines have announced reductions to capacity with the majority of these expected to take place in the fall of 2008. For example, Northwest Airlines has announced that it will reduce its domestic capacity by approximately seven to eight percent, and has removed an additional 14 B-757 and A-320 aircraft from its fleet. It has also announced it will reduce its DC-9 fleet from 94 to 61 aircraft by the end of 2008. These actions were primarily driven by rising fuel prices.

Boeing 787 Dreamliner Delivery. Northwest is the North American launch customer for the Boeing 787 Dreamliner, and has orders for 18 of these aircraft and options for an additional 50. Key benefits of this aircraft include lower operating costs and extended range, providing flexibility with regard to non-stop European and Asian destinations that it can serve from the Airport. After multiple production delays by Boeing, Northwest expects that aircraft deliveries will commence in November 2009. Further expansion by Northwest Airlines into international service is somewhat dependent upon taking delivery of the Boeing 787 aircraft.

Cost of Aviation Fuel. The price of fuel is the most significant force affecting the industry today. The average price of jet fuel was \$0.81 per gallon in Calendar Year

2000 compared to \$3.16 year-to-date for Calendar Year 2008, an increase of over 290 percent. According to Air Transport Association (ATA), every one-cent increase in the price per gallon increases annual airline operating expenses by approximately \$190 million to \$200 million. As a result of rising fuel costs, ATA estimates that U.S. airline fuel expense increased from \$16.4 billion in CY 2000 to \$41.6 billion in CY 2007, and is expected to reach \$61.2 billion in 2008. ATA's airline cost index for the third quarter of CY 2007, the most recent quarter for which such data is available, indicated that fuel is the industry's top expense at 26.5 percent of operating expenses (during that quarter, light sweet crude oil was priced between \$70 and \$90 a barrel). During CY 2008, oil prices have experienced volatility reaching a peak of over \$145 a barrel in July before moderating in August and early September. Moreover, according to ATA, the portion of an airline ticket needed to pay for fuel is approaching 40 percent. The recent significant increases in the price of jet fuel have airlines further reducing their capacity and have had a significant impact on airline profitability. Future increases, sustained higher prices, or ongoing volatility with respect of jet fuel prices could affect airfares, airline service, and the financial condition of airlines as the industry attempts to stabilize its overall cost structure.

Delta/Northwest Merger. On April 14, 2008, Delta Air Lines and Northwest Airlines announced the merger of the two companies, subject to regulatory review and approval. A merger would create the world's largest airline. In addition, the airlines indicated that they expect to retain their existing hub airports, stating that the Airport will serve as the premier hub in the Great Lakes region, and that they compete directly on only 12 of approximately 1,000 city pair routes flown by both carriers. As a result of the Airport's competitive assets including its central geographic position, substantial airfield and terminal processing capability, the benefits of its local market, limited local airport competition, and its competitive airline cost structure, the Airport should remain an attractive location for a major airline hub and an important origin and destination (O&D) market per an airline merger scenario.

The merger was approved by the Federal Government and became effective on October 29, 2008.

Projections of Aviation Demand

Enplanement trends and characteristics for the Airport's Fiscal Year 2008 and budget estimate for Fiscal Year 2009 support the following key assumptions identified as a basis for developing the activity projections used in this analysis:

- The underlying economic conditions of the Air Trade Area are anticipated to drive future demand for O&D air travel at the Airport. Economic disturbances are expected to occur during the projection period, including the current rise in fuel prices, causing year-to-year traffic variations; however, a long-term increase in Airport and nationwide traffic is expected to occur.
- The Airport will continue its role of serving both O&D passengers and as a major connecting hub for Northwest (or for Delta Air Lines assuming the proposed merger occurs during the projection period). The Airport will continue to serve as a connecting point for Northwest to primarily short- to medium-haul markets in the eastern half of the U.S., and will continue to be a major international gateway for Northwest to both Europe and Asia. Delta Airlines and Northwest have indicated that the Airport will serve as the premier hub in

the Great Lakes region with connections across the globe. 13 The Airport will also continue to serve all major O&D markets in the U.S.

- Low-cost carriers are anticipated to continue service at the Airport during the projection period.
- Regional competition with other airports in or near the Air Trade Area is relatively limited and is anticipated to continue as somewhat limited, given the Airport's major advantage of air service as compared to other regional airports.
- The Airport's competitive assets including its central geographic position, substantial airfield and terminal processing capability (further augmented with the opening of the Airport's new North Terminal on September 17, 2008), the benefits of its local market, limited local airport.

The impact to the Airport on decreased enplanements:

- Non-airline revenue reductions resulting from a lesser demand for parking and concessions
- Higher cost per enplaned passenger to the airlines

New North Terminal & Revisions to Airline Signatory Agreements

On September 17, 2008 the Authority opened the North Terminal, a 26-gate facility to replace the aging L.C. Smith and Berry International terminals. The North Terminal houses the following airlines: AirTran, American, Frontier, Lufthansa, Southwest, Spirit, United, and US Airways. The facility includes a Federal Inspection Station (FIS) for the processing of arriving international passengers.

With the opening of the North Terminal comes a significant revision to the Signatory Agreements with the Airlines. As required by the revised Airport Use Agreements, the Authority has created three cost centers – the South Terminal Cost Center, the North Terminal Cost Center and the Airport Cost Center. To establish the rental rates to be paid by the Signatory Airlines for each Fiscal year, the Authority is required to allocate between the South and North terminal cost centers all annual terminal-related operation and maintenance expenses and all annual debt service on the bonds issues post-1997 to finance the two terminals, excluding airfield costs and net of Passenger Facility Charges (PFCs). The O&M expense for each terminal cost center include all direct terminal costs and relate to the space (airline, public, concessions, etc.) in the facilities.

The annual Signatory Airline rental rate for each terminal is calculated by dividing the costs allocated to the applicable terminal cost center, net of international facility use fees collected at that terminal and revenue collected for the use of the airline and other space controlled by the Authority, by the total square footage of space in the terminal leased to the Signatory Airlines.

Along with the creation of the three cost centers and change to the airline rental rates, activity fees paid by the signatory airlines are substantially changed. Activity Fees payable by the Signatory Airlines are calculated on a residual basis for each Fiscal Year. Previously, Activity Fees were calculated based on all airport revenue bond Debt Service (net of Debt Service paid by PFCs and federal grant revenue) and all O&M expenses for a given Fiscal Year, less all non-airline revenue, international facility use fees, and

payments for the use of non-airline controlled space. Under the new calculation for Activity Fees, all airline rental payments for a given fiscal year are also netted from the fee and charged separately.

In addition to the revisions of the signatory airline rates, the opening of the North Terminal provides service enhancements for the airlines its houses. The Fiscal Year 2009 Budget includes approximately \$4.8 million in expenses for services provided by DANTeC. Services provided by DANTeC includes janitorial and building maintenance to Airline office space; elevator, escalator and automatic door maintenance; waste removal and triturating; and various Airline Systems including passenger boarding bridges, aircraft ground power, potable water, and flight information display system to name a few. Prior to the opening of the North Terminal, these costs had been incurred and paid directly by the airlines and were not part of Authority operating expenses.

The airlines and concessioners operating at the North Terminal also benefit from the use of a "Dockmaster" contractor, an airport logistics firm that coordinates the receipt and security of all shipments into the terminal and onto the ramp areas around the terminal. The cost to the authority for this service is approximately \$1 million per year.

Debt service increases attributed to the new North Terminal will equal \$1.8 million in Fiscal Year 2009.

Debt Service Increases Resulting from a Global Credit Crisis

During Fiscal Year 2008, the market for Municipal Bond Insurance collapsed resulting in the failure of the Auction Rate Bond Market. This sequence of events severely stressed the Variable Rate Demand Obligation Market which the Authority participates. The Authority encountered negative basis spread of \$3.2 million on Swapped Debt (Series 1996 A & B, 2003 B & C, and 2004), along with \$1.1 million increased cost on the Un-hedged Variable Rate Debt (Series 2001 Jr. Lien, 2002 A, and 2003 A) in Fiscal Year 2008. Further, Bond Payment and Reserve Fund interest earnings were reduced by \$2.4 million due to the impact on the US Treasury market by Federal Reserve action along with a general flight to quality caused by the credit crisis.

The Authority has mitigated the risks to its Debt Program by:

- Paying-off the 2001 Jr. Lien early
- Refunding the 2002 A Variable Rate Bonds with Fixed Rate Bonds
- Refunding the 2003 A, B, C and 2004 Auction Rate Bonds with VRDOs backed by Letters of Credit
- Refunding the 1996 A & B Variable Rate Swaps

The result of these Long Term the Authority will see an average of a 50 basis point increase in annual Liquidity Fees, approximately \$1.3 million, and the 2002A Variable Rate Bonds refunded as Fixed 2008A should average net 100 basis points higher, or approximately \$1.4 million. With the completion of the Fiscal Year 2008 refundings, the Authority's Debt Service plan now features 82 percent fixed rated debt, 10 percent variable, and 8 percent swapped debt.

Since 2003, the Authority estimates its participation in Variable and Swapped Rate Bond Market has saved approximately \$57 million.

Energy & Bulk Chemical Cost Increases

Supply instability, largely from increased demand in emerging markets, pushed crude-oil futures to an historic high above \$145 in Fiscal Year 2008, nearly an 80 percent increase from one year ago. Just as soaring fuel prices have a dramatic impact on financial well-being of the nation's commercial airlines, the Authority's budget includes assumptions on the price of energy and petroleum-based bulk chemicals necessary to operate the airport. The Authority's assumptions include a 20 percent increase in natural gas, required for generating electricity on-site; a 100 percent increase in the cost of gasoline for vehicles; and a 100 percent increase in the cost of de-icing fluid.

Willow Run Airport

In recent years, Willow Run Airport's financial operating results have reflected a growing operating deficit, even after non-operating transfers made by the Authority. Furthermore, as operating cash flow needs of the Airport have warranted, the Airport has continued to borrow from the Authority. To address these challenges, the Authority lists among its Fiscal Year 2009 priorities the development a business plan for Willow Run Airport and future strategy.

Summary of Revenues & Expenditures

Budget in Brief

Detroit Metropolitan Airport (\$000's)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 211,706	\$ 226,537	\$ 243,600	\$ 272,500	\$ 28,900	11.9%
Operating Expense	162,686	171,582	183,250	200,400	17,150	9.4%
Operating Margin	49,019	54,955	60,350	72,100	11,750	19.5%
Non-Operating Revenue	3,092	3,692	2,800	2,000	(800)	-28.6%
Non-Operating Expense	52,111	58,647	63,150	74,100	10,950	17.3%
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	n/a
Position Count	727	709	723	705	(18)	-2.5%

Westin Hotel (\$000's)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 27,331	\$ 30,262	\$ 30,467	\$ 31,900	\$ 1,433	4.7%
Operating Expense	19,173	20,828	20,803	21,700	897	4.3%
Operating Margin	8,158	9,434	9,664	10,200	536	5.5%
Non-Operating Revenue	527	495	360	420	60	16.7%
Non-Operating Expense	7,945	8,143	8,990	9,213	223	2.5%
Change in Net Assets	\$ 740	\$ 1,786	\$ 1,034	\$ 1,407	\$ 373	36.1%
Position Count	-	-	-	-	-	n/a

Willow Run Airport (\$000's)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenue	\$ 4,202	\$ 4,118	\$ 4,510	\$ 4,055	\$ (455)	-10.1%
Operating Expense	5,170	5,795	7,242	5,800	(1,442)	-19.9%
Operating Margin	(968)	(1,676)	(2,732)	(1,745)	987	-36.1%
Non-Operating Revenue	65	13	668	5	(663)	-99.3%
Non-Operating Expense	(280)	(18)	(2,064)	(1,740)	324	-15.7%
Change in Net Assets	\$ (623)	\$ (1,645)	\$ -	\$ -	\$ (0)	n/a
Position Count	27	27	27	23	(4)	-14.8%

Consolidated Operating Budget

(\$ in Thousands)

	Detroit Metropolitan Airport	Westin Hotel	Willow Run Airport	Total
Airline Revenue				
Landing Fees	\$ 59,500	\$ -	\$ 660	\$ 60,160
Airline Rents and Other Fees	79,600	-	2,725	82,325
Total	\$ 139,100	\$ -	\$ 3,385	\$ 142,485
Non-Airline revenue				
Parking	59,000	-	-	59,000
Concession Fees	51,500	-	-	51,500
Service Fees and Other Revenue	22,900	31,900	670	55,470
Total	\$ 133,400	\$ 31,900	\$ 670	\$ 165,970
Non-Operating Revenue				
Interest Income	\$ 1,600	\$ 420	\$ 5	\$ 2,025
Grants	400	-	-	400
Total	\$ 2,000	\$ 420	\$ 5	\$ 2,425
Total Revenue	\$ 274,500	\$ 32,320	\$ 4,060	\$ 310,880
Operating Expenses				
Wages and Benefits	\$ 76,600	\$ -	\$ 2,650	\$ 79,250
Materials & Supplies	5,920	-	220	6,140
Contractual Services	45,290	21,700	1,060	68,050
Insurance	3,300	-	20	3,320
Utilities	33,000	-	770	33,770
Buildings & Grounds	17,800	-	260	18,060
Equipment Repair	15,840	-	340	16,180
Other Operating Exp.	2,650	-	480	3,130
Total	\$ 200,400	\$ 21,700	\$ 5,800	\$ 227,900
Non-Operating Expenses				
Debt Service	\$ 61,400	\$ 7,254	\$ 20	\$ 68,674
O&M Capital	1,700	-	60	1,760
Fund Requirements	11,000	1,959	(1,820)	11,139
Total	\$ 74,100	\$ 9,213	\$ (1,740)	\$ 81,573
Total Expense	\$ 274,500	\$ 30,913	\$ 4,060	\$ 309,473
Change in Net Assets	\$ -	\$ 1,407	\$ -	\$ 1,407

Detroit Metropolitan Airport

Summary of Revenues & Expenditures

(\$ in Thousands)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Airline Revenue						
Landing Fees	\$ 60,162	\$ 58,741	\$ 65,300	\$ 59,500	\$ (5,800)	-8.9%
Rent	25,026	26,642	27,000	71,600	44,600	165.2%
Facility Use Fees	6,767	7,525	7,000	8,000	1,000	14.3%
Total	\$ 91,955	\$ 92,908	\$ 99,300	\$ 139,100	\$ 39,800	40.1%
Non-Airline Revenue						
Parking	\$ 53,026	\$ 58,859	\$ 68,300	\$ 59,000	\$ (9,300)	-13.6%
Car Rental	19,175	20,859	20,600	20,500	(100)	-0.5%
Concessions	27,892	29,078	30,850	31,000	150	0.5%
Shuttle Bus	4,960	5,254	5,000	5,400	400	8.0%
Utility Service Fees	3,622	4,078	4,100	4,000	(100)	-2.4%
Rent	3,640	3,906	4,200	4,300	100	2.4%
Other Revenue	1,157	2,081	1,400	1,000	(400)	-28.6%
Charges For Services	1,152	2,121	2,100	1,000	(1,100)	-52.4%
Ground Transportation	5,127	7,394	7,750	7,200	(550)	-7.1%
Total	\$ 119,750	\$ 133,630	\$ 144,300	\$ 133,400	\$ (10,900)	-7.6%
Non-Operating Revenue						
Interest Income	2,235	2,846	1,900	1,600	(300)	-15.8%
Grants	857	846	900	400	(500)	-55.6%
Total	\$ 3,092	\$ 3,692	\$ 2,800	\$ 2,000	\$ (800)	-28.6%
Total Revenue	\$ 214,798	\$ 230,229	\$ 246,400	\$ 274,500	\$ 28,100	11.4%
Operating Expenses By Department						
Chief Executive Officer	\$ 5,547	\$ 5,159	\$ 5,729	\$ 5,479	\$ (250)	-4.4%
Finance & Technology	10,519	13,067	14,272	14,227	(46)	-0.3%
Procurement / Strategy Management	1,789	2,421	2,742	2,829	86	3.2%
Administration	2,533	2,782	3,074	2,870	(205)	-6.7%
Operations	14,881	13,424	13,997	14,100	103	0.7%
Facilities, Maintenance & Planning	58,213	62,128	69,478	75,343	5,866	8.4%
South Terminal Maintenance	25,528	26,546	28,200	29,200	1,000	3.5%
North Terminal Maintenance	-	-	-	9,900	9,900	n/a
Public Safety	29,682	29,963	29,088	32,378	3,290	11.3%
Business Development	14,483	16,472	16,670	14,075	(2,595)	-15.6%
Unassigned	(490)	(380)	-	-	-	n/a
Total	\$ 162,686	\$ 171,582	\$ 183,250	\$ 200,400	\$ 17,150	9.4%
Non-Operating Expenses						
Debt Service	\$ 46,156	\$ 49,051	\$ 49,300	\$ 61,400	\$ 12,100	24.5%
O&M Capital	(1,242)	642	2,500	1,700	(800)	-32.0%
Fund Requirements	7,198	8,954	7,850	11,000	3,150	40.1%
Postemployment Funding	-	-	3,500	-	(3,500)	-100.0%
Total	\$ 52,111	\$ 58,647	\$ 63,150	\$ 74,100	\$ 10,950	17.3%
Total Expense	\$ 214,798	\$ 230,229	\$ 246,400	\$ 274,500	\$ 28,100	11.4%
Change In Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	n/a

Operating Expense by Category

(\$ in Thousands)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Expenses By Type						
Salaries & Wages	\$ 43,932	\$ 46,151	\$ 47,900	\$ 47,600	\$ (300)	-0.6%
Employee Benefits	20,386	23,725	24,600	29,000	4,400	17.9%
Materials & Supplies	4,670	4,061	5,600	5,920	320	5.7%
Parking Management	9,754	10,325	9,150	7,800	(1,350)	-14.8%
Professional Services	4,292	4,357	4,800	4,800	-	0.0%
Shuttle Bus	9,943	8,251	8,600	8,300	(300)	-3.5%
Janitorial	2,031	2,417	2,500	12,000	9,500	380.0%
Security	3,501	3,433	2,400	3,100	700	29.2%
Contractual Services	5,030	4,882	6,000	9,290	3,290	54.8%
Insurance	2,972	2,826	2,900	3,300	400	13.8%
Utilities	21,801	25,585	28,700	33,000	4,300	15.0%
Buildings & Grounds	20,007	20,569	23,500	17,800	(5,700)	-24.3%
Equipment Repair	13,922	12,742	13,800	15,840	2,040	14.8%
Other Operating Exp.	445	2,258	2,800	2,650	(150)	-5.4%
Total	\$ 162,686	\$ 171,582	\$ 183,250	\$ 200,400	\$ 17,150	9.4%

Position Count by Department

(Full Time Employees)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	#	%
Chief Executive Officer	29	30	29	26	-3	-10.3%
Finance & Technology	46	50	53	50	-3	-5.7%
Procurement / Strategy Management	22	24	25	25	0	0.0%
Administration	19	18	18	18	0	0.0%
Operations	54	52	53	53	0	0.0%
Facilities, Maintenance & Planning	264	243	243	237	-6	-2.5%
Public Safety	247	238	246	244	-2	-0.8%
Business Development	46	54	56	52	-4	-7.1%
Total	727	709	723	705	-18	-2.5%

Landing Fee Requirements

(\$ in Thousands)

LANDING FEE REQUIREMENT	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Budget	Budget
Expenses				
Personnel	\$ 43,932	\$ 46,151	\$ 47,900	\$ 47,600
Employee Benefits	20,386	23,725	28,100	29,000
Materials & Supplies	4,670	4,061	5,600	5,920
Parking Management	9,754	10,325	9,150	7,800
Professional Services	4,292	4,357	4,800	4,800
Shuttle Bus	9,943	8,251	8,600	8,300
Janitorial Services	2,031	2,417	2,500	12,000
Security Services	3,501	3,433	2,400	3,100
Other Contractual Services	5,030	4,882	6,000	9,290
Insurance	2,972	2,826	2,900	3,300
Utilities	21,801	25,585	28,700	33,000
Buildings & Grounds Maintenance	20,007	20,569	23,500	17,800
Equipment Repair	13,922	12,742	13,800	15,840
Other Operating Expenses	445	2,258	2,800	2,650
Net Debt Service	46,156	49,051	49,300	61,400
Capital Expense	(1,242)	642	2,500	1,700
Fund Requirements	7,198	8,954	7,850	11,000
Total Requirement	214,798	230,229	246,400	274,500
Less Credits:				
Airline Rents	(25,026)	(26,642)	(27,000)	(71,600)
Facility Use Fees	(6,767)	(7,525)	(7,000)	(8,000)
Parking	(53,026)	(58,859)	(68,300)	(59,000)
Car Rental	(19,175)	(20,859)	(20,600)	(20,500)
Concessions	(27,892)	(29,078)	(30,850)	(31,000)
Shuttle Bus	(4,960)	(5,254)	(5,000)	(5,400)
Utility Service Fees	(3,622)	(4,078)	(4,100)	(4,000)
Rent	(3,640)	(3,906)	(4,200)	(4,300)
Other Revenue	(1,157)	(2,081)	(1,400)	(1,000)
Charges For Services	(1,152)	(2,121)	(2,100)	(1,000)
Ground Transportation	(5,127)	(7,394)	(7,750)	(7,200)
Interest	(2,235)	(2,846)	(1,900)	(1,600)
Federal and State Grants	(857)	(846)	(900)	(400)
Total Offsets	(154,636)	(171,489)	(181,100)	(215,000)
Total Landing Fee Requirement	\$ 60,162	\$ 58,741	\$ 65,300	\$ 59,500

Revenues & Expenses by Cost Center

(\$ in Thousands)

	South Terminal	North Terminal	Airport	Total DTW
REVENUES				
Airline Revenues				
Landing Fees	\$ -	\$ -	\$ 59,500	\$ 59,500
Rent	46,600	19,500	5,500	71,600
Facility Use Fee	7,000	1,000	-	8,000
Total Airline Revenues	\$ 53,600	\$ 20,500	\$ 65,000	\$ 139,100
Non - Airline Revenues				
Parking	\$ -	\$ -	\$ 59,000	\$ 59,000
Car Rental	-	-	20,500	20,500
Concessions	23,600	5,814	1,586	31,000
Shuttle Bus	-	-	5,400	5,400
Utility Service Fee	1,100	500	2,400	4,000
Rent	10	400	3,890	4,300
Other Revenue	-	-	1,000	1,000
Charges For Services	-	-	1,000	1,000
Ground Transportation	-	-	7,200	7,200
Total Non - Airline Revenues	\$ 24,710	\$ 6,714	\$ 101,976	\$ 133,400
Total Operating Revenues	\$ 78,310	\$ 27,214	\$ 166,976	\$ 272,500
OPERATING EXPENSES				
Salaries & Wages	\$ -	\$ -	\$ 47,600	\$ 47,600
Employee Benefits	-	-	29,000	29,000
Materials & Supplies	300	20	5,600	5,920
Parking Management	-	-	7,800	7,800
Professional Services	-	-	4,800	4,800
Shuttle Bus	-	-	8,300	8,300
Janitorial	7,800	2,800	1,400	12,000
Security	-	-	3,100	3,100
Contractual Services	400	3,690	5,200	9,290
Insurance	800	600	1,900	3,300
Utilities	16,900	8,600	7,500	33,000
Buildings & Grounds	10,600	2,300	4,900	17,800
Equipment Repair	5,700	1,300	3,700	10,700
Elevator & Escalator	4,200	240	700	5,140
Other Operating Expense	200	50	2,400	2,650
Total Operating Expenses	\$ 46,900	\$ 19,600	\$ 133,900	\$ 200,400
NON-OPERATING REVENUE				
Interest Income	\$ -	\$ -	\$ 1,600	\$ 1,600
Grants	-	-	400	400
Total Non-Operating Expense	\$ -	\$ -	\$ 2,000	\$ 2,000
NON-OPERATING EXPENSE				
Net Debt Service	\$ 7,800	\$ 1,800	\$ 51,800	\$ 61,400
O&M Capital	-	-	1,700	1,700
Fund Requirements	-	-	9,000	9,000
AVI Transfer to ADF	-	-	2,000	2,000
Total Non-Operating Expense	\$ 7,800	\$ 1,800	\$ 64,500	\$ 74,100
Excess Revenue (Expense)	\$ 23,610	\$ 5,814	\$ (29,424)	\$ -

Terminal Cost Center Budgets

South Terminal (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Maintenance	\$ 25,528	\$ 26,546	\$ 28,200	\$ 29,200	\$ 1,000	3.5%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Materials & Supplies	\$ 640	\$ 190	\$ 615	\$ 300	\$ (315)	-51.2%
Janitorial	-	-	-	7,800	7,800	n/a
Contractual Services	342	348	415	400	(15)	-3.6%
Buildings & Grounds	16,046	17,213	17,949	10,600	(7,349)	-40.9%
Equipment Repair	8,308	8,597	9,021	9,900	879	9.7%
Other Operating Exp.	192	197	200	200	-	0.0%
Total	\$ 25,528	\$ 26,546	\$ 28,200	\$ 29,200	\$ 1,000	3.5%

North Terminal (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Maintenance	\$ -	\$ -	\$ -	\$ 9,900	\$ 9,900	n/a

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Materials & Supplies	\$ -	\$ -	\$ -	\$ 20	\$ 20	n/a
Janitorial	-	-	-	2,800	2,800	n/a
Contractual Services	-	-	-	3,690	3,690	n/a
Insurance	-	-	-	300	300	n/a
Buildings & Grounds	-	-	-	1,500	1,500	n/a
Equipment Repair	-	-	-	1,540	1,540	n/a
Other Operating Exp.	-	-	-	50	50	n/a
Total	\$ -	\$ -	\$ -	\$ 9,900	\$ 9,900	n/a

