NEW ISSUES
BOOK-ENTRY ONLY

Ratings: See "RATINGS" herein.

DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

$369,750,000
WAYNE COUNTY AIRPORT AUTHORITY
Airport Revenue Bonds
(Detroit Metropolitan Wayne County Airport), Series 2023A-E

consisting of:

$105,200,000
Airport Revenue Bonds
Series 2023A (Non-AMT)

$78,205,000
Airport Revenue Bonds
Series 2023B (AMT)

$139,115,000
Airport Revenue Refunding Bonds
Series 2023C (Non-AMT)

$18,520,000
Airport Revenue Refunding Bonds
Series 2023D (AMT)

$28,710,000
Airport Revenue Refunding Bonds
Series 2023E (AMT)

Dated: Date of Delivery **Due: December 1, as shown on the inside cover page**

The Wayne County Airport Authority (the "Authority") is issuing its Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A in the principal amount of $105,200,000 (the "Series 2023A Bonds"), its Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023B in the principal amount of $78,205,000 (the "Series 2023B Bonds"), its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023C in the principal amount of $139,115,000 (the "Series 2023C Refunding Bonds"), its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023D in the principal amount of $18,520,000 (the "Series 2023D Refunding Bonds") and its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023E in the principal amount of $28,710,000 (the "Series 2023E Refunding Bonds" and, collectively, with the Series 2023A Bonds, the Series 2023B Bonds, the Series 2023C Refunding Bonds and the Series 2023D Refunding Bonds, the "Series 2023 Bonds"). The Series 2023 Bonds are issued pursuant to the Authority's Master Bond Ordinance (as defined herein) and the Authority's Series 2023 Ordinance (as defined herein).

Proceeds from the Series 2023 Bonds, together with other available funds, will be used (i) with respect to the Series 2023A Bonds and the Series 2023B Bonds, to pay all or portions of the costs of acquiring, constructing and installing the Series 2023 Projects (as defined herein), (ii) with respect to the Series 2023C Refunding Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds, to provide funds to refund the Refunded Bonds (as defined herein), (iii) to make a deposit to the Bond Reserve Account (as defined herein), (iv) to pay capitalized interest on portions of the Series 2023A Bonds and the Series 2023B Bonds, and (v) to pay costs of issuance of the Series 2023 Bonds.

The Series 2023 Bonds are revenue obligations of the Authority payable from the Net Revenues derived by the Authority from the operation of the Detroit Metropolitan Wayne County Airport (the "Airport") and are secured by a statutory lien upon and against the Net Revenues of the Airport. U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association) is trustee (the "Trustee") under the Master Bond Ordinance (as defined herein).

The Series 2023 Bonds are issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest on the Series 2023 Bonds is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2023 for the Series 2023E Refunding Bonds and commencing June 1, 2024 for the Series 2023A Bonds, the Series 2023B Bonds, the Series 2023C Refunding Bonds and the Series 2023D Refunding Bonds, until maturity or prior redemption.

The Series 2023A Bonds and the Series 2023B Bonds will be subject to optional, mandatory and extraordinary optional redemption prior to maturity in the manner and at the times set forth herein. The Series 2023C Refunding Bonds and the Series 2023D Refunding Bonds will be subject to optional and extraordinary optional redemption prior to maturity in the manner and at the times set forth herein, but will not be subject to mandatory redemption prior to maturity. The Series 2023E Refunding Bonds will be subject to extraordinary optional redemption prior to maturity in the manner and at the times set forth herein, but will not be subject to optional or mandatory redemption prior to maturity.

For maturities, principal amounts, interest rates, yields and CUSIP numbers, see the inside cover page.

The Series 2023 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company ("DTC"), to which principal, premium and interest payments will be made. DTC will act as securities depository for the Series 2023 Bonds. Purchasers of the Series 2023 Bonds will not receive certificates representing their purchased interests in the Series 2023 Bonds.

The scheduled payment of principal of and interest on the Series 2023 Bonds, when due, will be guaranteed under an insurance policy to be issued by **ASSURED GUARANTY MUNICIPAL CORP.** concurrently with the delivery of the Series 2023 Bonds.

This cover page contains information for quick reference only. It is not a summary of this issue. Prospective purchasers must read the entire Official Statement to obtain information essential to making an informed investment decision. See "INVESTMENT CONSIDERATIONS" for a discussion of certain factors that should be considered by prospective purchasers of the Series 2023 Bonds.

In the opinion of Miller, Canfield, Paddock and Stone, P.L.C. ("Bond Counsel"), under existing law, and subject to the conditions described under the heading "TAX MATTERS" herein, (i) the interest on the Series 2023A Bonds and the Series 2023C Refunding Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; and (ii) the interest on the Series 2023B Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds is excludable from gross income for federal income tax purposes (except for any period when the Series 2023B Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds are held by a "substantial user" of the Airport or a person deemed "related" thereto (as such terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code")), and is an item of tax preference for purposes of the federal alternative minimum tax.

Bond Counsel is also of the opinion that, under existing law, the Series 2023 Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof. See "TAX MATTERS" herein.

The Series 2023 Bonds are offered when, as and if issued by the Authority and received by the Underwriters (as defined herein), subject to receipt of the approving legal opinion of Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the Authority by its General Counsel, and for the Underwriters by McGuireWoods LLP, Chicago, Illinois. PFM Financial Advisors LLC and Columbia Capital Management, LLC have served as Financial Advisors to the Authority with regard to the issuance of the Series 2023 Bonds. It is expected that the Series 2023 Bonds, in book-entry form, will be available for delivery through DTC on or about October 11, 2023.

SIEBERT WILLIAMS SHANK & CO., LLC

BOFA SECURITIES **CITIGROUP**

J.P. MORGAN **RAMIREZ & CO., INC.**

September 27, 2023

MATURITIES, CUSIP NUMBERS+, PRINCIPAL AMOUNTS, INTEREST RATES AND PRICES

$105,200,000
SERIES 2023A BONDS (NON-AMT)

Maturity (December 1)	CUSIP No. +	Amount	Interest Rate	Price
2026	944514 F52	$ 100,000	5.000%	103.965
2027	944514 F60	100,000	5.000	105.255
2028	944514 F78	100,000	5.000	106.462
2029	944514 F86	3,140,000	5.000	107.246
2030	944514 F94	3,300,000	5.000	108.216
2031	944514 G28	3,470,000	5.000	108.839
2032	944514 G36	3,645,000	5.000	109.429
2033	944514 G44	3,825,000	5.000	110.102
2034	944514 G51	4,015,000	5.000	109.485*
2035	944514 G69	4,215,000	5.000	108.436*
2036	944514 G77	4,425,000	5.000	107.228*
2037	944514 G85	4,645,000	5.000	106.375*
2038	944514 G93	4,875,000	5.250	108.076*
2039	944514 H27	5,145,000	5.250	107.479*
2040	944514 H35	5,405,000	5.250	106.802*
2041	944514 H43	5,690,000	5.250	106.130*
2042	944514 H50	5,990,000	5.250	105.629*
2043	944514 H68	6,300,000	5.250	105.379*

$36,815,000 Term Bond Due December 1, 2048; Interest Rate 5.250%; Price: 103.735*, CUSIP No.+: 944514 H76

* Priced to call on December 1, 2033.

$78,205,000
SERIES 2023B BONDS (AMT)

Maturity (December 1)	CUSIP No. +	Amount	Interest Rate	Price
2026	944514 H84	$ 100,000	5.000%	102.088
2027	944514 H92	100,000	5.000	102.890
2028	944514 J25	100,000	5.000	103.424
2029	944514 J33	2,315,000	5.000	103.736
2030	944514 J41	2,420,000	5.000	104.009
2031	944514 J58	2,545,000	5.000	104.340
2032	944514 J66	2,670,000	5.000	104.622
2033	944514 J74	2,820,000	5.000	104.859
2034	944514 J82	2,940,000	5.000	104.277*
2035	944514 J90	3,095,000	5.250	105.712*
2036	944514 K23	3,255,000	5.250	105.048*
2037	944514 K31	3,425,000	5.250	104.471*
2038	944514 K49	3,605,000	5.250	103.980*
2039	944514 K56	3,790,000	5.500	105.808*
2040	944514 K64	3,995,000	5.500	105.725*
2041	944514 K72	4,230,000	5.500	105.314*
2042	944514 K80	4,440,000	5.500	104.905*
2043	944514 K98	4,690,000	5.500	104.661*

$27,670,000 Term Bond Due December 1, 2048; Interest Rate 5.500%; Price: 103.529*, CUSIP No.+: 944514 L22

* Priced to call on December 1, 2033.

+ CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed are being provided solely for the convenience of the bondholders only at the time of the issuance of the Series 2023 Bonds, and neither the Authority nor the Underwriters make any representations with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The initial CUSIP number for a specific maturity, interest rate and call date is subject to change after the issuance of the Series 2023 Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2023 Bonds.

$139,115,000
SERIES 2023C REFUNDING BONDS (NON-AMT)

Maturity (December 1)	CUSIP No. +	Amount	Interest Rate	Price
2024	944514 L30	$ 3,630,000	5.000%	101.309
2025	944514 L48	4,795,000	5.000	102.520
2026	944514 L55	5,040,000	5.000	103.965
2027	944514 L63	5,300,000	5.000	105.255
2028	944514 L71	5,560,000	5.000	106.462
2029	944514 L89	5,850,000	5.000	107.246
2030	944514 L97	6,130,000	5.000	108.216
2031	944514 M21	6,435,000	5.000	108.839
2032	944514 M39	6,770,000	5.000	109.429
2033	944514 M47	7,110,000	5.000	110.102
2034	944514 M54	7,455,000	5.000	109.485*
2035	944514 M62	7,835,000	5.000	108.436*
2036	944514 M70	8,230,000	5.000	107.228*
2037	944514 M88	8,635,000	5.000	106.375*
2038	944514 M96	9,065,000	5.250	108.076*
2039	944514 N20	9,535,000	5.250	107.479*
2040	944514 N38	10,045,000	5.250	106.802*
2041	944514 N46	10,570,000	5.250	106.130*
2042	944514 N53	11,125,000	5.250	105.629*

* Priced to call on December 1, 2033.

$18,520,000
SERIES 2023D REFUNDING BONDS (AMT)

Maturity (December 1)	CUSIP No.+	Amount	Interest Rate	Price
2024	944514 N61	$ 825,000	5.000%	100.653
2025	944514 N79	995,000	5.000	101.308
2026	944514 N87	1,050,000	5.000	102.088
2027	944514 N95	1,100,000	5.000	102.890
2028	944514 P28	1,155,000	5.000	103.424
2029	944514 P36	1,215,000	5.000	103.736
2030	944514 P44	1,270,000	5.000	104.009
2031	944514 P51	1,340,000	5.000	104.340
2032	944514 P69	1,405,000	5.000	104.622
2033	944514 P77	1,480,000	5.000	104.859
2034	944514 P85	1,545,000	5.000	104.277*
2035	944514 P93	1,625,000	5.250	105.712*
2036	944514 Q27	1,710,000	5.250	105.048*
2037	944514 Q35	1,805,000	5.250	104.471*

*Priced to call on December 1, 2033.

$28,710,000
SERIES 2023E REFUNDING BONDS (AMT)

Maturity (December 1)	CUSIP No.+	Amount	Interest Rate	Price
2028	944514 Q43	$28,710,000	5.000%	103.424

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WAYNE COUNTY AIRPORT AUTHORITY
DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

AUTHORITY BOARD MEMBERS

Athina Papas, Chairperson
Dr. Curtis L. Ivery, Vice Chairperson
Dennis W. Archer Jr., Secretary
Michael Ajami
Marvin W. Beatty
Lisa Canada
Al Hadious

AUTHORITY STAFF

Chad Newton	Chief Executive Officer
Amber Hunt	Chief Financial Officer
Harnetha Jarrett	General Counsel
June Lee	Chief Operating Officer
Tadarial Sturdivant	Senior Vice President – Public Safety and Operations
Erica Donerson	Vice President – Communications & External Affairs
Angela Frakes	Vice President – Facilities & Terminal Operations
Michael Jackson	Vice President – Business Development
James Montgomery	Vice President – Operations & Maintenance
Michael O'Sullivan	Vice President – Planning, Design & Construction
Shannon Ozga	Vice President – Procurement, Compliance & Safety
Lynda Racey	Vice President – Human Resources
Tom Kalbfleisch	Controller
Daniel Alanis	Internal Auditor

FINANCIAL ADVISORS

PFM Financial Advisors LLC
Columbia Capital Management, LLC

BOND COUNSEL

Miller, Canfield, Paddock and Stone, P.L.C.

AIRPORT CONSULTANT

Landrum & Brown, Incorporated
in association with Partners for Economic Solutions

REGARDING THIS OFFICIAL STATEMENT

This Official Statement does not constitute an offer to sell, or the solicitation of an offer to buy, any Series 2023 Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction. No dealer, salesman or other person has been authorized by the Wayne County Airport Authority (the "Authority") or the Underwriters (as defined herein) to give any information or to make any representation other than that contained herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the Authority or any other person. The information set forth herein has been obtained from the Authority, The Depository Trust Company ("DTC") and other sources that are believed to be reliable, but the accuracy or completeness of the information is not guaranteed and the information is not to be construed as a representation by the Underwriters (as defined herein). The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create the implication that there has been no change in the affairs of the Authority or the Airport or the other matters described herein since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

Assured Guaranty Municipal Corp. (the "Bond Insurer") makes no representation regarding the Series 2023 Bonds or the advisability of investing in the Series 2023 Bonds. In addition, the Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Bond Insurer supplied by the Bond Insurer and presented under the heading "BOND INSURANCE" and APPENDIX H – "SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY."

Any statements made in this Official Statement, including the Appendices, involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of such estimates will be realized. This Official Statement contains certain forward-looking statements and information based on the Authority's beliefs as well as assumptions made by and information currently available to the Authority. Such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected.

CUSIP numbers are included in this Official Statement for the convenience of the holders and potential holders of the Series 2023 Bonds. No assurance can be given that the CUSIP numbers for the Series 2023 Bonds will remain the same after the date of issuance and delivery of the Series 2023 Bonds.

The Series 2023 Bonds have not been registered under the Securities Act of 1933, as amended, nor has the Master Bond Ordinance (as defined herein) or the Series 2023 Ordinance (as defined herein) been qualified under the Trust Indenture Act of 1939, as amended, in reliance upon exemptions contained in such Acts. The registration or qualification of the Series 2023 Bonds in accordance with applicable provisions of securities law of the states in which the Series 2023 Bonds have been registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

In making an investment decision, investors must rely on their own examination of the Authority, the Bond Insurer, DTC and the terms of the offering, including the merits and risks involved. The Series 2023 Bonds have not been recommended by any Federal or State securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Official Statement. Any representation to the contrary may be a criminal offense.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2023 BONDS, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2023 BONDS AT A LEVEL ABOVE THE LEVEL THAT MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME WITHOUT NOTICE. THE PRICES AND OTHER TERMS RESPECTING THE OFFERING AND SALE OF THE SERIES 2023 BONDS MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS AFTER THE SERIES 2023 BONDS ARE RELEASED FOR SALE, AND THE SERIES 2023 BONDS MAY BE OFFERED AND SOLD AT PRICES OTHER THAN THE INITIAL OFFERING PRICES, INCLUDING SALES TO DEALERS WHO MAY SELL THE SERIES 2023 BONDS INTO INVESTMENT ACCOUNTS.

TABLE OF CONTENTS

OFFICIAL STATEMENT

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WAYNE COUNTY AIRPORT AUTHORITY
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$28,710,000
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Series 2023E (AMT)

INTRODUCTION

General

This Official Statement is furnished in order to set forth certain information in connection with the offering and sale by the Wayne County Airport Authority (the "Authority") of its Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A in the principal amount of $105,200,000 (the "Series 2023A Bonds"), its Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023B in the principal amount of $78,205,000 (the "Series 2023B Bonds"), its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023C in the principal amount of $139,115,000 (the "Series 2023C Refunding Bonds"), its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023D in the principal amount of $18,520,000 (the "Series 2023D Refunding Bonds") and its Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023E in the principal amount of $28,710,000 (the "Series 2023E Refunding Bonds" and, collectively, with the Series 2023A Bonds, the Series 2023B Bonds, the Series 2023C Refunding Bonds and the Series 2023D Refunding Bonds, the "Series 2023 Bonds").

Unless otherwise indicated, capitalized terms used in this Official Statement have the meanings established in the Series 2023 Ordinance (as defined herein). See APPENDIX C — "SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE — MASTER BOND ORDINANCE — Selected Definitions" and "— SERIES 2023 ORDINANCE — Selected Definitions." This Official Statement includes the cover page and Appendices hereto.

The Authority and the Airport

The Authority is a political subdivision and instrumentality of the Charter County of Wayne, Michigan (the "County"), created pursuant to that part of Act 327, Michigan Public Acts of 1945, as amended ("Act 327" or the "State Aeronautics Code"), known as the Public Airport Authority Act, Act 90, Michigan Public Acts of 2002 (the "Authority Act").

Under the Authority Act, the Authority has sole and exclusive operational jurisdiction of Detroit Metropolitan Wayne County Airport (the "Airport") and Willow Run Airport (together with the Airport, the "Airports"), which includes the exclusive right, responsibility and authority to occupy, operate, control and use the Airports and the Airports' facilities.

Pursuant to the Authority Act, the Authority is solely liable for all of the obligations with respect to the Airports, is obligated to perform all of the duties, and is bound by all of the covenants, with respect to the Airports under any ordinances, agreements or other instruments and under law. Under the Master Bond Ordinance (as defined herein), (i) all airport revenue bonds issued by the Authority may be issued on a parity basis with the Outstanding Senior Lien Bonds and Additional Bonds issued by the Authority under the Master Bond Ordinance, and secured by a statutory lien upon and against the Net Revenues (as such term is defined in "SECURITY FOR THE SERIES 2023 BONDS – Source of Payment" below), and (ii) all junior lien airport revenue bonds issued by the Authority may be issued on a parity basis with the Outstanding Junior Lien Bonds and Additional Junior Lien Bonds issued by the Authority under the Master Bond Ordinance, and secured by a statutory lien upon and against the Net Revenues subordinate to liens on the Net Revenues of the Senior Lien Bonds. See "SECURITY FOR THE SERIES 2023 BONDS."

As described in the Series 2023 Report of the Airport Consultant (as defined herein), the primary Air Service Area for the Airport consists of the Detroit-Warren-Ann Arbor Combined Statistical Area ("CSA") which includes the following 10 counties in Michigan: Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne. This 10-county area (the "Air Service Area") is located within the State of Michigan (the "State"). The Airport serves as the primary commercial service airport for the Air Service Area and surrounding region, much of the State and parts of Canada, northern Indiana and Ohio. The CSA has a population of nearly 5.4 million people and accounts for 53.5% of the State's population.

According to Federal Aviation Administration ("FAA") data for calendar year 2022, the Airport ranked 20th nationwide in enplanements. According to Authority records, enplaned passengers at the Airport for calendar year 2022 totaled 14,052,931, an increase of approximately 19.3% as compared to calendar year 2021. Air traffic has been recovering at the Airport since the onset of the COVID-19 pandemic but is still below the air traffic levels experienced at the Airport in 2019. Enplaned passengers in 2021 were 35.8% lower than in 2019. For 2022, enplaned passengers were 23.5% lower than in 2019. In June 2023, monthly enplaned passengers at the Airport were down 15.9% as compared to June 2019. For a further discussion of these air traffic trends, see "COVID-19 IMPACTS AND RECENT DEVELOPMENTS" below, "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT" below and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

The Airport ranked 27th nationwide in total aircraft operations in calendar year 2022, with 284,516 takeoffs and landings, a decrease of approximately 0.8% as compared to calendar year 2021, according to Airports Council International N.A. ("ACI") statistics. For a further discussion of the operational trends at the Airport, see APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

The Airport currently provides air service from two terminal buildings: the Edward H. McNamara Terminal (the "McNamara Terminal") which serves Delta Air Lines, Inc. ("Delta"), its affiliated regional carriers (the "Delta Connection Carriers") and Delta's other Sky Team partners, and the Warren Cleage Evans Terminal (the "Evans Terminal") which serves air carriers not affiliated with Delta. The Airport currently operates with four parallel and two crosswind runways.

