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News Release

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Detroit Airlines get Cash Back

--\$13.9 million can't be applied to 2012 budget

Airlines serving Detroit Metropolitan Airport (DTW) will receive a significant refund from the airport due, in part, to larger than anticipated cost savings and a considerable increase in non-airline revenue in Fiscal Year 2011.

Wayne County Airport Authority (WCAA) was able to slice the cost of operating and maintaining Detroit Metropolitan Airport by nearly \$1.3 million compared to what had been budgeted. It also managed to generate \$8.9 million more in non-airline revenue than had been budgeted. Those results contribute to a \$13.9 million refund to DTW's air carriers.

"One of the most important things we can do for our customers is to control costs to the airlines and to generate non-airline revenue," said Interim CEO Tom Naughton. "This makes Detroit more attractive to airlines when they make corporate decisions on whether to maintain or add air service in our market. More airlines and more competition on routes provide more choices for our customers and keep air fares reasonable."

On the cost side, WCAA spent less than budgeted on line items such as insurance, utilities, materials & supplies, security and janitorial; while generating more revenue than anticipated on car rentals, parking, retail, food & beverage and ground transportation such as taxis and limos.

Final audited total expenses for FY 2011 were \$277,430,000 including debt service on bonds used to fund airport projects.

"Airport management operates Detroit Metropolitan Airport like a for-profit business," said Naughton. "However, unlike a private business, we cannot apply any net income from one fiscal year to cover an anticipated shortfall the next year. Management is required, by agreement, to refund any net income to the airlines."

As a "residual" airport, WCAA is obligated to reduce airline fees by applying revenue earned from non-airline sources to the cost of operating the airport. In exchange, the air

carriers agree to cover the difference between what the airport earns in non-airline revenue and what it costs to operate and maintain the facility.

“Our Airport Authority staff did a great job in 2011 reducing costs and generating new revenue at Detroit Metropolitan Airport,” said Naughton. “However, we have a daunting challenge in FY 2012 to further cut costs while maintaining our status as one of North America’s favorite airports.”

*Detroit Metropolitan Wayne County Airport (DTW) welcomed more than 32 million passengers in 2011 and is one of the world’s leading air transportation hubs. With service from 13 scheduled passenger airlines, Michigan’s largest airport offers more than 1,200 flights per day to and from nearly 150 non-stop destinations on four continents. In 2010, DTW ranked highest in overall customer satisfaction among large airports in the J.D. Power and Associates North America Airport Satisfaction Study. With two new state-of-the-art passenger terminals, six jet runways, and an onsite AAA Four-Diamond Westin Hotel, DTW is among the world’s most efficient, customer friendly and operationally capable airports in North America. DTW is operated by **Wayne County Airport Authority**, which also operates nearby **Willow Run Airport**—an important corporate, cargo and general aviation facility. **The Airport Authority is entirely self-sustaining and does not receive any tax dollars to support airport operations.** Visit www.metroairport.com for more information.*

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