Airport Demographic Data

	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Actual	Actual	Budget
Airside				
Aircraft Operations	485,273	472,522	467,400	455,000
Landed Weight (1,000 lbs)	24,109,639	24,356,703	23,358,910	22,525,000
Landing Fee (DTW)	\$ 3.37	\$ 2.41	\$ 2.63 ^a	\$ 2.63
Airfield (Acres)				
Runways	266	266	266	266
Taxiways	235	235	235	235
Ramps/Aprons	357	357	357	357
Overall Airport	6,700	6,700	6,700	6,700
Runways - all runways have FAA rating for group V aircraft				
North-south runways in the primary wind direction				
Runway 4R - 22L	12,000 ft.	12,000 ft.	12,000 ft.	12,000 ft.
Runway 4L - 22R	10,000 ft.	10,000 ft.	10,000 ft.	10,000 ft.
Runway 3L - 21R	8,500 ft.	8,500 ft.	8,500 ft.	8,500 ft.
Runway 3R - 21L	10,000 ft.	10,000 ft.	10,000 ft.	10,000 ft.
East-west crosswind runways				
Runway 9L - 27R	8,700 ft.	8,700 ft.	8,700 ft.	8,700 ft.
Runway 9R - 27L	8,500 ft.	8,500 ft.	8,500 ft.	8,500 ft.
Terminal Buildings				
Domestic Enplaned Passengers				
McNamara Terminal	13,230,027	13,136,084	13,048,561	12,591,000
North Terminal	N/A	N/A	N/A	2,909,000
Smith Terminal	3,002,178	3,351,478	3,152,394	N/A
Berry Terminal	104,506	106,845	83,851	N/A
Total Domestic	16,336,711	16,594,407	16,284,806	15,500,000
International Enplaned Passengers				
McNamara Terminal	1,359,330	1,420,366	1,475,521	1,409,000
North Terminal	N/A	N/A	N/A	191,000
Smith Terminal	16,671	20,146	19,464	N/A
Berry Terminal	87,220	73,171	51,440	N/A
Total International	1,463,221	1,513,683	1,546,425	1,600,000
Total Enplanements	17,799,932	18,108,090	17,831,231	17,100,000
O&D Enplaned Passengers (Domestic)	7,671,771	8,474,586	8,612,485	8,259,300
O&D Enplaned Passengers (Domestic)	43%	47%	48%	48%
Gates				
McNamara Terminal				
Concourse A	64	64	64	64
Concourse B	17	17	17	17
Concourse C	41	41	41	41
Total McNamara	122	122	122	122
North Terminal	N/A	N/A	N/A	23
Smith Terminal	37	37	37	N/A
Berry Terminal	4	4	4	N/A

Airport Demographic Continued

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget
Terminal Buildings - Continued				
Terminal Square Footage				
McNamara Terminal	2,427,049	2,427,049	2,427,049	2,427,049
North Terminal	N/A	N/A	N/A	851,049
Smith Terminal	321,079	321,079	321,079	N/A
Berry Terminal	78,202	78,202	78,202	N/A
Number of Concourses				
McNamara Terminal	3	3	3	3
North Terminal	N/A	N/A	N/A	1
Smith Terminal	3	3	3	N/A
Berry Terminal	1	1	1	N/A
Square Footage of Concession Space				
McNamara Terminal	114,872	114,872	114,872	113,360
North Terminal	N/A	N/A	N/A	50,233
Smith Terminal	18,910	18,910	18,910	N/A
Berry Terminal	5,635	5,635	5,635	N/A
Total	139,417	139,417	139,417	163,593
Landside				
On-Airport Parking Spaces				
Midfield Deck	10,209	10,209	10,209	10,209
Blue Deck	6,299	6,299	6,281	6,281 ^b
Surface Lots	2,041	2,041	2,171	871 ^c
Total	18,549	18,549	18,661	17,361
Off-Airport Parking Spaces	16,000	16,000	16,000	16,000
Roadways Maintained (Lane-Mileage)	130	130	130	130

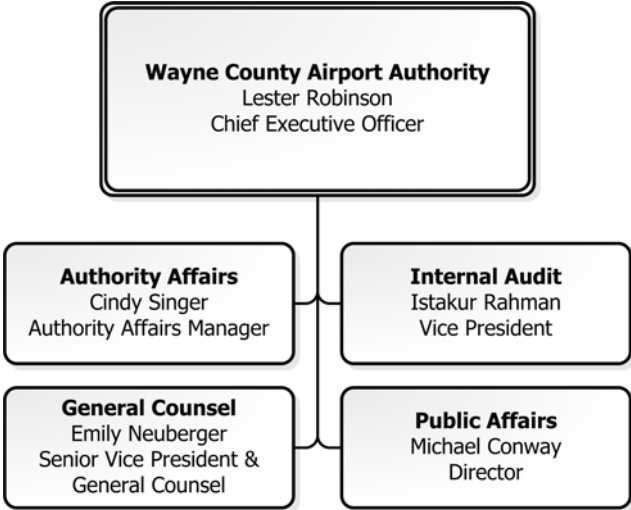
Additional Notes:

- a.) Fiscal Year 2008 Budget; Actual not available at time of printing
b.) Big Blue Deck expansion will add 550 spots as soon as Spring, 2009
c.) Effective Fiscal Year 2009, "Green Lot" will only be used for peak holiday overflow parking

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Chief Executive Officer

The Office of the Chief Executive Officer (CEO) consists of the CEO and several staff functions that report directly to the CEO. These functions consist of Authority Affairs, Internal Audit, General Counsel, the North Terminal Redevelopment Project, and Public Affairs. Each function has a separate budget. Organizationally these functions are classified as departments, divisions or units depending on its role and size.



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

Authority Affairs is responsible for Board meeting planning and coordination, correspondence logistics, Freedom of Information Act (FOIA) compliance, Airport Administration Office Reception Staff and functions, and other related activities that advance the image of the Authority.

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

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

North Terminal Redevelopment Project is responsible for overseeing the redevelopment of the North Terminal including overall project management, budget targets, scheduled milestones, and facility design flexibility.

Public Affairs Division is responsible for managing the Authority’s communication with the public including providing the public and airport users with accurate and helpful information, managing media relations, managing the public’s involvement in airport-related projects (e.g., airfield and terminal improvements, special events, etc.) improving community relations, facilitating excellent customer service, and managing the impact of aircraft generated noise on residents living nearby.

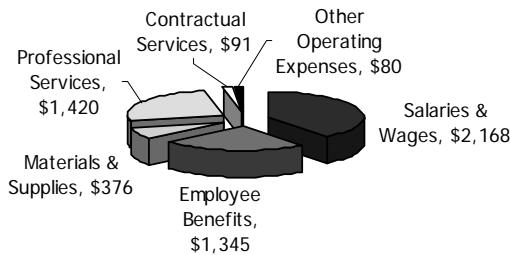
Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 704	\$ 739	\$ 801	\$ 744	\$ (57)	-7.2%
Authority Affairs	458	474	452	469	17	3.8%
Internal Auditor	699	731	765	709	(57)	-7.4%
General Counsel	2,395	1,656	1,859	2,204	345	18.5%
North Terminal Project	370	614	886	449	(437)	-49.3%
Public Affairs	921	944	965	905	(61)	-6.3%
Total	\$ 5,547	\$ 5,159	\$ 5,729	\$ 5,479	\$ (250)	-4.4%

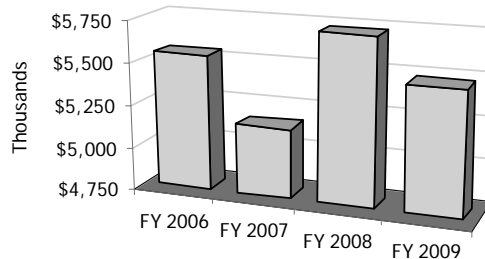
OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 2,113	\$ 2,289	\$ 2,498	\$ 2,168	\$ (330)	-13.2%
Employee Benefits	1,102	1,261	1,317	1,345	28	2.1%
Materials & Supplies	332	352	406	376	(30)	-7.4%
Professional Services	1,633	909	1,067	1,420	353	33.1%
Janitorial	3	1	-	-	-	n/a
Contractual Services	125	163	191	91	(100)	-52.4%
Utilities	-	6	-	-	-	n/a
Buildings & Grounds	1	-	1	-	(1)	-100.0%
Equipment Repair	2	1	15	-	(15)	-100.0%
Other Operating Expenses	237	178	235	80	(155)	-66.1%
Total	\$ 5,547	\$ 5,159	\$ 5,729	\$ 5,479	\$ (250)	-4.4%

POSITION COUNT By Division	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Chief Executive Officer	2	2	2	2	0	0.0%
Authority Affairs	5	5	5	4	-1	-20.0%
Internal Auditor	3	3	3	3	0	0.0%
General Counsel	7	7	7	7	0	0.0%
North Terminal Project	5	6	6	4	-2	-33.3%
Public Affairs	7	7	6	6	0	0.0%
Total	29	30	29	26	-3	-10.3%

Expenditures by Classification (\$ in Thousands)



Expenditures by Fiscal Year



Fiscal Year 2009 Approved Budget

Initiatives (Scorecard Objective)

- Increase passenger satisfaction as measured by the Airport Service Quality (ASQ) survey; improve overall score from 4.16 to 4.25 out of 5.00 (CS 1)
- Develop ADA Customer Service Guidelines for the Authority (CS 1)
- Hire an external public relations firm (CS 2)
- Assist film industry with on-site scouting and filming activities (F 1)
- Reduce the production of Board binders and books by providing electronic copies, where possible (F 2)
- Close the Noise Demonstration House that was used for the Residential Sound Insulation Program (F 2)
- Implement Authority-wide Freedom of Information Act (FOIA) Response Guidelines (IP 1)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Airport Service Quality (ASQ) Survey: Overall Customer Satisfaction Rating	CS 1.1				
McNamara Terminal	CS 1.1	4.05	4.15	4.24	4.25
Smith Terminal	CS 1.1	3.22	3.37	3.50	N/A
North Terminal	CS 1.1	N/A	N/A	N/A	4.25
DTW	CS 1.1	3.88	4.00	4.10	4.25
Ensure Fiscal Responsibility (F)					
Operating Cost per Enplanement (DTW)	F 2.1	N/A	\$ 9.47	\$ 10.12	\$ 11.72
Operating Cost per 1,000 lbs Landed Weight (YIP)	F 2.1	N/A	\$ 5.17	\$ 4.85	\$ 5.64
Improve Business and Operating Processes (IP)					
% of Contracts Completed Prior to Board Approval	IP 1.7	N/A	N/A	66.3%	70%

For the past three fiscal years, the Authority has demonstrated sustained improvement in passengers' satisfaction at both the McNamara and Smith Terminals. ASQ scores have increased from a weighted average of 3.88 in Fiscal Year 2006 to 4.10 in Fiscal Year 2008. This increase is attributed to the Authority's focus on the key drivers of customer satisfaction, notably cleanliness of the airport and wayfinding.

Operating cost increases in Fiscal Year 2008 were driven primarily by snow removal expenses due to a record snowfall, utility/fuel cost increases, and health benefit costs.

Chief Executive Officer's Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 230	\$ 223	\$ 235	\$ 218	\$ (17)	-7.4%
Employee Benefits	125	129	133	145	12	8.9%
Materials & Supplies	66	84	58	78	20	34.8%
Equipment Repair	1	-	1	-	(1)	-100.0%
Other Operating Expenses	35	38	26	29	3	11.5%
Total	\$ 458	\$ 474	\$ 452	\$ 469	\$ 17	3.8%

Responsibilities

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

Chief Executive Officer's Divisions

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

OPERATING EXPENSES	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
By Classification	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 198	\$ 209	\$ 269	\$ 217	\$ (52)	-19.4%
Employee Benefits	104	125	141	130	(11)	-7.9%
Materials & Supplies	2	5	3	3	0	16.4%
Professional Services	392	384	350	355	5	1.4%
Other Operating Expenses	2	8	3	4	1	50.0%
Total	\$ 699	\$ 731	\$ 765	\$ 709	\$ (57)	-7.4%

Responsibilities

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

Chief Executive Officer's Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 666	\$ 698	\$ 730	\$ 691	\$ (39)	-5.3%
Employee Benefits	337	399	368	413	45	12.3%
Materials & Supplies	27	22	31	29	(3)	-8.1%
Professional Services	1,239	515	650	1,055	405	62.3%
Other Operating Expenses	125	22	80	16	(64)	-80.0%
Total	\$ 2,395	\$ 1,656	\$ 1,859	\$ 2,204	\$ 345	18.5%

Responsibilities

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

Chief Executive Officer's Divisions

North Terminal Redevelopment Project**Division Budget (\$ in thousands)**

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 204	\$ 375	\$ 492	\$ 266	\$ (226)	-45.9%
Employee Benefits	122	204	263	168	(95)	-36.2%
Materials & Supplies	24	22	58	11	(48)	-81.9%
Professional Services	1	-	42	-	(42)	-100.0%
Equipment Repair	0	0	12	-	(12)	-100.0%
Other Operating Expenses	19	7	19	5	(14)	-73.7%
Total	\$ 370	\$ 614	\$ 886	\$ 449	\$ (437)	-49.3%

Responsibilities

- Manage the North Terminal Redevelopment Project within approved total budget
- Meet project schedule milestones
- Ensure facility design meets passenger needs and provides flexibility to expand or contract to accommodate demand

Chief Executive Officer's Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 506	\$ 490	\$ 472	\$ 477	\$ 5	1.1%
Employee Benefits	282	275	263	315	52	19.9%
Materials & Supplies	23	10	31	31	(1)	-2.4%
Janitorial	3	1	-	-	-	n/a
Contractual Services	95	129	156	71	(85)	-54.5%
Buildings & Grounds	1	-	1	-	(1)	-100.0%
Equipment Repair	0	1	2	-	(2)	-100.0%
Other Operating Expenses	11	38	40	11	(29)	-73.0%
Total	\$ 921	\$ 944	\$ 965	\$ 905	\$ (61)	-6.3%

Responsibilities

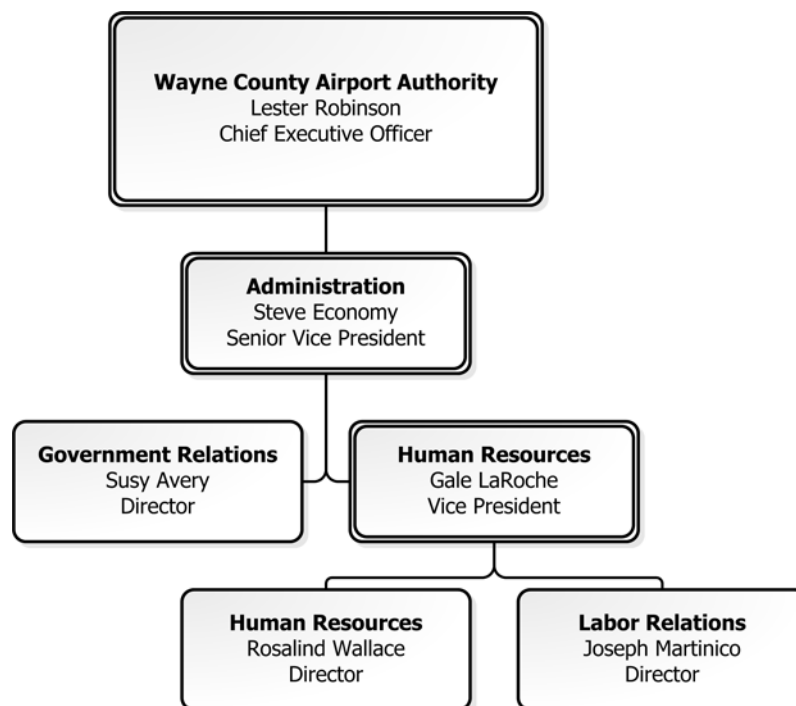
- Provide the public with accurate and helpful information, including brochures, maps, and website content
- Facilitate excellent customer service including monitoring customers' experiences and expectations and respond to customer requests or complaints
- Manage WCAA media relations
- Improve community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

Administration Department

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

Government Relations is charged with cultivating and maintaining effective relationships with a wide range of external constituencies (e.g., government, businesses, nonprofits, and universities) in order to forward the strategic goals of the Authority.

Human Resources is responsible for providing recruiting and promotional opportunity services, facilitating labor contract negotiations, administering grievance and arbitration procedures, guiding managers on collective bargaining agreement administration, and coordinate training employees in matters of safety, computer software, and professional development.

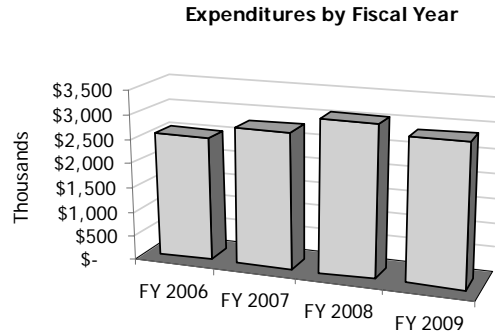
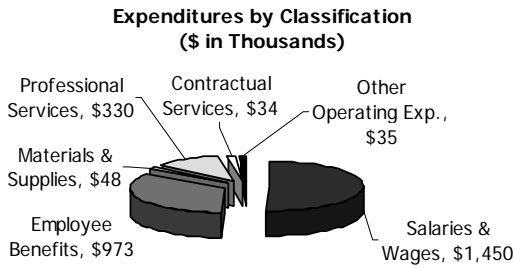


Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 331	\$ 377	\$ 343	\$ 296	\$ (47)	-13.7%
Government Relations	225	322	480	361	(119)	-24.7%
Human Resources	1,977	2,083	2,252	2,213	(39)	-1.7%
Total	\$ 2,533	\$ 2,782	\$ 3,074	\$ 2,870	\$ (205)	-6.7%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,439	\$ 1,444	\$ 1,609	\$ 1,450	\$ (159)	-9.9%
Employee Benefits	724	800	845	973	128	15.1%
Materials & Supplies	45	40	97	48	(49)	-50.6%
Professional Services	166	322	341	330	(11)	-3.2%
Contractual Services	63	35	40	34	(6)	-15.0%
Equipment Repair	-	-	5	-	(5)	-100.0%
Other Operating Exp.	96	141	138	35	(102)	-74.4%
Total	\$ 2,533	\$ 2,782	\$ 3,074	\$ 2,870	\$ (205)	-6.7%

POSITION COUNT By Division	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	1	1	1	1	-	0.0%
Government Relations	1	2	3	2	(1)	-33.3%
Human Resources	17	15	14	15	1	7.1%
Total	19	18	18	18	-	0.0%



Initiatives (Scorecard Objective)

- Conduct a comprehensive organization structure review and develop a succession planning process (LG 1)
- Implement an employee performance management plan for all appointed positions (LG 2)
- Initiate non-government staff to be Government Ambassadors, thereby improving working relationships with key government decision makers and educating staff on potential non-airline revenue sources (LG 2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Ensure Fiscal Responsibility (F)					
Total Net Health & Welfare Expense as % of Total Operating Expense	F 2.5	N/A	N/A	8.2%	20.0%
Improve Business and Operating Processes (IP)					
Time to Fill Vacancy / Time to Start New Employee	IP 1.7	N/A	82 days	54 days	70 days
Grow the Skills of the Workforce (LG)					
% of Employees Successfully Completing Probation Period	LG 1.3	N/A	N/A	92.3%	95.0%
Training Survey: Overall Satisfaction Rating	LG 2.1	N/A	4.10	4.83	4.50
% Employees Passing Airfield Map Test on First Attempt	LG 2.2	N/A	93.4%	97.0%	80.0%

With all measures showing year-over-year improvement, the Administration Department's focus in Fiscal Year 2009 will be on the Authority's Strategic Priorities. The first priority is to conduct an organization structure review, ensuring that the organization is appropriately structured for the future and has the process in place to address succession challenges. Closely linked to succession planning is the second priority, to implement a performance management system for leadership positions. This priority would, in part, make certain that a professional development plan is in place for each appointed employee.

Administration Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 127	\$ 193	\$ 298	\$ 205	\$ (93)	-31.2%
Employee Benefits	84	111	164	128	(36)	-21.9%
Materials & Supplies	3	2	8	4	(4)	-49.4%
Professional Services	1	-	-	-	-	n/a
Other Operating Expenses	11	15	10	24	14	142.0%
Total	\$ 225	\$ 322	\$ 480	\$ 361	\$ (119)	-24.7%

Responsibilities

- Develop funding streams at the federal and state level
- Lobby government at all levels on issues that affect the airport (e.g., supporting tenant carriers in obtaining new routes)
- Promote the airport's image with outside community (e.g., business, universities, non-profits, and government entities)
- Assist Business Development and Management on air service development
- Manage special projects as assigned by the CEO

Administration Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,180	\$ 1,053	\$ 1,110	\$ 1,068	\$ (42)	-3.8%
Employee Benefits	541	592	587	739	152	25.8%
Materials & Supplies	39	28	74	31	(43)	-58.2%
Professional Services	115	320	339	330	(9)	-2.7%
Contractual Services	63	35	40	34	(6)	-15.0%
Equipment Repair	-	-	5	-	(5)	-100.0%
Other Operating Expenses	38	55	97	11	(86)	-88.6%
Total	\$ 1,977	\$ 2,083	\$ 2,252	\$ 2,213	\$ (39)	-1.7%

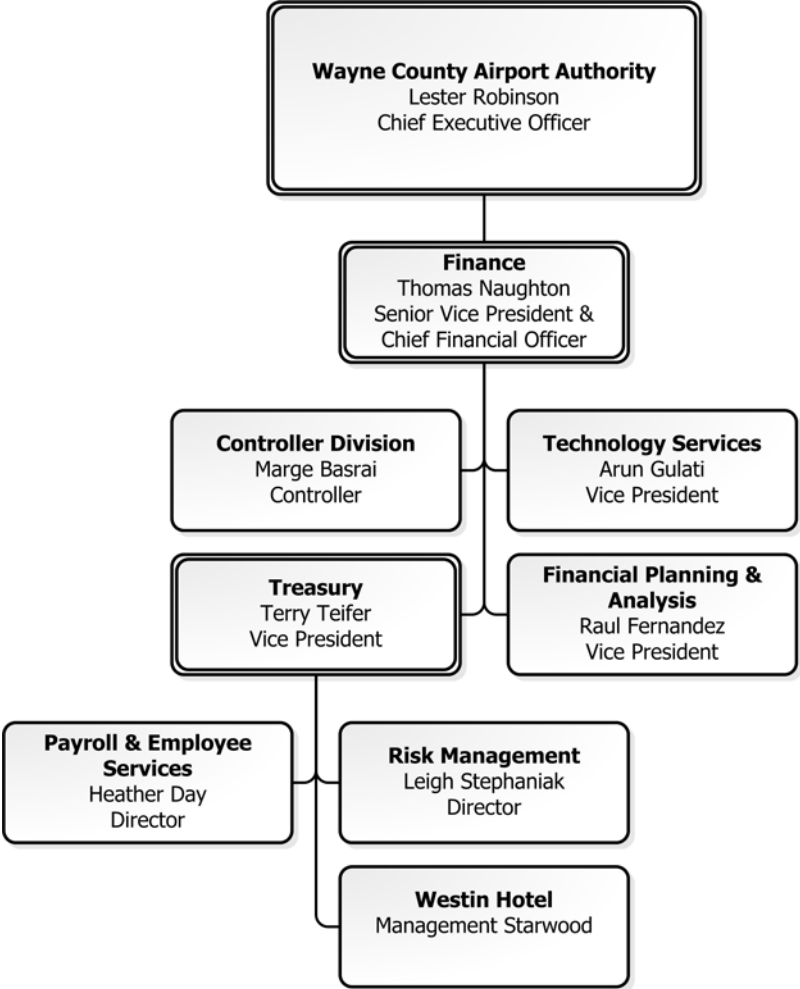
Responsibilities

- Manage recruitment, selection, and promotion processes including maintaining accurate and compliant job descriptions, administering written exams and oral interviews, and providing employee orientation
- Provide counseling and direction to employees and management regarding work rules and human resources policies and procedures
- Ensure compliance with labor, employment, and Equal Employment Opportunity (EEO) laws, rules, and regulations; maintain required human resources records in accordance with mandated timelines
- Partner with management in workforce planning needs; assist employees in creating and pursuing developmental goals
- Negotiate and administer the Authority's collective bargaining agreements; advise manager on agreement terms; administer grievance/conflict resolution
- Develop and implement human resources policies and procedures related to EEO and diversity activities
- Design, develop, implement, and assess training programs for the Authority; partner with subject matter experts to develop program content

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Finance Department

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



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

Treasury is responsible for protecting the Authority's investment in assets through providing cash and debt management services, maximizing the operational and financial

performance of the Westin Hotel, delivering payroll services, and providing risk management services.