Delta maintains one of its busiest connecting hubs and an international gateway at the Airport. Delta and the Delta Connection Carriers accounted for approximately 73.7% of the total enplaned passengers at the Airport for 2022. See "INVESTMENT CONSIDERATIONS — Delta's Presence at the Airport" below. A significant portion of Delta's enplaned passengers are connecting passengers, or passengers that have a scheduled stop at the Airport and transfer to another flight. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis."

Spirit Airlines ("Spirit") has the second largest market share at the Airport. In 2022, Spirit's enplaned passenger market share at the Airport was approximately 9.8% of the total enplaned passengers at the Airport. Spirit's enplaned passengers increased by 21.6% through June 2023 as compared to its enplaned passengers for the same six-month period in 2022, as shown in the Authority's records. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis."

The Series 2023 Bonds

The Authority is issuing the Series 2023 Bonds pursuant to the provisions of the State Aeronautics Code and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94," and together with the State Aeronautics Code, the “Act”), the Master Airport Revenue Bond Ordinance adopted by the Board of the Authority (the “Board” or the “Authority Board”) on September 26, 2003, as amended (the “Master Bond Ordinance”), the Ordinance No. 2023-01 adopted by the Board on April 19, 2023 authorizing the issuance of the Series 2023 Bonds (the “Series 2023 Ordinance”), and the Sale Order of the Chief Executive Officer or Chief Financial Officer of the Authority dated September 27, 2023, relating to the Series 2023 Bonds (the “Series 2023 Sale Order,” and, collectively with the Master Bond Ordinance and the Series 2023 Ordinance, the “2023 Bonds Ordinance”).

All Outstanding Bonds, the Series 2023 Bonds and any Additional Bonds issued by the Authority under the Master Bond Ordinance are collectively referred to herein as “Senior Lien Bonds.” All Outstanding Junior Lien Bonds and any Additional Junior Lien Bonds issued by the Authority under the Master Bond Ordinance are collectively referred to herein as “Junior Lien Bonds.”

U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association) is Trustee under the Master Bond Ordinance.

Purpose of the Series 2023 Bonds

The Authority will use the proceeds from the sale of the Series 2023 Bonds, together with other available funds, (i) with respect to the Series 2023A Bonds and the Series 2023B Bonds, to pay all or portions of the costs of acquiring, constructing and installing the Series 2023 Projects (as defined herein), (ii) with respect to the Series 2023C Refunding Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds, to provide funds to refund the Refunded Bonds, (iii) to make a deposit to the Bond Reserve Account (as defined herein), (iv) to pay capitalized interest on portions of the Series 2023A Bonds and the Series 2023B Bonds, and (v) to pay costs of issuance of the Series 2023 Bonds.

Security for the Series 2023 Bonds

The Series 2023 Bonds are revenue obligations of the Authority.

The Series 2023 Bonds will be secured by a statutory lien on Net Revenues and will be secured equally and on a parity basis as to Net Revenues with all Outstanding Senior Lien Bonds and any Additional Bonds. Pursuant to the Master Bond Ordinance, the Authority has irrevocably pledged Net Revenues on a senior lien basis for the payment of the Outstanding Senior Lien Bonds, the Series 2023 Bonds and any Additional Bonds, and on a junior lien basis for the payment of Outstanding Junior Lien Bonds and any Additional Junior Lien Bonds.

As of August 1, 2023, without taking into account the issuance of the Series 2023 Bonds, the aggregate principal amount of Outstanding Senior Lien Bonds was $1,797,085,000, and the aggregate principal amount of Outstanding Junior Lien Bonds was $111,835,000. As of October 11, 2023 and upon the issuance of the Series 2023 Bonds, the aggregate principal amount of Outstanding Senior Lien Bonds will be $1,963,030,000 and the aggregate principal amount of Outstanding Junior Lien Bonds will be $111,835,000.

As described under “SECURITY FOR THE SERIES 2023 BONDS,” the Master Bond Ordinance requires the maintenance of a Bond Reserve Account to secure all of the Outstanding Senior Lien Bonds, including the Series 2023 Bonds. The Master Bond Ordinance also includes a rate covenant by the Authority and permits the issuance of Additional Bonds on a parity basis with the Series 2023 Bonds and the other Outstanding Senior Lien Bonds, subject to meeting certain tests under the Master Bond Ordinance.

Bond Insurance Policy

Concurrently with the issuance of the Series 2023 Bonds, Assured Guaranty Municipal Corp. (the “Bond Insurer”) will issue its Municipal Bond Insurance Policy for the Series 2023 Bonds (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Series 2023 Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement. The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law. See “BOND INSURANCE” and APPENDIX H – “SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY.”

Forward-Looking Statements

The statements contained in this Official Statement, and in any other information provided by the Authority, that are not purely historical, are forward-looking statements, including statements regarding the Authority's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Official Statement are based on information available to the Authority on the date hereof, and the Authority assumes no obligation to update any such forward-looking statements. It is important to note that the actual results of the Airport could differ materially from those in such forward-looking statements.

The forward-looking statements herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the Authority. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Official Statement would prove to be accurate. See "INVESTMENT CONSIDERATIONS – Forward Looking Statements."

Additional Information

Brief descriptions of the Series 2023 Bonds, the Master Bond Ordinance, the Series 2023 Ordinance, the Series 2023 Sale Order and certain other documents are included in this Official Statement and the appendices hereto. Such descriptions do not purport to be comprehensive or definitive. All references herein to such documents and any other documents, statutes, reports or other instruments described herein are qualified in their entirety by reference to each such document, statute, report or other instrument.

DESCRIPTION OF THE SERIES 2023 BONDS

General Provisions

The following is a summary of certain provisions of the Series 2023 Bonds. Reference is made to the Master Bond Ordinance and the Series 2023 Ordinance, as applicable, and the Series 2023 Bonds for the complete terms thereof and to APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE" for a more detailed description of such provisions.

Each of the Series of the Series 2023 Bonds will be dated its date of delivery, will be issuable as fully registered bonds in denominations of $5,000 or any integral multiple thereof and will bear interest from its date to its respective maturity in the amounts and at the interest rates set forth on the inside front cover of this Official Statement.

Interest on the Series 2023 Bonds shall be payable on June 1 and December 1 of each year, commencing December 1, 2023 for the Series 2023E Refunding Bonds and commencing June 1, 2024 for the Series 2023A Bonds, the Series 2023B Bonds, the Series 2023C Refunding Bonds and the Series 2023D Refunding Bonds.

All payments of interest on the Series 2023 Bonds shall be paid to the registered owners entitled thereto by check or draft mailed to each registered owner at the address recorded on the registration books maintained by the Trustee as of the 15th day of the month prior to the Bond Payment Date. The principal of, and premium if any, on the Series 2023 Bonds are payable to the registered owners thereof, as shown on the registration books of the Authority maintained by the Trustee, upon maturity or prior redemption thereof and upon presentation and surrender thereof to the Trustee. Holders of at least $1,000,000 principal amount of the Series 2023 Bonds may request wire transfer of interest payments to a bank within the continental United States as directed by the Holder in writing to the Trustee.

U.S. Bank Trust Company, National Association (as successor to U.S. Bank National Association) is Trustee under the Master Bond Ordinance. The designated corporate trust office for its duties as Trustee is located at 535 Griswold Street, Buhl Building, Suite 550, Detroit, Michigan 48226. Although the Trustee has accepted its duties as Trustee under the Master Bond Ordinance, the Trustee has not reviewed this Official Statement and makes no representations as to the information contained herein.

The Series 2023 Bonds are issuable in fully registered form and are initially to be registered in the name of Cede & Co., as nominee for DTC, as securities depository for the Series 2023 Bonds. Purchases by beneficial owners of the Series 2023 Bonds ("Beneficial Owners") are to be made in book-entry form. Payments to Beneficial Owners are to be made as described in APPENDIX E – "BOOK-ENTRY SYSTEM."

Redemption Provisions

Series 2023A Bonds.

Optional Redemption. The Series 2023A Bonds maturing on and after December 1, 2034 are subject to redemption by the Authority in whole or in part at any time prior to maturity at the option of the Authority and by lot within a maturity in such manner as the Trustee may determine on any date on or after December 1, 2033 at the principal amount thereof and interest accrued thereon to the date fixed for redemption without premium.

Mandatory Sinking Fund Redemption. The Series 2023A Bonds maturing in the year 2048 are subject to Mandatory Sinking Fund Redemption prior to maturity, by lot in such manner as the Trustee may determine, at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption, on the dates and in the principal amounts as follows:

$36,815,000 5.250% Term Bond Due December 1, 2048

Year (December 1)	Principal Amount
2044	$6,630,000
2045	6,970,000
2046	7,350,000
2047	7,730,000
2048†	8,135,000

† Final maturity

The amounts to be so redeemed may be reduced by the principal amounts of the Series 2023A Bonds theretofore redeemed (otherwise than through operation of the Mandatory Sinking Fund Redemption described above), or otherwise acquired and delivered to the Trustee, at least 45 days prior to the payment date for credit against the Mandatory Sinking Fund Redemption described above and shall be applied in direct order of date of redemption.

Series 2023B Bonds.

Optional Redemption. The Series 2023B Bonds maturing on and after December 1, 2034 are subject to redemption by the Authority in whole or in part at any time prior to maturity at the option of the Authority and by lot within a maturity in such manner as the Trustee may determine on any date on or after December 1, 2033 at the principal amount thereof and interest accrued thereon to the date fixed for redemption without premium.

Mandatory Sinking Fund Redemption. The Series 2023B Bonds maturing in the year 2048 are subject to Mandatory Sinking Fund Redemption prior to maturity, by lot in such manner as the Trustee may determine, at a redemption price of 100% of the principal amount thereof plus interest accrued to the date fixed for redemption, on the dates and in the principal amounts as follows:

$27,670,000 5.500% Term Bond Due December 1, 2048

Year (December 1)	Principal Amount
2044	$4,960,000
2045	5,230,000
2046	5,520,000
2047	5,815,000
2048†	6,145,000

† Final maturity

The amounts to be so redeemed may be reduced by the principal amounts of the Series 2023B Bonds theretofore redeemed (otherwise than through operation of the Mandatory Sinking Fund Redemption described above), or otherwise acquired and delivered to the Trustee, at least 45 days prior to the payment date for credit against the Mandatory Sinking Fund Redemption described above and shall be applied in direct order of date of redemption.

Series 2023C Refunding Bonds.

Optional Redemption. The Series 2023C Refunding Bonds maturing on and after December 1, 2034 are subject to redemption by the Authority in whole or in part at any time prior to maturity at the option of the Authority and by lot within a maturity in such manner as the Trustee may determine on any date on or after December 1, 2033 at the principal amount thereof and interest accrued thereon to the date fixed for redemption without premium.

Mandatory Redemption. The Series 2023C Refunding Bonds are not subject to mandatory redemption by the Authority in whole or in part at any time prior to maturity.

Series 2023D Refunding Bonds.

Optional Redemption. The Series 2023D Refunding Bonds maturing on and after December 1, 2034 are subject to redemption by the Authority in whole or in part at any time prior to maturity at the option of the Authority and by lot within a maturity in such manner as the Trustee may determine on any date on or after December 1, 2033 at the principal amount thereof and interest accrued thereon to the date fixed for redemption without premium.

Mandatory Redemption. The Series 2023D Refunding Bonds are not subject to mandatory redemption by the Authority in whole or in part at any time prior to maturity.

Series 2023E Refunding Bonds.

The Series 2023E Refunding Bonds are not subject to optional or mandatory redemption by the Authority in whole or in part at any time prior to maturity.

Extraordinary Optional Redemption. Each Series of the Series 2023 Bonds is subject to redemption at the option of the Authority, at any time, in whole or in part (by lot in such manner as the Trustee may determine), in the event of destruction or taking of or damage to the Airport; but only if (i) the Airport has been restored to substantially the same condition as prior to such damage, destruction or taking and excess Net Proceeds remain; or (ii) the Authority has determined that the portion of the Airport damaged, destroyed or taken is not necessary to the operation of the Airport and that the failure of the Authority to repair and restore the same will not impair or otherwise adversely affect the revenue-producing capability of the Airport; or (iii) the Airport Consultant cannot provide a statement that Net Proceeds, together with other funds made available or to be made available by the Authority, are projected to be sufficient to pay the costs of the replacement, repair, rebuilding or restoration of the Airport. Such redemption shall be at a price equal to the principal amount of the Series 2023 Bonds to be redeemed plus interest accrued to the date fixed for redemption.

Order of Redemption. In the event of an optional redemption or an extraordinary optional redemption, in each case as described above, if less than all of the Outstanding Series 2023 Bonds are to be redeemed, the Trustee shall give notice, in the name of the Authority, of the Series 2023 Bonds to be redeemed, specifying the maturity thereof and within a maturity, selected by lot in such manner as the Trustee may determine. If any Series 2023 Bonds are to be called for redemption prior to maturity, irrevocable instructions to call such Series 2023 Bonds for redemption shall be given to the Trustee after the deposit of funds in connection with any such redemption has been made. The Trustee shall redeem the Outstanding Series 2023 Bonds (other than the Outstanding Series 2023 Bonds being redeemed pursuant to mandatory sinking fund redemption) in such order of maturity as the Authority shall specify.

Notice of Redemption. Notice of redemption will be mailed by the Trustee to each owner of Series 2023 Bonds whose Series 2023 Bonds are to be redeemed. Notice of redemption shall be given not less than thirty (30) days nor more than sixty (60) days prior to the date set for redemption. Failure to give notice in the manner described with respect to any Series 2023 Bond, or any defect in such notice, will not affect the validity of the redemption proceedings for any Series 2023 Bond with respect to which notice was properly given. To the extent that Cede & Co. is the registered owner for DTC, the Authority or the Trustee shall send such notice to DTC as registered owner. DTC will be responsible for notifying the Participants who in turn will forward such notice to the Beneficial Owners. See APPENDIX E – "BOOK-ENTRY SYSTEM." Unless the Trustee has funds on hand available to pay the redemption price of the Series 2023 Bonds to be redeemed, the effectiveness of the redemption shall be conditioned on the receipt by the Trustee of such funds on or before the redemption date.

In case less than the full amount of an outstanding Bond is called for redemption, the Trustee upon presentation of the Series 2023 Bond called in part for redemption shall register, authenticate and deliver to the registered owner a new Series 2023 Bond in the principal amount of the portion of the original Series 2023 Bond not called for redemption.

Book-Entry Only System

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered bonds registered in the name Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2023 Bond certificate will be issued for each stated maturity of each Series of the Series 2023 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See APPENDIX E – "BOOK-ENTRY SYSTEM."

SECURITY FOR THE SERIES 2023 BONDS

General Provisions

Each capitalized term used but not defined in this heading "SECURITY FOR THE SERIES 2023 BONDS" shall have the meaning ascribed thereto in the Master Bond Ordinance or the Series 2023 Ordinance, as applicable. See APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE – MASTER BOND ORDINANCE – Selected Definitions" and "– SERIES 2023 ORDINANCE – Selected Definitions."

Source of Payment

The Series 2023 Bonds will be secured by a statutory lien on the Net Revenues of the Airport and will be secured equally and on parity with all Outstanding Senior Lien Bonds and any Additional Bonds. As of August 1, 2023, without taking into account the impact of the issuance of the Series 2023 Bonds, $1,797,085,000 aggregate principal amount of Senior Lien Bonds was Outstanding. As of October 11, 2023 and upon the issuance of the Series 2023 Bonds, the aggregate principal amount of Outstanding Senior Lien Bonds will be $1,963,030,000. The Series 2023 Bonds are being issued pursuant to the provisions of the Act and the Series 2023 Bonds Ordinance.

The Series 2023 Bonds are revenue obligations of the Authority, payable solely from the Net Revenues derived by the Authority from the operation of the Airport. Pursuant to the Master Bond Ordinance, the Authority has irrevocably pledged Net Revenues for the payment of Senior Lien Bonds.

Net Revenues for any period means the excess of Revenues remaining after deducting the Operation and Maintenance Expenses for such period. "Revenues" are the general revenues derived from the operation of the Airport, which shall include all moneys deposited in the Revenue Fund, from whatever source, and all income derived from the charges, fees, rentals and rates charged for services, facilities and commodities furnished by the Airport, whether such income shall be derived from its function as an Airport or not, and including, but not by way of limitation, concessions, rentals, auto parking fees, service charges derived from the operation of the terminal complex buildings and facilities, airplane landing fees, non-airline gasoline fees and miscellaneous charges and rentals from other facilities and services and investment earnings or general revenues derived from the operation of the Airport accumulated by the Authority prior to deposit in the Revenue Fund; provided, however, that the term "Revenues" shall not be construed to include (i) rentals or other amounts to be paid in the future by any Person pursuant to a lease or other agreement with the County or the Authority, which rentals or other amounts are pledged for the payment of bonds issued to provide funds to construct Special Facilities, (ii) the proceeds of federal grants or Passenger Facility Charges, or the proceeds of any other grant, charge or tax intended as a replacement therefor or other capital contributions from any source, (iii) the Net Proceeds of insurance or condemnation proceeds resulting from the damage or destruction or taking of any portion of the Airport or (iv) Special Purpose Revenues.

The land and facilities comprising the Airport have not been pledged or mortgaged pursuant to the Master Bond Ordinance, nor have they been pledged to secure payment of the Series 2023 Bonds, any other Senior Lien Bonds or any Junior Lien Bonds or other Authority obligations.

NEITHER THE LAWS OF THE STATE NOR THE MASTER BOND ORDINANCE PERMITS THE AUTHORITY TO CREATE A LIEN UPON THE AIRPORT, OR TO TRANSFER, ASSIGN, OR OTHERWISE DISPOSE OF ALL OR ANY PORTION OF THE PROPERTIES OF THE AIRPORT SUBJECT TO CERTAIN LIMITED EXCEPTIONS. SEE APPENDIX C – "SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE – MASTER BOND ORDINANCE – SALE OF AIRPORT" AND "– OTHER AUTHORITY COVENANTS." In addition, the Authority Act requires the County to refrain from selling, transferring or otherwise encumbering or disposing of airport facilities owned by the County, and certain federal laws and regulations of the United States prohibit the use of airport revenue, including revenue generated from any land owned by the County underlying the Airports, for any purpose unrelated to the Airports.

The requirements for the issuance of Additional Bonds under the Master Bond Ordinance will have been satisfied with respect to the Series 2023 Bonds as of the date of delivery thereof. See "SECURITY FOR THE SERIES 2023 BONDS – Additional Senior Lien Bonds."