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

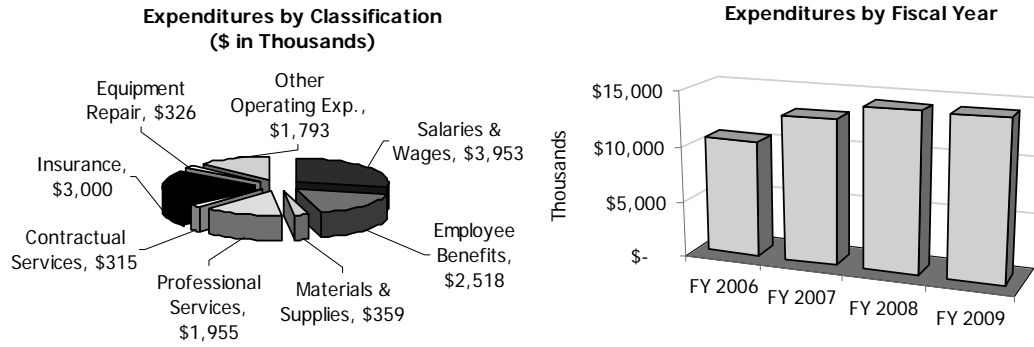
Financial Planning and Analysis is responsible for development and administration of the Authority's budget and CIP, in addition to routinely providing detailed financial and operational information to the Senior Leadership Team and the Authority Board through the annual operating budget, the quarterly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

Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Chief Financial Officer	\$ 405	\$ 412	\$ 404	\$ 442	\$ 39	9.5%
Controller	1,748	2,233	1,987	1,619	(368)	-18.5%
Treasurer	4,550	4,694	4,999	5,482	483	9.7%
Technology Services	2,912	4,558	5,397	5,217	(180)	-3.3%
Financial Planning & Analysis	904	1,170	1,486	1,467	(19)	-1.3%
Total	\$ 10,519	\$ 13,067	\$ 14,272	\$ 14,227	\$ (46)	-0.3%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 3,075	\$ 3,567	\$ 4,161	\$ 3,953	\$ (208)	-5.0%
Employee Benefits	1,620	2,045	2,258	2,518	260	11.5%
Materials & Supplies	681	731	744	359	(385)	-51.7%
Professional Services	1,708	2,177	1,952	2,075	123	6.3%
Contractual Services	103	293	596	195	(401)	-67.3%
Insurance	2,972	2,826	2,900	3,000	100	3.4%
Utilities	-	7	7	8	1	7.1%
Equipment Repair	2	200	279	326	47	16.8%
Other Operating Exp.	358	1,220	1,376	1,793	418	30.4%
Total	\$ 10,519	\$ 13,067	\$ 14,272	\$ 14,227	\$ (46)	-0.3%

POSITION COUNT By Division	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	2	2	2	2	-	0.0%
Controller	17	18	16	14	(2)	-12.5%
Treasurer	12	11	11	12	1	9.1%
Technology Services	9	13	16	14	(2)	-12.5%
Financial Reporting & Analysis	6	6	8	8	-	0.0%
Total	46	50	53	50	(3)	-5.7%



Initiatives (Scorecard Objective)

- Automate importing data from Ascom parking system to MUNIS accounting system (F 2)
- Reduce the cost of workers compensation claims by developing a Workers Compensation Return to Work manual; track the use of enforcement procedures as it pertains to violations of the Safety Rules and Regulations (F 2)
- Develop and implement contractual safety language to enhance the safety clause in the General Conditions or Purchase Order of contracts (F2)
- Replace existing fax machines with network-based fax software to reduce the cost of telecommunications lines and consumables needed to support fax machines (F 2)
- Purchase Marshall Swift Commercial Estimator software to update the replacement costs of all structures for insurance purposes (F 2)
- Establish a Cost Allocation Methodology based on loss history for each department (F 2)
- Replace the existing radio tower (F 2)
- Continue implementation of MAXIMO, Fixed Asset, Concessions Revenue Management, Parking, and Payroll Time and Attendance systems (F 2)
- Conduct an ROI analysis to determine the feasibility of replacing the Telephone and Voice Mail systems (F 2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Westin Hotel Survey: Guest Experience Composite Rating	CS 1.2	N/A	8.72	8.88	8.00
Ensure Fiscal Responsibility (F)					
Westin Hotel EBITDA	F 2.4	N/A	\$ 10,085,911	\$ 8,912,809	\$ 10,008,488

Finance Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,023	\$ 1,134	\$ 1,021	\$ 861	\$ (161)	-15.7%
Employee Benefits	505	647	556	558	2	0.4%
Materials & Supplies	26	24	27	22	(6)	-21.0%
Professional Services	169	280	37	37	-	0.0%
Contractual Services	10	127	329	124	(205)	-62.3%
Equipment Repair	1	2	2	-	(2)	-100.0%
Other Operating Expenses	13	20	15	17	2	14.0%
Total	\$ 1,748	\$ 2,233	\$ 1,987	\$ 1,619	\$ (368)	-18.5%

Responsibilities

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

Finance Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 686	\$ 800	\$ 881	\$ 924	\$ 43	4.9%
Employee Benefits	384	460	469	575	106	22.5%
Materials & Supplies	49	28	31	32	1	2.3%
Professional Services	153	164	130	130	-	0.0%
Contractual Services	83	163	265	171	(94)	-35.5%
Insurance	2,972	2,826	2,900	3,000	100	3.4%
Equipment Repair	1	1	4	-	(4)	-100.0%
Other Operating Expenses	223	251	319	651	332	104.1%
Total	\$ 4,550	\$ 4,694	\$ 4,999	\$ 5,482	\$ 483	9.7%

Responsibilities

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

Finance Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 622	\$ 880	\$ 1,266	\$ 1,152	\$ (114)	-9.0%
Employee Benefits	345	506	691	744	53	7.6%
Materials & Supplies	590	632	595	212	(384)	-64.4%
Professional Services	1,256	1,401	1,543	1,672	129	8.3%
Contractual Services	-	-	1	1	-	0.0%
Utilities	-	7	7	8	1	7.1%
Equipment Repair	0	198	274	326	52	19.2%
Other Operating Expenses	99	934	1,020	1,103	83	8.1%
Total	\$ 2,912	\$ 4,558	\$ 5,397	\$ 5,217	\$ (180)	-3.3%

Responsibilities

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

Finance Divisions

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

OPERATING EXPENSES	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
By Classification	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 497	\$ 498	\$ 738	\$ 750	\$ 12	1.6%
Employee Benefits	255	294	409	482	73	17.8%
Materials & Supplies	10	41	81	89	7	9.0%
Professional Services	125	332	242	116	(126)	-52.2%
Contractual Services	10	-	1	19	19	3700.0%
Other Operating Expenses	6	4	15	12	(3)	-18.7%
Total	\$ 904	\$ 1,170	\$ 1,486	\$ 1,467	\$ (19)	-1.3%

Responsibilities

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

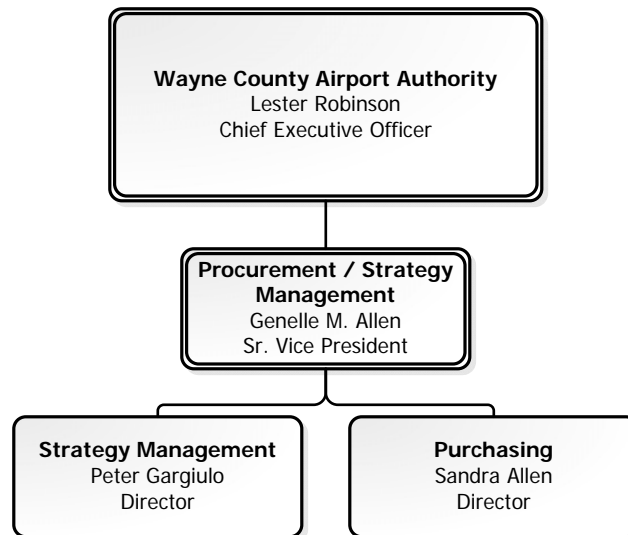
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Procurement / Strategy Management Department

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

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

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



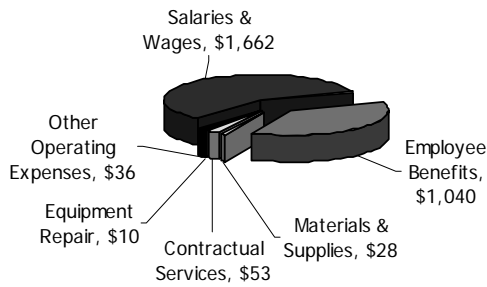
Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 330	\$ 339	\$ 346	\$ 372	\$ 25	7.3%
Procurement	1,183	1,724	1,976	2,122	147	7.4%
Strategy Management	276	358	421	335	(86)	-20.3%
Total	\$ 1,789	\$ 2,421	\$ 2,742	\$ 2,829	\$ 86	3.2%

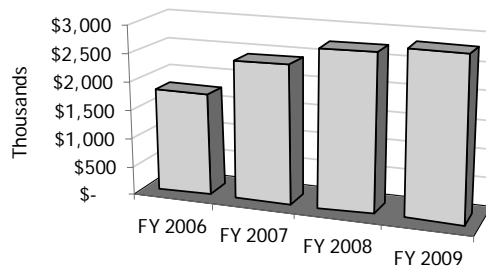
OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,046	\$ 1,407	\$ 1,649	\$ 1,662	\$ 13	0.8%
Employee Benefits	542	739	886	1,040	154	17.4%
Materials & Supplies	34	28	51	28	(23)	-45.5%
Professional Services	99	170	36	-	(36)	-100.0%
Contractual Services	-	-	40	53	13	32.5%
Equipment Repair	8	9	17	10	(7)	-41.2%
Other Operating Expenses	61	66	63	36	(27)	-43.5%
Total	\$ 1,789	\$ 2,421	\$ 2,742	\$ 2,829	\$ 86	3.2%

POSITION COUNT By Division	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	2	2	2	2	-	0.0%
Procurement	17	19	20	21	1	5.0%
Strategy Management	3	3	3	2	(1)	-33.3%
Total	22	24	25	25	-	-

Expenditures by Classification (\$ in Thousands)



Expenditures by Fiscal Year



Initiatives (Scorecard Objective)

- Begin a Scorecard "Task Force" to ensure consistency in using/applying the scorecard and to share best practices throughout the Authority (IP 1)
- Automate the approval process for purchase order modifications such as contract amendments and encumbrances (IP 1)
- Expand the Purchasing Card (P-Card) program to additional Divisions within the Authority to expedite the purchase of good and separately approved services under \$3,000 (IP 1)
- Establish an Authority-wide records retention policy (IP 1)
- Investigate a cost effective and efficient database to track sub-contractor information related to Authority contracts (IP 1)
- Develop a "sample" Form of Agreement (FOA) to include in solicitation documents, where appropriate, to significantly reduce delays in issuing formal solicitations (IP 1)
- Establish and document a comprehensive schedule and detailed procedures for vendor performance reviews (IP 1)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Improve Non-Traveler Customer Service (CS)					
Internal Support Services Survey: Overall Customer Satisfaction Rating	CS 2.1	N/A	N/A	3.80	3.90
Business Partner Survey: Overall Customer Satisfaction Rating	CS 2.2	N/A	N/A	N/A	3.90
Improve Business and Operating Processes (IP)					
Number of Days from Requisition to Purchase Order	IP 1.3				
Formal Competitive	IP 1.3	N/A	116 days	104 days	100 days
Informal Competitive	IP 1.3	N/A	40 days	39 days	30 days
Non-Competitive	IP 1.3	N/A	12 days	9 days	15 days
Build a Healthy Organization (LG)					
"Living the Values" Survey: Overall Rating	LG 1.2	N/A	N/A	3.94	4.00

During the past fiscal year, the Procurement Division has reduced the amount of time it takes to issue a purchase order for formal and informal competitive solicitations and for non-competitive purchases. To meet the targets in Fiscal Year 2009, the Division intends to use a software-based solicitation planning calendar as well as implementing the Purchasing Card (P-Card) and Form of Agreement (FOA) initiatives noted above.

The Strategy Management Division has completed administering the first full year of the internal support services and "Living the Values" surveys. The results of these surveys are communicated to the respective service areas for review and each area develops and implements their improvements. In Fiscal Year 2009, the Division will begin a Business Partner survey.

Procurement/Strategy Management Divisions

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

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 679	\$ 961	\$ 1,188	\$ 1,263	\$ 75	6.3%
Employee Benefits	339	508	640	797	157	24.5%
Materials & Supplies	27	23	46	21	(25)	-54.3%
Professional Services	82	170	36	-	(36)	-100.0%
Equipment Repair	8	9	17	10	(7)	-41.2%
Other Operating Expenses	47	51	49	32	(17)	-34.8%
Total	\$ 1,183	\$ 1,724	\$ 1,976	\$ 2,122	\$ 147	7.4%

Responsibilities

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

Procurement/Strategy Management Divisions

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

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 165	\$ 228	\$ 236	\$ 173	\$ (63)	-26.5%
Employee Benefits	97	117	132	105	(27)	-20.7%
Materials & Supplies	4	3	3	3	(0)	-7.4%
Contractual Services	-	-	40	53	13	32.5%
Other Operating Expenses	11	10	10	2	(9)	-85.0%
Total	\$ 276	\$ 358	\$ 421	\$ 335	\$ (86)	-20.3%

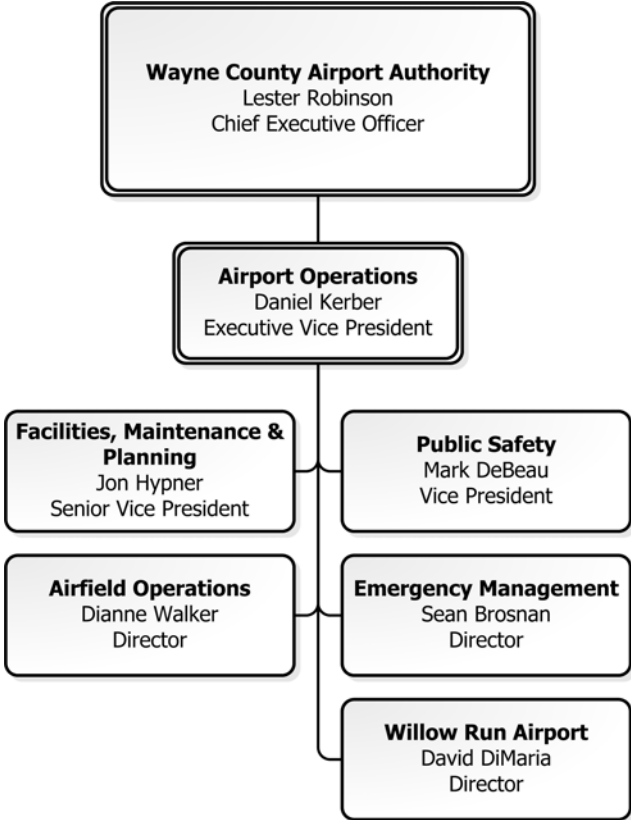
Responsibilities

- Develop, promote, and guide the overall management of the Authority's strategic plan
- Plan and manage the Authority's Balanced Scorecard
- Manage the business planning (< 5 years) process, including the alignment of initiatives with the strategic plan
- Assess internal processes and conduct benchmarking/best practice studies to improve the Authority's operations
- Manage the Authority's Customer Satisfaction Improvement Program and related customer surveying activity

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Operations Department

The Operations Department is responsible for providing and maintaining a safe and secure operating environment at Detroit Metropolitan and Willow Run airports. Five functions report directly to the Executive Vice President as depicted in the organization chart below. The key responsibilities of each department/division are summarized below.



Facilities Maintenance and Planning is responsible for overall Airport maintenance; planning, design, and construction of Airport facilities; and facilities and infrastructure management services. (See page 73.)

Public Safety is responsible for providing for the safety and security of all airport users and their property and for preserving Authority assets through police, fire and aircraft rescue, security, emergency medical, and dispatch personnel. (See page 79.)

Airfield Operations is responsible for administering a safe airfield operating environment, maintaining the Authority's Operating Certificate through compliance with and enforcement of FAR Part 139, coordinating emergency response activities, enforcing FAA rules and regulations, coordinating North Terminal gates, and managing

the Authority's shuttle services contract (employee parking, customer parking, and intra-terminal transportation).

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

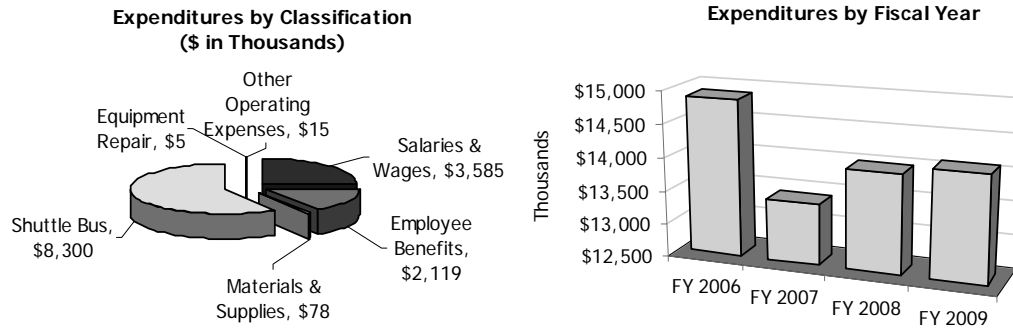
Willow Run Airport is responsible for delivering a safe and efficient corporate, cargo, and general aviation airport to Willow Run's tenants, airlines, and flying public; fulfilling the requirement of FAR Part 139 Class 4, building the airport's financial viability while being a good neighbor to host communities, maintaining the grounds and facilities, and acts as a reliever airport for Detroit Metropolitan Airport. (See page 121.)

Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 454	\$ 505	\$ 531	\$ 580	\$ 49	9.2%
Airfield Operations	14,061	12,549	13,068	13,043	(25)	-0.2%
Emergency Management	366	370	399	478	79	19.8%
Total	\$ 14,881	\$ 13,424	\$ 13,997	\$ 14,100	\$ 103	0.7%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 3,282	\$ 3,321	\$ 3,448	\$ 3,585	\$ 137	4.0%
Employee Benefits	1,578	1,771	1,746	2,119	373	21.3%
Materials & Supplies	55	53	115	78	(38)	-32.5%
Shuttle Bus	9,943	8,251	8,600	8,300	(300)	-3.5%
Contractual Services	6	2	35	-	(35)	-100.0%
Equipment Repair	3	5	25	5	(20)	-80.0%
Other Operating Expenses	13	19	19	15	(5)	-23.7%
Total	\$ 14,881	\$ 13,424	\$ 13,997	\$ 14,100	\$ 103	0.7%

POSITION COUNT	FY 2007	FY 2007	FY 2007	FY 2008	Budget Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	3	3	3	3	0	0.0%
Airfield Operations	48	46	47	47	0	0.0%
Emergency Management	3	3	3	3	0	0.0%
Total	54	52	53	53	0	0.0%



Initiatives (Scorecard Objective)

- Develop a business plan for Willow Run Airport (YIP) (F 2)
- Design and develop the tri-annual, full scale emergency management exercise to meet the requirement of FAR Part 139 (LG 2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Ensure Fiscal Responsibility (F)					
Airfield Operations and Maintenance Cost per Acre (on Airfield)	F 2.3	N/A	\$ 2,607	\$ 3,999	\$ 3,738
Improve Business and Operating Processes (IP)					
Impact of Runway Closures on Airfield Availability	IP 1.1	N/A	N/A	DTW 8.9% YIP 10.2%	DTW 21% YIP 21%

The Airfield operating cost increase in Fiscal Year 2008 was driven primarily by snow removal expenses due to a record snowfall. These expenses included overtime hours to ensure the airfield remained open during a snow event, equipment maintenance, and bulk chemical/deicing fluid purchases. In addition, airfield downtime due to unscheduled maintenance decreased from the previous fiscal year.

Operations Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 2,761	\$ 2,783	\$ 2,899	\$ 2,968	\$ 69	2.4%
Employee Benefits	1,304	1,463	1,439	1,710	271	18.8%
Materials & Supplies	34	31	78	54	(24)	-30.5%
Shuttle Bus	9,943	8,251	8,600	8,300	(300)	-3.5%
Contractual Services	6	2	29	-	(29)	-100.0%
Buildings & Grounds	-	2	-	-	-	n/a
Equipment Repair	3	5	13	5	(8)	-61.5%
Other Operating Expenses	10	13	10	6	(5)	-45.0%
Total	\$ 14,061	\$ 12,549	\$ 13,068	\$ 13,043	\$ (25)	-0.2%

Responsibilities

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

Operations Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 225	\$ 233	\$ 239	\$ 280	\$ 41	17.0%
Employee Benefits	126	127	131	185	54	40.8%
Materials & Supplies	13	8	17	11	(6)	-37.0%
Contractual Services	-	-	4	-	(4)	-100.0%
Equipment Repair	0	0	6	-	(6)	-100.0%
Other Operating Expenses	1	3	2	3	1	50.0%
Total	\$ 366	\$ 370	\$ 399	\$ 478	\$ 79	19.8%

Responsibilities

- Administer the Authority's emergency management organization
- Ensure that the Authority's emergency plans meet local, state, and federal regulations
- Solicit grants/funding to support emergency management and other authority programs
- Act as a liaison with the airport community for emergency preparedness and training
- Provide the airport community with emergency preparedness training
- Represent Authority on local, regional, and state emergency management and/or homeland security committees, boards, etc. as appropriate

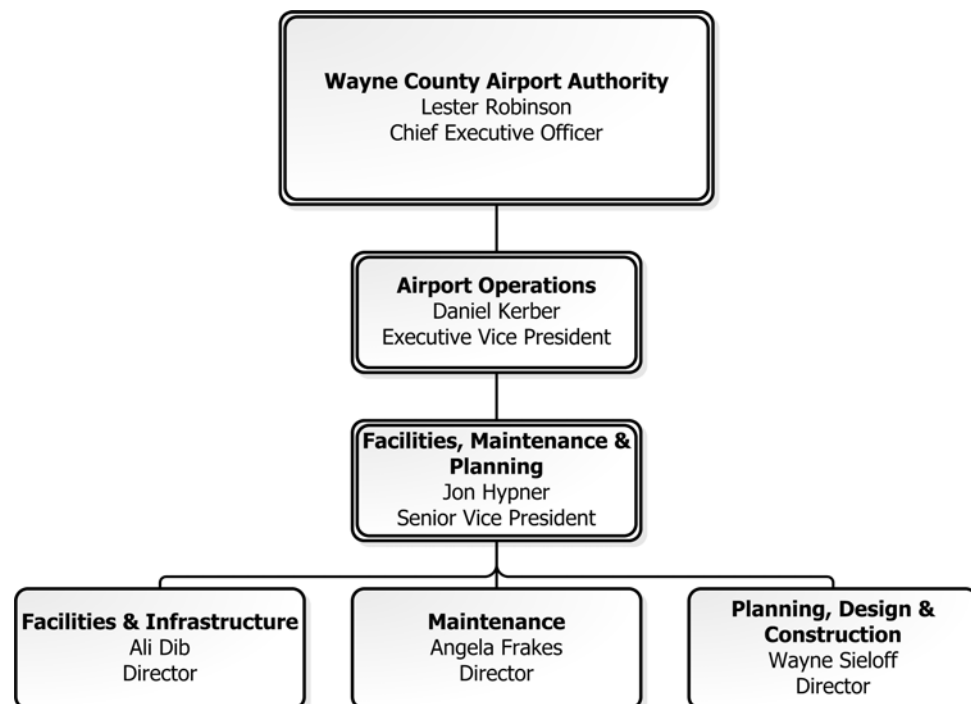
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Facilities, Maintenance & Planning Department

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

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

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

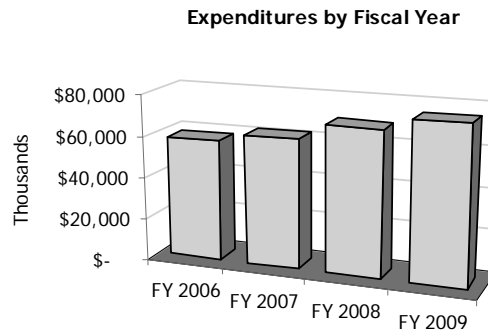
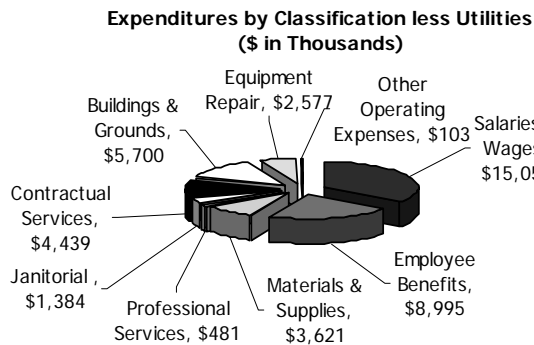


Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ -	\$ (13)	\$ 99	\$ 350	\$ 251	253.2%
Facilities & Infrastructure	4,646	30,559	36,125	41,226	5,101	14.1%
Maintenance	51,145	30,017	31,310	31,950	639	2.0%
Planning, Design & Construction	2,422	1,566	1,943	1,818	(125)	-6.4%
Total	\$ 58,213	\$ 62,128	\$ 69,478	\$ 75,343	\$ 5,866	8.4%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 15,090	\$ 14,380	\$ 14,790	\$ 15,052	\$ 262	1.8%
Employee Benefits	7,037	7,692	7,483	8,995	1,512	20.2%
Materials & Supplies	1,874	1,962	2,318	3,621	1,303	56.2%
Parking Management	-	-	-	-	-	n/a
Professional Services	525	544	829	481	(348)	-42.0%
Shuttle Bus	-	-	-	-	-	n/a
Janitorial	2,013	2,400	2,484	1,384	(1,100)	-44.3%
Security	-	-	-	-	-	n/a
Contractual Services	4,075	3,356	4,036	4,439	403	10.0%
Insurance	-	-	-	-	-	n/a
Utilities	21,801	25,572	28,693	32,993	4,300	15.0%
Buildings & Grounds	3,617	3,324	5,487	5,700	213	3.9%
Equipment Repair	3,135	2,861	3,195	2,577	(618)	-19.4%
Other Operating Expenses	(953)	38	163	103	(60)	-36.9%
Total	\$ 58,213	\$ 62,128	\$ 69,478	\$ 75,343	\$ 5,866	8.4%

POSITION COUNT By Division	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	0	2	2	2	0	0.0%
Facilities & Infrastructure	6	23	23	28	5	21.7%
Maintenance	235	203	203	193	-10	-4.9%
Planning, Design & Construction	23	15	15	14	-1	-6.7%
Total	264	243	243	237	-6	-2.5%



Initiatives (Scorecard Objective)

- Install two kiosks on shop floor for mechanic use to record time to MAXIMO work order system (F 2)
- Begin a pilot project to test potassium formate as a substitute for potassium acetate in liquid pavement deicing materials (IP 1)
- Begin a pilot program to pump the contents of Pump Station wet-wells that discharge to Pond 6 to nearby sanitary sewage manholes (IP 1)
- Solicit an on-call pipe inspection service contract to address pipe-related failures before a collapse causes an "emergency contract" (IP 1)
- Develop an intergovernmental agreement with Wayne County to test various materials used by Field Maintenance (IP 1)
- Implement an auto-call system to notify crews to come in for snow removal operations (IP 1)
- Host the 9th Annual Large Hub Winter Workshop (LG 2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Ensure Fiscal Responsibility (F)					
Terminal Maintenance Cost per Square Foot	F 2.2	N/A	\$ 16.35	\$ 15.48	TBD
Improve Business and Operating Processes (IP)					
% Change Construction Contract Cost Due to Change Orders	IP 1.2	4.0%	0.3%	5.8%	5.0%
% Maintenance Labor Hours Spent on Scheduled Maintenance	IP 1.4	N/A	N/A	59%	80%

Terminal maintenance costs decreased in Fiscal Year 2008 despite the aging of the Smith Terminal and remained well below the target of \$18.24 per square foot. Targets for Fiscal Year 2009 will include the new North Terminal maintenance costs and are to be determined. In addition, ongoing efforts to better use the MAXIMO work order system have reduced, month-over-month, the number of hours spent on unscheduled maintenance.