Bond Reserve Account

Pursuant to the Master Bond Ordinance, a bond reserve account (the "Bond Reserve Account") has been established to secure the Bonds. At any time when Bonds are Outstanding, the Bond Reserve Account shall be maintained in an amount equal to the Reserve Requirement. The Reserve Requirement is defined by the Master Bond Ordinance to mean the maximum annual Debt Service requirements for each Series of Outstanding Bonds (subject to limits imposed by the Internal Revenue Code of 1986, as amended), which amount is required to be on deposit or otherwise provided for (*e.g.*, through provision of a letter of credit, surety bond or insurance policy in the same amount) in the Bond Reserve Account. As of the date of issuance of the Series 2023 Bonds, the Reserve Requirement for the Bond Reserve Account is expected to be calculated on the basis of 125% on the average annual Debt Service for the Bonds. A separate subaccount is established for each series of Bonds within the Bond Reserve Account, and is required to be funded at the lesser of (i) the Reserve Requirement for such series or (ii) the amount necessary to assure that the Reserve Requirement for the Bonds of all series is satisfied. The deposit requirement into the Bond Reserve Account may be satisfied by a deposit at the time of issuance of each Series of Bonds or by an accumulation on a scheduled basis of Bond proceeds, investment earnings or other deposits which will result in an amount equal to the Reserve Requirement for such Series of Bonds being on deposit in the Bond Reserve Account no later than the date of the last scheduled application of all capitalized interest, if any, for such Series.

Any deposit requirements to the Bond Reserve Account with respect to the Series 2023 Bonds will be satisfied as of the date of delivery thereof by a deposit of cash in the Bond Reserve Account and by a reallocation of certain existing monies on deposit in the Bond Reserve Account previously pertaining to the Refunded Bonds.

As of the date of issuance of the Series 2023 Bonds, the amount on deposit in the Bond Reserve Account is expected to be $142,355,512. Moneys in the Bond Reserve Account are almost exclusively invested in United States Treasury securities and commercial paper notes rated not less than "A-1" by S&P Global Ratings and "P-1" by Moody's Investors Service, Inc.

Rate Covenant

The Master Bond Ordinance contains a single rate covenant which pertains to both Senior Lien Bonds and Junior Lien Bonds. In the Master Bond Ordinance, the Authority covenants to fix, charge and collect rates, fees, rentals and charges for the use and operation of the Airport as may be necessary or appropriate to produce Revenues in each Operating Year which will be at least sufficient to provide for (i) the payment of Operation and Maintenance Expenses for such Operating Year; (ii) together with passenger facility charge ("PFC") proceeds deposited with the Trustee with respect to such Operating Year, the amount needed to make the deposits required under the Master Bond Ordinance for such Operating Year to the Bond Fund; and (iii) together with Other Available Moneys deposited with the Trustee with respect to such Operating Year (to the extent not needed to make deposits required under the Master Bond Ordinance for such Operating Year to the Bond Fund) and any unencumbered cash balance held in the Revenue Fund on the last day of the Operating Year preceding the Operating Year for which the calculation is made and not then required to be deposited in any Fund or Account, (A) the amounts needed to make the deposits required under the Master Bond Ordinance for such Operating Year to the Junior Lien Bond Fund, the Operation and Maintenance Reserve Fund, the Renewal and Replacement Fund, the Discretionary Fund and the Airport Development Fund, and (B) an amount not less than twenty-five percent (25%) of the Debt Service due and payable on Senior Lien Bonds during such Operating Year. "Other Available Moneys" means, for any Operating Year, the amount of money determined by the Chief Executive Officer in concurrence with the Chief Financial Officer to be transferred by the Authority for such Operating Year from PFCs or other sources other than Revenues to the Bond Fund or the Junior Lien Bond Fund.

Beginning on January 1, 2020, the Authority's Operating Year was changed to be the 12-month period ending December 31st. Prior to the effectiveness of this change of fiscal year end, the Authority's Operating Year was the 12-month period ending September 30th.

Budgetary Procedures

The Master Bond Ordinance requires the Authority to adopt, prior to the commencement of each Operating Year, a budget sufficient to cover the Operation and Maintenance Expenses of the Airport for such Operating Year, the principal and interest payable during such Operating Year on Outstanding Senior Lien Bonds and Junior Lien Bonds, and other known financial requirements of the Master Bond Ordinance during such Operating Year.

Flow of Funds

Under the Master Bond Ordinance, the Authority is required to set aside and deposit all Revenues into the Revenue Fund, and to apply all monies on deposit therein at such times and in accordance with the priorities established in the Master Bond Ordinance.

The Master Bond Ordinance requires that the Revenues credited to the Revenue Fund shall be transferred from the Revenue Fund and credited to the following funds and accounts at the following times and in the following order of priority:

(i) Monthly, by the twenty-fifth day of the month, to the Operation and Maintenance Fund, a sum sufficient to provide for payment of the Operation and Maintenance Expenses of the Airport for the next succeeding month;

(ii) Monthly, on the first day of each month, to the Bond and Interest Redemption Fund (the "Bond Fund"), an amount which is equal to 1/6th of the total amount of interest on the Bonds next coming due or such lesser amount as is necessary to assure that the amount set aside in the Bond Fund as of the first of such month is not less than the product of (a) 1/6th of the amount of interest next due on the Bonds and (b) the number of months elapsed since and including the last interest payment date for Bonds with semiannual interest payments or an amount equal to one month's accrued interest on the Bonds as provided in the applicable series ordinance for such Bonds for Bonds with more frequent interest payments; and an amount which is equal to 1/12th of the amount of principal on the Bonds next coming due by maturity or as a Mandatory Redemption Requirement or such lesser amounts as is necessary to assure that the amount set aside in the Bond Fund as of the first of such month is not less than the product of (x) 1/12th of the amount of principal next due on the Bonds and (y) the number of months elapsed since and including the last principal payment date;

(iii) In the event of a deficiency in the amount required to be on deposit in the Bond Reserve Account, an amount required to restore the amount on deposit to required levels in accordance with the terms of the Master Bond Ordinance;

(iv) Monthly, on the first day of each month, to the Junior Lien Bond and Interest Redemption Fund (the "Junior Lien Bond Fund"), an amount equal to 1/6th of the total amount of interest on the Junior Lien Bonds next coming due or such lesser amount as is necessary to assure that any amount set aside in the Junior Lien Bond Fund as of the first of such month is not less than the product of (a) 1/6th of the amount of interest next due on the Junior Lien Bonds and (b) the number of months elapsed since and including the last interest payment date for Junior Lien Bonds with semiannual interest payments or an amount equal to one month's accrued interest on the Junior Lien Bonds as provided in the applicable series ordinance for such Junior Lien Bonds for Junior Lien Bonds with more frequent interest payments; and an amount which is equal to 1/12th of the amount of principal on the Junior Lien Bonds next coming due by maturity or as a Mandatory Redemption Requirement or such lesser amounts as necessary to assure that the amount set aside in the Junior Lien Bond Fund as of the first of such month is not less than the product of (x) 1/12th of the amount of principal next due on the Junior Lien Bonds and (y) the number of months elapsed since and including the last principal payment date;

(v) Any amounts due and owing to a Swap Provider by the Authority pursuant to a Swap Agreement shall be payable when due from a Swap Payment Account established in the Junior Lien Bond Fund (including termination payments);

(vi) If at any time there is not on deposit in the Junior Lien Bond Reserve Account the amount required to be on deposit therein, an amount required to restore such deficiency to required levels in accordance with the terms of the applicable series ordinance for such Junior Lien Bonds;

(vii) Quarterly, on the last day of each fiscal quarter, to the Operation and Maintenance Reserve Fund, an amount equal to 1/48th of the estimated annual Operation and Maintenance Expenses of the Airport until the estimated Operation and Maintenance Expenses for the period of one month as projected in the most recent Authority budget for the Airport (the "Operating Reserve Amount") is on deposit in such fund; thereafter, the amount necessary to maintain an amount equal to the Operating Reserve Amount on deposit in such fund;

(viii) Quarterly, on the last day of each fiscal quarter, to the Renewal and Replacement Fund, the sum of $125,000 until the sum of $2,500,000 (the "Replacement Requirement") is on deposit in the Renewal and Replacement Fund; thereafter, the lesser of $125,000 and the amount necessary to maintain an amount equal to the Replacement Requirement on deposit in such fund;

(ix) Quarterly, after satisfying all of the foregoing requirements, to the Airport Discretionary Fund, the sum of $87,500;

(x) Quarterly, on the last day of each quarter of each Operating Year, to the Airport Development Fund, one-quarter of the amount calculated in accordance with the applicable agreements and included in the budgeted rates and charges for the Airport for the Operating Year for deposit to the Airport Development Fund (See APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS"); and

(xi) Quarterly, prior to the Completion Date for the projects funded from each Series of Bonds, to the Rebate Fund, an amount sufficient to make the amount on deposit in the Rebate Fund equal to ninety percent (90%) of the estimated accrued amount subject to the rebate requirements of Section 148(f) of the Code, and annually, prior to the Completion Date, an amount sufficient to make the amount on deposit in the Rebate Fund equal to 100% of the amount required to be rebated to the United States Government pursuant to Section 148(f) of the Code, and annually, after the Completion Date, from the Revenue Fund, an amount sufficient to make the amount on deposit in the Rebate Fund equal to 100% of the amount required to be rebated to the United States Government pursuant to Section 148(f) of the Code. Neither the Trustee nor any owner of any Bond has a claim on any monies on deposit in the Rebate Fund.

The Master Bond Ordinance provides that all interest earned or profit realized on investments or deposits of money for the funds and accounts established under the Master Bond Ordinance shall be credited and charged as follows. Earnings and profits on the Bond Reserve Account shall be (i) retained therein until the Reserve Requirement is on deposit, then (ii) prior to the Completion Date, credited to the Construction Fund in an amount equal to earnings and profits times a fraction, the numerator of which is the amount of capitalized interest payable on the next ensuing Bond Payment Date and the denominator of which is the total amount of interest payable on such Bond Payment Date, and credited to the general account of the Bond Fund in an amount equal to the remainder of such earnings and profits, and then (iii) on and after the Completion Date with proceeds of a series of Bonds, credited to the general account of the Bond Fund. Earnings and profits on the Capitalized Interest Account of the Bond Fund shall be retained in such account until such account is fully funded and, thereafter, shall be credited to the Construction Fund. Earnings and profits on the Operation and Maintenance Reserve Fund shall be retained therein until the Operating Reserve Requirement is on deposit and, thereafter, shall be credited to the Revenue Fund. Earnings and profits on the Renewal and Replacement Fund shall be retained therein until the Replacement Requirement is on deposit, and, thereafter, shall be credited to the Revenue Fund. Interest earned or profit realized on investments or deposits of money in all other funds, accounts and sub-accounts established under the Master Bond Ordinance, and any losses on investments, shall be credited or charged to the fund, account or sub-account from which such investment was made.

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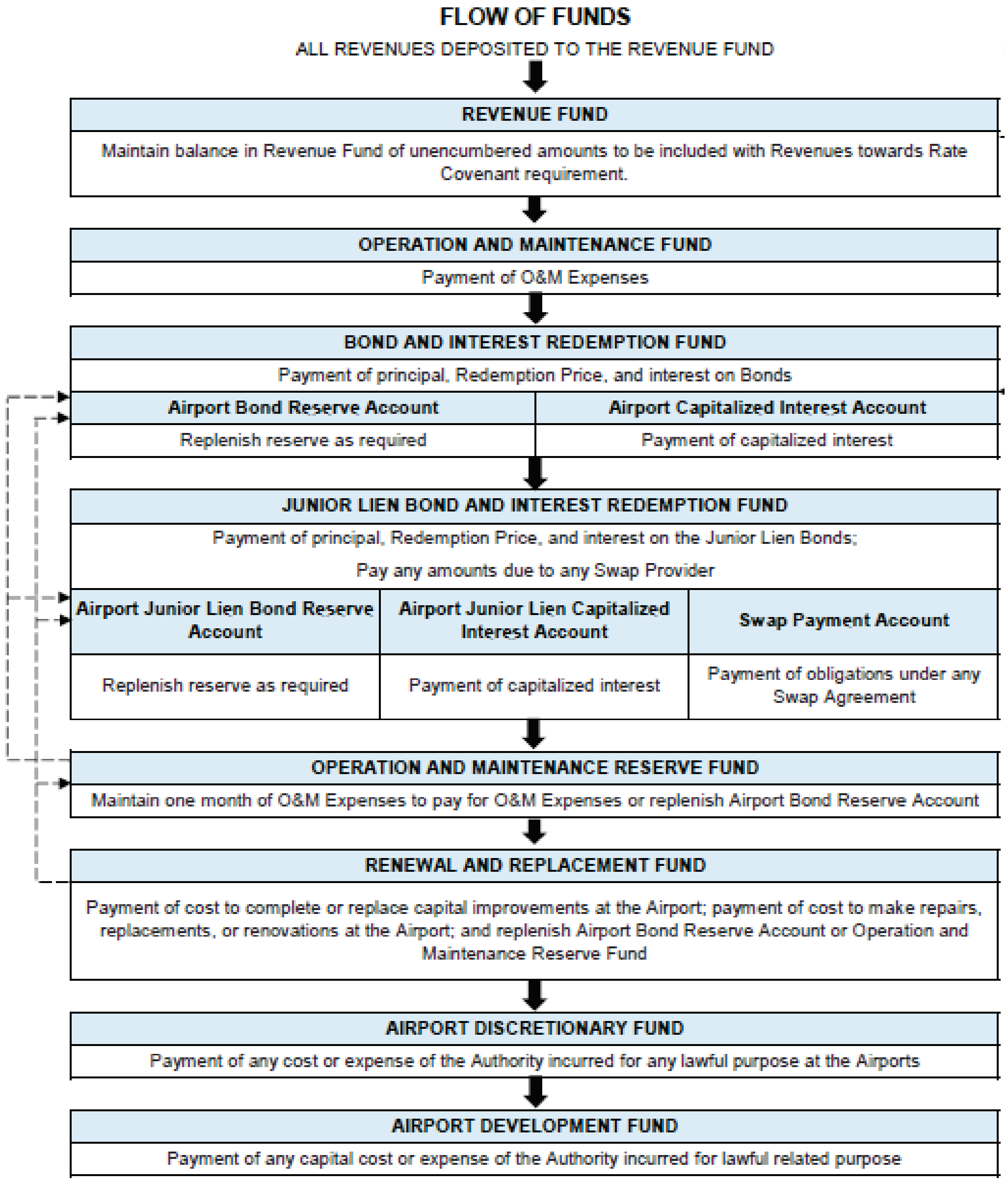
The chart below sets forth the flow of funds as specified in the Master Bond Ordinance.



Additional Senior Lien Bonds

The Master Bond Ordinance permits the issuance of one or more additional Series of Senior Lien Bonds on a parity with Outstanding Senior Lien Bonds so long as there exists no Default or Event of Default under the Master Bond Ordinance known to the Authority at the time such Series of Senior Lien Bonds is authorized to be issued by adoption of a Series Ordinance. Prior to issuing any additional Series of Senior Lien Bonds, the Authority must obtain an opinion of Bond Counsel that the issuance of such Series of Senior Lien Bonds will not impair the tax-exempt status of any Outstanding Senior Lien Bonds or Junior Lien Bonds.

In addition, unless the purpose for which a Series of Senior Lien Bonds is to be issued is to finance the cost of completing the acquisition, construction and installation of capital projects with respect to which a Series of Senior Lien Bonds has previously been issued, and provided that such Series of Senior Lien Bonds proposed to be issued for such purpose is proposed to be issued in a principal amount not to exceed ten percent (10%) of the face amount of Bonds originally issued to pay for the costs of the Authority's Capital Improvement Program, the Authority must first provide a report of an Airport Consultant projecting Revenues and Revenue Fund balances plus Other Available Moneys and any amounts estimated to be available to pay capitalized interest for the first three (3) full Operating Years commencing after completion of construction of the capital projects to be funded from the proceeds of the Series of Senior Lien Bonds proposed to be issued sufficient to satisfy the Rate Covenant, taking into account the Series of Bonds proposed to be issued. As an alternative to providing the report of an Airport Consultant described above, the Authority may authorize the issuance of a Series of Senior Lien Bonds if it delivers to the Trustee a certificate of the Chief Financial Officer (accompanied by a report of an independent auditor) certifying that, taking all Outstanding Senior Lien Bonds (other than any Senior Lien Bonds to be refunded by the Series of Senior Lien Bonds proposed to be issued) and the Series of Senior Lien Bonds proposed to be issued into account as if it had been issued at the beginning of the most recent Operating Year for which audited financial statements for the Authority are available, the Net Revenues together with Other Available Moneys actually deposited in the Bond Fund for such Operating Year were not less than 125% of the Debt Service with respect to such Outstanding Senior Lien Bonds and proposed Series of Senior Lien Bonds for such period.

The Master Bond Ordinance permits the issuance of one or more Series of Refunding Bonds for the purpose of (i) refunding any Senior Lien Bonds or Junior Lien Bonds, (ii) paying Issuance Costs therefor, and (iii) making deposits into the Bond Reserve Account; provided that the issuance of Refunding Bonds is subject to the satisfaction of the requirements for the issuance of Additional Bonds if the principal and interest payable on such Refunding Bonds would exceed the principal and interest payable on the Bonds to be refunded by more than twenty percent (20%) in any Operating Year. In addition, the Authority may not deliver any additional Series of Refunding Bonds unless on or prior to the date of delivery thereof, there shall be deposited with the Trustee Sufficient Government Obligations and cash in an amount sufficient to effect payment at maturity or to pay the applicable Redemption Price or purchase price (in the event of tender) of the Bonds to be refunded together with interest on such Bonds to the redemption or payment date, which monies shall be held by the Trustee in a separate irrevocable trust account for the owners of Outstanding Bonds being refunded.

Junior Lien Bonds

Junior Lien Bonds are revenue obligations of the Authority, payable solely from the Net Revenues derived by the Authority from the operation of the Airport but subject to the prior lien on Net Revenues in respect of the Senior Lien Bonds. Pursuant to the Master Bond Ordinance, the Authority has irrevocably pledged Net Revenues available after Net Revenues have first been set aside as required to pay the principal, interest and Redemption Price, if any, on Outstanding Senior Lien Bonds, for the payment of Junior Lien Bonds. As of August 1, 2023, $111,835,000 aggregate principal amount of Junior Lien Bonds was Outstanding.

The Master Bond Ordinance permits the issuance of one or more Series of Junior Lien Bonds so long as no Event of Default under the Master Bond Ordinance known to the Authority exists at the time such Junior Lien Bonds are authorized to be issued by adoption of a Series Ordinance. Prior to issuing any additional Series of Junior Lien Bonds, the Authority must obtain an opinion of Bond Counsel that the issuance of such Series of Junior Lien Bonds will not impair the tax-exempt status of any prior Series of Senior Lien Bonds or Junior Lien Bonds.

Prior to issuing a Series of Junior Lien Bonds other than Junior Lien Bonds proposed to be issued to refund Senior Lien Bonds or Junior Lien Bonds, the Chief Financial Officer shall certify to the Trustee that the sum of (i) the Net Revenues for the most recently completed Operating Year; (ii) the amount of Other Available Moneys actually deposited in the Bond Fund for the most recently completed Operating Year; and (iii) the average of (A) the amount of Other Available Moneys actually deposited in the Junior Lien Bond Fund for the most recently completed Operating Year, and (B) each annual amount of Other Available Moneys that the Airport Consultant certifies to the Authority may reasonably be expected to be received by the Authority and deposited in the Junior Lien Bond Fund during the period that the proposed and outstanding Series of Junior Lien Bonds are projected to be Outstanding, is not less than 110% of the Debt Service with respect to such Outstanding Bonds and Outstanding Junior Lien Bonds for the most recently completed Operating Year and of the average annual Debt Service with respect to the proposed Series of Junior Lien Bonds. The Chief Financial Officer will also certify that for each of the four (4) Operating Years following the Operating Year in which proposed Series of Junior Lien Bonds is to be issued, the sum of (i) the Net Revenues that the Airport Consultant certifies to the Authority may reasonably be projected to be received for the immediately preceding Operating Year; (ii) the amount of Other Available Moneys which the Airport Consultant certifies to the Authority may reasonably be expected to be deposited in the Bond Fund for the immediately preceding Operating Year, and (iii) the average of (A) the amount of Other Available Moneys actually deposited in the Junior Lien Bond Fund for the most recently completed Operating Year preceding the Operating Year in which the proposed Series of Junior Lien Bonds is to be issued, and (B) each annual amount of Other Available Moneys that the Airport Consultant certifies to the Authority may reasonably be expected to be received by the Authority and deposited in the Junior Lien Bond Fund over the period that the proposed and outstanding Series of Junior Lien Bonds are projected to be Outstanding, is not less than 110% of the Debt Service with respect to such Outstanding Bonds and Outstanding Junior Lien Bonds for the immediately preceding Operating Year and of the average annual Debt Service with respect to the proposed Series of Junior Lien Bonds.