Facilities, Maintenance & Planning Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,255	\$ 1,781	\$ 1,890	\$ 2,197	\$ 307	16.3%
Employee Benefits	838	980	997	1,328	331	33.2%
Materials & Supplies	11	24	88	48	(41)	-45.9%
Professional Services	173	349	654	400	(254)	-38.8%
Contractual Services	445	696	1,132	876	(256)	-22.6%
Utilities	1,133	25,572	28,693	32,993	4,300	15.0%
Buildings & Grounds	275	660	2,125	2,866	741	34.9%
Equipment Repair	461	428	436	447	11	2.5%
Other Operating Expenses	56	67	109	71	(38)	-34.6%
Total	\$ 4,646	\$ 30,559	\$ 36,125	\$ 41,226	\$ 5,101	14.1%

Responsibilities

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

Facilities, Maintenance & Planning Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 12,653	\$ 11,708	\$ 11,774	\$ 11,640	\$ (134)	-1.1%
Employee Benefits	5,687	6,244	5,882	6,908	1,026	17.4%
Materials & Supplies	1,794	1,871	2,106	3,459	1,353	64.3%
Professional Services	-	2	-	10	10	n/a
Janitorial	2,013	2,400	2,484	1,384	(1,100)	-44.3%
Contractual Services	3,517	2,659	2,904	3,563	659	22.7%
Utilities	20,669		-		-	n/a
Buildings & Grounds	3,164	2,663	3,362	2,834	(528)	-15.7%
Equipment Repair	2,669	2,427	2,754	2,128	(627)	-22.7%
Other Operating Expenses	(1,021)	40	45	25	(20)	-44.9%
Total	\$ 51,145	\$ 30,017	\$ 31,310	\$ 31,950	\$ 639	2.0%

Responsibilities

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

Facilities, Maintenance & Planning Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,181	\$ 852	\$ 1,058	\$ 999	\$ (59)	-5.6%
Employee Benefits	512	448	573	633	60	10.4%
Materials & Supplies	70	65	124	107	(17)	-13.9%
Professional Services	352	192	175	71	(104)	-59.4%
Contractual Services	113	-	-	-	-	n/a
Buildings & Grounds	178	-	-	-	-	n/a
Equipment Repair	5	5	5	2	(3)	-55.6%
Other Operating Expenses	12	4	9	7	(2)	-25.6%
Total	\$ 2,422	\$ 1,566	\$ 1,943	\$ 1,818	\$ (125)	-6.4%

Responsibilities

- Development and implementation of the Authority's Capital Improvement Plan (CIP)
- Manage the project design process including the bidding, contract award, and project initiation process
- Provide construction contract administration services
- Develop and guide the implementation of the Airport Master Plan
- Issue construction and alteration (C/A) permits for acceptable tenant projects; review compliance with applicable requirements
- Develop, maintain, and ensure compliance with standards for construction and development

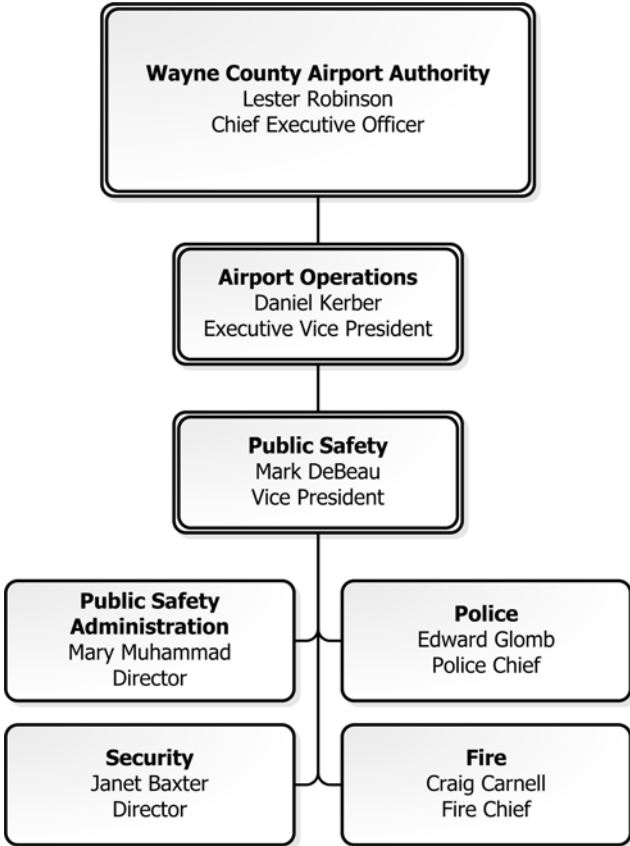
Public Safety Department

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

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

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

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

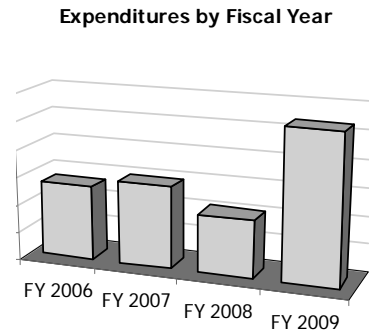
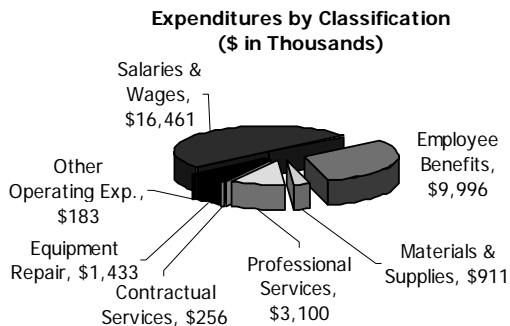


Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
VP Public Safety	\$ 46	\$ 241	\$ 307	\$ 329	\$ 22	7.2%
Administration	2,608	531	564	681	117	20.8%
Police	13,590	15,041	14,396	16,187	1,791	12.4%
Security	7,040	6,972	6,412	7,364	952	14.8%
Fire	6,397	7,178	7,409	7,817	408	5.5%
Total	\$ 29,682	\$ 29,963	\$ 29,088	\$ 32,378	\$ 3,290	11.3%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 15,173	\$ 16,679	\$ 15,862	\$ 16,461	\$ 599	3.8%
Employee Benefits	6,496	7,843	8,056	9,996	1,940	24.1%
Materials & Supplies	884	545	1,022	911	(111)	-10.8%
Parking Management	-	-	-	-	-	n/a
Shuttle Bus	19	16	84	23	(62)	-73.2%
Janitorial	-	-	-	-	-	n/a
Security	14	16	16	16	-	0.0%
Professional Services	3,501	3,433	2,400	3,100	700	29.2%
Contractual Services	317	237	273	256	(17)	-6.1%
Insurance	-	-	-	-	-	n/a
Utilities	-	-	-	-	-	n/a
Buildings & Grounds	0	2	3	-	(3)	-100.0%
Equipment Repair	2,412	1,058	1,195	1,433	238	19.9%
Other Operating Exp.	865	133	178	183	6	3.1%
Total	\$ 29,682	\$ 29,963	\$ 29,088	\$ 32,378	\$ 3,290	11.3%

POSITION COUNT	FY 2007	FY 2007	FY 2007	FY 2008	Budget Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
VP Public Safety	2	2	2	2	0	0.0%
Administration	3	3	3	4	1	33.3%
Police	150	141	141	139	-2	-1.4%
Security	27	27	35	33	-2	-5.7%
Fire	65	65	65	66	1	1.5%
Total	247	238	246	244	-2	-0.8%



Initiatives (Scorecard Objective)

- Upgrade the digital radios used by Security staff (IP 1)
- Provide awareness of new Fire/EMS technologies and ideas through the purchase of a subscription to the Fire Education Training Network (LG 2)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Improve Business and Operating Processes (IP)					
Emergency Response Time Above Industry Standard	IP 1.5				
% Dispatch Response Greater Than 60 seconds	IP 1.5	N/A	65%	32%	5%
% Police Response Greater Than 5 Minutes	IP 1.5	N/A	26%	14%	5%
% Fire Response Greater Than 3 Minutes	IP 1.5	N/A	N/A	3%	0%
% EMS Response Greater Than 4 Minutes	IP 1.5	N/A	N/A	11%	10%

Although all emergency response times remain above the industry standard target during Fiscal Year 2008, the Public Safety Department continues to leverage the CLEMIS public safety information system and additional training to improve these measures.

Public Safety Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 9,256	\$ 10,165	\$ 9,065	\$ 9,599	\$ 534	5.9%
Employee Benefits	3,668	4,457	4,584	5,797	1,213	26.5%
Materials & Supplies	498	287	528	580	52	9.9%
Professional Services	18	11	14	19	5	32.1%
Buildings & Grounds	-	2	3	-	(3)	-100.0%
Equipment Repair	23	20	56	24	(32)	-57.1%
Other Operating Expenses	128	100	146	169	23	15.8%
Total	\$ 13,590	\$ 15,041	\$ 14,396	\$ 16,187	\$ 1,791	12.4%

Responsibilities

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

Public Safety Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,306	\$ 1,467	\$ 1,699	\$ 1,608	\$ (92)	-5.4%
Employee Benefits	656	795	869	974	105	12.0%
Materials & Supplies	114	65	178	105	(73)	-41.2%
Security	3,501	3,433	2,400	3,100	700	29.2%
Contractual Services	282	206	216	215	(1)	-0.2%
Equipment Repair	1,176	997	1,047	1,359	312	29.8%
Other Operating Expenses	4	7	4	5	1	28.6%
Total	\$ 7,040	\$ 6,972	\$ 6,412	\$ 7,364	\$ 952	14.8%

Responsibilities

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

Public Safety Divisions

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

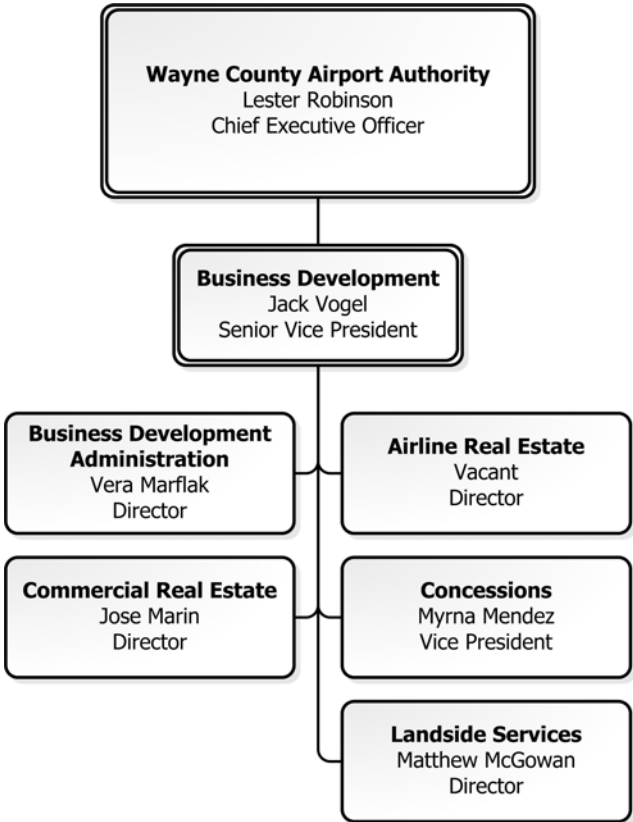
OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 4,161	\$ 4,588	\$ 4,600	\$ 4,678	\$ 78	1.7%
Employee Benefits	1,885	2,332	2,330	2,847	517	22.2%
Materials & Supplies	239	152	282	180	(101)	-36.0%
Professional Services	2	1	10	4	(6)	-60.0%
Janitorial	14	16	16	16	-	0.0%
Contractual Services	35	31	57	41	(16)	-28.1%
Equipment Repair	50	42	92	50	(42)	-45.7%
Other Operating Expenses	11	15	23	2	(21)	-93.3%
Total	\$ 6,397	\$ 7,178	\$ 7,409	\$ 7,817	\$ 408	5.5%

Responsibilities

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

Business Development Department

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



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

Real Estate Services is comprised of two units, airlines and commercial, collectively responsible for maximizing the utilization of airport property to increase airline and non-airline revenues.

Concessions is responsible for delivering a variety of services to the traveling public, airlines, and visitors (including food, beverage, retail, duty-free, car rental, in-flight kitchen, and fixed-based operator services) as well as overseeing the design of new and

existing venues, managing all related construction and contractual obligations, conducting plan reviews of renovations, and monitoring and evaluating existing concession performance.

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

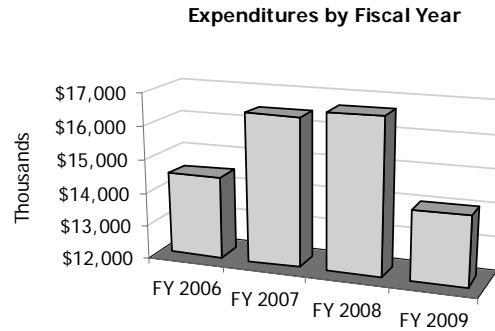
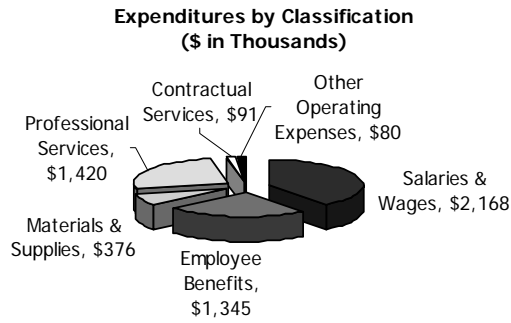
Aviation Services is responsible for improving air service through the development and implementation of research, marketing and media outreach programs.

Department Budget & Position Count (\$ in Thousands)

OPERATING EXPENSES By Division	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Administration	\$ 669	\$ 802	\$ 887	\$ 918	\$ 31	3.4%
Real Estate	883	283	1,107	898	(209)	-18.9%
Concessions	854	2,124	1,564	1,584	20	1.3%
Landside Services	12,033	12,083	12,210	10,288	(1,922)	-15.7%
Aviation Services	44	1,180	902	387	(514)	-57.0%
Total	\$ 14,483	\$ 16,472	\$ 16,670	\$ 14,075	\$ (2,595)	-15.6%

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 2,714	\$ 3,064	\$ 3,883	\$ 3,271	\$ (612)	-15.8%
Employee Benefits	1,287	1,574	2,009	2,014	5	0.3%
Materials & Supplies	125	158	232	180	(52)	-22.6%
Parking Management	9,754	10,325	9,150	7,803	(1,347)	-14.7%
Professional Services	140	220	482	601	119	24.7%
Contractual Services	-	448	375	-	(375)	-100.0%
Buildings & Grounds	172	27	60	-	(60)	-100.0%
Equipment Repair	54	10	49	50	1	2.9%
Other Operating Exp.	235	645	431	157	(274)	-63.6%
Total	\$ 14,483	\$ 16,472	\$ 16,670	\$ 14,075	\$ (2,595)	-15.6%

POSITION COUNT	FY 2006	FY 2007	FY 2008	FY 2009	Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Administration	6	6	6	6	0	0.0%
Real Estate	4	4	6	5	-1	-16.7%
Concessions and Quality	7	7	8	8	0	0.0%
Landside Services	28	33	33	32	-1	-3.0%
Aviation Services	1	4	3	1	-2	-66.7%
Total	46	54	56	52	-4	-7.1%



Initiatives (Scorecard Objective)

- Conduct Phase 3 of Detroit Metro Airport's (DTW) Consolidated Car Rental Facility Feasibility Study (CS 1)
- Conduct "mystery" shopping of the concessions at the McNamara and North Terminals to monitor the quality of service and products (CS 1)
- Conduct "mystery" shopping of the taxi and luxury sedan experience at the McNamara and North Terminals to monitor the quality of service (CS 1)
- Appraise, market, and dispose of surplus noise property as required by the FAA (IP 1)

Balanced Scorecard

Objectives & Measures	Scorecard Code	FY 2006	FY 2007	FY 2008	FY 2009 Target
Provide an Exciting and Friendly Airport Experience (CS)					
Terminal Food & Beverage/Retail Revenue per Enplanement (reported to Authority)	CS 1.3	\$ 1.33	\$ 1.35	\$ 1.37	\$ 1.48
Grow Non-Airline Revenue (F)					
Non-Airline, Passenger Related Revenue per Enplanement	F 1.1	\$ 6.83	\$ 7.30	\$ 7.52	\$ 7.80
Overall Cargo Tonnage Handled by Metric Ton (DTW)	F 1.2	N/A	229,529	223,605	TBD
Overall Cargo Landed by Metric Ton (YIP)	F 1.2	N/A	142,251	83,789	TBD

Despite a challenging economic environment, the Business Development Department increased the per enplanement revenue for both terminal food & beverage/retail and non-airline, passenger related revenues. In Fiscal Year 2009, the opening of the new North Terminal concessions will partially offset the expected decline in forecasted enplaned passengers. While cargo tonnage handled at DTW experienced a small decrease during the fiscal year, cargo landed at YIP has undergone a significant reduction due to the local economic conditions.

Business Development Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 385	\$ 457	\$ 536	\$ 537	\$ 1	0.1%
Employee Benefits	163	198	286	340	54	18.9%
Materials & Supplies	26	9	13	10	(4)	-28.6%
Equipment Repair	-	-	2	-	(2)	-100.0%
Other Operating Expenses	95	138	50	32	(19)	-37.0%
Total	\$ 669	\$ 802	\$ 887	\$ 918	\$ 31	3.4%

Responsibilities

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

Business Development Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 427	\$ 202	\$ 539	\$ 419	\$ (121)	-22.4%
Employee Benefits	205	124	294	268	(26)	-9.0%
Materials & Supplies	69	2	49	5	(44)	-89.8%
Professional Services	138	-	150	200	50	33.3%
Buildings & Grounds	-	8	45	-	(45)	-100.0%
Equipment Repair	-	-	3	-	(3)	-100.0%
Other Operating Expenses	44	(54)	27	7	(20)	-74.1%
Total	\$ 883	\$ 283	\$ 1,107	\$ 898	\$ (209)	-18.9%

Responsibilities

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

Business Development Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 518	\$ 544	\$ 692	\$ 684	\$ (9)	-1.2%
Employee Benefits	306	323	385	438	53	13.8%
Materials & Supplies	8	13	24	9	(15)	-61.8%
Professional Services	-	2	30	389	359	1196.7%
Contractual Services	-	448	372	-	(372)	-100.0%
Equipment Repair	8	7	35	50	15	44.5%
Other Operating Expenses	15	786	27	14	(13)	-48.1%
Total	\$ 854	\$ 2,124	\$ 1,564	\$ 1,584	\$ 20	1.3%

Responsibilities

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

Business Development Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 1,357	\$ 1,600	\$ 1,884	\$ 1,517	\$ (367)	-19.5%
Employee Benefits	601	777	912	896	(16)	-1.7%
Materials & Supplies	23	37	49	60	11	21.4%
Parking Management	9,754	10,325	9,150	7,800	(1,350)	-14.8%
Professional Services	3	38	77	12	(65)	-84.4%
Contractual Services	-	-	3	-	(3)	-100.0%
Buildings & Grounds	172	19	15	-	(15)	-100.0%
Equipment Repair	47	3	8	-	(8)	-100.0%
Other Operating Expenses	76	(716)	112	3	(109)	-97.3%
Total	\$ 12,033	\$ 12,083	\$ 12,210	\$ 10,288	\$ (1,922)	-15.7%

Responsibilities

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

Business Development Divisions

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

OPERATING EXPENSES By Classification	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Salaries & Wages	\$ 26	\$ 260	\$ 232	\$ 115	\$ (117)	-50.4%
Employee Benefits	12	152	132	72	(60)	-45.5%
Materials & Supplies	-	96	97	97	(1)	-0.5%
Parking Management	-	-	-	3	3	n/a
Professional Services	-	180	225	-	(225)	-100.0%
Equipment Repair	-	-	1	-	(1)	-100.0%
Other Operating Expenses	6	491	215	101	(114)	-52.9%
Total	\$ 44	\$ 1,180	\$ 902	\$ 387	\$ (514)	-57.0%

Responsibilities

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

Detroit Metropolitan Airport Capital Improvement Program

Overview

Major Construction Program

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

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

Definition of Capital Projects

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

As part of the budget approval process, the Authority Board approved \$146 million in capital spending in Fiscal Year 2009. This approved amount represents forecast spending of \$100 million on 43 capital projects that have already been started, and \$46 million of forecast spending on 40 new capital projects that are scheduled to begin in Fiscal Year 2009.

Funding of Capital Improvement Program Projects

The Authority's funding sources for the CIP are airport revenue bonds, Passenger Facility Charges (PFCs), federal grants and Authority discretionary funds. Given the multiple funding sources that comprise this plan, board approval of the CIP does not imply funding as many of the revenues come from sources outside the Authority's control.

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

airline agreements. Airport revenue bonds have already been issued to fund many of the projects in the Authority's current Five Year Plan, including projects to be constructed in 2009. Other capital projects will require weighted majority approval before the Authority may issue bonds to fund any portion of the costs of these projects.

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

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

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

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

Master Plan Update

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

Significant Non-Routine Projects with Impact To Future Operating Budgets

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

Below are descriptions of the non-routine projects that will have an impact on current or future operating budgets, along with a discussion of the expected impact. (Project descriptions for all CIP items start on page 103.)

McNamara Terminal In-line Explosive Detection System (Plan Item No. 47) – This project will design and construct a centralized luggage screening facility at the McNamara Terminal to house additional Explosive Detection Systems, Explosive Trace Detection devices and associated facilities to support Transportation Security Administration luggage screening operations. The addition of this new facility will have an impact on the maintenance and utilities costs for the McNamara Terminal without off-setting revenues when delivered in Fiscal Year 2009.

Automated Parking Revenue Management System (Plan Item No. 60) – To be completed in Fiscal Year 2009, this automated system allows customers to pay their parking fee by credit card when exiting any on-airport public parking lot or deck. The Authority anticipates increases in parking revenue resulting from decreased fraud and loss. Additional expenses to host and maintain the system are offset by decreased labor needs.

Blue Deck Expansion (Plan Item No. 61) – This project will provide approximately 550 additional parking spaces which are planned to be utilized for passengers as premium parking. Given the forecasted decrease in enplaned passengers projected in Fiscal Year 2009, the project is expected to be revenue neutral, however, provide the capacity to keep pace with future enplanement growth.

Public Safety Training Facility Projects (Plan Item Nos. 86, 87, and 88) – The Authority is moving forward with the construction of a consolidated public safety training facility on the airfield operations area to accommodate the on-going training requirements for the Fire and Police divisions. The facility will include an indoor pistol range, a live fire house, a rappelling tower and an obstacle course. Delivery of the facility is scheduled for spring 2009.

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

Airport Administration Building (Item No. 89) – The Authority management and administrative staff are currently still housed at the Smith Terminal, occupying only approximately 30 percent of the building. The space not being used requires budget expenditures for heating, cooling, lighting and nominal maintenance. Plans are being developed to provide management and administrative spaces that are both operationally efficient and cost effective. Once the new spaces are implemented, there will be a favorable impact on the operating budget.

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PLAN ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE			DISCRET./ OTHER	EST SPENT TO 9/08	SPENDING PROJECTION				
			BONDS	AIP GRANT				FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Airfield Improvements												
1	Reconstruct RW 3R/21L, RSA, & South End of Taxiway "W"	\$ 46,750	\$ 12,773	\$ 33,977	\$ -	\$ 44,782	\$ 1,968	\$ -	\$ -	\$ -	\$ -	\$ -
2	Apron Reconstruction East of Taxiway "K"	10,300	10,300	-	-	9,000	1,300	-	-	-	-	-
3	Reconstruct Taxiway "K" - Phase 1	8,709	6,101	2,608	-	7,200	1,509	-	-	-	-	-
4	Grade and Pave Taxiway K Islands	350	350	-	-	325	25	-	-	-	-	-
5	Retrofit Taxiway Lighting	373	-	-	373	233	140	-	-	-	-	-
6	Airfield Lighting Control and Monitoring System	2,609	-	-	2,609	1,355	1,254	-	-	-	-	-
7	Reconstruct RW 9L/27R (Design only)	3,000	793	2,207	-	-	3,000	-	-	-	-	-
8	Reconstruct RW 9L/27R (Non-Design)	29,266	7,316	21,950	-	-	15,000	14,266	-	-	-	-
9	Reconstruct Taxiway "V"	10,285	6,373	3,912	-	-	8,000	2,285	-	-	-	-
10	Reconstruct Taxiway "H"	2,621	1,624	997	-	-	2,100	521	-	-	-	-
11	Reconstruct Taxiway "F"	3,775	2,339	1,436	-	-	1,900	1,875	-	-	-	-
12	Extend Taxiway "G"	4,500	1,125	3,375	-	-	3,000	1,500	-	-	-	-
13	Reconstruct RW 4R/22L (Design only)	4,000	2,478	1,522	-	-	1,333	2,667	-	-	-	-
14	Reconstruct Taxiway "Y-11"	1,247	773	474	-	-	150	1,097	-	-	-	-
15	Reconstruct Taxiways "Y-16" and "Y-17"	1,902	475	1,427	-	-	250	1,652	-	-	-	-
16	Replace Obsolete Airfield Signage	100	-	-	100	-	100	-	-	-	-	-
17	Reconstruct RW 4R/22L (Non-Design)	39,053	9,763	29,290	-	-	-	7,000	20,000	12,053	-	-
18	Runway 3L/21R Planning	700	700	-	-	-	-	200	500	-	-	-
19	Environmental Processing for RW 3L/21R Extension	2,667	667	2,000	-	-	-	1,000	1,667	-	-	-
20	Runway Surface Monitor System (SCAN) on RW 4L/22R	1,000	-	-	1,000	-	-	900	100	-	-	-
21	West Cargo Taxiway - Phase 1	5,609	-	-	5,609	-	-	5,609	-	-	-	-
22	Reconstruct Taxiway "Z"	4,523	1,131	3,392	-	-	-	2,000	2,523	-	-	-
23	Reconstruct Balance of Taxiway "W"	25,350	6,337	19,013	-	-	-	-	750	12,000	12,600	-
24	Runway 4L/22R High Speed Taxiways	11,058	11,058	-	-	-	-	-	1,000	10,058	-	-
25	Reconstruct Southern Portion of RW 3L/21R	33,000	8,250	24,750	-	-	-	-	2,000	26,000	5,000	-