In calculating Net Revenues and expected Net Revenues, the Chief Financial Officer will take into account the unencumbered fund balance in the Revenue Fund on the last day of the two (2) Operating Years preceding the year of issue, and the expected unencumbered balance in the Revenue Fund on the last day of each of (i) the Operating Year in which the proposed series of Junior Lien Bonds will be issued and (ii) the next two (2) Operating Years, as provided in Section 604 of the Master Bond Ordinance. In making the calculations described herein, the Authority will also take into account Debt Service on (a) all Outstanding Bonds and Outstanding Junior Lien Bonds and (b) the proposed series of Junior Lien Bonds as if they had been issued at the beginning of the preceding Operating Year.

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Series 2023 Bonds, Assured Guaranty Municipal Corp. (the “Bond Insurer”) will issue its Municipal Bond Insurance Policy for the Series 2023 Bonds (the "Policy"). The Policy guarantees the scheduled payment of principal of and interest on the Series 2023 Bonds when due as set forth in the form of the Policy included as an exhibit to this Official Statement. See APPENDIX H – “SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY.”

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Assured Guaranty Municipal Corp.

AGM is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO”. AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP. Neither AGL nor any of its shareholders or affiliates, other than AGM, is obligated to pay any debts of AGM or any claims under any insurance policy issued by AGM.

AGM’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, LLC (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AGM should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AGM in its sole discretion. In addition, the rating agencies may at any time change AGM’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AGM. AGM only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AGM on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings. On July 13, 2023, S&P announced it had affirmed AGM's financial strength rating of "AA" (stable outlook). AGM can give no assurance as to any further ratings action that S&P may take.

On October 21, 2022, KBRA announced it had affirmed AGM's insurance financial strength rating of "AA+" (stable outlook). AGM can give no assurance as to any further ratings action that KBRA may take.

On March 18, 2022, Moody's announced it had upgraded AGM's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). AGM can give no assurance as to any further ratings action that Moody's may take.

For more information regarding AGM's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Capitalization of AGM.

At June 30, 2023:

- The policyholders' surplus of AGM was approximately $2,702 million.

- The contingency reserve of AGM was approximately $894 million.

- The net unearned premium reserves and net deferred ceding commission income of AGM and its subsidiaries (as described below) were approximately $2,089 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AGM, and (ii) the net unearned premium reserves and net deferred ceding commissions of AGM's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK") and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of AGM and the contingency reserves, net unearned premium reserves and net deferred ceding commission income of AGM were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference. Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to AGM are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (filed by AGL with the SEC on March 1, 2023);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023 (filed by AGL with the SEC on May 10, 2023); and

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 (filed by AGL with the SEC on August 9, 2023).

All information relating to AGM included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2023 Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AGM included herein under the subheading "BOND INSURANCE – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "AGM Information") shall be modified or superseded to the extent that any subsequently included AGM Information (either directly or through incorporation by reference) modifies or supersedes such previously included AGM Information. Any AGM Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters. AGM makes no representation regarding the Series 2023 Bonds or the advisability of investing in the Series 2023 Bonds. In addition, AGM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AGM supplied by AGM and presented under this heading "BOND INSURANCE."

SPECIAL FACILITIES REVENUE BONDS AND SPECIAL PURPOSE REVENUES

Special Facilities and Special Purpose Bonds

The Master Bond Ordinance provides that the Authority may finance any special facilities permitted by law; provided, that (i) any bonds issued to finance such special facilities shall not be secured by Revenues, and (ii) in the opinion of Bond Counsel, the financing of such special facilities does not conflict with the covenants or provisions of the Master Bond Ordinance.

In addition, the Authority may establish, by ordinance, a separate category or portion of revenue of a type not previously included in Revenues, relating to or arising from a definable service, program or facility that will be treated as Special Purpose Revenues and may be pledged for the payment of bonds ("Special Purpose Bonds") payable solely from such Special Purpose Revenues. On July 15, 2015, the Board adopted an ordinance (the "CFC Ordinance") providing for the establishment of a car rental customer facility charge (the "CFC") as a Special Purpose Revenue, starting September 1, 2015. The CFC Ordinance authorized the Authority to initially impose a CFC of $1.00 per vehicle per transaction day, on every vehicle rental by a car rental company that uses Airport facilities or operates under a permit or license with the Authority. The Authority is currently collecting a CFC of $3.00. As Special Purpose Revenues, the CFCs are not included as Revenues and are not pledged for payment of Bonds, but may instead be used for the payment of debt service on Special Purpose Bonds issued to finance such rental car facilities. Currently, the Authority has no plans to issue Special Purpose Bonds for such purpose. The Authority is applying its CFCs on a pay-as-you-go basis to pay the costs associated with improvements to the existing rental car facilities at the Airport, including the development of facilities for new car rental companies.

Outstanding Special Facilities Revenue Bonds

As of August 1, 2023, the Outstanding special facilities revenue bonds of the Authority are the $13,835,000 principal amount of Special Airport Facilities Revenue Bonds (Northwest Airlines, Inc. Facilities) Series 1999.

SERIES 2023 PROJECTS

The Authority maintains an ongoing five-year Capital Improvement Program (the "Capital Improvement Program") to address the capital development needs of the Airport. On October 26, 2022, the Authority Board approved the Authority's current five-year Capital Improvement Program for Operating Year 2023 - Operating Year 2027 (the "2023 – 2027 CIP"). See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program" below. Certain proceeds of the Series 2023A Bonds and the Series 2023B Bonds will be used to fund all or a portion of the costs of certain capital projects (collectively, the "Series 2023 Projects") included in the 2023 – 2027 CIP. The total estimated cost of the Series 2023 Projects is $305.3 million.

Airfield reconstruction and rehabilitation projects comprise approximately 35% of the total cost of the Series 2023 Projects. Most of the airfield reconstruction and rehabilitation projects include design, engineering, construction, escalation for inflation and contingency amounts, but exclude financing costs. For a further description of the Series 2023 Projects, see APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Airport Facilities and Capital Program – AIRPORT CAPITAL IMPROVEMENT PROGRAM – *The Series 2023 Projects*."

The Series 2023 Projects have received the approval of a Weighted Majority (as such term is defined in the Airline Agreements and more fully described in APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS").

The following table presents estimated total project costs by category and anticipated funding sources for the Series 2023 Projects:

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THE 2023 PROJECTS (dollars in thousands)

			ANTICIPATED FUNDING SOURCES			
		Estimated Project Cost	**Federal/ State Grants/Other Funding**	**Existing Bond Proceeds**	**Series 2023 Bond Proceeds**	**Future Bond Proceeds**
SERIES 2023 PROJECTS						
Airfield						
McNamara Terminal Apron Rehabilitation – Phase 2: Gates B1 through B21, C1 through C27, A74 through A78		$50,500	0	$14,792	$35,708	$0
McNamara Terminal Apron Rehabilitation – Phase 3: Taxilane U9 West of Gates A4 through A60		57,100	0	0	30,000	27,100
Subtotal Airfield Improvements	[A]	$107,600	$0	$14,792	$65,708	$27,100
Power Plants & Electrical Distribution System						
Medium Voltage Transmission Lines for Primary Service to the North Campus & Airfield – Phase 2: Generator Upgrade & Powerhouse Switchgear		4,000	0	0	4,000	0
North Campus Electrical Distribution Loop 3		8,975	0	0	8,975	0
Medium Voltage Conversion – Direct Feed from Powerhouse		3,300	0	0	3,300	0
Subtotal Power Plants & Electrical Distribution System	[B]	$16,275	$0	$0	$16,275	$0
Parking Decks, Lots and GTCs						
Big Blue Parking Deck Concrete Floor Repairs, Guardrails & Waterproofing		5,600	0	0	5,600	0
McNamara Parking Deck Elastomeric Coating		6,600	0	0	6,600	0
Subtotal Parking Decks, Lots, GTCs	[C]	$12,200	$0	$0	$12,200	$0
Bridges & Roadways						
Bridges & Roadways Rehabilitation – Dingell Drive from McNamara Terminal to North Tunnel		12,700	9,525		3,175	0
Tunnel Rehabilitation – South Tunnel (Phase II)		25,000	18,750		6,250	0
Tunnel Rehabilitation – North Tunnel & Middle Tunnel		28,700	21,525		7,175	0
Subtotal Bridges & Roadways	[D]	$66,400	$49,800	$0	$16,600	$0
Security & Communications						
Security System & Network Upgrades – Phase 3: Sensitive Security Rooms, Core & Edge Switches		6,000	0	4,620	1,380	0
Subtotal Security & Communications	[E]	$6,000	$0	$4,620	$1,380	$0
Support Facilities						
Roof Replacement Plan		2,741	0	0	2,741	0
Subtotal Support Facilities	[F]	$2,741	$0	$0	$2,741	$0
Terminals						
Evans Terminal – Fire Alarm Systems Improvement		4,725	0	0	4,725	0
Evans Terminal – Terminal Refresh (Phase I)		15,420	0	0	2,500	12,920
McNamara Terminal & Evans Terminal Roof Life Cycle Enhancements		3,000	0	0	3,000	0
McNamara Terminal – Security Camera Upgrades		7,000	0	0	7,000	0
McNamara Terminal – Jet Bridge Replacement		30,000	12,800	0	17,200	0
Subtotal Terminals	[G]	$60,145	$12,800	$0	$34,425	$12,920
Water, Sanitary & Stormwater Systems						
Primary Pump & Switchgear Replacements		3,500	0	0	3,500	0
Water Main Replacement – Phase 2		3,400	0	0	3,400	0
Stormwater Forcemain – East Side Site		27,000	18,000	0	9,000	0
Subtotal Water, Sanitary & Stormwater Systems	[H]	$33,900	$18,000	$0	$15,900	$0
TOTAL SERIES 2023 PROJECTS	[I = A through H]	$305,261	$80,600	$19,412	$165,229	$40,020

NOTE: Amounts may not add due to rounding.
SOURCE: Wayne County Airport Authority, September 2023.

Compiled by Landrum & Brown, Inc.

The Authority anticipates that the Series 2023 Projects will be funded from a combination of proceeds of the Series 2023A Bonds and the Series 2023B Bonds, approximately $19.4 million of existing Senior Lien Bond proceeds, approximately $40 million of future Bonds proceeds, and approximately $80.6 million of grants, including expected AIP (as defined herein) and BIL (as defined herein) grants. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Airport Facilities and Capital Program – AIRPORT CAPITAL IMPROVEMENT PROGRAM – *The Series 2023 Projects*" for further detail regarding the Series 2023 Projects and the anticipated funding sources for the Series 2023 Projects.

PLAN OF REFUNDING

General

The Authority reviews its debt portfolio from time to time to seek debt service savings opportunities through refunding and restructuring of its Outstanding Senior Lien Bonds and Junior Lien Bonds.

The Authority will use certain of the net proceeds of the Series 2023C Refunding Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds, together with other available funds, to defease and/or refund the Refunded Bonds, as described below. In addition, pursuant to the Master Bond Ordinance, the Authority shall have fully set aside and deposited from Net Revenues all amounts due on the Refunded Bonds maturing on December 1, 2023. The Refunded Bonds shall include the Authority's Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2012A (the "Series 2012A Refunded Bonds"), Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2012B (the "Series 2012B Refunded Bonds") and Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2012D (the "Series 2012D Refunded Bonds" and, together with the Series 2012A Refunded Bonds and the Series 2012B Refunded Bonds, the "Refunded Bonds"). Following the issuance of the Series 2023C Refunding Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds, no Refunded Bonds will remain Outstanding.

Refunding of the Refunded Bonds

In order to defease and/or refund all of the Series 2012A Refunded Bonds, certain of the net proceeds of the Series 2023C Refunding Bonds, together with other available funds of the Authority, if any, in the amounts determined in the Series 2023 Sale Order, will be deposited and held in cash or state and local government securities in an escrow fund (the "Series 2012A Refunded Bonds Escrow Fund"), in amounts, together with investment proceeds, sufficient to pay the principal of and interest on the Series 2012A Refunded Bonds. The Series 2012A Refunded Bonds Escrow Fund will be held by the Trustee pursuant to an escrow agreement (the "Refunded Bonds Escrow Agreement") which irrevocably directs the Trustee, as Escrow Agent, to take all necessary steps to pay the principal of and interest on the Series 2012A Refunded Bonds when due and to call the Series 2012A Refunded Bonds for redemption on the date specified in the Series 2023 Sale Order following a required 30-day redemption notice. The amounts held in the Series 2012A Refunded Bonds Escrow Fund will be such that the cash or state and local government securities, together with investment proceeds, will be sufficient to pay the principal of and interest on the Series 2012A Refunded Bonds when due at maturity or by call for redemption. See "VERIFICATION OF MATHEMATICAL COMPUTIONS."

In order to defease and/or refund all of the Series 2012B Refunded Bonds, certain of the net proceeds of the Series 2023D Refunding Bonds, together with other available funds of the Authority, if any, in the amounts determined in the Series 2023 Sale Order, will be deposited and held in cash or state and local government securities in an escrow fund (the "Series 2012B Refunded Bonds Escrow Fund"), in amounts, together with investment proceeds, sufficient to pay the principal of and interest on the Series 2012B Refunded Bonds. The Series 2012B Refunded Bonds Escrow Fund will be held by the Trustee pursuant to an escrow agreement (the "Refunded Bonds Escrow Agreement") which irrevocably directs the Trustee, as Escrow Agent, to take all necessary steps to pay the principal of and interest on the Series 2012B Refunded Bonds when due and to call the Series 2012B Refunded Bonds for redemption on the date specified in the Series 2023 Sale Order following a required 30-day redemption notice. The amounts held in the Series 2012B Refunded Bonds Escrow Fund will be such that the cash or state and local government securities, together with investment proceeds, will be sufficient to pay the principal of and interest on the Series 2012B Refunded Bonds when due at maturity or by call for redemption. See "VERIFICATION OF MATHEMATICAL COMPUTIONS."

In order to defease and/or refund all of the Series 2012D Refunded Bonds, certain of the net proceeds of the Series 2023E Refunding Bonds, together with other available funds of the Authority, if any, in the amounts determined in the Series 2023 Sale Order, will be deposited and held in cash or state and local government securities in an escrow fund (the "Series 2012D Refunded Bonds Escrow Fund"), in amounts, together with investment proceeds, sufficient to pay the principal of and interest on the Series 2012D Refunded Bonds. The Series 2012D Refunded Bonds Escrow Fund will be held by the Trustee pursuant to an escrow agreement (the "Refunded Bonds Escrow Agreement") which irrevocably directs the Trustee, as Escrow Agent, to take all necessary steps to pay the principal of and interest on the Series 2012D Refunded Bonds when due and to call the Series 2012D Refunded Bonds for redemption on the date specified in the Series 2023 Sale Order following a required 30-day redemption notice. The amounts held in the Series 2012D Refunded Bonds Escrow Fund will be such that the cash or state and local government securities, together with investment proceeds, will be sufficient to pay the principal of and interest on the Series 2012D Refunded Bonds when due at maturity or by call for redemption. See "VERIFICATION OF MATHEMATICAL COMPUTIONS."

The Refunded Bonds consist of the following Outstanding Senior Lien Bonds of the Authority:

WAYNE COUNTY AIRPORT AUTHORITY
Airport Revenue Bonds
(Detroit Metropolitan Wayne County Airport), Series 2012A
Dated Date: September 6, 2012

Maturity Date (December 1)	Amount	Interest Rate	CUSIP[+]	Redemption Date	Redemption Price
2023	$4,645,000	5.000%	944514NE4	December 1, 2023	100%
2024	4,875,000	5.000	944514NF1	December 1, 2023	100
2025	5,120,000	5.000	944514NG9	December 1, 2023	100
2026	5,380,000	5.000	944514NH7	December 1, 2023	100
2027	5,655,000	5.000	944514NJ3	December 1, 2023	100
2028	5,935,000	5.000	944514NK0	December 1, 2023	100
2029	6,245,000	5.000	944514NN4	December 1, 2023	100
2030	6,540,000	5.000	944514NP9	December 1, 2023	100
2031	6,870,000	5.000	944514NQ7	December 1, 2023	100
2032	7,225,000	5.000	944514NR5	December 1, 2023	100
2037	41,895,000	5.000	944514NL8	December 1, 2023	100
2042	20,000,000	5.000	944514NM6	December 1, 2023	100
2042	33,455,000	5.000	944514NS3	December 1, 2023	100

WAYNE COUNTY AIRPORT AUTHORITY
Airport Revenue Bonds
(Detroit Metropolitan Wayne County Airport), Series 2012B
Dated Date: September 6, 2012

Maturity Date (December 1)	Amount	Interest Rate	CUSIP[+]	Redemption Date	Redemption Price
2028	$6,375,000	5.000%	944514PA0	December 1, 2023	100%
2032	5,415,000	5.000	944514PB8	December 1, 2023	100
2037	8,435,000	5.000	944514PC6	December 1, 2023	100

[+] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed are being provided solely for convenience, and neither the Authority nor the Underwriters make any representations with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future.

WAYNE COUNTY AIRPORT AUTHORITY
Airport Revenue Refunding Bonds
(Detroit Metropolitan Wayne County Airport), Series 2012D
Dated Date: September 6, 2012

Maturity Date (December 1)	Amount	Interest Rate	CUSIP[+]	Redemption Date	Redemption Price
2028	$29,740,000	5.000%	944514PU6	December 1, 2023	100%

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[+] CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The CUSIP numbers listed are being provided solely for the convenience of the bondholders only at the time of the issuance of the Series 2023 Bonds, and neither the Authority nor the Underwriters make any representations with respect to such numbers or undertake any responsibility for their accuracy now or at any time in the future. The initial CUSIP number for a specific maturity, interest rate and call date is subject to change after the issuance of the Series 2023 Bonds as a result of various subsequent actions, including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2023 Bonds.

ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Series 2023 Bonds.

Sources of Funds	**Series 2023A Bonds**	**Series 2023B Bonds**	**Series 2023C Refunding Bonds**	**Series 2023D Refunding Bonds**	**Series 2023E Refunding Bonds**	**Series 2023 Bonds Total**
Par Amounts	$105,200,000.00	$78,205,000.00	$139,115,000.00	$18,520,000.00	$28,710,000.00	$369,750,000.00
Original Issue Premium	6,449,533.10	3,412,722.11	9,774,959.05	728,900.05	983,030.40	21,349,144.71
Release from Bond Reserve Account of Refunded Bond Fund	-	-	11,017,571.24	1,783,083.01	1,813,325.27	14,613,979.52
Transfer from Bond Fund	-	-	8,491,000.00	1,445,625.00	743,500.00	10,680,125.00
TOTAL SOURCES OF FUNDS	$111,649,533.10	$81,617,722.11	$168,398,530.29	$22,477,608.06	$32,249,855.67	$416,393,249.23
Uses of Funds						
Series 2023 Projects	$95,462,507.50	$69,766,571.00	$ -	$ -	$ -	$165,229,078.50
Capitalized Interest	5,456,792.04	4,002,369.71	-	-	-	9,459,161.75
Deposit to Escrow Fund for Refunded Bonds/Redemption of Refunded Bonds	-	-	156,480,204.59	20,572,101.79	30,250,398.37	207,302,704.75
Deposit to Bond Reserve Account	10,053,385.17	7,349,196.83	11,017,571.24	1,783,083.01	1,813,325.27	32,016,561.52
Costs of Issuance, including Underwriters' Discount*	676,848.39	499,584.57	900,754.46	122,423.26	186,132.03	2,385,742.71
TOTAL USES OF FUNDS	$111,649,533.10	$81,617,722.11	$168,398,530.29	$22,477,608.06	$32,249,855.67	$416,393,249.23

* Includes legal fees, trustee fees, rating agency fees, bond insurance premium, underwriter fees, financial advisory fees, printing costs and other miscellaneous fees and expenses.