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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE
26	Runway 21R Extension (1,500') and Land Acquisition	46,743	35,057	11,686	-	-	-	-	-	15,581	15,581	15,581
27	Reconstruct Taxiway "SS"	2,178	544	1,634	-	-	-	-	-	478	1,700	-
28	Reconstruct Taxiway "K" - Phase 2	8,504	2,126	6,378	-	-	-	-	-	680	7,824	-
29	Reconstruct Taxiway "M"	3,779	945	2,834	-	-	-	-	-	302	3,477	-
30	Reconstruct Taxiway "M3, M4, M5"	3,063	766	2,297	-	-	-	-	-	563	2,500	-
31	Runway 9R/27L High Speed Taxiway	3,369	3,369	-	-	-	-	-	-	800	2,569	-
32	Reconstruct Taxiway "V" - Phase 2	14,688	3,672	11,016	-	-	-	-	-	2,200	12,488	-
33	Reconstruct Taxiway "Z" - Phase 2	1,926	481	1,445	-	-	-	-	-	-	425	1,501
34	Reconstruct Taxiway "F" - Phase 2	6,954	1,738	5,216	-	-	-	-	-	-	1,254	5,700
35	Reconstruct Taxiway "M" - Phase 2	24,398	6,099	18,299	-	-	-	-	-	-	5,314	19,084
36	Taxiway "PP" Extension	16,884	12,663	4,221	-	-	-	-	-	-	900	15,984
37	Reconstruct Taxiway "S" & "S4"	6,593	1,648	4,945	-	-	-	-	-	-	-	6,593
38	Reconstruct Taxiway "PP2"	2,063	516	1,547	-	-	-	-	-	-	-	2,063
39	Runway 3L Perimeter Taxiways	24,506	18,380	6,126	-	-	-	-	-	-	-	24,506
40	West Cargo Taxiway - Phase 2	6,440	-	6,440	-	-	-	-	-	-	-	6,440
41	Reconstruct Taxiway "H" - Phase 2	3,255	814	2,441	-	-	-	-	-	-	-	3,255
42	Runway 3L/21R Centralized Deicing Pad Expansion (Phase 1)	20,425	15,319	5,106	-	-	-	-	-	-	-	20,425
43	Runway 4R/22L Centralized Deicing Pad Expansion (Phase 1)	34,750	26,062	8,688	-	-	-	-	-	-	-	34,750
44	Reconstruct RW 9R/27L & TW "T"	100,000	25,000	75,000	-	-	-	-	-	-	-	100,000
Subtotal, Airfield Improvements		\$ 583,265	\$ 245,925	\$ 321,209	\$ 16,131	\$ 62,895	\$ 41,029	\$ 42,572	\$ 28,540	\$ 78,515	\$ 61,344	\$ 268,370

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			BONDS	AIP GRANT				FY 2009	FY 2010	FY 2011	FY2012	FY2013	
Terminal Projects													
45	North Terminal Redevelopment	\$ 456,100	\$ 448,317	\$ 5,100	\$ 2,683	\$ 400,615	\$ 54,885	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -
46	McNamara Terminal - Phase II	175,000	175,000	-	-	173,235	1,273	492	-	-	-	-	-
47	McNamara Terminal - In-line Explosive Detection	60,000	39,000	-	21,000	49,520	7,490	2,990	-	-	-	-	-
48	DANTEC Capital Acquisitions	1,767	-	-	1,767	1,267	500	-	-	-	-	-	-
49	DANTEC Start-up Costs	1,412	-	-	1,412	995	417	-	-	-	-	-	-
50	Digital Info Displays at North Terminal	600	-	-	600	100	500	-	-	-	-	-	-
51	Demolition of Berry Terminal	7,000	1,750	5,250	-	-	250	6,750	-	-	-	-	-
52	Demolition of Smith Terminal and Concourses	7,000	1,750	5,250	-	-	-	1,000	4,000	2,000	-	-	-
53	Relocated Executive Terminal	19,723	-	-	19,723	-	-	-	-	-	-	986	18,737
54	McNamara Concourses B & C Expansion (10 Gates)	179,792	179,792	-	-	-	-	-	-	-	-	-	179,792
55	North Terminal Expansion (5 Gates)	119,856	119,856	-	-	-	-	-	-	-	-	-	119,856
Subtotal, Terminal Projects		\$ 1,028,250	\$ 965,465	\$ 15,600	\$ 47,185	\$ 625,732	\$ 65,315	\$ 11,832	\$ 4,000	\$ 2,986	\$ 18,737	\$ 299,648	
Noise Mitigation Projects													
56	Residential Sound Insulation Program	\$ 82,714	27,924	54,790	-	\$ 82,638	\$ 76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
57	Part 150 Study Update	1,700	386	1,314	-	1,632	68	-	-	-	-	-	-
58	Runway Approach Zone Land Acquisition	2,000	-	-	2,000	472	1,528	-	-	-	-	-	-
59	Ground Run-up Enclosure	5,000	-	4,000	1,000	-	800	4,200	-	-	-	-	-
Subtotal, Noise Mitigation Projects		\$ 91,414	\$ 28,310	\$ 60,104	\$ 3,000	\$ 84,742	\$ 2,472	\$ 4,200	\$ -	\$ -	\$ -	\$ -	\$ -

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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FUTURE
Parking Projects												
60	Automated Parking Revenue Mgmt System	\$ 6,779	\$ 5,100	\$ -	\$ 1,679	\$ 5,084	\$ 1,695	\$ -	\$ -	\$ -	\$ -	\$ -
61	North Terminal Grd Trnsp Ctr and Blue Deck Expansion	31,113	24,500	-	6,613	24,028	7,085	-	-	-	-	-
62	South Cell Phone Lot	250	-	-	250	210	40	-	-	-	-	-
63	Blue Deck Restoration - Phase 1	4,283	4,283	-	-	3,536	747	-	-	-	-	-
64	Blue Deck Restoration - Phase 2	933	933	-	-	105	828	-	-	-	-	-
65	Blue Deck - Elevators and Walkways	1,200	-	-	1,200	800	400	-	-	-	-	-
66	Replace Blue Deck Signage	500	-	-	500	500	-	-	-	-	-	-
67	Replace Revolving Doors at McNamara Grnd Trnsp Ctr	80	-	-	80	-	80	-	-	-	-	-
68	McNamara Parking Deck Rehabilitation	4,000	4,000	-	-	-	2,000	2,000	-	-	-	-
69	Reconstruct Yellow Lot	1,500	1,500	-	-	-	100	1,400	-	-	-	-
70	South Public Parking (4,000 Spaces)	23,507	23,507	-	-	-	-	2,351	21,156	-	-	-
71	Blue Deck Parking Expansion (4,000 Spaces)	138,054	138,054	-	-	-	-	-	20,708	45,558	71,788	-
72	North Employee Parking (2,500 Spaces)	13,230	13,230	-	-	-	-	-	-	-	13,230	-
73	North Public Parking (2,500 Spaces)	15,190	15,190	-	-	-	-	-	-	-	-	15,190
Subtotal, Parking Projects		\$ 240,619	\$ 230,297	\$ -	\$ 10,322	\$ 33,763	\$ 13,475	\$ 3,400	\$ 2,351	\$ 41,864	\$ 45,558	\$ 100,208
Road Projects												
74	Intelligent Transportation System - Phase 1	\$ 5,102	\$ -	\$ -	\$ 5,102	\$ 537	\$ 3,600	\$ 965	\$ -	\$ -	\$ -	\$ -
75	Rogell Road Improvements	1,224	250	-	974	1,206	18	-	-	-	-	-
76	Lower Rogell Improvements - South Area	190	-	-	190	100	90	-	-	-	-	-
77	Replace Primary Roadway Signage	600	600	-	-	450	150	-	-	-	-	-
78	Landscape Enhancement - Phase 5	120	-	-	120	96	24	-	-	-	-	-
79	Rehabilitate Airport Service Drives	5,000	5,000	-	-	-	500	2,000	2,500	-	-	-
80	Modify Berry Terminal Roadways	825	825	-	-	-	210	615	-	-	-	-

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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE		
81	Roadway Bridge Repairs - Design Only	355	-	-	355	-	-	-	-	-	-	-	-	-
82	Evaluate South Access Road Exhaust Fans	150	-	-	150	-	-	-	-	-	-	-	-	-
83	South Access Road N. Tunnel Drainage Repair	150	-	-	150	-	-	-	-	-	-	-	-	-
84	Rogell Drive-Dingell Drive Connector	3,500	1,750	-	1,750	-	-	-	-	500	3,000	-	-	-
85	Intelligent Transportation System - Phase 2	3,019	1,509	-	1,510	-	-	-	-	-	-	-	-	3,019
	Subtotal, Road Projects	\$ 20,235	\$ 9,934	\$ -	\$ 10,301	\$ 2,389	\$ 5,247	\$ 3,580	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,019	\$ -	\$ -
	Support Facilities													
86	Site Development for Public Safety Training Facility	542	\$ -	\$ -	542	400	142	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
87	Pistol Range at Training Facility	2,500	1,061	-	1,439	2,000	500	-	-	-	-	-	-	-
88	Relocate County Equipment - Training Facility	1,667	969	-	-	1,000	667	-	-	-	-	-	-	-
89	Airport Administration Building	35,000	25,000	-	10,000	200	2,000	17,000	15,800	-	-	-	-	-
90	NT Ground Service Equipment Fuel Rack	1,968	-	-	1,968	1,000	968	-	-	-	-	-	-	-
91	Rehabilitate Triturator #527	750	750	-	-	500	250	-	-	-	-	-	-	-
92	Relocate Security Badging Office	950	-	-	950	50	900	-	-	-	-	-	-	-
93	Central Inventory Room in Building 703 & Equipment	90	-	-	90	80	10	-	-	-	-	-	-	-
94	Vehicle Driving/Training Range	500	500	-	-	-	500	-	-	-	-	-	-	-
95	Relocate WCAA Offices from Smith Concourse A	300	-	-	300	-	300	-	-	-	-	-	-	-
96	Install Rooftop HVAC Unit - Inventory Room Building 703	18	-	-	18	-	18	-	-	-	-	-	-	-
97	Explosive Storage Magazine for Public Safety Training Fac.	18	-	-	18	-	18	-	-	-	-	-	-	-
98	Air Cargo Development - Phase 1	10,000	-	-	10,000	-	-	10,000	-	-	-	-	-	-
99	Consolidated Rental Car Facility	240,000	-	-	240,000	-	-	4,800	79,200	79,200	79,200	76,800	-	-
100	South Centralized Checkpoint & Culvert Bridge Improvements	5,861	2,930	-	2,931	-	-	5,861	-	-	-	-	-	-
101	North Centralized Checkpoint	2,364	1,182	-	1,182	-	-	2,364	-	-	-	-	-	-
102	Rifle Range	900	-	-	900	-	-	500	400	-	-	-	-	-

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			BONDS	AIP GRANT	DISCRET./ OTHER		FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE		
103	Building 278 Demolition	375	375	-	-	-	-	375	-	-	-	-	-	-
104	Building 358 Demolition	3,000	3,000	-	-	-	-	200	2,800	-	-	-	-	-
105	Dirty Snow Storage Area	392	392	-	-	-	-	-	392	-	-	-	-	-
106	Air Cargo Development - Phase 2	12,000	-	-	12,000	-	-	-	-	-	-	-	2,040	9,960
107	Perimeter Aircraft Rescue Fire Fighting Station #400	4,837	3,628	1,209	-	-	-	-	-	-	-	-	4,837	-
108	New Flight Kitchen	25,000	-	-	25,000	-	-	-	-	-	-	-	-	25,000
109	Fuel Farm Expansion	3,988	3,988	-	-	-	-	-	-	-	-	-	-	3,988
110	Airline Freight Facilities	6,451	4,838	1,613	-	-	-	-	-	-	-	-	-	6,451
Subtotal, Support Facilities		\$ 359,471	\$ 48,613	\$ 2,822	\$ 307,338	\$ 5,230	\$ 6,273	\$ 41,100	\$ 98,592	\$ 79,200	\$ 83,677	\$ 45,399	-	-
Utilities Projects														
111	De-icing Fluid Force Main to DWSD	\$ 12,500	\$ 3,125	\$ 9,375	\$ -	\$ 2,800	\$ 6,300	\$ 3,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
112	Utility Meter Replacement	200	-	200	-	67	133	-	-	-	-	-	-	-
113	New Purification System at Powerhouse	447	-	447	-	113	334	-	-	-	-	-	-	-
114	Electrical Meter Replacement	458	-	458	-	258	200	-	-	-	-	-	-	-
115	Replace Outfall Structure at Pond 4	1,200	1,200	-	-	-	200	1,000	-	-	-	-	-	-
116	Rebuild Rogell Sanitary Lift Station	250	-	250	-	-	250	-	-	-	-	-	-	-
117	North Powerhouse - Steam Plant Evaluation	84	-	84	-	-	84	-	-	-	-	-	-	-
118	Install Chilled Water BTU Metering Equipment	65	-	65	-	-	65	-	-	-	-	-	-	-
119	Primary Electrical Cable Study and Testing - Phase II	60	-	60	-	-	60	-	-	-	-	-	-	-
120	New Storm Water Detention Pond	6,177	5,256	921	-	-	-	6,177	-	-	-	-	-	-
Subtotal, Utilities Projects		\$ 21,441	\$ 9,581	\$ 10,296	\$ 1,564	\$ 3,238	\$ 7,626	\$ 10,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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		BONDS	AIP GRANT	DISCRET./ OTHER	FY 2009	FY 2010		FY 2011	FY 2012	FY 2013	FUTURE		
121	Other Projects Airport Layout Plan - 2004 Update	\$ 310	\$ -	\$ -	\$ 310	\$ 306	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
122	Update Master Plan	2,626	438	1,313	875	2,576	50	-	-	-	-	-	-
123	Automated Vehicle Identification System	2,000	1,000	-	1,000	-	1,500	500	-	-	-	-	-
124	Extend Satellite TV from McNamara to North Terminal	150	-	-	150	125	25	-	-	-	-	-	-
125	Payroll Time and Attendance Software	633	-	-	633	190	443	-	-	-	-	-	-
126	Bio-Fuel Converter Filtering Equipment and Installation	100	-	-	100	90	10	-	-	-	-	-	-
127	Utility Upgrades for Metro Pointe Development	900	-	-	900	-	900	-	-	-	-	-	-
128	Replace Roofs on 3 Buildings	693	-	-	693	-	693	-	-	-	-	-	-
129	Fuel Management System	325	-	-	325	-	325	-	-	-	-	-	-
130	Develop Pet Boarding Facility	300	-	-	300	-	300	-	-	-	-	-	-
131	Consolidated Rental Car Facility Study & Env Processing	200	-	-	200	-	100	100	-	-	-	-	-
132	ARFF Rapid Intervention Vehicle	140	-	-	140	-	140	-	-	-	-	-	-
133	Demolition Related to Airport Gas Station	125	-	-	125	-	125	-	-	-	-	-	-
134	China Cargo/Logistics Development Feasibility Study	90	-	-	90	-	90	-	-	-	-	-	-
135	Replace Police Body Armor	25	-	-	25	-	25	-	-	-	-	-	-
Subtotal, Other Projects		\$ 8,617	\$ 1,438	\$ 1,313	\$ 5,866	\$ 3,287	\$ 4,730	\$ 600	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total		\$ 2,353,312	\$ 1,539,563	\$ 411,344	\$ 401,707	\$ 821,276	\$ 1,466,167	\$ 117,861	\$ 136,483	\$ 205,565	\$ 212,335	\$ 713,625	\$ -

Capital Improvement Program – Project Descriptions

Plan Item Number	Project Title	Project Description
1	Reconstruct RW 3R/21L, RSA, and South End of Taxiway "W"	This project will implement the reconstruction of Runway 3R/21L and approximately 2,400 linear feet of the south end of Taxiway "W". This project includes improvements of the associated airfield signs and electrical systems, reconstruction of the asphalt shoulders, and extension of the blast pads on each end of the runway.
2	Reconstruct Apron East of Taxiway "K"	This project consists of the replacement of portions of the existing pavement sections and the associated airfield storm drainage system that are beyond the end of their useful life and require frequent repair and maintenance. This work will be coordinated with the North Terminal Apron project and the Taxiway "K" - Phase 1 project to minimize operational impacts.
3	Reconstruct Taxiway "K" - Phase 1	This project consists of the design and construction efforts necessary to address the deteriorated Taxiway "K" pavement, including new electrical circuits, taxiway lighting, and associated storm water systems. The project will include pavement from north of taxiway connector K-1 to the north side of taxiway connector K-16, and will include taxiway connectors K-12 and K-16.
4	Grade and Pave Taxiway "K" Islands	This project includes improving the drainage capabilities of four Taxiway "K" islands located between Taxiway "K" and Taxiway "Y".
5	Retrofit Taxiway Lighting	This project involves the upgrading of approximately 2,600 taxiway incandescent light fixtures with energy efficient LED fixtures.
6	Airfield Lighting Control and Monitoring System	This project involves upgrading 67 constant current regulator (CCR) devices with new controllers, components, cabling, and power supplies, as well as new communications and touch screen at the FAA Control Tower Cab.
7	Reconstruct RW 9L/27R - Design Only	This project consists of the design efforts necessary to address the deteriorated pavement of crosswind Runway 9L/27R, and associated systems. The reconstruction project will include the area west of Runway 4R/22L; the area between Taxiway "Y" and the South Access Road-North Tunnel Bridge; and the area between Taxiway "M" and the end of Runway 27R.
8	Reconstruct RW 9L/27R - Non-Design Only	This project consists of the construction efforts necessary to address the deteriorated pavement of crosswind Runway 9L/27R, and associated systems. The project will include the area west of Runway 4R/22L; the area between Taxiway "Y" and the South Access Road-North Tunnel Bridge; and the area between Taxiway "M" and the end of Runway 27R.

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9	Reconstruct Taxiway "V"	The project consists of design and construction efforts necessary to address the deteriorated Taxiway "V" pavement and associated systems. Taxiway "V" is located north of, and parallel to, Runway 9L/27R. This project will not include the intersection of Runway 4R/22L.
10	Reconstruct Taxiway "H"	This project will provide the design and construction efforts necessary to address the deteriorated concrete pavement of Taxiway "H" including taxiway connector H-2. Taxiway "H" is located north of Runway 9L/27R and south of the North Terminal.
11	Reconstruct Taxiway "F" (from TW "H" to RW 3L)	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "F" pavement and associated systems. Taxiway "F" is located southeast of Runway 9L/27R and north of the McNamara Terminal Complex. The project will include pavement west of Runway 3L/21R and south of Runway 9L/27R, not including the Taxiway "F" bridge which spans Dingell Drive.
12	Extend Taxiway "G"	This project will design and construct an extension to Taxiway "G" from Taxiway "F" to Runway 9L/27R, and will include associated systems.
13	Reconstruct RW 4R/22L - Design Only	This project consists of the design efforts necessary to address the deteriorated pavement of Runway 4R/22L and its connector taxiways, and associated systems.
14	Reconstruct Taxiway "Y-11"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "Y-11" pavement and associated systems. Taxiway "Y-11" is located east of Runway 4R/22L and north of Runway 9L/27R.
15	Reconstruct Taxiways "Y-16" and "Y-17"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "Y-16" and "Y-17" pavement and associated systems. Taxiway "Y-11" is located east of Runway 4R/22L and north of Runway 9L/27R.
16	Replace Obsolete Airfield Signage	This project consists of replacing discontinued trapezoidal airfield signs with signs that meet current airport sign standards.
17	Reconstruct RW 4R/22L - Non-Design Only	This project consists of the construction efforts necessary to address the deteriorated pavement of Runway 4R/22L and its connector taxiways, and associated systems

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18	Runway 3L/21R Planning	This project involves conducting a feasibility study of certain enhancements to Runway 3L/21R. This study will examine the operational benefit of improving the runway by evaluating alternatives for extending Runway 3L/21R; as well as the extending Taxiway "PP" from Taxiway "F" to Taxiway "P"; extending Taxiway "S" from Taxiway "F" to Taxiway "T"; and extending Taxiway "U" from Taxiway "M" to Runway 3L. The study will also examine improvements to centerline lighting, navigational aids of at least CAT I at both ends of the runway, drainage, lighting, shoulders, pavement markings, signs and blast pads. Construction of a hold pad northeast of Runway 21R will also be evaluated.
19	Environmental Processing for RW 3L/21R Extension	This project involves completing the necessary environmental study and related efforts required by the National Environmental Policy Act (NEPA) and related to the extension of RW 3L/21R.
20	Runway Surface Monitor System (SCAN) on RW 4L/22R	This project will install an "in-pavement" surface sensor system called "SCAN" on Runway 4L/22R. This system is currently in operation on Runway 9R/27L and provides real-time information on runway surface conditions during poor weather. These sensors measure pavement temperature and ice build-up, and forward the data to a monitoring panel at the Airport Operations Center.
21	West Cargo Taxiway - Phase 1	This project will design and construct the initial 1,590 linear feet of a 75 foot wide taxiway parallel to, and west of, Runway 4L/22R. The project includes all site work, pavement, lighting, signage and pavement markings.
22	Reconstruct Taxiway "Z"	This project consists of the design and construction efforts required for the rehabilitation of this taxiway north of Taxiway "V" to taxiway connector Z-14, including taxiway connectors Z-12 and Z-14.
23	Reconstruct Balance of Taxiway "W"	This project will complete the reconstruction Taxiway "W". This project will reconstruct of approximately 7,600 linear feet of northerly portion of Taxiway W. This project includes improvements of the associated airfield signs and electrical systems, and reconstruction of the pavement shoulders.
24	Runway 4L/22R High Speed Taxiways	This project consists of the design and construction efforts required to add two high speed exit taxiways (Miami Spiral or similar design) connecting Runway 4L/22R to the parallel Taxiway A from the approximate midpoint of the runway. The project includes all site work, pavement, lighting, signage and pavement markings.

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25	Reconstruct Southern Portion of RW 3L/21R	This project consists of the design and construction efforts necessary to address the deteriorated pavement of Runway 3L/21R south of Taxiway V and includes the portions of its connector taxiways, and associated systems.
26	Runway 21R Extension & Land Acquisition (1,500')	This project includes a 1,500 foot extension of Runway 21R and Taxiways M and P to the north. The runway extension is expected to be 200 feet wide, while the taxiways will be 75 feet wide. This project includes all site work, utilities, pavement, lighting, signage and pavement markings. The project also includes acquisition of approximately eight acres of land and relocation of two businesses to comply with federal guidelines for ownership of the Runway Protection Zone.
27	Reconstruct Taxiway "S5"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "S-5" pavement and associated systems. Taxiway "S-5" is located east of Runway 3R/21L.
28	Reconstruct Taxiway "K" - Phase 2	This project will provide the design and construction efforts necessary for the rehabilitation of Taxiway "K" from "Y-16" to its north end. Also included with this project is the deteriorated pavement of Taxiway "K" near Runway 9L/27R.
29	Reconstruct Taxiway "M"	This project will provide the design and construction efforts necessary to address the deteriorated concrete pavement between Runway 9L/27R and Taxiway "F".
30	Reconstruct Taxiway "M3, M4, M5"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiways "M-3", "M-4", "M-5" pavement and associated systems. These taxiway connectors are located west of Runway 3L/21R and north of Runway 9L/27R.
31	Runway 9R/27L High Speed Taxiway	This project includes the design and construction efforts necessary to add one high speed exit taxiway (Miami Spiral or similar design) connecting Runway 9R-27L to the parallel Taxiway T adjacent to Taxiway S. The project includes all site work, pavement, lighting, signage and pavement markings.
32	Reconstruct Taxiway "V" - Phase 2	This project will provide the design and construction efforts necessary for the rehabilitation of Taxiway "V" from Runway 3L/21R to its east end.
33	Reconstruct Taxiway "Z" - Phase 2	This project consists of the design and construction efforts required for the rehabilitation of this taxiway from taxiway connector Z-14 to its north end.
34	Reconstruct Taxiway "F" - Phase 2	This project consists of the design and construction efforts required for the rehabilitation of this taxiway from Runway 3L/21R to its east end.

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35	Reconstruct Taxiway "M" - Phase 2	This project will provide the design and construction efforts necessary to address the deteriorated concrete pavement south of Taxiway "F".
36	Taxiway "PP" Extension	This project consists of the design and construction efforts necessary to extend Taxiway "PP" by approximately 4,200 feet between Taxiway "F" and Taxiway P4. Taxiway "PP" will be 75 feet wide with standard taxiway shoulders. This project includes all site work, pavement, lighting, signage and pavement markings.
37	Reconstruct Taxiway "S" & "S4"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "S" and "S-4" pavement and associated systems. These taxiways are located east of Runway 3R/21L.
38	Reconstruct Taxiway "PP2"	This project will provide the design and construction efforts necessary to address the deteriorated Taxiway "PP2" pavement and associated systems. This taxiway is located west of Runway 3R/21L.
39	Runway 3L Perimeter Taxiways	This project includes the design and construction efforts necessary to provide approximately 4,400 feet of new 75 foot wide taxiways south of Runway 9R/27L connecting Taxiway "W" and "PP" to Taxiways "J" and "T." This project includes all site work, utilities, pavement, lighting, signage and markings. It also includes demolition of the existing employee parking lot as necessary to complete the project.
40	West Cargo Taxiway (Phase 2)	This project includes the design and construction efforts necessary to develop an additional 1,590 linear feet of a 75 foot wide taxiway parallel to, and west of, Runway 4L/22R. The project includes all site work, pavement, lighting, signage and pavement markings.
41	Reconstruct Taxiway "H" - Phase 2	This project will provide the design and construction efforts necessary to address the remaining deteriorated concrete pavement of Taxiway "H".
42	Runway 3L/21R Centralized Deicing Pad Expansion (Phase 1)	This project includes approximately 36,000 square yards of additional pavement adjacent to the existing deicing pad adjacent to Runway 3L/21R. The project includes all necessary facilities and equipment for de-icing operations, including underground piping and holding facilities, deicing towers and required storage tanks. This project represents an extension of the existing deicing pad by approximately 800 feet long by 400 feet wide.

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43	Runway 4R/22L Centralized Deicing Pad Expansion (Phase 1)	This project includes all design and construction efforts necessary for redeveloping approximately 120,000 square yards of existing apron east of the current Runway 22L deicing pad to serve as an expanded deicing facility. This project includes all necessary facilities and equipment for deicing operations, including underground piping and holding facilities, and glycol storage tanks. The project includes site work and pavement rehabilitation to implement the proper grades and incorporate the appropriate drainage and spent deicing fluid storage and reclamation capability. A deicing operations building is contemplated as well as all necessary painting, lighting, marking, and signage for the deicing pad and vehicle storage and queuing areas.
44	Reconstruct RW 9R/27L & TW "T"	This project consists of the necessary design and construction efforts necessary to reconstruct crosswind Runway 9R/27L and Taxiway "T" and associated systems.
45	North Terminal Redevelopment	This project consists of the design and construction efforts necessary to provide a new North Terminal to support the operations of certain non-hubbing airlines at DTW. The new terminal will have up to 29 narrow body equivalent gates and approximately 610,000 square feet of terminal space.
46	McNamara Terminal - Phase II	This project expands the McNamara Terminal to accommodate 22 additional gates in Concourses "B" & "C", including necessary modifications to the apron area, additional baggage handling capacity, and additional loading bridges.
47	McNamara Terminal In-line Explosive Detection	This project will design and construct a centralized luggage screening facility at the McNamara Terminal to house additional Explosive Detection Systems, Explosive Trace Detection devices and associated facilities to support Transportation Security Administration luggage screening operations.
48	DANTEc Capital Acquisitions	This project will acquire various large pieces of equipment that will be used to maintain the new terminal, and fit-up the office area for the personnel needed to manage the new North Terminal.
49	DANTEc Start-up Costs	This project will allow the North Terminal Airlines Consortium to establish operations before the opening of the new North Terminal.
50	Digital Info Displays at North Terminal	This project will provide monitors and associated hardware for the digital information and marketing display system at the new North Terminal
51	Demolition of Berry Terminal	This project consists of the design and construction efforts necessary to demolish the Berry Terminal, along with necessary environmental remediation. The demolition will occur after the new North Terminal is completed.