NOTE: Figures may not add due to rounding.

COVID-19 IMPACTS AND RECENT DEVELOPMENTS

The pandemic caused by a novel strain of coronavirus ("COVID-19") and the related restrictions and measures adopted to contain the spread of the virus adversely impacted both international and domestic travel and travel-related industries, including airlines and concessionaires serving the Airport, and caused unemployment, labor shortages, supply chain issues, reductions in tourism, business travel and travel-related industries, and a contraction of global and national economies, among other issues. Following the outbreak of COVID-19, airlines reported an unprecedented decrease in domestic and international air traffic, causing the cancellation of numerous flights. Likewise, many of the Airport's retail concessionaires either temporarily or permanently closed or reported substantial declines in sales.

Since late 2020, after several vaccines against COVID-19 became available, enplanements at airports nationwide (including at the Airport) have seen significant improvement. On May 5, 2023, the World Health organization announced its decision to no longer designate the COVID-19 pandemic as a global health emergency and on May 11, 2023, the federal Public Health Emergency for COVID-19 expired. However, there can be no assurances that there will not be a resurgence of COVID-19, with new variants of the disease emerging, and the ultimate economic effects of COVID-19 remain uncertain. Ongoing concerns about the continued spread or effects of the virus have from time to time, and may in the future, result in some governments re-imposing travel restrictions, in particular as it relates to international air travel.

Reduced Airline Activity

The Airport, along with all other airports in the U.S. and abroad, was acutely impacted by the broad-based economic shutdown in 2020 resulting from efforts to stop the spread of COVID-19, including reduction in flights and declines in passenger volumes. During the COVID-19 pandemic, the airlines at the Airport reported unprecedented downturns in passenger volumes and experienced reduced levels of passenger enplanements, which in turn, prompted them to significantly reduce, and in many cases eliminate, scheduled service. In March 2020, enplaned passengers were down 55.9% as compared to March 2019 and decreased to a low of 94.0% down in April 2020 as compared to April 2019. In addition, nonstop service from the Airport to many markets was suspended in 2020 and 2021 because of the COVID-19 pandemic.

Air traffic has been recovering at the Airport since the onset of the COVID-19 pandemic but is still below the air traffic levels experienced at the Airport in 2019. Overall, enplaned passengers decreased by 61.7% in 2020 as compared to 2019 levels with most of the impact occurring after mid-March 2020 when the COVID-19 pandemic gripped the U.S. Since April 2020, enplaned passengers at the Airport have recovered nearly every month. By December 2021, enplaned passengers were down 26.7% as compared to December 2019. Enplaned passengers in 2021 were 35.8% lower than in 2019. For 2022, enplaned passengers were 23.5% lower than in 2019. In June 2023, monthly enplaned passengers at the Airport were down 15.9% as compared to June 2019.

For a further discussion of air traffic and operations trends at the Airport, see "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT" below and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

Impacts on the Authority's Operations and Revenues

As a result of the foregoing and other factors, the Authority experienced impacts to certain operations and revenue sources. Passenger and air traffic declines had proportional impacts on various airport revenue sources. For instance, concessions, parking and ground transportation network companies' revenues are directly adversely affected by decreases in passenger traffic. As described herein, the Authority's operations and revenues have improved, although such recovery has not reached pre-COVID-19 levels. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Aviation Activity," "AIRPORT FINANCIAL INFORMATION" and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Financial Framework and Analysis."

Government Relief Efforts

As a direct result of the COVID-19 pandemic, three separate bills were adopted by the U.S. Congress that provided or continue to provide financial aid to airports around the country, the airlines and concessionaires.

The Authority was allocated approximately $141.9 million of federal grant assistance for the Airport under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), which became law on March 27, 2020. The Authority used approximately $113.1 million of CARES Act funds in Operating Year 2020 to reimburse the payment of operation and maintenance expenses and to reimburse some payment of debt service on existing Bonds. The Authority applied the remaining approximately $28.8 million of CARES Act funds in Operating Year 2021 for approved purposes.

On December 27, 2020, the Consolidated Appropriations Act, 2021 was enacted into law. Division M of that Act was the Coronavirus Response and Relief Supplemental Appropriation Act, 2021 ("CRRSAA"), and the Authority was allocated approximately $31.5 million of CRRSAA grant funds for the Airport. The Authority used all of its awarded CRRSAA funds for approved purposes in Operating Years 2021 and 2022.

A third round of federal relief was provided to airports through the American Rescue Plan Act ("ARPA"), which became law on March 11, 2021. The Authority was awarded $127.1 million in American Rescue Grants pursuant to ARPA. The Authority used approximately $12.3 million of the ARPA funds in Operating Year 2022 to reimburse the Authority for the payment of operation and maintenance expenses. The Authority has budgeted to use $49 million of ARPA funds in Operating Year 2023 for approved purposes. The Authority anticipates drawing down the remaining $65.8 million of available ARPA funds prior to July 30, 2025 for approved purposes. See "AIRPORT FINANCIAL INFORMATION – Management Discussion of Airport Financial Operations."

CARES Act funds, CRRSAA grant funds and ARPA funds used by the Authority to pay Operation and Maintenance Expenses in any Operating Year do not flow through the funds and accounts established under the Master Bond Ordinance, but such federal relief funds reduce the Operation and Maintenance Expenses otherwise included in the calculation of airlines' terminal rents and activity fees payable with respect to the Airport. To the extent that CARES Act funds were used by the Authority to pay debt service on Outstanding Bonds and/or Junior Lien Bonds in any Operating Year, those federal funds constitute Other Available Moneys for purposes of the Master Bond Ordinance, and the amount of such federal funds is considered in the calculation of airlines' activity fees and in the determination of the Authority's compliance with the rate covenant under the Master Bond Ordinance.

For additional information regarding the COVID-19 pandemic's impacts on the Authority's finances and operations, including information pertaining to federal economic relief and its application by the Authority, see ""AIRPORT FINANCIAL INFORMATION" and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Financial Framework and Analysis – Federal Aid Related to COVID-19."

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

General

The Airport is the primary commercial air service facility serving the Detroit metropolitan area and the surrounding region, much of the State and parts of Canada, northern Indiana and Ohio. The Airport's Air Service Area is defined as the Detroit-Warren-Ann Arbor CSA, which includes the following 10 counties in Michigan: Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne. The Detroit-Warren-Ann Arbor CSA was the 12th most populous CSA in the United States in 2022, with approximately 5.4 million people, and comprised approximately 53.5% of the population of the State.

According to FAA data for calendar year 2022, the Airport ranked 20th nationwide in enplanements. For the Authority's Operating Year 2022 (i.e., the 12 months commencing January 1, 2022 and ended on December 31, 2022), enplaned passengers at the Airport totaled 14,052,931, an increase of approximately 19.3% as compared to Operating Year 2021. Based upon Authority data, enplanements at the Airport for the period from January 2023 to June 2023 totaled 7,511,731, an increase of approximately 10.8% as compared to the same period in 2022.

The Airport ranked 27th nationwide in total aircraft operations in calendar year 2022, with 284,516 takeoffs and landings, a decrease of approximately 0.8% as compared to calendar year 2021, according to ACI statistics.

For a discussion of these operational trends at the Airport, see APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

The Airport has a diverse, stable base of air carriers, and serves a large origin and destination market. The Airport is also a major connecting hub airport for Delta. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Airlines Providing Service at the Airport – *Delta Air Lines*." Delta and the Delta Connection Carriers accounted for approximately 73.7% of the total enplaned passengers at the Airport in 2022. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis." Spirit has the second largest market share at the Airport. In 2022, Spirit's enplaned passenger market share at the Airport was approximately 9.8% of the total enplaned passengers at the Airport. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis." The Airport also has been an international gateway with significant air service to points in Asia, Europe, Mexico, the Caribbean and Canada.

The Airport's Air Service Area

The Air Service Area for the Airport consists of the Detroit-Warren-Ann Arbor CSA. This area is located within the State. The Airport's secondary air service area generally consists of southeastern and south-central Michigan, northwestern Ohio, northeastern Indiana, and the southernmost areas of the Province of Ontario, Canada, generally in the Windsor metropolitan area. The Airport is, by far, the largest airport in the region and, as a result, has somewhat limited competition for air service.

The Airport's Air Service Area and the proximity of the Airport to other airports in its primary and secondary air service areas is shown below.

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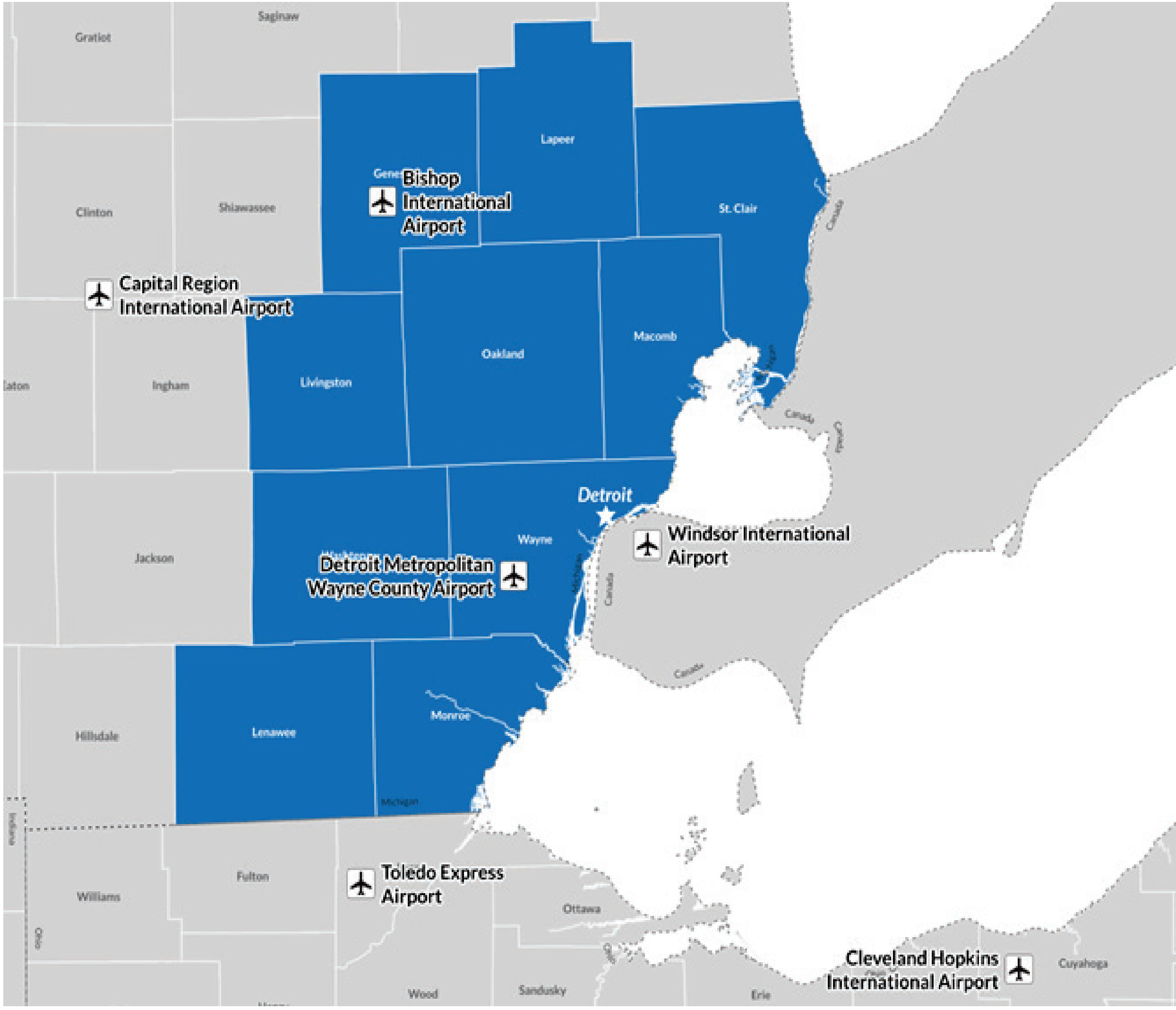

Airport	Code	Airport Category	Enplaned Passengers (in '000) CY 22	CY 19
Detroit Metropolitan Wayne County Airport	DTW	Large	13,751	18,364
Windsor International Airport	YQG	n.a.	n.a.	383
Bishop International Airport	FNT	Non-Hub	300	303
Toledo Express Airport	TOL	Non-Hub	85	124
Capital Region International Airport	LAN	Non-Hub	83	167
Cleveland Hopkins International Airport	CLE	Medium	4,238	4,895

Note: Windsor International Airport has not announced passenger volume for 2020 or 2021.
SOURCE: Federal Aviation Administration, Air Carrier Activity Information System (ACIAS), accessed August 2023.

Management of the Airport

The Authority is governed by a seven-member Board. The Authority Act requires that two Board members be appointed by the Governor of the State, four Board members be appointed by the County Executive and one Board member be appointed by the County Commission. Authority Board members serve without compensation for six-year terms, but may not serve for more than two consecutive full terms. The expiration date of the term of office for Board members is October 1 of the year in which the term is to expire, but a Board member holds office until the Board member's successor is appointed and qualified, or until resignation or removal.

The Board. The current members of the Authority Board are:

Athina Papas is Chairperson of the Board. Ms. Papas is the Executive Officer at the Atheneum Suites Hotel in downtown Detroit. Additionally, she oversees company growth at Helicon Holdings, a family-owned Detroit based real estate company, where she assists in management of properties and represents the company's holders in metropolitan Detroit. Ms. Papas serves as President of the Greektown Preservation Society. She is also on the board of Operation Give, a nonprofit organization working with area hospitals to aid in research and/or access to health care. Ms. Papas is a graduate of the University of Michigan and also has received a culinary degree from the French Culinary Institute in New York City. Ms. Papas was appointed to the Board by Wayne County Executive Warren Evans on November 5, 2020, and her term on the Board expires October 1, 2026.

Dr. Curtis L. Ivery is Vice Chairperson of the Board. Dr. Ivery is the Chancellor of Wayne County Community College District ("WCCCD") and has served in that role since September 1995. As the chief executive officer of WCCCD, Dr. Ivery directs a five campus, multi-cultural institution serving more than 72,000 students. He is currently serving on the Board of Directors for the American Association of Community Colleges. Prior to becoming Chancellor of WCCCD, Dr. Ivery served as Vice President of Instruction and acting President at Mountain View College of the Dallas County Community College District. In 1996, the Life Extension Foundation selected Ivery as the "Community College President of the Year", and in 2004 he received the Walter E. Douglas Humanitarian Award from Detroit Omega Foundation Inc. In 2010, Dr. Ivery was chosen as one of the first recipients of the Dr. Charles H. Wright Vision Awards in celebration of higher education. Dr. Ivery is the author of "Journeys of Conscience", "Reclaiming Integration and the Language of Race in the Post-Racial Era", and other books, and has published over 600 articles for weekly and monthly metropolitan newspapers in the United States. Dr. Ivery was appointed to the Board in 2015 by Wayne County Executive Warren Evans to complete the term of former Board member, Reginald Turner, who resigned from the Board. Dr. Ivery's initial term on the Board expired on October 1, 2018, and County Executive Evans reappointed Dr. Ivery to a six-year term expiring October 1, 2024.

Dennis W. Archer Jr. is Secretary of the Board. Mr. Archer is the CEO of Ignition Media Group, a leading integrated marketing agency based in Detroit. Mr. Archer is also president and founding partner of Archer Corporate Services. His hospitality holding company, Congress Hospitality, is creator and managing partner of award-winning Central Kitchen + Bar, located in downtown Detroit. Additionally, Mr. Archer is a real estate developer. He serves on the executive committee of the Detroit Regional Chamber Board of Directors and is a past chair. Mr. Archer is a founder and the chairman of the Paradise Valley Foundation, and he also holds a seat on several boards, including the General Motors Inclusion Advisory Board and the Independent Bank Corporation. He received both his bachelor's degree and Juris Doctorate from the University of Michigan. He also earned a certification in the NMSDC Advanced Management Education Program from Northwestern University's Kellogg School of Management. Mr. Archer was appointed to the Board by Governor Gretchen Whitmer on December 21, 2020, and his term on the Board expires on October 1, 2026.

Michael Ajami is the Principal Attorney and Owner of Ajami Law, PLC. He also serves as a Special Assistant Attorney General in Michigan's Solicitor General Division, where he is a member of the Flint Water Prosecution Team. Prior to his current positions, Mr. Ajami worked with the Wayne County Circuit Court as a judicial intern. He also interned with the Wayne County Prosecutors Office. Mr. Ajami earned his Juris Doctorate at Wayne State University Law School and his Bachelor of Science in Criminal Justice degree from Wayne State University. He was appointed to the Board by Wayne County Executive Warren Evans in November 2020. His term on the Board expires October 1, 2026.

Marvin W. Beatty is the Vice President of Community and Public Relations for Greektown Casino and was Executive Director at the Wadsworth Community Center in Detroit. He served for more than 22 years with the City of Detroit Fire Department, retiring as Deputy Fire Commissioner, and was the first African-American to hold that position in the Department's history. From 1995 to 2010, Mr. Beatty served as Chairman on the Board of Zoning Appeals for the City of Detroit. He currently serves as a Board member for the NAACP, Chairman of the Coleman A. Young Foundation, Downtown Detroit Partnership Board of Directors, and is active with the Detroit Economic Growth Corporation, Detroit Riverfront Conservancy, and many other organizations throughout the metropolitan Detroit area. Mr. Beatty received his Bachelor of Arts degree in Urban Management and is a graduate of the National Fire Academy Executive Development Program. He was appointed to the Board by Wayne County Executive Warren Evans in 2017, and his term on the Board expires October 1, 2029.

Lisa Canada is the Director of Special Projects for the Michigan Regional Council of Carpenters and Millwrights. Previously, Ms. Canada served as the Political and Legislative Director for the Council. Ms. Canada has worked in the field of politics and organizing for a number of major unions including the Operating Engineers, the AFL-CIO, UFCW and HERE before joining the Council in 2012. Ms. Canada currently holds a seat on the Executive Board of Labor's International Hall of Fame and the Michigan Labor History Society. For nearly eight years, she served on the Detroit Regional Convention Facility Authority. Also, Ms. Canada was appointed to the Board of the Children's Trust Fund twice before resigning in 2012. Ms. Canada served on the transition team for Governor Gretchen Whitmer and Oakland County Executive Dave Coulter, and she co-chaired the transition team for Wayne County Executive Warren C. Evans as well. Ms. Canada was appointed to the Board by Governor Gretchen Whitmer, and her term on the Board expires October 1, 2028.

Al Haidous currently serves on the Wayne County Commission, having been elected in 2014 to represent the County Commission's 11th District. He is the former Mayor of Wayne, Michigan, and, as mayor, chaired the City of Wayne's Retirement Board, Risk Management Committee, Real Estate Committee and Downtown Development Authority. He also served on Wayne's City Council from 1993 to 2001 and its Board of Zoning Appeals from 1990 to 1993. Since 2007, Mr. Haidous has been a board member for the Suburban Mobility Authority for Regional Transportation, better known as SMART, and currently is its chairman. He also has chaired the Southeast Michigan Community Alliance's Southeast Government Alliance, Wayne County Community Development Block Grant Advisory Council, the Conference of Western Wayne and the Central Wayne County Sanitation Authority. Mr. Haidous was appointed to the Board by the County Commission effective on October 1, 2018, and his term on the Board expires October 1, 2024.

The Board must meet not less than quarterly each year, and all meetings must be held in compliance with the Michigan Open Meetings Act. The Board appoints a Chief Executive Officer ("CEO"), who is responsible for, among other things, the day-to-day operation of the Airports, including the control, supervision, management and oversight of the functions of the Airports.

The Board provides for the annual auditing of the accounts of the Authority to be performed by independent auditors. The Board appoints an audit committee of three Board members to supervise this process. The audit committee is to meet at least four times each year with the Chief Executive Officer, the Chief Financial Officer (who is appointed by the Chief Executive Officer) and the Authority's independent public auditors to review the financial condition, operations, performance and management of the Authority and the Airport. In addition, the Chief Executive Officer appoints an internal auditor to evaluate the Authority's internal accounting and administrative control system and conduct audits relating to the Authority's financial activities.

Authority Staff.

Chad Newton, A.A.E., ACE, ASC, serves as Chief Executive Officer of the Authority. Mr. Newton began his tenure in July 2018, having been appointed by the Board, first, as Interim Chief Executive Officer of the Authority and, then, as Chief Executive Officer effective January 16, 2019. In his role as Chief Executive Officer, he is responsible for overseeing the independent governmental entity tasked with management and operation of the Airport and Willow Run Airport. Mr. Newton has more than 19 years of airport experience and nearly 30 years as a law enforcement professional. He graduated cum laude from Eastern Michigan University with a bachelor's degree in Criminology and Criminal Justice, and a master's degree in Technology Studies with a Law Enforcement specialty. He is also a graduate of the FBI National Academy, the Michigan State Leadership Academy and the Eastern Michigan University School of Police Staff and Command. Mr. Newton is only the second public safety executive in the United States certified by the American Association of Airport Executives (AAAE) as an Accredited Airport Executive (A.A.E.). On March 5, 2021, Governor Gretchen Whitmer appointed Mr. Newton to the Eastern Michigan University Board of Regents.

Amber Hunt serves as the Authority's Chief Financial Officer. Prior to being appointed Chief Financial Officer in January 2019, Ms. Hunt served as the Director of Financial Planning & Analysis and Treasury for the Authority. As Chief Financial Officer, she is responsible for managing the operating and debt budgets of the Airport, the Willow Run Airport and the Westin. Ms. Hunt also oversees both Airports' Capital Improvement Programs, including the responsibility for securing funding for the Airports. She has over two decades of experience in finance, and prior to joining the Authority, Ms. Hunt worked for various public companies, including Ally Financial. She holds a Bachelor of Arts degree in Finance from Michigan State University and a Master of Business Administration (MBA) in Finance from Wayne State University.

Harnetha Jarrett is the General Counsel for the Authority. In this role, Ms. Jarrett oversees the Authority's legal activities, compliance, government and regulatory affairs, as well as business diversity. She joined the Authority in January 2020 with over thirty years of municipal and transactional experience. Prior to joining the Authority, Ms. Jarrett served as a clerk for the Michigan Department of Civil Rights and worked for Dow Chemical Company as a staff attorney in the Environmental Law Section, before joining the City of Detroit Law Department. Following over a decade with the City of Detroit, Ms. Jarrett was appointed Assistant Corporation Counsel for Wayne County, Michigan, before becoming the Chief Attorney for the Municipal, Real Estate and Health Teams, and then the Deputy Corporation Counsel. She is a member of the American Bar Association and its Air and Space Forum, and the State Bar of Michigan and its Aviation Law Section. Ms. Jarrett co-authored the *Handbook on the Michigan Handicappers' Civil Rights Ac*t and has served as a member of the Wayne County Head Start Board of Directors. She is licensed to practice in the United States District Court for the Eastern District of Michigan, the United States Court of Appeals for the Sixth Circuit, as well as all Michigan state courts. Ms. Jarrett received her Juris Doctor from Wayne State University Law School, a Master of Arts in Library Science from the University of Michigan, and her Bachelor of Arts in Psychology from the University of Michigan.

Airport Facilities

The Airport is located in the City of Romulus, County of Wayne, Michigan, approximately 21 miles by road west of the City of Detroit's downtown. The Airport currently provides passenger services from two terminal facilities, the 121-gate McNamara Terminal (104 of which are active gates) and the 29-gate Evans Terminal. Delta, the Delta Connection Carriers and Delta's SkyTeam partners operate at the McNamara Terminal. All of the other airlines at the Airport, including all charter airlines, operate at the Evans Terminal. Both terminals have federal inspection service facilities for international arrivals.

The Airport has six total air carrier runways, four north-south runways in the primary wind direction and two east-west crosswind runways. Three of the runways are equal to or longer than 10,000 feet and all of the runways are at least 8,500 feet long. Of the twelve current runway approaches, eight are equipped with precision instrument landing systems. Three of the runways are equipped with precision instrument landing systems for both runway approaches. The Airport has an extensive taxiway system providing safe and efficient access to and from runway ends, terminal facilities, apron areas, and cargo and hangar facilities. Each runway has an associated parallel, full-length taxiway.

Aviation Activity

Enplanements. According to the records of the Authority, in calendar year 2022 enplaned passengers at the Airport totaled 14,052,931, an increase of approximately 19.3% as compared to calendar year 2021. In calendar year 2022, the number of total domestic enplaned passengers at the Airport increased approximately 14.9% and total international enplaned passengers increased approximately 137.7%, in each case as compared to 2021.

The following table presents enplaned passenger traffic at the Airport for calendar years 2018 through 2022:

HISTORICAL ENPLANED PASSENGERS
CALENDAR YEAR 2018 – CALENDAR YEAR 2022

YEAR	DOMESTIC ENPLANEMENTS	ANNUAL GROWTH	INTERNATIONAL ENPLANEMENTS	ANNUAL GROWTH	TOTAL ENPLANED PASSENGERS	ANNUAL GROWTH	INTERNATIONAL ENPLANEMENT SHARE
2018	15,931,975	1.0%	1,676,407	8.2%	17,608,382	1.6%	9.5%
2019	16,674,106	4.7%	1,689,855	0.8%	18,363,961	4.3%	9.2%
2020	6,656,557	(60.1%)	370,034	(78.1%)	7,026,591	(61.7%)	5.3%
2021	11,361,882	70.7%	420,720	13.7%	11,782,602	67.7%	3.6%
2022	13,052,772	14.9%	1,000,159	137.7%	14,052,931	19.3%	7.1%

NOTE: Figures may not add due to rounding.
SOURCE: Wayne County Airport Authority, May 2023.

Originating and Connecting Passenger Activity. The Airport served 8,036,837 domestic originating passengers in calendar year 2022 and 6,919,984 domestic originating passengers in calendar year 2021. Domestic originating passengers represented 63.4% of domestic enplaned passengers in calendar year 2022 and 63.1% in calendar year 2021.

In calendar year 2022, the Airport served 4,632,728 domestic connecting passengers, as compared to 4,041,694 domestic connecting passengers in calendar year 2021. Domestic connecting passengers represented 36.6% of domestic enplaned passengers in calendar year 2022 and 36.9% in calendar year 2021.

The following table presents originating and connecting enplanements at the Airport for calendar years 2018 through 2022:

HISTORICAL DOMESTIC ORIGINATING AND CONNECTING ENPLANEMENTS
CALENDAR YEAR 2018 – CALENDAR YEAR 2022

YEAR	DOMESTIC ORIGINATING ENPLANEMENTS	ANNUAL GROWTH	DOMESTIC CONNECTING ENPLANEMENTS	ANNUAL GROWTH	TOTAL DOMESTIC ENPLANED PASSENGERS	ANNUAL GROWTH	ORIGINATING ENPLANEMENT SHARE	CONNECTING ENPLANEMENT SHARE
2018	8,859,449	5.8%	7,144,670	(2.3%)	16,004,119	2.0%	55.4%	44.6%
2019	9,182,134	3.6%	7,581,287	6.1%	16,763,421	4.7%	54.8%	45.2%
2020	3,811,119	(58.5%)	2,647,469	(65.1%)	6,458,588	(61.5%)	59.0%	41.0%
2021	6,919,984	81.6%	4,041,694	52.7%	10,961,678	69.7%	63.1%	36.9%
2022	8,036,837	16.1%	4,632,728	14.6%	12,669,565	15.6%	63.4%	36.6%

NOTE: Figures may not add due to rounding
SOURCES: Wayne County Airport Authority, May 2023; US DOT Origin & Destination Survey of Airline Passenger Traffic, 298c Commuter Data and Airport Activity Statistics of Certified Route Air Carriers, Schedule T100, May 1, 2023.

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Airlines Providing Service at the Airport

As of July 2023, the Airport was served by 16 U.S. flag scheduled passenger air carriers, including nine mainline carriers. In addition, for that period, seven foreign flag airlines provided scheduled passenger service at the Airport and three all-cargo carriers provided scheduled cargo service at the Airport. Three airlines, Icelandair, Sun Country Airlines and WestJet Airlines, began scheduled service at the Airport in May 2023, and, in July 2023, Turkish Airlines announced plans to initiate scheduled four-times weekly service at the Airport to and from Istanbul commencing in November 2023.

Mainline Carriers	Foreign Flag Airlines	Cargo Airlines
Alaska Airlines	Aeroméxico	DHL (ABX/Atlas/ATI/Kalitta)
American Airlines*	Air Canada	FedEx*
Delta Air Lines*	Air France*	United Parcel Service*
Frontier Airlines	Icelandair	
JetBlue Airways*	Lufthansa German Airlines*	
Southwest Airlines*	Royal Jordanian Airlines	
Spirit Airlines*	WestJet Airlines	
Sun Country Airlines		
United Airlines*		

Regional Carriers

Air Wisconsin Airlines (d/b/a American Eagle, United Express)
Commute Air (d/b/a United Express)
Envoy Air (d/b/a Delta Connection)
Envoy Air (d/b/a American Eagle)
GoJet Airlines (d/b/a United Express)
Mesa Airlines (d/b/a United Express)
Piedmont Airlines (d/b/a American Eagle)
PSA Airlines (d/b/a American Eagle)
Republic Airlines (d/b/a American Eagle, Delta Connection and United Express)
SkyWest Airlines (d/b/a American Eagle, Delta Connection and United Express)

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* Signatory Airline.
SOURCE: Wayne County Airport Authority.

The historical share of enplaned passengers by airline at the Airport between calendar year 2018 and calendar year 2022 is shown in the following table.

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HISTORICAL TOTAL ENPLANED PASSENGERS BY AIRLINE [(1)]
CALENDAR YEAR 2018 – CALENDAR YEAR 2022

AIRLINE	CY 2018	%	CY 2019	%	CY 2020	%	CY 2021	%	CY 2022	%
Delta	12,761,293	72.5%	13,580,977	74.0%	4,960,667	70.6%	8,653,184	73.4%	10,361,397	73.7%
Spirit	1,685,762	9.6%	1,827,761	10.0%	934,265	13.3%	1,334,386	11.3%	1,380,077	9.8%
American	1,001,441	5.7%	976,082	5.3%	453,006	6.4%	708,974	6.0%	812,162	5.8%
Southwest	835,474	4.7%	699,652	3.8%	271,066	3.9%	416,792	3.5%	457,489	3.3%
United	623,914	3.5%	621,796	3.4%	215,664	3.1%	335,469	2.8%	445,453	3.2%
Frontier	154,127	0.9%	175,327	1.0%	89,045	1.3%	147,872	1.3%	187,584	1.3%
JetBlue	138,602	0.8%	90,255	0.5%	24,106	0.3%	47,936	0.4%	126,775	0.9%
Air France	76,796	0.4%	79,447	0.4%	16,121	0.2%	38,792	0.3%	79,806	0.6%
Alaska	94,259	0.5%	65,226	0.4%	26,173	0.4%	45,491	0.4%	68,851	0.5%
Lufthansa	93,163	0.5%	78,959	0.4%	10,969	0.2%	19,824	0.2%	51,647	0.4%
Air Canada	46,745	0.3%	52,523	0.3%	6,960	0.1%	8,845	0.1%	41,010	0.3%
Royal Jordanian	16,994	0.1%	20,520	0.1%	3,217	0.0%	16,225	0.1%	26,142	0.2%
Aeromexico	55,797	0.3%	77,092	0.4%	10,784	0.2%	0	0.0%	3,945	0.0%
WOW air	23,581	0.1%	6,711	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	434	0.0%	11,633	0.1%	4,548	0.1%	8,812	0.1%	10,593	0.1%
TOTAL	**17,608,382**	**100.0%**	**18,363,961**	**100.0%**	**7,026,591**	**100.0%**	**11,782,602**	**100.0%**	**14,052,931**	**100.0%**

Note: Percentages may not add because of rounding.

(1) Regional affiliates, as applicable, have been included with their appropriate network partner
SOURCE: Wayne County Airport Authority.

Delta Air Lines. Delta maintains one of its busiest connecting hubs and an international gateway at the Airport. Delta and the Delta Connection Carriers accounted for approximately 73.7% of the total enplaned passengers at the Airport for 2022. A significant portion of Delta's enplaned passengers are connecting passengers, or passengers that have a scheduled stop at the Airport and transfer to another flight. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis." In addition, see "INVESTMENT CONSIDERATIONS — Delta's Presence at the Airport" below.

For additional information regarding Delta, see Form 10-K for the fiscal year ended December 31, 2022 filed by Delta with the Securities and Exchange Commission (the "SEC"), and other reports and information filed with the SEC by Delta subsequent to December 31, 2022.

The Authority has no information regarding the financial condition of Delta other than from SEC filings and press releases of Delta. No assurance can be given concerning the present or future viability of Delta.

Airport Use Agreements

Signatory Airlines. A large portion of the Revenues deposited by the Authority into the Revenue Fund in accordance with the Master Bond Ordinance is derived from rentals, fees and charges imposed upon airlines operating at the Airport under agreements relating to their use of the Airport. Pursuant to the terms of the Airline Agreements (defined below), the Authority calculates airline landing fee rates under an Airport-wide residual methodology. As such, the Signatory Airlines (defined below) are obligated to pay the net cost of operating the entire Airport, including operating expenses and all debt service requirements. If the Authority incurs a deficit in any Operating Year, it has the ability to increase landing fee and terminal rental rates to the Signatory Airlines in order to recover the amount of the deficit. Conversely, if the Authority realizes a surplus, the Authority must refund the surplus to the Signatory Airlines.

Each of the following airlines is a party to an Airline Agreement: Air France, American Airlines, Delta, FedEx, JetBlue Airways, KLM Royal Dutch Airlines ("KLM"), Lufthansa, Southwest Airlines, Spirit, United

Airlines and United Parcel Service (collectively, the "Signatory Airlines"). KLM is not currently operating at the Airport.

Airline Agreements. Each of the Signatory Airlines is a party to an Airport Use and Lease Agreement with respect to its use of the Airport (each an "Airline Agreement," and collectively referred to as the "Airline Agreements"). The Airline Agreements expire September 30, 2032. Under the Airline Agreements, the Signatory Airlines pay rentals and use fees for the lease and use of airline premises in the terminals at the Airport and Activity Fees (*i.e.*, landing fees) (as defined in APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS") for the common use of other terminal and airfield facilities.

See APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS."

Capital Improvement Program

The Authority maintains an ongoing Capital Improvement Program to address the capital development needs of the Airport. On October 26, 2022, the Authority Board approved the Authority's 2023 – 2027 CIP. The Authority Board-approved 2023 – 2027 CIP has a total estimated project cost of approximately $1.3 billion and current cost estimates and construction schedules in the 2023 – 2027 CIP, as defined in "SERIES 2023 PROJECTS" above, may vary from the Authority Board approved 2023 – 2027 CIP. The 2023 – 2027 CIP includes primarily airfield improvements, as well as improvements to airport support facilities, including the Airport's terminals, parking garages and ground transportation facilities, roads and bridges, site redevelopment and demolitions. For a further description of the 2023 – 2027 CIP, see APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Airport Facilities and Capital Program – AIRPORT CAPITAL IMPROVEMENT PROGRAM."

The total estimated project cost of $1.3 billion for the 2023 – 2027 CIP includes airfield projects comprising an estimated $618 million. The Series 2023 Projects, which have a total estimated cost of approximately $305.3 million and are a subset of the capital projects contained in the 2023 – 2027 CIP, have received approval of a Weighted Majority and are to be funded, in whole or in part, with the net proceeds of the Series 2023 Bonds. See "SERIES 2023 PROJECTS" above.

Certain other capital projects at the Airport having an aggregate project cost of approximately $128.6 million are included in the 2023 – 2027 CIP and have also received approval of a Weighted Majority (the "Other Approved Capital Projects"), but are not included in the Series 2023 Projects. The Authority anticipates that the Other Approved Capital Projects will be funded from a combination of prior Bond proceeds, approximately $15.8 million of expected grant funds and approximately $107.9 million of proceeds of future Additional Bonds (the "Other Approved Capital Projects Future Bonds"). See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Airport Facilities and Capital Program – AIRPORT CAPITAL IMPROVEMENT PROGRAM" for further detail regarding the Other Approved Capital Projects and the anticipated funding sources for the Other Approved Capital Projects. The Authority has no specific timeframe in which the Other Approved Capital Projects Future Bonds may be issued; however, the Series 2023 Report of the Airport Consultant assumes that the Other Approved Capital Projects Future Bonds are issued in 2024, and that debt service on the Other Approved Capital Projects Future Bonds will be payable from Net Revenues commencing in Operating Year 2026. The estimated debt service on the Other Approved Capital Projects Future Bonds has been included in the financial projections contained in the Series 2023 Report of the Airport Consultant and summarized in "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT" below, and is based upon estimates prepared by PFM Financial Advisors LLC.

The Authority has not yet requested Weighted Majority approval for many of the capital projects in the 2023 – 2027 CIP, which approval would be required in order for the Authority to issue Additional Bonds for such projects. The Authority currently anticipates that it will undertake the as-yet unapproved projects in the 2023 – 2027 CIP in accordance with the plan set forth in the 2023 – 2027 CIP (i.e., over the next 5-6 year period). The Authority anticipates that these projects will be funded from a combination of Additional Bond proceeds, federal and state grants, including AIP, AIG, ATP, each as defined below, and FAA Voluntary Airport Low Emissions (VALE) Program grants, prior Bond proceeds and Authority discretionary and other funds. See "—*CIP Funding Sources*" below. As a result of the forward-looking nature of the Capital Improvement Program, some of the anticipated funding sources for these projects may not be available and are subject to change. Because the estimated project costs and schedules of such projects are still being developed, and the Authority has not yet requested Weighted Majority approval of such projects, the Authority does not yet have a specific plan for the amount and timing of issuance of Additional Bonds to fund such projects. For these reasons, the estimated debt service on such Additional

Bonds has not been included in the financial projections contained in the Series 2023 Report of the Airport Consultant and summarized in "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT" below.

For further information regarding the Authority's 2023 – 2027 CIP, including associated costs and anticipated funding sources, see the table below entitled "AIRPORT'S FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM COSTS BY FUNDING SOURCE".