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52	Demolition of Smith Terminal and Concourses	This project consists of the design and construction efforts necessary to demolish the L. C. Smith Terminal and Concourses A, B, and C; along with necessary environmental remediation. The Airlines operating out of the L. C. Smith Terminal will relocate to the new North Terminal.
53	Relocated Executive Terminal	This project consists of the relocation of the historically significant Executive Terminal from its current location to the current location of Building #358 on Middlebelt Road. This includes constructing a new 4,000 square foot facility, approximately 30,000 square foot of apron, and a taxiway connecting the apron with the adjacent airfield. This project includes all site work, utilities, landscaping and roadway access. The project also includes physically relocating the existing facility to a new location.
54	McNamara Concourses B & C Expansion (10 Gates)	This project involves a 10 gate expansion of the McNamara Terminal, including hold rooms, operations space and all necessary public space and mechanical systems. The project includes an aircraft apron, underground fueling system, jet bridges, fixtures, furniture, and equipment, and all site work, pavement, lighting, signage and pavement markings.
55	North Terminal Expansion (5 Gates)	This project involves a five gate expansion of the North Terminal, including hold rooms, operations space and all necessary public space and mechanical systems. The project includes aircraft apron, underground fueling system, jet bridges, fixtures, furniture, and equipment and all site work, pavement, lighting, signage and pavement markings
56	Residential Sound Insulation Program	This project consists of the design and installation efforts necessary to sound insulate homes identified by the Airport's Noise Compatibility Study.
57	Part 150 Study Update	The Part 150 Study evaluates the current and anticipated future levels of aircraft noise. The Noise exposure maps which will depict the areas affected by aircraft-generated noise will be updated. The study will contain recommendations of appropriate noise mitigation measures.
58	Runway Approach Zone Land Acquisition	This project involves voluntary acquisition of residential structures within the approach zone for each of the crosswind runways.
59	Ground Run-up Enclosure	This project consists of the design and construction of a Ground Run-Up Enclosure (GRE), sometimes referred to as a "Hush House". This structure uses acoustical dampening principles to reduce the noise impacts of aircraft engine ground run-ups. Aircraft engine ground run-ups are routine aircraft engine maintenance tests which require the operation of an engine at high power for extended periods of time generating continuous elevated noise levels.

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60	Automated Parking Revenue Management System	This project will design and install a system which allows customers to pay their parking fee by credit card using automated equipment, when exiting any on-airport public parking lot or deck. Customers using the dedicated credit card exit lane will be able to exit more quickly, resulting in less queuing and delays when exiting.
61	North Terminal Ground Transportation Center and Blue Deck Expansion	A new Ground Transportation Center will be constructed east of the new North Terminal, at the end of the pedestrian bridge to the existing Blue Deck. From it, passengers will be able to access the Blue Deck, as well as all commercial vehicles that will be servicing the North Terminal (car rental & hotel shuttles, on and off site parking shuttles, taxis, luxury sedans, etc.). The Blue Deck Expansion is a parking garage expansion that will be located in the vacant "notch" on the west side of the existing Blue Parking Deck. The expansion will directly interface with the new Ground Transportation Center.
62	South Cell Phone Lot	The design and construction of an asphalt "cell phone" parking lot will be accomplished through this project. The South Cell Phone Lot will be located at the southwest corner of Eureka and Wayne Road.
63	Blue Deck Restoration - Group 1	This project consists of concrete and structural repairs and installation of concrete deck coating on the roof levels.
64	Blue Deck Restoration - Group 2	This project consists of architectural, fire suppression, and electrical work necessary to comply with life/safety standards and to replace deteriorated systems.
65	Blue Deck - Elevators and Walkways	This project will improve and upgrade the two elevators on the east side of the Blue Deck, and improve the single elevator located immediately south of the notch in the Blue Deck. The scope also includes upgrades to the existing eight moving walkways, the elevator equipment rooms, and the addition of up to two new elevators in existing vacant shafts at the Blue Deck.
66	Replace Blue Deck Signage	This project will complete modifications of signage in the Blue Parking Deck to improve wayfinding and vehicle location referencing.
67	Replace Revolving Doors at McNamara Ground Transportation Center	This project will involve removing and replacing the revolving doors at the McNamara Parking Deck level 4 Ground Transportation Center. The existing doors are incompatible with the current conditions involving a high level of vibration from heavy bus traffic.
68	McNamara Parking Deck Rehabilitation	This project includes replacement of expansion joints at the roadway, upgrade of the HVAC system in the Ground Transportation Center, and correction of the storm and sanitary plumbing systems in the McNamara Parking Deck.

Plan Item Number	Project Title	Project Description
69	Reconstruct Yellow Lot	This project consists of the complete reconstruction and expansion of the existing surface parking lot located at the intersection of Rogell and Burton Drives.
70	South Public Parking (4,000 Spaces)	This project consists of a new 4,000 space public surface parking lot, entrance and exit plaza, management building, and all necessary site work, utilities, landscaping, signage and lighting. The lot is located to the south of Eureka Road and is contemplated to serve those passengers entering the airport from the south that prefer an economy parking option.
71	Blue Deck Parking Expansion (4,000 Spaces)	This project consists of expanding the Blue Deck Parking Structure with a six story addition that will provide an additional 4,000 spaces. The project will include all ingress and egress roads, an exit plaza, and connection to the existing structure as well as all site work, utilities, landscaping and vertical and horizontal circulation.
72	North Employee Parking (2,500 Spaces)	This project consists of developing a 2,500 space surface employee parking lot north of I-94 adjacent to Smith Road between Middlebelt and Merriman Roads. This project includes the parking lot, entrance and exit plaza with access control, connection to Vining Road and/or Eureka Roads, and all necessary site work, utilities, marking, lighting and signage, and bus stop vestibules.
73	North Public Parking (2,500 Spaces)	This project consists of a new 2,500 space public surface parking lot, entrance and exit plaza, management building, and all necessary site work, utilities, landscaping, signage and lighting.
74	Intelligent Transportation System - Phase 1	This project consists of the design and installation of an Intelligent Transportation System (ITS) on Airport roadways. This vehicular traffic control system includes changeable message signs, lane control signs, traffic light control as well as the necessary infrastructure, Closed Circuit Television cameras, communication and control equipment.
75	Rogell Road Improvements	This project will mill and cap asphalt pavement on southbound Rogell Drive from the Blue Parking Deck to the Smith Terminal Building.
76	Lower Rogell Improvements - South Area	The project consists of design and construction efforts necessary to widen the south area of Rogell Drive required to facilitate efficient passenger traffic movement through the former Smith Terminal Ground Transportation Center.
77	Replace Primary Roadway Signage	This project consists of the analysis, design and installation of a new roadway signage package to provide proper traffic circulation direction for the new North Terminal Complex. This project's completion must be coordinated to coincide with the opening of the new North Terminal Complex.

Plan Item Number	Project Title	Project Description
78	Landscape Enhancement - Phase 5	This project consists of landscape and irrigation system improvements to the area of Rogell Drive between Burton Drive and I-94.
79	Rehabilitate Airport Service Drives	This project will provide the design and construction efforts necessary to address portions of the deteriorated concrete and asphalt roadway pavement on Rogell Drive, the East Service Drive, the West Service Drive and Burton Drive.
80	Modify Berry Terminal Roadways	This project consists of the design and construction efforts necessary to modify and improve the roads near the Berry Terminal.
81	Roadway Bridge Repairs - Design Only	This project covers the design of corrective action repairs needed for four roadways bridges.
82	Evaluate South Access Road Exhaust Fans	This project will evaluate and specify any corrective actions needed to ensure that the South Access Road Exhaust Fans are functioning properly.
83	South Access Road North Tunnel Drainage Repair	This project will restore the Uninterruptible Power Supply system and electrical switch gear to a fully operational and reliable condition.
84	Rogell Drive-Dingell Drive Connector	This project consists of the design and construction of a vehicular access ramp from northbound Rogell to southbound Dingell Drive.
85	Intelligent Transportation System - Phase 2	This project will expand the Intelligent Transportation System (ITS) capabilities beyond that which was deployed in Phase 1. It will include: 1) Advanced Traffic Management System (ATMS) software installation/upgrade. 2) Parking Management System which links information regarding the availability of parking to be provided to airport patrons upon entering the airport. 3) Automated Vehicle Identification (AVI) system which monitors activities, alleviates curb-side congestion and if desired, collects trip fees for all commercial ground transportation vehicles doing business at the Airport. 4) Integration with MDOT, the Wayne County Roads and the Emergency Management/Public Safety systems.
86	Site Development for Public Safety Training Facility	This project consists of the design and construction of all underground site and civil improvements associated with the development of the Public Safety Training Facility to be located on the Airfield Operations Area, west of Fire Station #3. The facility will include the pistol range building, a live fire house, a rappelling tower and an obstacle course.
87	Pistol Range at Training Facility	This project consists of the design and construction of a Pistol Range at the Public Safety Training Facility on the Airfield Operations Area west of Fire Station #3.
88	Relocate County Equipment - Training Facility	This project consists of the design and construction of a rappelling tower, a live fire house, and an obstacle course at the Public Safety Training Facility on the Airfield Operations Area, west of Fire Station #3.

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89	Airport Administration Building	This project consists of the design and construction of a new Airport Central Administrative Building to house most Airport Authority personnel.
90	NT Ground Service Equipment Fuel Rack	This project will provide a fueling location for E85, unleaded, and diesel fuel for the airline's ground service equipment at the new North Terminal.
91	Rehabilitate Triturator #527	This project will rehabilitate the triturator facility at the north end of the airfield to bring it back to operating condition to meet the needs of the North Terminal airlines.
92	Relocate Security Badging Office	The project consists of design and construction efforts necessary to construct the airport's security badging office in an area above the Federal Inspection Services (FIS) area of North Terminal.
93	Central Inventory Room in Building 703 & Equipment	This project will construct a secure fenced central inventory area in Building 703.
94	Vehicle Driving/Training Range	The project consists of design and construction efforts necessary to construct a Vehicle Driving/Training range that will be used for training of drivers of rescue and police vehicles.
95	Relocate WCAA Offices from Smith Concourse A	This project will relocate the WCAA departmental offices currently located in lower Concourse A to a more centralized location in the Smith Terminal.
96	Install Rooftop HVAC Unit - Inventory Room Building 703	This project will install a rooftop heating and ventilating unit to service the new central inventory area in Building 703.
97	Explosive Storage Magazine for Public Safety Training Fac.	This project will supply a new explosive storage magazine for the new Public Safety Training Facility complex.
98	Air Cargo Development (Phase 1)	This project will complete the initial development of one or more cargo buildings with truck dock, parking lot, landscaping, and access to Vining Road, adjacent aircraft apron and all necessary site work, utilities, landscaping and security fencing.
99	Consolidated Rental Car Facility (CONRAC)	This project represents an 80 acre consolidated rental car facility that includes 25 acres for ready/return parking spaces, two acres for a customer service building, 43 acres of rental car service areas, and the remaining ten acres for landscaping and service roads/site access.

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100	South Centralized Checkpoint and Culvert Bridge Improvements	This project includes an approximately four acre site with a roadway, vehicle queuing area, guard booth, and a screening checkpoint to facilitate screening all employees and deliveries into the Airport. It is expected that the TSA will provide all necessary equipment for the physical screening operation. This project is envisioned to include an access road, a paved queuing area, an open air canopied structure with a small building for employees (break room, restrooms, etc.), all site work and necessary utilities as well as security fencing. Because of its location, this project also includes a bridge over the adjacent culverts and roadway improvements between the security checkpoint and the new bridge to support the anticipated traffic.
101	North Centralized Checkpoint	This project includes an approximately four acre site with a roadway, vehicle queuing area, guard booth, and a screening checkpoint to facilitate screening all employees and deliveries into the Airport. It is expected that the TSA will provide all necessary equipment for the physical screening operation. This project is envisioned to include an access road, a paved queuing area, an open air canopied structure with a small building for employees (break room, restrooms, etc.), all site work and necessary utilities as well as security fencing.
102	Rifle Range	This project consists of the design and construction of a rifle range and the site is to be determined.
103	Building 278 Demolition	This project consists of the demolition of Building 278, which is the old Wayne Major Airport Hangar on Lucas Drive, any necessary environmental remediation, and the restoration of the existing pavement.
104	Building 358 Demolition	This project consists of design and construction necessary to demolish Building 358, the Airport Public Safety Facility on Middlebelt Road, along with all the necessary environmental remediation.
105	Dirty Snow Storage Area	This project consists of clearing an area within the current Green Lot parking lot for the storage of contaminated or "dirty" snow. The project anticipates modifying the perimeter fencing to allow trucks transporting the contaminated snow direct access from the airfield via the existing airport service roads and includes any modification to the drainage system necessary to comply with the Airports storm water management plan and NPDES permit.
106	Air Cargo Development (Phase 2)	This project involves development of one or more cargo buildings with truck dock, parking lot, landscaping, and access to Vining Road, adjacent aircraft apron and all necessary site work, utilities, landscaping and security fencing.

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107	Perimeter Aircraft Rescue Fire Fighting (ARFF) Station #400	This project represents the development of a new 8,800 square foot aircraft rescue and fire fighting station, including landside and airside roadways, a 10 space parking lot, new fire fighting equipment and all necessary site work, utilities, roadway improvements, landscaping and security fencing.
108	New Flight Kitchen	This project represents an 180,000-square-foot facility directly south of the McNamara Terminal with adjacent vehicle parking and loading dock. The project includes all necessary site work, utilities, roadway improvements, landscaping and security fencing.
109	Fuel Farm Expansion	This project includes one additional 60,000 gallon fuel storage tank, as well as all necessary pavement, spillage berms, and equipment and controls needed to connect to the exiting fuel delivery, storage and distribution facilities. The project also includes all necessary site work, utilities, landscaping and security fencing.
110	Airline Freight Facilities	This project involved expansion of the exiting airline freight facilities by an additional 40,000 square feet of building with an access road, auto parking, truck dock, AOA access, and all necessary site work, utilities, landscaping and security fencing.
111	De-icing Fluid Force Main to DWSD	This project will design and construct approximately six miles of a 10-inch force main which will connect the Airport's de-icing storage pond to an identified interceptor leading to the Detroit Water and Sewer Department (DWSD). This system will include all manholes, pump stations, valves, cleanouts and associated equipment.
112	Utility Meter Replacement	This project will replace defective, inoperative, or missing utility meters (water, gas, or electric).
113	New Purification System at Powerhouse	This project will install a new 24-gallon per minute water purification system at the North Powerhouse for the boiler feed water system. The new replacement equipment includes a Reverse Osmosis system, tanks, pumps, filters, system control panel, and necessary piping, valving, and system controls for system operation.
114	Electrical Meter Replacement	This project will replace 62 electric meters in the north Powerhouse and Airfield Lighting Vaults 1 and 2, including modifications to cabinet panels and meter wiring, and replacement of power transformers and current transformers as necessary. The new meters will allow for future connectivity to a site energy management and automated metering/billing system.
115	Replace Outfall Structure at Pond 4	This project consists of the design and construction of a replacement storm system outfall structure at Pond 4.

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116	Rebuild Rogell Sanitary Lift Station	This project will replace the pump system of this critical Lift Station, which services many facilities on the north section of the Airport, including the new North Terminal.
117	North Powerhouse - Steam Plant Evaluation	This project will evaluate the conditions of the major components of the North Powerhouse, which consists of four boilers and four chillers. An evaluation of current demand load will also be done, along with providing recommendations for modifications required.
118	Install Chilled Water BTU Metering Equipment	This project will add BTU metering equipment to the chilled water system in the North Powerhouse.
119	Primary Electrical Cable Study and Testing - Phase II	This project will complete the primary electrical cable study and testing of the high voltage electrical distribution system that the Authority owns and operates. The initial phase of this project was completed in FY2008.
120	New Storm Water Detention Pond	This project includes a new storm water detention pond designed to accommodate all of the new impervious area developed as part of the fifth parallel runway and taxiways. The project contemplates all necessary drainage systems, outfall structures, pump stations, piping, berms, site work, utilities, security fencing and landscaping.
121	Airport Layout Plan - 2004 Update	This project consists of the research and development necessary to update the Airport Layout Plan to comply with the Federal Aviation Administration's (FAA's) Circular 5100.
122	Update Master Plan	This project will develop a new Master Plan for the Airport, which will address improvements needed over the next 20 years. It will address future capacity requirements by evaluating current and future traffic forecasts.
123	Automated Vehicle Identification System	This project includes the design and installation of an automatic commercial vehicle tracking system to monitor and document commercial vehicle utilization of the Airport's roadway system. This allows WCAA to more accurately charge commercial vehicles for using the Airport's roadways.
124	Extend Satellite TV from McNamara to North Terminal	This project will provide satellite TV services for the new North Terminal, by extending the system currently in place at the McNamara Terminal.
125	Payroll Time and Attendance Software	This project includes acquisition of hardware and software and implementation and maintenance support services for a payroll time collection system.
126	Bio-Fuel Converter Filtering Equipment and Installation	This project will install the equipment necessary to convert waste restaurant oil to fuel, which will be used in specially modified vehicles used by the North Terminal Dockmaster.

Plan Item Number	Project Title	Project Description
127	Utility Upgrades for Metro Pointe Development	This project will install utility upgrades to support the new concession being implemented at the intersection of Rogell and Burton Drives. Upgrades include electrical feeder, duct bank, water main extension, and related utility work.
128	Replace Roofs on 3 Buildings	This project will replace the roofs on ARFF Station #100, the Electrical Vault room of the South Access Road Tunnel, and on a portion of the Spirit Hangar.
129	Fuel Management System	This project will install a Fuel Management system to monitor fuel usage by department, by vehicle, and by specific personnel. Various management reports will then be available using the Maximo system.
130	Develop Pet Boarding Facility	This project will involve designing and constructing a pet boarding facility on the airport grounds.
131	Consolidated Rental Car Facility Study & Environmental Processing	This study will include developing a process, strategy, and timeline; conceptual site planning; implementation; financial plan; and assistance with the selection of rental car companies in a new Consolidated Rental Car Facility.
132	ARFF Rapid Intervention Vehicle	The ARFF Rapid Intervention Vehicle being acquired will replace a Mini-pumper which has reached the end of its service life. The new vehicle will have the capability to pump fire-suppressant foam while the vehicle is moving.
133	Demolition Related to Airport Gas Station	This project involves the demolition of the current Gas Station Building, removal of fuel tanks and temporarily landscaping. This will prepare the space for new development.
134	China Cargo/Logistics Development Feasibility Study	This project consists of professional consulting services to assist in the development of cargo, logistics, and light warehousing activities for WCAA between the People's Republic of China and the United States.
135	Replace Police Body Armor	This project will provide new body armor for police officers, which will replace protective equipment which has reached its five-year warranty period.

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Westin Hotel

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

Budget (\$ in Thousands)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
Operating Revenues						
Rooms	\$ 15,560	\$ 17,330	\$ 17,483	\$ 18,200	\$ 717	4.1%
Food & Beverage	9,984	11,116	11,060	11,970	910	8.2%
Other Revenue	1,787	1,816	1,924	1,730	(194)	-10.1%
Total	\$ 27,331	\$ 30,262	\$ 30,467	\$ 31,900	\$ 1,433	4.7%
Operating Expenses						
Operating Expenses	\$ 16,329	\$ 18,000	\$ 18,306	\$ 18,700	\$ 394	2.2%
Total	\$ 16,329	\$ 18,000	\$ 18,306	\$ 18,700	\$ 394	2.2%
Operating Revenue	\$ 11,002	\$ 12,262	\$ 12,161	\$ 13,200	\$ 1,039	8.5%
Non-Operating Revenue						
Interest	\$ 527	\$ 495	\$ 360	\$ 420	\$ 60	16.7%
Total	\$ 527	\$ 495	\$ 360	\$ 420	\$ 60	16.7%
Non-Operating Expenses						
Management fees	\$ 2,023	\$ 2,077	\$ 2,184	\$ 2,200	\$ 16	0.7%
Insurance & Other	821	751	313	800	487	155.6%
Total	\$ 2,844	\$ 2,828	\$ 2,497	\$ 3,000	\$ 503	20.1%
Debt Obligations						
Construction Debt	\$ 5,878	\$ 5,882	\$ 6,230	\$ 6,441	\$ 211	3.4%
Initial FF&E	621	615	693	693	-	0.0%
Working Capital Loan	120	179	120	120	-	0.0%
Ongoing FF&E	926	1,060	1,523	1,539	16	1.1%
Cost Recovery Payment	400	407	424	420	(4)	-0.9%
Total	\$ 7,945	\$ 8,143	\$ 8,990	\$ 9,213	\$ 223	2.5%

Responsibilities

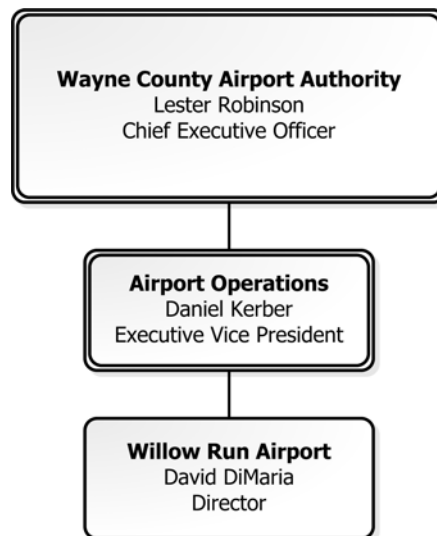
- Champion Authority's interest in the management of a financially and operationally successful hotel through maintenance of an effective working relationship with Starwood management
- Manage the flow of funds from the Hotel to pay operating costs, consulting costs, debt, and other hotel funding requirements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

Willow Run Airport

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

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

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



Willow Run Divisions

Administration

- Deliver Operations, Maintenance, and Public Safety services to ensure a safe and secure operation
- Manage the airport's business affairs, including finance, data collection, leases, procurement, billings, and receivables

- Participates in the development and implementation of Willow Run's Capital Improvement Program, including grant development, plan reviews, construction oversight, master plan updates, and environmental assessments
- Expand the marketing reach of airport facilities and services
- Address all FAA Part 139 Letter Of Correction (LOC) items to be completed by Willow Run Airport within FAA's required time frame

Public Safety

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

Operations/Security

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

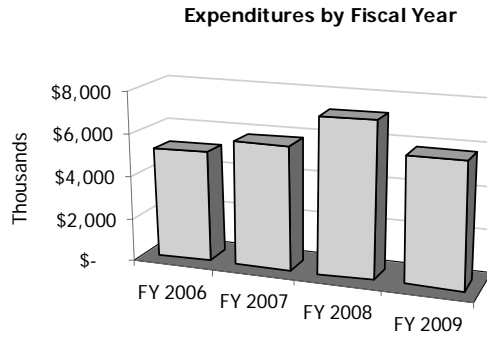
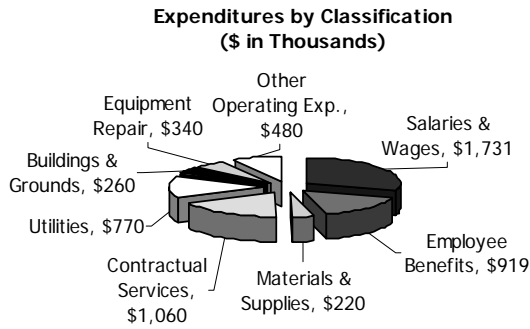
Maintenance

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

Department Budget & Position Count

(\$ in Thousands)

	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Actual	Actual	Budget	Budget	\$	%
AIRLINE REVENUE						
Landing Fees	\$ 576	\$ 772	\$ 1,000	\$ 660	\$ (340)	-34.0%
Rent	1,966	1,979	2,000	2,300	300	15.0%
Facility Use Fees	306	438	440	425	(15)	-3.4%
Total	\$ 2,848	\$ 3,190	\$ 3,440	\$ 3,385	\$ (55)	-1.6%
NON-AIRLINE REVENUE						
Charges For Services	\$ 418	\$ 708	\$ 800	\$ 555	\$ (245)	-30.6%
Utility Service Fees	108	172	220	114	(106)	-48.2%
Other Revenue	37	42	40	1	(39)	-97.5%
Rent	6	7	10	-	(10)	-100.0%
Ground Transportation	785	-	-	-	-	n/a
Total	\$ 1,354	\$ 929	\$ 1,070	\$ 670	\$ (400)	-37.4%
NON-OPERATING REVENUE						
Interest Income	\$ 9	\$ 10	\$ 20	\$ 5	\$ (15)	-75.0%
Grants	56	3	648	-	(648)	-100.0%
Total	\$ 65	\$ 13	\$ 668	\$ 5	\$ (663)	-99.3%
TOTAL REVENUE	\$ 4,267	\$ 4,131	\$ 5,178	\$ 4,060	\$ (1,118)	-21.6%
OPERATING EXPENSES						
Salaries & Wages	\$ 1,519	\$ 1,618	\$ 1,756	\$ 1,731	\$ (25)	-1.4%
Employee Benefits	748	902	908	919	11	1.2%
Materials & Supplies	114	134	246	220	(26)	-10.6%
Contractual Services	962	1,112	1,589	1,060	(529)	-33.3%
Insurance	10	25	10	20	10	100.0%
Utilities	1,212	1,428	1,380	770	(610)	-44.2%
Buildings & Grounds	300	240	367	260	(107)	-29.1%
Equipment Repair	53	98	372	340	(32)	-8.6%
Other Operating Exp.	252	239	615	480	(135)	-22.0%
Total	\$ 5,170	\$ 5,795	\$ 7,242	\$ 5,800	\$ (1,442)	-19.9%
NON-OPERATING EXPENSES						
Interest Expense	\$ 36	\$ 35	\$ 60	\$ 60	\$ -	0.0%
O&M Capital	33	833	689	20	(669)	-97.1%
From ADF	-	(536)	(2,463)	(1,470)	993	-40.3%
From Discretionary Fund	(350)	(350)	(350)	(350)	-	0.0%
Total	\$ (280)	\$ (18)	\$ (2,064)	\$ (1,740)	\$ 324	-15.7%
TOTAL EXPENSE	\$ 4,890	\$ 5,777	\$ 5,178	\$ 4,060	\$ (1,118)	-21.6%
CHANGE IN NET ASSETS	\$ (623)	\$ (1,645)	\$ -	\$ -	\$ -	n/a
POSITION COUNT						
	FY 2006	FY 2007	FY 2008	FY 2009	Budget Variance	
	Authorized	Authorized	Authorized	Authorized	#	%
Total	27	27	27	23	-4	-14.8%



Airport Demographic Data

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget
Airside				
Aircraft Operations	126,354	121,581	116,411	115,000
Airfield (Acres)				
Runways	127	127	127	127
Taxiways	22	22	22	22
Ramps/Aprons	91	91	91	91
Overall Airport	2,600	2,600	2,600	2,600
Runways				
Runway 5R - 23L	7,526 ft.	7,526 ft.	7,526 ft.	7,526 ft.
Runway 5L - 23R	6,655 ft.	6,655 ft.	6,655 ft.	6,655 ft.
Runway 9R - 27L	6,511 ft.	6,511 ft.	6,511 ft.	6,511 ft.
Runway 9L - 27R	7,294 ft.	7,294 ft.	7,294 ft.	7,294 ft.
Runway 14/32	6,914 ft.	6,914 ft.	6,914 ft.	6,914 ft.