Master Plan. The Authority completed an updated 20-year Master Plan for the Airport in 2017 (the "Airport Master Plan"), which represents the actions to be accomplished for the phased development of the Airport over the 2015 – 2035 planning horizon. The Airport 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, and a significant percentage of the projects included in the Airport Master Plan have already been completed. The FAA requires an updated airport master plan from any airport that plans to seek federal funding for airport development projects, and the FAA is required to review and approve the Airport Master Plan. The likely funding sources for remaining Airport Master Plan projects would include future Bond proceeds, federal grants, PFCs and third party funding.

CIP Funding Sources. The Authority's funding sources for the 2023 – 2027 CIP are the proceeds of Outstanding Senior Lien Bonds, proceeds of the Series 2023A Bonds and the Series 2023B Bonds, federal and state grants, proceeds of Additional Bonds (including the Other Approved Capital Projects Future Bonds, and for further information on the Other Approved Capital Projects Future Bonds, see "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program" above), and Authority discretionary and other funds.

Outstanding Bonds. The Authority has previously issued Senior Lien Bonds to fund a portion of the costs of certain capital projects in the 2023 – 2027 CIP.

Additional Bonds. The Authority is authorized to issue airport revenue bonds to finance the cost of capital projects at the Airports and include the debt service on such bonds in the fees and charges of the Signatory Airlines, subject to receiving the approval of a Weighted Majority for such capital projects. Some of the projects in the 2023 – 2027 CIP already have been approved by a Weighted Majority and are to be funded from the proceeds of Series 2023 Bonds and the Other Approved Capital Projects Future Bonds; other projects will require Weighted Majority approval before the Authority may issue Bonds or spend surplus Bond proceeds on hand to fund any portion of the costs of these projects. The Authority has no specific timeframe in which the Other Approved Capital Projects Future Bonds may be issued; however, the Series 2023 Report of the Airport Consultant assumes that the Other Approved Capital Projects Future Bonds are issued in 2024, and that debt service on the Other Approved Capital Projects Future Bonds will be payable from Net Revenues commencing in Operating Year 2026. The estimated debt service on the Other Approved Capital Projects Future Bonds has been included in the financial projections contained in the Series 2023 Report of the Airport Consultant. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Airport Facilities and Capital Program – AIRPORT CAPITAL IMPROVEMENT PROGRAM."

Grants. The Airport and Airway Improvement Act of 1982 created a grant program that is administered by the FAA. The FAA allocates federal grants through the Airport Improvement Program (the "AIP"). FAA grants are subject to annual Congressional appropriation. On October 5, 2018, the FAA Reauthorization Act of 2018 was enacted into law, authorizing a total of $96.7 billion in funding for federal aviation programs over five years (federal fiscal years 2019-2023), while keeping funding for the AIP at $3.35 billion per year through federal fiscal year 2023. Additionally, in November 2021, Congress passed, and President Biden signed into law, the Infrastructure Investment and Jobs Act (Public Law 117-58, commonly referred to as the "Bipartisan Infrastructure Law" or "BIL"). Title VIII of BIL makes available $20 billion, over five years, for the FAA to administer the newly created Airport Infrastructure Grants ("AIG"), and the Airport Terminal Program ("ATP").

Both AIP and BIL provide grants to public agencies for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems. AIP and BIL grants are available to airport operators in the form of "entitlement" funds and "discretionary" funds. AIP and BIL (through AIG) entitlement funds are apportioned annually based upon the number of enplaned passengers and the aggregate landed weight of all-cargo aircraft. AIP discretionary funds are available at the discretion of the FAA based upon a national priority system. BIL discretionary funds, through ATP, are awarded annually to projects that address the aging infrastructure of the nation's airports through a competitive process. Before federal approval of any AIP or BIL grants can be given, eligible airports must provide written assurances that they will comply with a variety of statutorily specified conditions.

The Authority expects to use federal grants to pay for a portion of the 2023 – 2027 CIP. No assurance can be made that the FAA will award the additional federal grants that the Authority expects to obtain, or that, if awarded, the federal grant funds will be received in the amount or at the time contemplated by the Authority. The availability of the anticipated grant amounts is subject to future availability of federal discretionary funds that the FAA commits to the projects. In addition, the AIP expires periodically and federal reauthorization is required to continue. The FAA's current authorization expired on September 30, 2023. On September 30, 2023, Congress passed a continuing resolution to extend the authorities of the FAA through December 31, 2023.

If the grants are not awarded or received, in whole or in part, the Authority would be able to issue Additional Bonds to pay the unfunded costs of the applicable capital projects, subject to obtaining additional Weighted Majority approval, if required.

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The following table presents a summary of the 2023 – 2027 CIP, including associated cost estimates and anticipated funding sources.

AIRPORT'S FIVE-YEAR CAPITAL IMPROVEMENT PROGRAM COSTS BY FUNDING SOURCE (thousands of dollars)[(1), (2)]

Project Element	Estimated Total Project Costs	Federal and State Grants	Other Funds	Existing Bond Proceeds	Series 2023 Bond Proceeds	Other Approved Capital Projects Future Bonds Proceeds[(3)]	Other CIP Projects Future Bond Proceeds[(4)]
Airfield	$618,002	$98,529	$15,000	$50,550	$65,708	$113,371	$274,844
Power Plants and Electrical Distribution	45,000	0	0	9,725	16,275	0	19,000
Parking and Ground Transportation Facilities	105,850	0	1,900	8,650	12,200	6,800	76,300
Bridges and Roadways	94,900	67,425	0	0	16,600	0	10,875
Security and Communications	16,870	900	3,070	11,520	1,380	0	0
Support Facilities, Site Redevelopment & Demolitions	155,600	0	123,000	2,450	2,741	13,250	14,159
Terminals	235,327	82,238	29,032	0	34,425	14,520	75,113
Water Mains and Stormwater System	42,700	0	26,800	0	15,900	0	0
Other Projects	800	0	800	0	0	0	0
Total	**$1,315,049**	**$249,092**	**$199,602**	**$82,895**	**$165,229**	**$147,941**	**$470,290**

(1) A Weighted Majority has approved all of the Series 2023 Projects and Other Approved Capital Projects (as defined in the Series 2023 Report of the Airport Consultant). Certain of the other 2023 – 2027 CIP projects require approval by a Weighted Majority in order to fund such projects with proceeds of Additional Bonds; expenditure schedules are subject to change; and projects are subject to demand and available funding.

(2) Current cost estimates and construction schedules may vary from the Authority Board-approved 2023-2027 CIP.

(3) Other Approved Capital Projects Future Bonds with respect to the Other Approved Capital Projects are the proceeds of Additional Bonds currently planned to be issued in future years to fund the Other Approved Capital Projects. Other Approved Capital Projects Future Bonds are included as part of the financial analysis included in the Series 2023 Report of the Airport Consultant. See “DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program.”

(4) Other CIP Projects Future Bond Proceeds are the proceeds of Additional Bonds currently planned to be issued in future years to fund other CIP Projects for which the Authority would need to obtain Weighted Majority approval in order to fund such projects with Additional Bond proceeds and to include the debt service on such Additional Bonds in airline rates and charges. Other CIP Projects Future Bond Proceeds are not included in the financial analysis included in the Series 2023 Report of the Airport Consultant. See “DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program.”

Note: Amounts may not add because of rounding.

Source: Authority management records, September 2023.

The Series 2023 Projects are a subset of the capital projects contained in the 2023 – 2027 CIP and are to be funded, in whole or in part, with the net proceeds of the Series 2023A Bonds and the Series 2023B Bonds. For further information regarding the Series 2023 Projects and the estimated costs and funding sources for the Series 2023 Projects, see “SERIES 2023 PROJECTS” above.

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AIRPORT FINANCIAL INFORMATION

Airport Indebtedness

General. Capital improvements at the Airport have been financed through the issuance of Senior Lien Bonds, Junior Lien Bonds and Special Facilities Revenue Bonds, and with PFCs, federal grants and other Airport funds.

As of August 1, 2023, and without taking into account the issuance of the Series 2023 Bonds, the aggregate principal amount of Outstanding Senior Lien Bonds was $1,797,085,000, and the aggregate principal amount of Outstanding Junior Lien Bonds was $111,835,000. The Series designations and outstanding principal amounts of these bonds are set forth below.

Senior Lien Bonds	Outstanding Principal Amount (as of August 1, 2023)
Series 2012A[1]	$153,840,000
Series 2012B[1]	20,225,000
Series 2012D[1]	29,740,000
Series 2014B	65,995,000
Series 2014C	31,245,000
Series 2015B[2]	38,500,000
Series 2015C[2]	25,640,000
Series 2015D	212,830,000
Series 2015E	7,755,000
Series 2015F	224,155,000
Series 2015G	59,880,000
Series 2017A	50,370,000
Series 2017B	40,470,000
Series 2017C	48,340,000
Series 2017E[2]	66,760,000
Series 2017F[2]	112,330,000
Series 2018A	147,190,000
Series 2018B	6,005,000
Series 2018C	14,130,000
Series 2018D	43,020,000
Series 2019[2]	29,440,000
Series 2020B[2]	85,320,000
Series 2020C[2]	112,090,000
Series 2021A	121,260,000
Series 2021B	29,520,000
Series 2022[2]	21,035,000
TOTAL	$1,797,085,000

(1) Such Senior Lien Bonds are expected to be defeased or refunded in full with certain of the net proceeds of the Series 2023C Refunding Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds. For further information, see "PLAN OF REFUNDING" above.

(2) Such Senior Lien Bonds have been directly placed with a financial institution. For further information, see "AIRPORT FINANCIAL INFORMATION – Airport Indebtedness – *Direct Placements*" below.

Junior Lien Bonds	Outstanding Principal Amount (as of August 1, 2023)
Series 2017A	$52,760,000
Series 2017B	34,460,000
Series 2017C[1]	24,615,000
TOTAL	$111,835,000

[1] Such Junior Lien Bonds have been directly placed with a financial institution. For further information, see "AIRPORT FINANCIAL INFORMATION – Airport Indebtedness – *Direct Placements*" below.

Direct Placements. The Authority has directly placed certain series of the Outstanding Senior Lien Bonds and the Outstanding Junior Lien Bonds referenced under the subheading " – Airport Indebtedness – *General*" above, as of August 1, 2023, with certain financial institutions.

As of the date of issuance of the Series 2023 Bonds, the Authority expects to have outstanding $515,730,000 principal amount of Senior Lien Bonds and Junior Lien Bonds held as direct placements, as summarized in the table below:

Series	Outstanding Principal Amount	Put Date	Maturity Date	Interest Rate Mode	Purchaser
2015B	38,500,000	None	12/01/2024	Fixed Rate	Bank of America, N.A.
2015C	25,640,000	None	12/01/2034	Fixed Rate	Citibank, N.A.
2017E	66,760,000	None	12/01/2028	Fixed Rate	Citibank, N.A.
2017F	112,330,000	None	12/01/2028	Fixed Rate	Bank of America, N.A.
Junior 2017C	24,615,000	None	12/01/2037	Fixed Rate	Citibank, N.A.
2019	29,440,000	None	12/01/2034	Fixed Rate	DNT Asset Trust
2020B	85,320,000	12/01/2023	12/01/2033	Variable Rate	Bank of America, N.A.
2020C	112,090,000	12/01/2023	12/01/2033	Variable Rate	JPMorgan Chase Bank, N.A.
2022	21,035,000	12/01/2024	12/01/2039	Variable Rate	Huntington National Bank

SOURCE: Wayne County Airport Authority, August 2023.

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Debt Service Requirements. The following table sets forth the annual debt service requirements accruing in each Bond Year on the outstanding Senior Lien Bonds, the outstanding Junior Lien Bonds and the Series 2023 Bonds following the date of issuance of the Series 2023 Bonds:

Bond Year Ending December 1	Outstanding Senior Lien Bonds(1)(2)(3)(4)	Series 2023 Bonds(3)	Total Outstanding Senior Lien Bonds (1)(2)(3)(4)	Outstanding Junior Lien Bonds	Total Debt Service (1)(2)(3)(4)
2023	$162,564,967	$ 199,375	$162,764,342	$10,636,050	$173,400,392
2024	161,836,861	19,110,989	180,947,850	10,635,300	191,583,150
2025	160,331,293	22,517,867	182,849,161	10,591,550	193,440,711
2026	160,130,421	24,056,793	184,187,213	10,591,300	194,778,513
2027	159,781,635	24,852,525	184,634,160	10,591,800	195,225,960
2028	128,068,821	53,547,525	181,616,346	10,642,300	192,258,646
2029	129,927,894	28,661,275	158,589,169	10,644,550	169,233,719
2030	129,345,293	28,635,275	157,980,568	10,640,050	168,620,618
2031	128,949,909	28,649,275	157,599,184	10,638,300	168,237,484
2032	128,486,961	28,659,775	157,146,736	10,643,300	167,790,036
2033	122,144,417	28,680,275	150,824,692	10,623,800	161,448,492
2034	114,554,435	28,638,525	143,192,960	10,625,250	153,818,210
2035	77,229,229	28,655,775	105,885,004	10,624,050	116,509,054
2036	77,229,867	28,655,475	105,885,342	10,619,550	116,504,892
2037	78,454,229	28,652,063	107,106,292	10,626,000	117,732,292
2038	78,303,246	26,748,488	105,051,733	-	105,051,733
2039	58,141,315	26,752,375	84,893,690	-	84,893,690
2040	51,868,000	26,748,225	78,616,225	-	78,616,225
2041	51,863,500	26,762,375	78,625,875	-	78,625,875
2042	51,859,000	26,741,075	78,600,075	-	78,600,075
2043	51,859,750	15,033,338	66,893,088	-	66,893,088
2044	48,735,500	15,044,638	63,780,138	-	63,780,138
2045	39,872,250	15,033,763	54,906,013	-	54,906,013
2046	20,604,250	15,050,188	35,654,438	-	35,654,438
2047	7,803,500	15,035,713	22,839,213	-	22,839,213
2048	5,885,250	15,045,063	20,930,313	-	20,930,313
TOTAL	**$2,385,831,795**	**$626,168,024**	**$3,011,999,818**	**$159,373,150**	**$3,171,372,968**

(1) Outstanding Senior Lien Bonds debt service for 2023 is based on actual deposits for the June 1, 2023 payments and estimated December 1, 2023 payments, assuming an interest rate of 4.91%, 4.70% and 5.18% for the Series 2022 Bonds, Series 2020B Bonds and Series 2020C Bonds, respectively.
(2) Series 2022 Bonds, Series 2020B Bonds and Series 2020C Bonds assume an interest rate of 4.51%, 4.08% and 4.60%, respectively.
(3) Net of capitalized interest.
(4) Outstanding Senior Lien Bonds debt service for 2023 does not include debt service amounts related to the Refunded Bonds, which will be defeased and/or refunded upon the issuance of the Series 2023 Bonds.

PFC Revenues

Under the Aviation Safety and Capacity Expansion Act of 1990 (the "PFC Act"), the FAA may authorize a public agency which 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 public agency 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.

Many of the PFC-eligible projects in the Capital Improvement Program for the Airport during the period from 1998 to 2007 were funded with the proceeds of Bonds, and the plan of finance for these projects assumed that the Authority would use PFC revenue to pay the Debt Service on the Bonds issued to pay for such PFC-eligible projects to the maximum extent possible. With respect to other PFC-eligible Capital Improvement Program projects, the Authority has funded a portion of the cost of the projects with federal grant funds, and the balance of the cost (the local share) with Bond proceeds, with payment of a portion of the Debt Service on the Bonds to be paid with PFC revenue.

Under its current PFC approvals, the Authority has authority to impose and use $3.135 billion in PFCs, which includes amounts for the payment of principal, interest and other financing costs on Bonds issued to pay the PFC-eligible costs of the approved projects. The current estimated PFC expiration date is February 1, 2034.

The Authority is obligated under the Airline Agreements with the Signatory Airlines to use PFCs to pay Debt Service on Bonds issued to pay the costs of certain PFC-eligible projects at the Airport. These projects include the construction of portions of both the McNamara Terminal and the Evans Terminal. Therefore, on a monthly basis, the Authority transfers some of its PFC revenues to the Bond Fund and the Junior Lien Bond Fund for the purpose of paying Debt Service, respectively, on Senior Lien Bonds and Junior Lien Bonds issued to finance such PFC eligible projects.

The amount of PFC revenue collected for the Airport in past years has varied, and in future years will vary, based upon many factors, including compliance with federal law and regulations, passenger enplanement levels, as well as continuation of the PFC program. No assurance can be given that the forecasted level of enplanements will be realized or that any other factor affecting PFC revenue will not occur that adversely impacts the Authority. A shortfall in projected PFC collections could increase the amounts of Net Debt Service included in the rates and charges of the airlines operating at the Airport. See "INVESTMENT CONSIDERATIONS – Availability of PFC Revenues and Other Sources of Funding" herein.

Other Post Retirement Benefit Obligations

The Authority provides medical benefits for certain eligible Authority retirees pursuant to various collective bargaining agreements and other employee benefit plan documents. Benefits are provided through the Wayne County Airport Authority Retiree Healthcare Plan ("Retiree Healthcare Plan"), a single employer defined benefit plan administered by the Municipal Employees' Retirement System ("MERS") of Michigan. Benefits are provided after normal retirement subject to age and service requirements. Benefits are provided after an approved duty disability retirement with no age or service requirements. Medical and prescription drug coverage is provided to retirees and their eligible dependents, but become secondary once the retiree reaches Medicare eligibility. No Authority employee hired after 2012 is eligible for retiree healthcare benefits.

The Authority has established an Act 149 Health Care Trust (the "Trust") as a mechanism for funding the Retiree Healthcare Plan. The assets of the Trust are invested in a MERS of Michigan Retiree Health Funding Vehicle, which is held in a separate reserve, but invested on a pooled basis by MERS with other governmental units. The balance in the Trust as of December 31, 2022 was $89,960,504. To date, the Authority has not utilized funds from the Trust to pay retiree healthcare costs, but rather accumulates funds for the payment of future benefits.

During the fiscal year ended September 30, 2018, the Authority adopted GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The statement established standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses for postemployment obligations. Upon implementing the statement, the Authority recognized a net other postemployment benefit liability at September 30, 2018 of $56,741,775. As of December 31, 2022, the net other postemployment benefit liability has been reduced to $37,374,256, the difference between the total liability ($127,334,760) and the balance of Trust assets ($89,960,504).

Additionally, the post-retirement benefit obligations for County employees who retired prior to September 1, 2002 with service credit in the County's former Division of Airports (the "Pre-2002 Airport Retirees") are pooled with the post-retirement healthcare costs of all other County retirees who retired prior to September 1, 2002 (the "Pre-2002 County Retiree Pool"). Members of the Pre-2002 County Retirement Pool are provided stipend payments in lieu of healthcare benefits upon meeting certain eligibility requirements. To date, the Authority has made $1.7 million in payments related to the stipend benefits. The Authority's estimated liability for this obligation, as calculated in the GASB 74/75 Actuarial Valuation Fiscal Year Ending September 30, 2022 Wayne County Report, as prepared by Nyhart, was $3,793,000, and is presented as "due to other governmental units" in the Authority's FY 2022 Statement of Net Position.

Authority Pension Obligations

Since the date the Authority assumed exclusive operational jurisdiction and control of the Airports under the Authority Act (August 9, 2002), the Authority's employees have participated in retirement plans managed by the Wayne County Employees' Retirement System ("WCERS"). Prior to September 30, 2007, Authority and County pension assets were combined. Since September 30, 2007, WCERS has (i) separately accounted for the pension assets and liabilities associated with the Authority's employees, retirees and beneficiaries (such individuals are collectively referred to as the "Authority Members"), (ii) provided the Authority discretion to modify pension benefits provided to the Authority Members, and (iii) provided the Authority control over various aspects of WCERS as it relates to the Authority Members. Authority Members are only eligible to participate in and accrue benefits in the Authority's retirement plans.