Willow Run Capital Improvement Program

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

Definition of Capital Projects

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

As part of the budget approval process, the Authority Board approved \$16.3 million in capital spending in Fiscal Year 2009. This approved amount represents forecast spending of \$12.3 million on 6 capital projects that have already been started, and \$4 million of forecast spending on 13 new capital projects that are scheduled to begin in Fiscal Year 2009.

Funding of Capital Improvement Program Projects

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

The State of Michigan issued Willow Run a general fund grant of \$14.2 million in 1998. These funds can be used as the required matching share (10 percent or 5 percent) on federal grants, or can be used to fully fund projects that are not federally eligible. The current unencumbered portion of this grant is approximately \$1.7 million.

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

Significant Non-Routine Projects with Impact to Future Operating Budgets

There are no significant non-routine projects that are currently in process or scheduled to begin in Fiscal Year 2009 that are anticipated to have an impact on the Willow Run Airport operating budget.

Willow Run Airport Five Year Plan – Capital Improvement Program
Fiscal Years 2009-2013 (\$ in Thousands)

PLAN ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		SPENDING PROJECTION							
			AIP GRANT	DISCRET./ OTHER	EST SPENT TO 9/08	FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE	
Airfield Improvements												
1	Construct Wildlife Fencing	\$ 525	\$ 499	\$ 26	\$ 500	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	Land Acquisition for RSA Imprvmts (25 Acres)	2,600	2,495	105	114	2,486	-	-	-	-	-	-
3	Runway Safety Area Improvements - Part 4	8,437	7,632	805	7,900	537	-	-	-	-	-	-
4	Runway Safety Area Improvements - Part 3	11,195	9,442	1,753	600	8,900	1,695	-	-	-	-	-
5	Taxiway "D" Electrical Improvements	632	606	26	-	632	-	-	-	-	-	-
6	Crack Sealing on RW 5R/23L and RW 9L/27R	200	94	106	-	200	-	-	-	-	-	-
7	Pavement Markings on Runway 5R/23L	125	-	125	-	125	-	-	-	-	-	-
8	Reconstruct Northern Portion of RW 5R/23L	7,500	7,196	304	-	800	5,700	1,000	-	-	-	-
9	Environmental Assessment for 9L/27R Extension	580	557	23	-	400	180	-	-	-	-	-
10	ARFF and Snow Removal Equipment Building	8,700	8,348	352	-	300	7,000	1,400	-	-	-	-
11	Reconstruct Center Portion of RW 5R/23L	9,000	8,636	364	-	1,000	7,000	1,000	-	-	-	-
12	Wildlife Fence Replacement - Phase 2	2,105	2,020	85	-	2,105	-	-	-	-	-	-
13	Expand General Aviation and Cargo Apron - Phase 1	1,100	1,055	45	-	1,100	-	-	-	-	-	-
14	Stormwater Pollution Prevention Plan	87	83	4	-	87	-	-	-	-	-	-
15	Crack Sealing on Balance of Runway 9L/27R	200	192	8	-	200	-	-	-	-	-	-
16	Extend Runway 9L/27R & Add Parallel Taxiway "G"	14,100	13,529	571	-	-	800	5,800	7,500	-	-	-
17	Reconstruct Southern Portion of RW 5R/23L	10,500	10,075	425	-	-	1,000	7,000	2,500	-	-	-
18	Crack Sealing on Runway 5L/23R	200	192	8	-	-	200	-	-	-	-	-
19	Construct Parallel Taxiway to Runway 5R/23L	12,000	11,514	486	-	-	-	500	6,000	5,500	-	-
20	Expand General Aviation and Cargo Apron - Phase 2	3,300	3,166	134	-	-	-	3,300	-	-	-	-
21	Extend Taxiway "B"	4,510	4,327	183	-	-	-	-	-	-	4,510	-
22	Rehabilitate West Apron	2,715	2,605	110	-	-	-	-	-	-	2,715	-
23	Reconstruct Runway 5L/23R	30,000	28,785	1,215	-	-	-	-	-	-	-	30,000
24	Construct Parallel Taxiway to Runway 5L/23R	12,400	11,898	502	-	-	-	-	-	-	-	12,400
Subtotal, Airfield Improvements		\$ 142,711	\$ 134,946	\$ 7,765	\$ 9,114	\$ 14,405	\$ 19,067	\$ 11,400	\$ 17,600	\$ 16,000	\$ 55,125	

Willow Run Airport Five Year Plan – Capital Improvement Program
Fiscal Years 2009-2013 (\$ in Thousands)

PLAN ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		EST SPENT TO 9/08	SPENDING PROJECTION					
			AIP GRANT	DISCRET./ OTHER		FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE
Terminal Projects											
25	Replace AC - Hangar #1 Offices (Core)	\$ 230	\$ -	\$ 230	\$ -	\$ 30	\$ 200				
26	HVAC Upgrade - Hangar #1 Non-office Areas	2,000	-	2,000	-	-	500	1,500			
27	Life/Safety Improvements in Hangar #1	89	-	89	-	-	89				
28	Rehabilitate Third Floor of Hangar # 1	317	-	317	-	-	-	317			
29	Replace Windows in Admin Area of Hangar #1	277	-	277	-	-	-	277			
30	Decommission Hangar # 2	100	-	100	-	-	-	100			
31	Rehabilitate Second Floor of Hangar #1	89	-	89	-	-	-	89			
Subtotal, Terminal Projects		\$ 3,102	\$ -	\$ 3,102	\$ -	\$ 30	\$ 789	\$ 2,094	\$ 189	\$ -	\$ -
Noise Mitigation Projects											
32	Part 150 Study	\$ 750	\$ 663	\$ 87	\$ 370	\$ 380	\$ -	\$ -	\$ -	\$ -	\$ -
33	Noise Mitigation Program	15,000	14,393	607	-	-	3,000	3,000	3,000	3,000	3,000
Subtotal, Noise Mitigation Projects		\$ 15,750	\$ 15,056	\$ 694	\$ 370	\$ 380	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
Road Projects											
34	Resurface portions of Third St, Tyler Road, & "E" St.	\$ 20	\$ -	\$ 20	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal, Road Projects		\$ 20	\$ -	\$ 20	\$ -	\$ 20	\$ -	\$ -	\$ -	\$ -	\$ -

Willow Run Airport Five Year Plan – Capital Improvement Program
Fiscal Years 2009-2013 (\$ in Thousands)

PLAN ITEM #	PROJECT DESCRIPTION	TOTAL PROJECT COST EST	FUNDING SOURCE		SPENDING PROJECTION						
			AIP GRANT	DISCRET./ OTHER	EST SPENT TO 9/08	FY 2009	FY 2010	FY 2011	FY2012	FY2013	FUTURE
Support Facilities											
35	Fuel Farm Improvements	\$ 200	\$ -	200	\$ -	200	\$ -	\$ -	\$ -	\$ -	\$ -
36	Widen Center Bay of Fire Station #700	60	-	60	-	60	-	-	-	-	-
37	Fire Pump Upgrade - East Airfield Buildings	60	-	60	-	60	-	-	-	-	-
38	Deicing Facility Study	40	38	2	-	-	40	-	-	-	-
39	Upgrade Aboveground Fuel Farm Storage Tanks	658	-	658	-	-	-	658	-	-	-
Subtotal, Support Facilities		\$ 1,018	\$ 38	\$ 980	\$ -	\$ 320	\$ 40	\$ 658	\$ -	\$ -	\$ -
Utilities Projects											
40	Relocate Water Line to bypass Hangar # 2	\$ 645	\$ -	645	\$ -	645	\$ -	\$ -	\$ -	\$ -	\$ -
41	Install Gas Line at Hangar #1	548	-	548	-	548	-	-	-	-	-
42	Watermain and Sanitary Improvements - East Side	1,400	-	1,400	-	-	1,400	-	-	-	-
Subtotal, Utilities Projects		\$ 4,269	\$ 38	\$ 4,231	\$ -	\$ 1,513	\$ 1,440	\$ 1,316	\$ -	\$ -	\$ -
Other Projects											
43	Security/Badging System	\$ 2,613	\$ 1,637	\$ 976	\$ 2,591	\$ 22	\$ -	\$ -	\$ -	\$ -	\$ -
44	Airport Security Assessment	57	55	2	-	-	57	-	-	-	-
45	Update Airport Layout Plan	150	144	6	-	-	-	150	-	-	-
46	Security Improvements	1,500	1,439	61	-	-	-	-	1,500	-	-
47	Landscape Airport Entry Points	530	-	530	-	-	-	-	-	-	530
Subtotal, Other Projects		\$ 4,850	\$ 3,275	\$ 1,575	\$ 2,591	\$ 22	\$ 57	\$ -	\$ 150	\$ 1,500	\$ 530
GrandTotal		\$ 170,882	\$ 153,334	\$ 17,548	\$ 12,075	\$ 16,530	\$ 24,373	\$ 17,810	\$ 20,939	\$ 20,500	\$ 58,655

Capital Improvement Program – Project Descriptions

Plan Item Number	Project Title	Project Description
1	Construct Wildlife Fencing	The Airport Authority identified approximately 10,700 linear feet of fence in the northwest portion of the Airport that required replacement. The includes concurrent removal of old 8-foot high fence with installation of new 10-foot high chain link fence, replacement of obstruction lighting to alert pilots of the presence of the fence, as well as associated automatic gates and gate operators.
2	Land Acquisition for RSA Improvements (25 acres)	This project will acquire approximately 25 acres of land southwest of Runway ends 5L, 5R and 9R to provide the required clear safety areas for these runways.
3	Runway Safety Area Improvements - Part 4	This project includes removal of all above grade obstructions and regrading runway ends and edges within the 500 foot by 1,000 foot Runway Safety Area at the ends of Runways 23L and 23R, construction of the remaining phase of the Taxiway "G", and the relighting of Runway 5L/23R.
4	Runway Safety Area Improvements - Part 3	This project includes the removal of all above grade obstructions within the 500 foot by 1,000 foot Runway Safety Areas at the ends of Runways 5R, 5L and 9R. The scope also includes the relocation of existing non-compliant FAA-owned navigational aids, removal of Taxiway "A", reconfiguration of Taxiway "B", and the relocation and construction of a new Service Drive.
5	Taxiway "D" Electrical Improvements	This project includes the design and construction efforts to modify the electrical system associated with Taxiway "D".
6	Crack Sealing on Runway 5R/23L and Runway 9L/27R	This project includes the replacement of joint sealant on Runway 5R/23L. A limited portion of Runway 9L/27R will also be resealed as part of this project.
7	Pavement Markings on Runway 5R/23L	This project includes reapplication of pavement markings on Runway 5R/23L.
8	Reconstruct Northern Portion of Runway 5R/23L	This project consists of removing existing concrete from the northern 2,000' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
9	Environmental Assessment for RW 9L/27R Extension	The Environmental Assessment will evaluate environmental items such as: noise, historical, air quality, cultural, etc. - which could be impacted by the proposed construction project to extend Runway 9L/27R.

Plan Item Number	Project Title	Project Description
10	Aircraft Rescue and Fire Fighting (ARFF) Facility and Snow Removal Equipment Building	This project consists of the design and construction required to construct a multi-bay facility for the storage and maintenance of Aircraft Rescue Fire Fighting equipment and Snow Removal Equipment. This project includes site work, utilities and required site improvements.
11	Reconstruct Center Portion of RW 5R/23L	This project consists of removing existing concrete from the center 3,500' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
12	Wildlife Fence Replacement - Phase 2	This project involves replacement of approximately 10,000 linear feet of fence on the east side of the Airport. The project includes concurrent removal of old 8-foot high fence with installation of new 10-foot high chain link fence, replacement of obstruction lighting to alert pilots of the presence of the fence, as well as associated automatic gates and gate operators.
13	Expand General Aviation and Cargo Apron - Phase 1	This project includes the design and construction efforts to expand the aircraft apron on the east side of the airport.
14	Stormwater Pollution Prevention Plan	This project consists of updating the Stormwater Pollution Prevention Plan to remain compliant with State and Federal Pollution Prevention regulations.
15	Crack Sealing on Balance of Runway 9L/27R	This project includes the replacement of the balance of joint sealant on Runway 9L/27R.
16	Extend Runway 9L/27R and Add Parallel Taxiway "G"	This project extends Runway 9L/27R by 1,200 feet to a new length of 9,525 feet. The project scope includes the construction of a standard runway safety area within the current Willow Run Airport boundaries. Off-site project scope will include creation of an object free zone extending east from Beck Road and noise abatement. Taxiway Golf will be extended east to provide access to the Runway 27R end.
17	Reconstruct Southern Portion of RW 5R/23L	This project consists of removing existing concrete from the southern 2,000' of Runway 5R/23L, reconditioning the base aggregate, installing new lighting and drainage systems, installation of new Portland concrete, and installation of pavement markings.
18	Crack Sealing on Runway 5L/23R	This project includes the replacement of the joint sealant on Runway 5L/23R.
19	Construct Parallel Taxiway to Runway 5R/23L	This project consists of the design and construction of a standard 42" thick taxiway with lighting, drainage, markings and signage from Runway 14/32 to Taxiway "G".

Plan Item Number	Project Title	Project Description
20	Expand General Aviation and Cargo Apron - Phase 2	This project includes the design and construction efforts to expand the aircraft apron on the southwest side of the airport.
21	Extend Taxiway "B"	This project consists of the design and construction of a standard 42" thick taxiway with lighting, markings and signage from Runway 9R, extending past Taxiway "B" to the future 5R/23L parallel taxiway.
22	Rehabilitate West Apron	This project includes the design and construction efforts necessary to rehabilitate the deteriorated pavement of the west aircraft apron.
23	Reconstruct Runway 5L/23R	This project includes the design and construction efforts to reconstruct Runway 5L/23R and replace its associated systems.
24	Construct Parallel Taxiway to Runway 5L/23R	This project includes the design and construction efforts to construct a new parallel Taxiway to Runway 5L/23R.
25	Replace Air Conditioning - Hangar #1 Offices (Core)	This project consists of removing the existing Air Conditioning unit on the 4th floor of Hangar #1, cleaning the existing ductwork, installing a new air conditioning unit, extending energy to the unit, and upgrading the electrical switchgear that feeds the unit.
26	HVAC Upgrade - Hangar #1 Non-office Areas	This project will design and replace the existing HVAC system, including an upgraded electrical service and cleaning of the existing ducts.
27	Life/Safety Improvements in Hangar #1	This project will renovate the boiler system including demolition of the existing boiler, installation of a new boiler and new control systems.
28	Rehabilitate Third Floor of Hangar #1	This project will remove and replace the ceiling, install new flooring, paint walls, and upgrade the lighting of the third floor hallway.
29	Replace Windows in Administrative Area of Hangar #1	This project will provide for the replacement of 198 windows in Hangar #1.
30	Decommission Hangar #2	This project consists of isolating and disconnecting all utilities serving this structure and safely closing up this facility.
31	Rehabilitate Second Floor of Hangar #1	This project provides for the renovation of the second floor (Administration Section) hallway flooring, ceiling and lighting.
32	Part 150 Study	This project consists of a noise evaluation that will determine noise level contours surrounding the airport. The noise contours will assist in identifying noise mitigation project requirements.

Plan Item Number	Project Title	Project Description
33	Noise Mitigation Program	Following the completion of the Part 150 Noise Study, the noise mitigation recommendations developed in the Study will be implemented. Mitigation techniques will be prioritized to meet the objectives of the noise program as well as the development of the airport. The mitigation program will be a phased program based on the availability of Federal Aviation Administration funding.
34	Resurface portions of Third St, Tyler Road, & "E" St.	This project includes the design and construction efforts necessary to resurface deteriorated portions of Third St., Tyler Road, and "E" Street.
35	Fuel Farm Improvements	This project will provide steel platforms or life/safety catwalks for above ground storage tanks. Life Safety Catwalks need to be installed on each of the above ground tanks for OSHA. The Oil Separator needs to be improved, and the drainage from the canopy needs to be corrected at the Fuel Farm.
36	Widen Center Bay of Fire Station #700	This project includes the design and construction efforts necessary to widen the center bay to accommodate larger equipment.
37	Fire Pump Upgrade - East Airfield Buildings	This project will replace the existing boiler with a new heating unit to insure that the tank holding water for fire protection purposes does not freeze.
38	Deicing Facility Study	This project includes the evaluation of alternatives for development of a deicing facility.
39	Upgrade Aboveground Fuel Farm Storage Tanks	This project consists of providing a fuel management system, installing suction break prevention, addressing drainage conditions on the transfer pad, and correcting problems with the hydrocarbon/storm water removal system.
40	Relocate Water Line to bypass Hangar #2	This project includes design and construction costs associated with the installation of 5,500 linear feet of 6" water pipe with related valves, pumps, insulation, manholes and taps and abandoning the existing water line serving Hangar #2.
41	Install Gas Line at Hangar #1	This project includes the design and construction efforts necessary to install a gas line for Hangar #1.
42	Watermain and Sanitary Improvements - East Side	This project includes the design and construction efforts necessary to replace water and sanitary infrastructure on the east side of the airport.

Plan Item Number	Project Title	Project Description
43	Security/Badging System	This project provides, 1) power feeds and card readers to open motorized gates, 2) the installation of CCTV cameras to monitor gate traffic, 3) the installation of a stand alone badging and security monitoring system and 4) the installation of a microwave system to transmit data and video signals to a security monitoring center at Detroit Metro Airport.
44	Airport Security Assessment	This project will evaluate and report on the consistency of current Airport security with FAA and TSA requirements.
45	Update Airport Layout Plan	This project includes the necessary services to update the Airport Layout Plan documents.
46	Security Improvements	This project includes the necessary design and construction efforts to implement security improvements to meet anticipated future FAA requirements.
47	Landscape Airport Entry Points	This project will provide improved landscaping and wayfinding signage at key Airport entrance points.

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Appendices

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Appendix A: Aviation Statistics

Detroit Metropolitan Airport Flight Schedule Analysis

DTW Flight Schedule Analysis – September 2007 vs. September 2008

Average Daily Departures						
Year Over Year Variance						
Airline	Code	Sep '07	Sep '08	Variance	Pct Chg	
Aeromexico	AM	0.0	0.4	0.4		N/A
Air Canada	AC	2.5	2.5	0.0		0%
Air France	AF	0.9	0.9	0.0		0%
Air Tran Airways	FL	5.6	5.8	0.2		4%
American Airlines / American Eagle	AA	17.9	18.1	0.2		1%
British Airways	BA	1.8	0.0	-1.8		-100%
Champion Air	MG	0.3	0.0	-0.3		-100%
Compass Airlines (Northwest Airlink Partner)	CP	0.0	20.0	20.0		N/A
Continental Airlines / Continental Express	CO	13.9	10.9	-3.0		-22%
Delta Airlines / Delta Connection	DL	16.4	17.1	0.7		4%
Frontier Airlines	F9	4.0	3.0	-1.0		-25%
KLM	KL	0.0	1.0	1.0		N/A
Lufthansa German Airlines	LH	2.0	1.7	-0.3		-15%
Mesaba Aviation (Northwest Airlink Partner)	XJ	57.7	86.6	28.9		50%
Northwest Airlines - Mainline	NW	250.6	212.1	-38.5		-15%
Pinnacle Airlines (Northwest Airlink Partner)	9E	153.2	142.3	-10.9		-7%
Royal Jordanian Airlines	RJ	0.3	0.3	0.0		0%
Southwest Airlines	WN	20.6	17.5	-3.1		-15%
Spirit Airlines	NK	18.5	12.9	-5.6		-30%
United Airlines / United Express	UA	11.7	10.7	-1.0		-9%
US Airways / US Airways Express	US	20.1	18.9	-1.2		-6%
USA 3000 Airlines	U5	1.6	0.8	-0.8		-50%
TOTAL DTW		599.4	583.5	-15.9		-3%

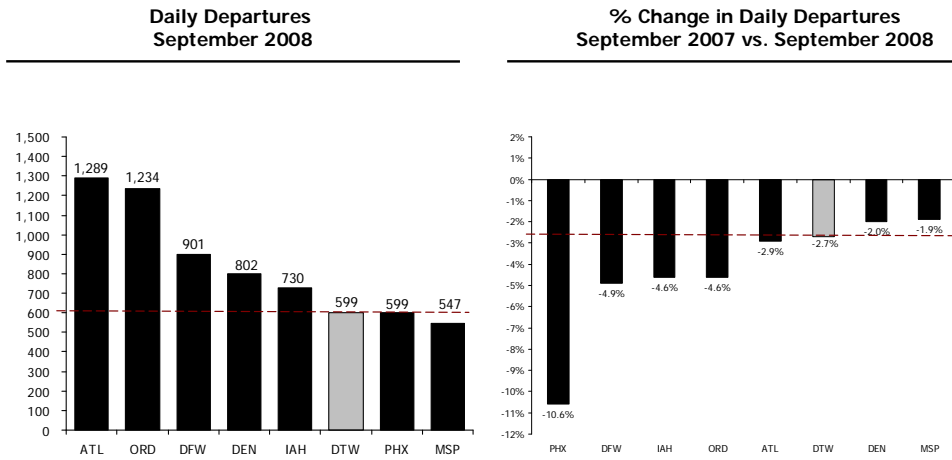
Source: BACK Aviation Database

DTW Seats Out Analysis – September 2007 vs. September 2008

Average Daily Seats Out						
Year Over Year Variance						
Airline	Code	Sep '07	Sep '08	Variance	Pct Chg	
Aeromexico	AM	-	45	45		N/A
Air Canada	AC	91	94	3		3%
Air France	AF	197	204	7		4%
Air Tran Airways	FL	659	675	16		2%
American Airlines / American Eagle	AA	1,881	1,813	-68		-4%
British Airways	BA	334	-	-334		-100%
Champion Air	MG	52	-	-52		-100%
Compass Airlines (Northwest Airlink Partner)	CP	-	1,520	1,520		N/A
Continental Airlines / Continental Express	CO	1,036	1,001	-35		-3%
Delta Airlines / Delta Connection	DL	1,382	1,628	246		18%
Frontier Airlines	F9	528	387	-141		-27%
KLM	KL	-	327	327		N/A
Lufthansa German Airlines	LH	443	388	-55		-12%
Mesaba Aviation (Northwest Airlink Partner)	XJ	1,961	4,268	2,307		118%
Northwest Airlines - Mainline	NW	36,026	30,727	-5,299		-15%
Pinnacle Airlines (Northwest Airlink Partner)	9E	7,662	7,113	-549		-7%
Royal Jordanian Airlines	RJ	68	76	8		12%
Southwest Airlines	WN	2,788	2,375	-413		-15%
Spirit Airlines	NK	2,977	2,021	-956		-32%
United Airlines / United Express	UA	1,199	961	-238		-20%
US Airways / US Airways Express	US	1,832	1,686	-146		-8%
USA 3000 Airlines	U5	269	134	-135		-50%
TOTAL DTW		61,383	57,444	-3,939		-6%

Source: BACK Aviation Database

Daily Flights - DTW vs. Peer Airports

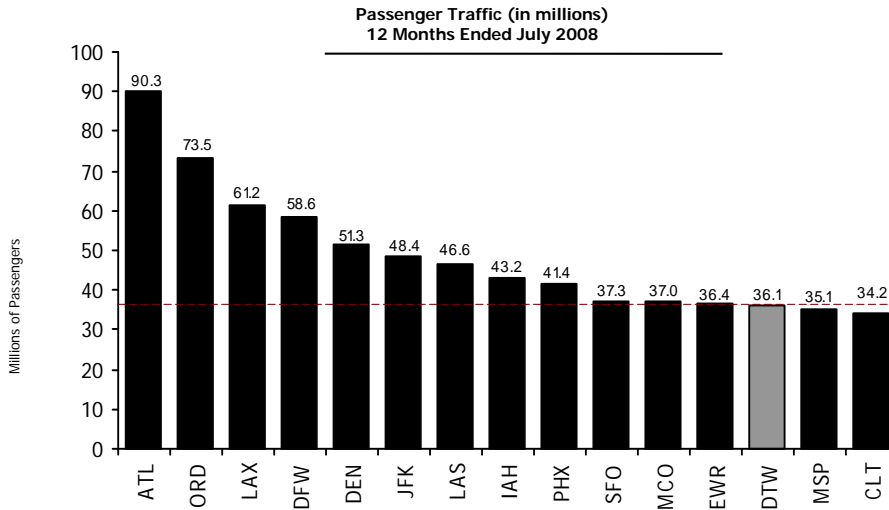


Note: The seven airports compared with DTW have been identified as peer airports because they are similar to DTW in terms of hub structure/connecting facilities, mix of O&D vs. local traffic, and competition for East/West connecting passenger flow (no coastal airports)

Legend: ATL = Atlanta/Hartsfield, DEN = Denver, DFW = Dallas/Ft. Worth, DTW = Detroit/Metro, IAH = Houston/Intercontinental, MSP = Minneapolis/St. Paul, ORD = Chicago/O'Hare, PHX = Phoenix/Sky Harbor

Source: BACK Aviation Database, as of November 13, 2008

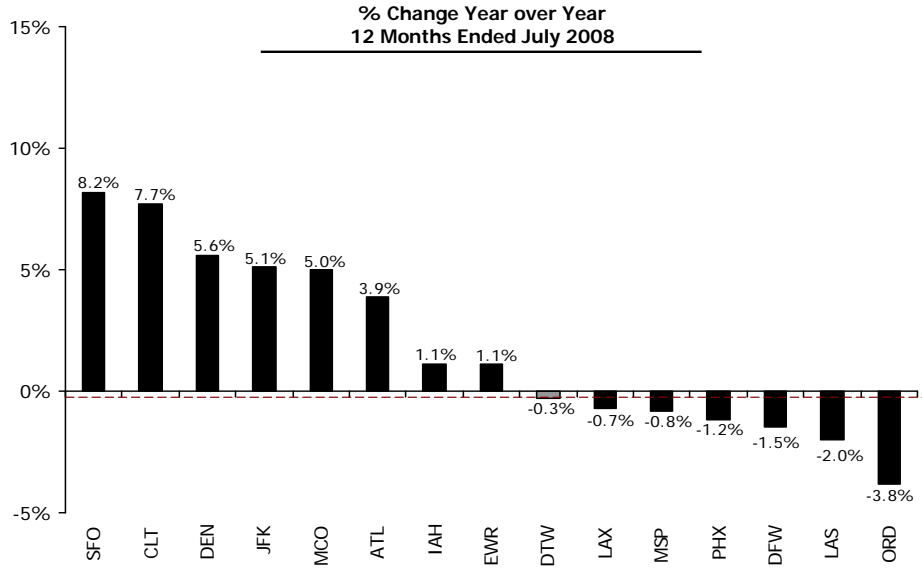
Passenger Traffic – Top US Airports (updated semi-annually, as of September 2008)



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

Source: ACI updated November 10, 2008

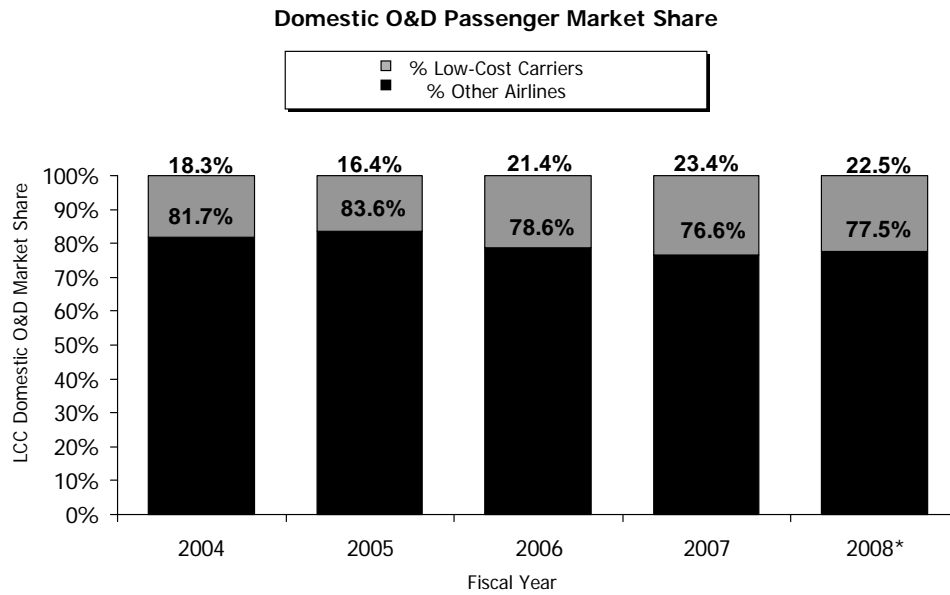
Passenger Traffic – Top US Airports Percent Change (updated semi-annually, as of September 2008)



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

Source: ACI updated November 10, 2008

Low-Cost Carrier (LCC) Presence at the Airport



* Fiscal Year 2008 includes First, Second and Third Quarters only
 ** Low-Cost Carriers include AirTran, Frontier, Southwest and Spirit
 Source: BACK Aviation Database and OD1A Report, November 2008

**DOMESTIC PASSENGER ORIGIN-DESTINATION PATTERNS AND CURRENT AIRLINE SERVICE
Detroit Metropolitan Wayne County Airport, October 2007 - June 2008**

Rank	O & D Between	Detroit	Percentage of		% Market		% Market	
			Total Psgrs from DTW	Scheduled Airline Passengers	Primary Carrier	Share		Secondary Carrier
1	Orlando, FL		427,790	7.3%	Northwest Airlines	41.2%	Spirit Airlines	29.6%
2	New York ^(a)		390,130	6.6%	Northwest Airlines	68.3%	Spirit Airlines	12.7%
3	Las Vegas, NV		319,140	5.4%	Northwest Airlines	46.5%	Spirit Airlines	31.0%
4	Chicago, IL ^(b)		304,850	5.2%	Northwest Airlines	47.5%	Southwest Airlines	23.8%
5	Florida South ^(c)		274,030	4.7%	Northwest Airlines	46.6%	Spirit Airlines	35.7%
6	Los Angeles, CA ^(d)		265,300	4.5%	Northwest Airlines	58.8%	Spirit Airlines	11.7%
7	Fort Myers, FL		217,250	3.7%	Spirit Airlines	42.0%	Northwest Airlines	35.9%
8	Phoenix, AZ		204,110	3.5%	Northwest Airlines	54.4%	US Airways	24.8%
9	Washington, D.C. ^(e)		203,730	3.5%	Northwest Airlines	86.9%	US Airways	12.0%
10	Tampa, FL		199,810	3.4%	Northwest Airlines	53.9%	Spirit Airlines	33.1%
11	Atlanta, GA		184,640	3.1%	Northwest Airlines	40.0%	Delta Airlines	35.7%
12	Dallas, TX ^(f)		149,790	2.5%	American Airlines	53.9%	Northwest Airlines	37.7%
13	San Francisco, CA ^(g)		146,240	2.5%	Northwest Airlines	61.6%	Southwest Airlines	10.3%
14	Baltimore, MD		140,090	2.4%	Northwest Airlines	56.1%	Southwest Airlines	42.8%
15	Denver, CO		123,190	2.1%	Northwest Airlines	45.7%	Frontier Airlines	27.8%
16	St. Louis, MO		103,950	1.8%	Northwest Airlines	53.5%	Southwest Airlines	43.2%
17	Houston, TX ^(h)		101,710	1.7%	Continental Airlines	42.2%	Northwest Airlines	41.0%
18	Philadelphia, PA		101,320	1.7%	Northwest Airlines	64.7%	US Airways	30.0%
19	Nashville, TN		99,500	1.7%	Northwest Airlines	60.8%	Southwest Airlines	36.5%
20	Boston, MA		99,010	1.7%	Northwest Airlines	78.9%	US Airways	16.7%

% of DTW Passengers Traveling to Top 20 Markets 69.0%

% of DTW Passengers Traveling to Other Cities 31.0%

All Cities 100.0%

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

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

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

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

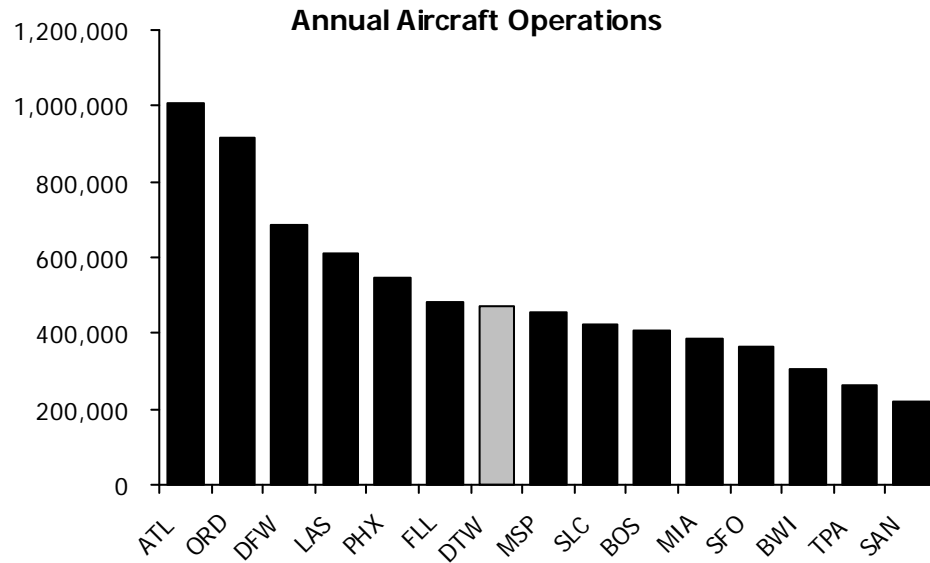
(e) Includes Washington Dulles International Airport (IAD) and Washington National Airport (DCA)

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

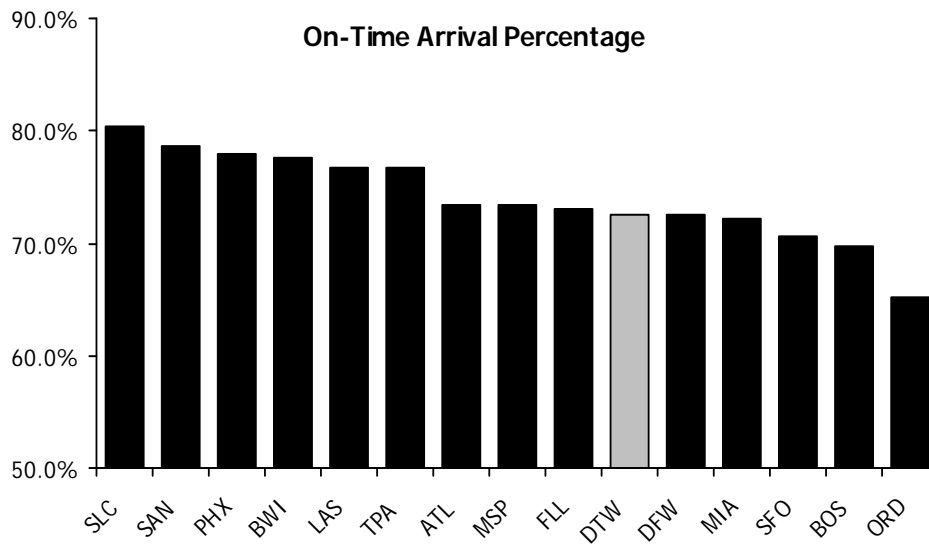
(g) Includes San Francisco International (SFO), Oakland International (OAK) and San Jose International (SJC)

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

Peer Airport Benchmarking – Operations

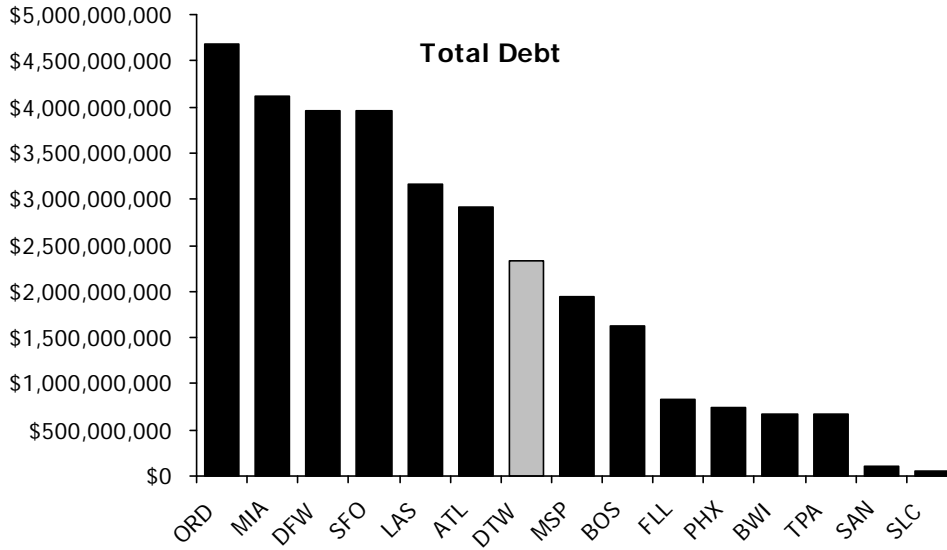


Peer Airport Benchmarking – On-Time Arrival



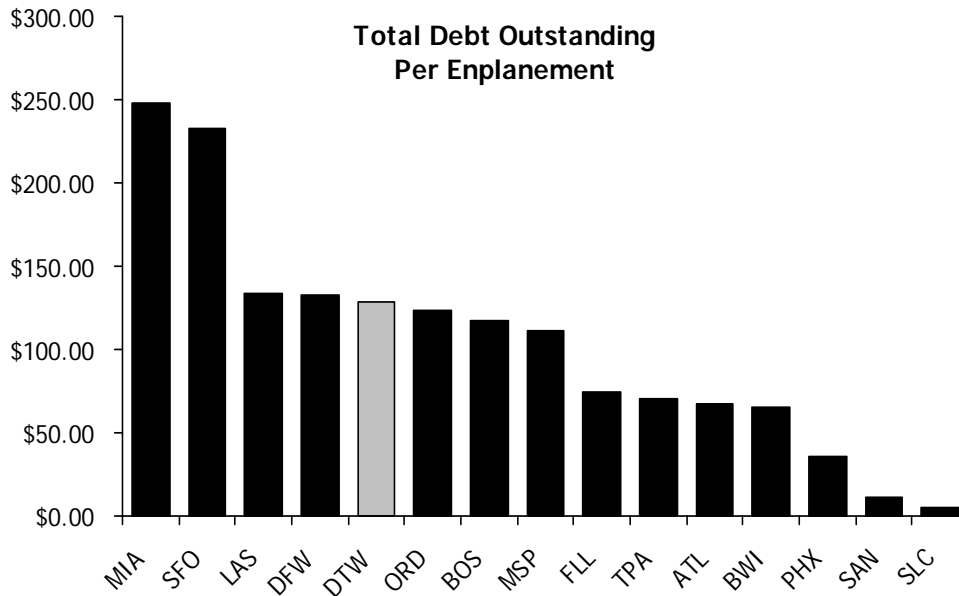
Source: 2008 ACI-NA Benchmarking Survey Report (based on FY 2007 Preliminary Survey Results);
Source of On-Time Arrival Percentage is U.S. DOT

Peer Airport Benchmarking – Total Debt



Source: 2008 ACI-NA Benchmarking Survey Report (based on FY 2007 Preliminary Survey Results)

Benchmarking – Debt Per Enplanement



Source: 2008 ACI-NA Benchmarking Survey Report (based on FY 2007 Preliminary Survey Results)

Appendix B: Debt Service Summary

Detroit Metropolitan Airport (\$ in Thousands)

	Date of Issue	Maturity	Outstanding Oct. 1, 2008	FY 2008 Debt Service	FY 2009 Debt Service
DETROIT METROPOLITAN AIRPORT					
<i>Airport Revenue Bonds:</i>					
Senior Lien Debt:					
Series 1994A	03/01/94	1994-2009	\$ 2,975	\$ 3,187	\$ 525
Series 1996A	10/29/96	1996-2017	39,710	6,203	6,097
Series 1996B	10/29/96	1996-2017	39,710	6,071	5,626
Series 1998A	07/01/98	1998-2029	753,185	58,819	58,827
Series 1998B	07/01/98	1998-2029	21,860	6,010	5,012
Series 2002A	05/01/02	2002-2033	-	5,665	-
Series 2002C	07/25/02	2002-2021	25,905	1,492	1,492
Series 2002D	07/25/02	2002-2020	68,290	7,274	7,259
Series 2003A-1	12/11/03	2003-2034	-	3,061	-
Series 2003A-2	12/11/03	2003-2034	-	3,060	-
Series 2003A-3	12/11/03	2003-2034	-	2,690	-
Series 2003B	12/11/03	2003-2022	-	5,369	-
Series 2003C	12/11/03	2003-2022	-	4,431	-
Series 2004	10/28/04	2004-2025	-	914	-
Series 2005A	04/13/05	2005-2035	507,135	25,718	33,710
Series 2007B	11/08/07	2007-2028	119,390	5,153	5,743
Series 2008A	04/30/08	2008-2032	142,285	4,714	12,306
Series 2008B	06/26/08	2008-2033	201,250	686	11,270
Series 2008C	06/26/08	2008-2033	89,435	2,673	8,960
Series 2008D	06/26/08	2008-2021	39,675	1,815	5,744
Junior Lien Debt:					
Series 2001	01/13/01	2001-2009	-	37,209	-
Series 2007	06/20/07	2007-2038	180,390	8,799	8,957
Total Airport Revenue Bonds			\$ 2,231,195	\$ 201,013	\$ 171,528
Installment Purchase Contract					
Siemens Energy Contract	08/31/01	2001-2011	\$ 5,570	\$ 1,997	\$ 2,066
Total Detroit Metropolitan Airport			\$ 2,236,765	\$ 203,010	\$ 173,594

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

	FY 2008	FY 2009
Gross Debt Service	\$ 201,013	\$ 171,528
Reduction from Gross Debt Service:		
(Credit Towards Debt Service)		
Passenger Facility Charges	(78,589)	(80,483)
Bond Reserve Interest	(6,409)	(6,779)
Bond Payment Interest	(1,856)	(1,500)
Capitalized Interest	(30,470)	(4,050)
Letter of Intent	(11,822)	(18,682)
Refinancing and other	(16,446)	(924)
Total Credits	\$ (145,592)	\$ (112,418)
Net Airport Revenue Bond Debt Service	\$ 55,421	\$ 59,110
Coverage and Other Funding Requirements:		
Airport Development Fund	6,007	6,650
Renewal and Replacement Fund	500	500
Discretionary Fund	350	350
Operation and Maintenance Reserve	-	-
Total Coverage and Other Funding Requir	\$ 6,857	\$ 7,500
Net Airport Revenue Bond Debt Service, Coverage and Other Requirements	\$ 62,278	\$ 66,610

Westin Hotel (\$ in Thousands)

	Date of Issue	Maturity	Outstanding Oct. 1, 2008	FY 2008 Debt Service	FY 2009 Debt Service
WESTIN HOTEL:					
<i>Westin Hotel Bonds</i>					
Series 2001A	03/01/01	2001-2031	\$ 99,630	\$ 5,025	\$ 5,051
Series 2001B	03/01/01	2001-2016	10,845	1,214	1,389
Total Westin Hotel Bonds			\$ 110,475	\$ 6,239	\$ 6,440
<i>Westin Hotel Loans</i>					
Working Capital Loan	12/15/01	2001-2017	\$ 1,500	\$ 120	\$ 120
FF&E Loan	12/15/01	2001-2017	4,487	692	692
Total Westin Hotel Loans			\$ 5,987	\$ 812	\$ 812
Total Westin Hotel Bonds and Loans			\$ 116,462	\$ 7,051	\$ 7,252

Reconciliation of Net Airport Revenue Bonds

Detroit Metropolitan Airport (\$ in Thousands)

	Outstanding Oct. 1, 2008	FY 2008	FY 2009 Debt Service
Airport Revenue Bonds			
Senior Lien Debt:			
Series 1994A	\$ 2,975	\$ 3,187	\$ 525
Series 1996A	39,710	6,203	6,097
Series 1996B	39,710	6,071	5,626
Series 1998A	753,185	58,819	58,827
Series 1998B	21,860	6,010	5,012
Series 2002A	-	5,665	-
Series 2002C	25,905	1,492	1,492
Series 2002D	68,290	7,274	7,259
Series 2003A-1	-	3,061	-
Series 2003A-2	-	3,060	-
Series 2003A-3	-	2,690	-
Series 2003B	-	5,369	-
Series 2003C	-	4,431	-
Series 2004	-	914	-
Series 2005A	507,135	25,718	33,710
Series 2007B	119,390	5,153	5,743
Series 2008A	142,285	4,714	12,306
Series 2008B	201,250	686	11,270
Series 2008C	89,435	2,673	8,960
Series 2008D	39,675	1,815	5,744
Junior Lien Debt:			
Series 2001	-	37,209	-
Series 2007	180,390	8,799	8,957
Total	\$2,231,195	\$ 201,013	\$ 171,528

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Appendix C: Staffing Summary & Employee Benefits Policies

Full Time Employees (FTEs) Fiscal Years 2006 - 2009

DEPARTMENT	FY 2006	FY 2007	FY 2008	Add	Xfr	Cut	FY 2009
Detroit Metropolitan Airport							
Office Of the CEO	29	30	29	-	(1)	(2)	26
Finance	46	50	53	1	-	(4)	50
Procurement & Performance	22	24	25	1	-	(1)	25
Administration	19	18	19	1	-	(2)	18
Operations	54	52	52	1	1	(1)	53
Facilities, Maintenance & Planning	264	243	243	3	-	(9)	237
Public Safety	247	238	246	5	-	(7)	244
Business Development	46	54	56	1	-	(5)	52
Central Communications	27	-	-	-	-	-	-
Total Detroit Metropolitan Airport	754	709	723	13	-	(31)	705
Willow Run Airport	27	27	27	-	-	(4)	23
Airport Authority Total	781	736	750	13	-	(35)	728

In June of 2008, twenty two (22) authorized positions were eliminated from the Detroit Metropolitan Airport budget. These position cuts were made in response to a shortfall in revenue, a sharp increase in interest expense on outstanding bonds due to changes in the credit market, and airlines struggling with the unprecedented rise in the price of oil.

- Two (2) positions were eliminated from the Office of the CEO
- Four (4) positions were eliminated from the Finance Department
- One (1) position was eliminated from the Procurement/Strategy Management Department
- One (1) position was eliminated from the Administration Department
- Ten (10) positions were eliminated from the Operations Department
- Four (4) positions were eliminated from the Business Development Department

Other staffing changes that occurred between the FY 2008 and FY 2009 budgets were

- One (1) additional FTE in Finance, an Analyst position was added to the Treasurer's office
- One (1) additional FTE in Procurement/Strategy Management, a Supervisor was added to Contract Compliance
- Two (2) additional FTEs in Operations, an Assistant Director of Utility Management and a Firefighter

- Four(4) less FTEs at Willow Run, two Operations Specialists and two Maintenance Workers

Employee Benefits

Self Insurance - During the year ended September 30, 2004, the Authority became self insured on its own for disability, unemployment, and liability insurance. Since no actual history prior to this could be determined for the Authority individually, the Authority started documenting a history in Fiscal Year 2004 and is conservatively adjusting the reserve until an appropriate liability can be determined based on actual claims incurred. The Authority charges its departments a specified percentage of gross payroll biweekly for these liabilities. Claims related to unemployment, disability, claim administration, deductibles, and legal bills for claims under \$50,000 are paid out of these funds. The Authority purchases commercial insurance for liability claims in excess of \$50,000. Settled claims have not exceeded this commercial coverage in the past two years.

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

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

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

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

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

Effective October 1, 2001, WCERS established the Wayne County Hybrid Retirement Plan #5 (Plan Option 5), which contains both a defined benefit component and a defined contribution component. Participants in the plan options previously in existence (Plan Option 1, Plan Option 2, and Plan Option 3) could elect to transfer their account balances to Plan Option 5 between October 1, 2001 and June 30, 2002. New employees could elect to participate in Plan Options 1, 2, 3, or 5 through September 30, 2001. Effective October 1, 2001, only Plan Option 5 is available to new employees; Plan Options 1, 2, and 3 are closed to new hires.

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

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

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

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

Death and Disability Benefits - The Plan also provides non-duty death and disability benefits to members after 10 years of credited service for Plan Options 1, and 5, along with non-duty disability for Plan Option 2, and non-duty death benefits for Plan Option

3. The 10 year service provision is waived for duty disability and death benefits for Plan Option 1 and 5 and duty disability for Plan Option 2.

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

Under Plan Option 4, the Authority contributes \$4.00 for every \$1.00 contributed by each member or, for eligible executives, \$5.00 for every \$1.00 contributed by each member, with the member contributions ranging from 1.0 percent to 2.5 percent (3 percent for employees with 20 or more years of service and 3 percent for eligible executives with 10 or more years of service) of base compensation. Employees hired prior to July 1, 1984 are eligible to transfer from the WCERS Defined Benefit Plan to the Plan through September 30, 2002.

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

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

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

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

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

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

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Appendix D: Glossary

Abbreviations

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

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

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

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

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

VLJ Very Light Jet

WC Wayne County

WCAA Wayne County Airport
Authority

WMD Weapons of Mass Destruction

WMP Wildlife Management Plan

WWTP Wyandotte Wastewater
Treatment Plant

YIP Industry code for Willow Run
Airport

Key Terms

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

Airline Revenues - Landing fee revenues and terminal rental revenues.

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

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

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

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

Air Trade Area (ATA) - See Airport Service Region

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

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

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

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

Catchment Area - See Airport Service Region (ASR).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Landing Fee Revenues - Revenues collected from aircraft landings.

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

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

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

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

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

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

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

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

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

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

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

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

Rate Setting Methodology – There are three possible rate-setting methodologies typically found in an airport's airline use and lease agreement:

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

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

satisfy rate covenant coverage requirements.

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

Residual – See Rate Setting Methodology.

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

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

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

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

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

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

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

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

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

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

Appendix E: Budget Resolution

**RESOLUTION
No. 08 – 108-A**

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2009 BUDGET**

By Board Member Michael Glusac

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

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

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

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

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

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

WHEREAS, the Board desires to, among other things, approve the annual budget for fiscal year 2009 and delegate certain authority to the Chief Executive Officer to make changes within the approved budget during the fiscal year without further Board approval.

**RESOLUTION
No. 08 – 108-A**

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2009 BUDGET**

By Board Member Michael Glusac

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

1. The annual budgets for the Detroit Metropolitan Airport Fund, the Willow Run Airport Fund and the Westin Hotel Fund (collectively the "Consolidated Budget") for fiscal year beginning October 1, 2008 and ending September 30, 2009, as prepared by the Chief Financial Officer of the Authority and reviewed by the Board, a copy of which is on file with the Treasurer of the Authority.
2. The Consolidated Budget includes budget allocations for each of the Authority's departments (the "Departments"), and for the divisions within Departments (the "Divisions"). The Chief Executive Officer, together with advice from the Chief Financial Officer may make the following changes within the Consolidated Budget:
 - a. Changes to line items within a Department's budget, without increasing the total budget allocation for that Department for fiscal year 2009.
 - b. Reallocations of the Consolidated Budget between Departments and/or Divisions that do not increase the total Consolidated Budget, and do not increase a Division's budget by more than the greater of \$250,000.00 or 1% of that Division's budget.
3. The Five Year Plan – Capital Improvement Program for Detroit Metropolitan Airport for fiscal years 2009-2013
4. The Five Year Plan – Capital Improvement Program for Willow Run Airport for fiscal years 2009-2013
5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are and the same hereby are rescinded.

This Resolution was supported by Board Member James Settles and carried by the following vote:

AYES: Glusac, Parker, Settles, Treadwell, Williams

NAYS: None

DATE: September 23, 2008



DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

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