In 2015, the County Commission and WCERS authorized WCERS to operate as an "agent multiple-employer plan," as defined by the Governmental Accounting Standards Board. The County Commission and WCERS each confirmed the Authority's status as an independent adopting employer of the agent multiple-employer plans managed by WCERS, and, pursuant to the approval of the Authority Board, effective July 15, 2015, the Authority and WCERS entered into an Agreement to Serve as Investment Fiduciary and Plan Administrator. This agreement memorializes the Authority's status as an independent adopting employer of the agent multiple employer plans managed by WCERS, as well as an agreement between the Authority and WCERS concerning the services to be provided by WCERS to the Authority with respect to the Authority's retirement plans managed by WCERS and the remuneration to be provided to WCERS by the Authority and the retirement plans of the Authority. As a result, the Authority's retirement plans are administered by WCERS, but are no longer considered part of a cost-sharing plan with WCERS. Pursuant to the WCERS Annual Actuarial Valuation Report, as prepared by Gabriel Roeder Smith & Company, as of the September 30, 2022 valuation date, the Authority's pension plans were 79% funded, with approximately $191,640,000 of accrued liabilities and $151,289,000 of assets (funding value).

Effective August 15, 2017, the Authority, the County and WCERS executed a Memorandum of Understanding (the "Memorandum of Understanding") under which the Authority agreed to make certain payments to WCERS (described below) with respect to the pension liability for the Pre-2002 Airport Retirees under the County's retirement plans. In the Memorandum of Understanding, the Authority and the County agreed that the Authority would accept responsibility for 10.25% of the total unfunded actuarial accrued liability ("UAAL") for all County employees who retired prior to September 1, 2002 (the "Pre-Authority County Retirees") and that such portion of the UAAL would be allocable to the Pre-2002 Airport Retirees (the "Authority Share"). The Pre-2002 Airport Retirees represent a subset of all Pre-Authority County Retirees.

In order to decrease the UAAL allocable to the Pre-2002 Airport Retirees, the Authority made accelerated payments to WCERS of this liability in a total amount equal to $22 million for Operating Years 2016 to 2020, and completed the agreed upon payments as of September 30, 2019. Pursuant to the Memorandum of Understanding, an actuarial valuation as of September 30, 2020 was to be completed to determine if there was any remaining UAAL for the Authority Share, and if so, the Authority, the County and WCERS agreed to enter into good faith negotiations to develop further payment options for the Authority with respect to the Authority Share.

The Authority and the County have not yet completed a negotiation of the settlement of further pension funding payments by the Authority for the Authority Share. Currently, the parties are engaged in discussions to determine an amount for a one-time termination liability payment by the Authority. In anticipation of such a settlement, the Authority has accrued a $6 million liability estimate as of December 30, 2022.

Financial Operations

Historical Operating Results. The audited financial statements of the Airport for the Operating Year ended December 31, 2022, together with the report of Plante & Moran, PLLC, independent auditors, relating thereto, are included herein as APPENDIX B.

Beginning on January 1, 2020, the Authority's Operating Year was changed to be the 12-month period ending December 31st. Prior to the effectiveness of this change of fiscal year end, the Authority's Operating Year was the 12-month period ending September 30th.

The following table sets forth audited historical operating results of the Airport for Operating Years 2018 through 2022 under accounting principles generally accepted in the United States.

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HISTORICAL OPERATING RESULTS
Detroit Metropolitan Wayne County Airport
For Operating Years 2018-2022*
(In Thousands)

	OY 2018	OY 2019	OY 2019S*	OY 2020	OY 2021	OY 2022
Operating revenues:						
Airport landing and related fees	$ 76,739	$ 79,731	$ 20,213	$ 57,545	$ 72,659	$45,560
Concession fees	68,951	69,305	16,790	32,748	49,345	58,122
Parking fees	80,248	83,657	21,834	34,905	61,971	87,624
Hotel	31,368	32,735	8,816	12,224	18,111	29,728
Rental facilities	110,372	116,792	28,385	99,496	116,998	114,377
Utility service fees	4,970	4,739	1,165	3,759	3,923	4,444
Other	6,430	6,312	1,614	14,799	8,551	8,286
Total operating revenues	379,078	393,271	98,817	255,476	331,558	348,141
Operating expenses:						
Salaries, wages, and fringe benefits	94,558	91,435	30,992	78,159	82,447	83,594
Parking management	8,405	7,607	1,823	5,488	5,495	6,994
Hotel management	19,775	20,703	5,534	11,128	11,883	18,358
Janitorial services	14,406	16,917	4,120	14,038	16,450	20,052
Security	6,031	6,000	1,553	4,881	5,498	7,364
Utilities	23,253	22,403	5,196	19,153	20,302	22,508
Repairs, professional services, and other	93,537	100,267	23,791	77,929	85,016	90,035
Depreciation	120,446	120,674	30,530	131,066	134,187	123,806
Total operating expenses	380,411	386,006	103,538	341,843	361,278	372,711
Operating loss	(1,333)	7,266	(4,721)	(86,367)	(29,720)	(24,570)
Nonoperating revenues (expenses):						
Passenger facility charges	69,774	72,761	16,415	28,408	48,233	55,380
Customer facility charges	4,549	22,131	5,726	4,951	—	4,639
Federal and state grants	6,650	8,497	1,784	118,169	44,333	44,716
Net insurance recovery	—	—	—	458	1,865	189
Interest income and other	7,612	16,576	2,528	4,550	—	—
Interest expense and other	(84,868)	(88,023)	(20,717)	(78,130)	(77,586)	(86,955)
Amortization of bond issuance costs	(101)	(42)	(11)	(42)	(42)	(41)
Total nonoperating revenue	3,616	31,900	5,726	78,363	16,803	17,928
Net loss before capital contributions and transfers	2,283	39,166	1,005	(8,004)	(12,917)	(6,641)
Capital contributions	389	33,136	1,125	26,909	106	27,312
Transfers out	(2,467)	(3,524)	(1,384)	(11,503)	(15,905)	(12,003)
Changes in net position	205	68,778	745	7,401	(28,716)	8,669
Net position – beginning of year	74,127(1)	74,332	143,110	143,856	151,257	122,541
Net position – end of year	74,332	143,110	143,856	151,257	122,541	131,210

* From 2020 the Operating Year (Fiscal Year) changed from year-ended September 30 to year-ended December 31. OY 2019S represents the three-month Stub Period of October 1, 2019 to December 31, 2019.
(1) In 2018, the Airport restated beginning net position to $74,127 (see Note 2 of 2018 financial statements for additional discussion). This amount less the 2018 decrease in net position is used to arrive at ending net position.

SOURCE: Audited Financial Statements of the Wayne County Airport Authority
See accompanying independent auditor's report.

The financial information presented above is prepared in accordance with U.S. generally accepted accounting principles using the full accrual basis of accounting. Depreciation expense is determined in accordance with the Authority's accounting policies, which provide for straight-line depreciation over the estimated useful lives of the assets acquired. Due to the Authority's major capital expansion program, significant additional depreciation expense has been recorded over the past several years as calculated in accordance with accounting principles generally accepted in the United States. The recording of this additional depreciation expense has resulted in significant operating losses. Depreciation expense is considered a non-cash transaction. The Authority generates enough cash to pay all operating bills and debt service, has positive working capital, and has a strong positive cash flow from operations. Depreciation expense is not considered in calculating required Activity Fees using the Authority's residual rate setting methodology.

Similarly, grants, capital contributions and PFCs are not considered Revenues under the Master Bond Ordinance or the Airline Agreements for purposes of the residual methodology for calculating Activity Fees. However, pursuant to the Airline Agreements, PFCs are included as a credit in the residual Activity Fee calculation as the Authority transfers PFCs, monthly, into the Bond Fund and/or Junior Lien Bond Fund to pay eligible Debt Service. Interest earnings on the Construction Fund, Bond Fund and Junior Lien Bond Fund accounts are applied in accordance with the Master Bond Ordinance.

Finally, CARES Act funds, CRRSAA grant funds and ARPA funds are not considered Revenues under the Master Bond Ordinance or the Airline Agreements. However, such funds have been used, and will be used, by the Authority to pay Operation and Maintenance Expenses in certain Operating Years and such federal relief funds reduce the Operation and Maintenance Expenses otherwise included in the calculation of airlines' terminal rents and activity fees payable with respect to the Airport. The Authority has also used certain CARES Act funds to pay debt service on Outstanding Bonds and/or Junior Lien Bonds. For a further discussion of federal economic relief and its application by the Authority, see "COVID-19 IMPACTS AND RECENT DEVELOPMENTS – Government Relief Efforts" and "AIRPORT FINANCIAL INFORMATION – Management Discussion of Airport Financial Operations."

Airline Revenue Requirement. The Master Bond Ordinance requires the Authority to adopt, prior to the commencement of each Operating Year, a budget covering the Operation and Maintenance Expenses of the Airport, the Debt Service payable on Senior Lien Bonds and Junior Lien Bonds, and other known monetary requirements of the Master Bond Ordinance and the Airport for such Operating Year. The Airline Agreements require the Authority to provide the Signatory Airlines with a projection of rentals and the Activity Fee rate for each Operating Year at least sixty (60) days prior to the beginning of the Operating Year. As described in APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS," airline rates, fees and charges currently are calculated based on an Airport-wide residual rate setting methodology for Activity Fees, with terminal rental rates calculated based on costs allocated to the terminal costs centers. 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 and terminal rental payments had been based during the year were either too low or too high based on actual data. See APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS."

The following table sets forth the Airport's operating revenues, operating expenses and non-operating revenues for Operating Year 2018 through Operating Year 2022 and the Authority's budgeted Airport operating revenues, operating expenses and non-operating revenues for Operating Year 2023 (as approved by the Board on October 26, 2022), in each case shown on the basis of the residual airline rate-making methodology under the Airline Agreements.

Detroit Metropolitan Wayne County Airport
Operating and Maintenance Fund
For Operating Years 2018-2022*
(In Thousands, except as noted)

	OY 2018	OY 2019	OY 2019S*	OY 2020	OY 2021	OY 2022	OY 2023
	Actual	Actual	Actual	Actual	Actual	Actual	Budget
Airline revenues:							
Landing and related fees	$76,739	$79,731	$20,213	$57,545	$72,659	$45,560	$66,231
Terminal building rentals and fees	84,732	88,897	21,347	85,688	101,923	94,040	100,130
Facility use fees	8,876	9,714	2,116	2,276	2,446	5,763	6,750
Total airline revenues	170,348	178,343	43,676	145,509	177,028	145,363	173,111
Non-airline revenues:							
Parking fees	80,248	83,657	21,834	34,905	61,971	87,624	92,900
Hotel	31,368	32,735	8,816	12,224	18,111	29,728	30,716
Car rental	26,164	25,867	6,104	11,476	21,205	25,401	29,000
Concession fees	42,298	42,937	10,562	21,073	27,839	32,890	37,500
Ground transportation	10,199	11,375	3,133	3,781	4,480	7,434	8,500
Shuttle bus	2,891	3,049	774	3,742	3,918	2,938	3,333
Other	14,145	14,587	3,813	16,817	14,730	18,291	15,248
Total non-airline revenues	207,315	214,207	55,035	104,018	152,254	204,306	217,197
Total operating revenues	377,662	392,550	98,712	249,527	329,282	349,669	390,308
Operating expenses:							
Salaries, wages and fringe benefits	94,533	96,820	26,149	88,592	85,806	88,001	91,350
Hotel management	19,702	19,746	5,399	10,550	11,780	18,065	19,443
Materials and supplies	10,287	9,620	2,182	6,315	6,798	10,132	11,256
Parking management expense	8,405	7,607	1,823	5,488	5,495	6,994	8,847
Shuttle bus services	6,849	7,779	2,002	7,316	9,978	10,871	12,587
Janitorial services	14,406	16,917	4,120	14,038	16,450	20,052	21,161
Security	6,031	6,000	1,553	4,881	5,498	7,364	9,582
Professional & other contractual services	28,043	26,258	7,244	22,131	22,721	26,747	32,295
Utilities	23,388	22,870	5,196	19,217	20,346	22,551	22,550
Buildings and grounds maintenance	13,724	17,496	3,525	11,733	15,102	13,024	20,980
Equipment repair and maintenance	19,315	18,950	5,216	15,638	17,975	20,736	24,624
Insurance	1,902	1,878	460	1,942	1,901	2,122	2,240
Other operating expenses	4,634	5,725	1,397	3,574	2,775	4,723	4,523
Operations and maintenance capital	8,816	10,177	2,470	8,264	12,059	5,583	7,476
Total operating expenses	260,036	267,845	68,733	219,681	234,684	256,965	288,914
Operating income (loss)	117,626	124,705	29,978	29,846	94,598	92,704	101,394

Non-operating revenues (expenses):							
Interest income and other	792	1,568	544	764	1,111	767	1,265
Federal and state grants (1)	1,044	1,116	275	114,288	40,111	36,703	25,000
Net debt service	(93,482)	(98,424)	(23,477)	(124,120)	(116,930)	(107,037)	(103,000)
Hotel management	(7,474)	(8,510)	(2,200)	(6,767)	(6,790)	(11,711)	(7,894)
Funding requirements	(18,506)	(20,456)	(5,121)	(14,011)	(12,100)	(11,426)	(16,765)
Total non-operating revenues (expenses)	(117,626)	(124,705)	(29,978)	(29,846)	(94,598)	(92,704)	(101,394)
Net income (loss) before capital contributions & transfers	-	-	-	-	-	-	-

*Beginning January 1, 2020, the Operating Year (Fiscal Year) changed from year-ended September 30 to year-ended December 31. OY 2019S represents the three-month Stub Period of October 1, 2019, to December 31, 2019.
(1) OY 2020 includes $113.1 million of CARES Act grant reimbursements; OY 2021 includes $39.0 million of CARES Act and CRRSAA grant reimbursements; and OY 2022 includes $33.6 million of ARPA, CRRSAA and CRRSAA Concessions Relief grant reimbursements.

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Management Discussion of Airport Financial Operations

In Operating Year 2018, higher than average snowfall in the region drove increased Airport expenses for contractual snow removal, bulk chemicals, utilities and staff overtime. The Authority also incurred increased expenses for janitorial services, and equipment repair and maintenance contract renewals for the McNamara Terminal and various other Airport buildings. Increased security expenses reflected the first full year of the implementation of enhanced employee screening for both terminals, which began in Operating Year 2017. Anticipated parking and road maintenance added expense pressure, however the Authority reduced operating capital to offset the full impact of these increases. Concession revenue increased in Operating Year 2018, attributable to a full year impact of a new duty-free concession program for both the McNamara and Evans Terminals and completion of changeover of the retail concessions in the Evans Terminal. TNC, car rental and other revenues helped to offset Operating Year Airport expenses. Total operating revenues for Operating Year 2018 increased by \$12.9 million (3.5%), and airline cost per enplanement was \$9.70.

In Operating Year 2019, Authority expenses were driven by increased funding for retiree healthcare, and additional police staff to offset overtime. Final accelerated payments of \$6.6 million were made to WCERS for the Pre-2002 Airport Retirees related to the unfunded liability discussed under the subheading "Authority Pension Obligations" above. The Authority also developed a more robust snow plan, adding maintenance staff and equipment. Due to an increased demand at the Airport for international travel, the Authority entered into an agreement with U.S. Customs and Border Protection to process passengers outside of normal operating hours for both terminals, which increased other operating expenses. Capital initiatives for the Evans Terminal in Operating Year 2019 included upgrades to the jet bridges, flight information displays (FIDs) and airfield ramp lighting. Debt service attributed to both terminals increased in due to terminal-specific, Bond-funded projects coming online. Growth in parking, TNC, Westin Hotel and other non-airline revenues offset increased Operating Year 2019 expenses. Total operating revenues for Operating Year 2019 increased by \$14.9 million (3.9%), and airline cost per enplanement was \$9.84.

In Operating Year 2020, the timing of the COVID pandemic allowed the Authority to take decisive actions in response to swift reductions in both airline and non-airline revenues. The Authority deferred or eliminated budgeted expenses and one-time projects, reduced non-essential operations and offered retirement incentives to help offset costs. The Authority cut \$48.1 million from operating expenses; however, the reduction in PFC revenue caused by the significant reduction in enplaned passengers at the Airport, which otherwise would have offset net debt service, increased non-operating expenses by \$94.9 million. In response to requests for relief from concession and rental car tenants, the Authority was able to implement the contractual language in many agreements which allowed for a reduction in MAG/MCF if a certain level of enplanements was realized. The Authority adopted a COVID-19 Hardship Relief Policy which reduced concession and car rental revenues. Other non-airline revenues including parking, hotel and ground transportation were significantly impacted by the reduction in passenger traffic at the Airport. Due to the enactment of the CARES Act legislation by the U.S. government to help airports continue to pay their operating and debt service expenses in response to the swift decline in revenues, the Authority was able to utilize \$113.1 of CARES Act funds to help cover Airport expenses, as described under the subheading "COVID-19 IMPACTS AND RECENT DEVELOPMENTS - Government Relief Efforts" above. Total operating revenues for Operating Year 2020 decreased by \$143.0 million (36.4%), and airline cost per enplanement was \$20.71.

In Operating Year 2021, operations started to normalize after the Authority implemented significant cost saving measures due to the on-going COVID-19 pandemic. Such measures resulted in a \$15.0 million increase in operating expenses for the year, as contractual service levels increased and the Authority undertook deferred infrastructure improvement projects. Although higher than operating expenses for Operating Year 2020, such expenses remained \$33.2 million lower in Operating Year 2021 than in Operating Year 2019, as the Authority continued to cautiously manage expenses in response to the ongoing COVID-19 pandemic. Operating revenues in Operating Year 2021 were \$79.8 million higher than Operating Year 2020 operating revenues due to an increase in passenger levels. The passenger increase also resulted in a \$7.2 million decrease in net debt service due to higher PFC collections in Operating Year 2021. Nevertheless, despite the year-over-year increase in passenger numbers, Operating Year 2021 passenger levels still were significantly below Operating Year 2019 levels, resulting in a \$63.3 million decrease in operating revenues and an \$18.5 million increase in net debt service. To help mitigate the impact of this revenue decline, the Authority utilized \$39.0 million of federal relief grants (consisting of the remaining \$28.8 million of CARES Act funds and \$10.2 million of CRRSAA funds) to reimburse operating expenses. The utilization of federal relief grants for this purpose helped mitigate airline rates and charges, resulting in an airline cost per enplanement for Operating Year 2021 of $15.02, representing a decrease of $5.69 from Operating Year 2020.

In Operating Year 2022, the recovery from the impacts of the COVID-19 pandemic continued with increases in both operating revenues and operating expenses. The $20.4 million year-over-year increase in operating revenues can be attributed to the growth in non-airline revenues, more specifically parking, hotel and car rental revenues. These revenue streams were driven by an increase in passengers, in particular origination and destination passengers. There also were parking rate increases in Operating Year 2022 as well as higher car rental prices as a result of supply shortages. Concessions revenues also increased but at a slower pace due to the contractual MAG reductions implemented in Operating Year 2020. Concessions revenue also has been impacted by the slower recovery of connecting passenger traffic at the Airport. Operating revenues remained $42.9 million or 10.9% lower than in Operating Year 2019. Operating Expenses were $22.3 million higher than in Operating Year 2021, driven by increases in costs for hotel management, materials and supplies, janitorial services, security, contractual services and equipment repair and maintenance. These increases were due to the continued restoration of pre-pandemic service levels and inflationary increases in both materials and professional services. Operating expenses were $10.9 million or 4.1% lower than in Operating Year 2019. The Authority continued to drawdown federal relief funds in Operating Year 2022, utilizing $17.4 million of CRRSAA funds and $12.3 million of ARPA funds to reimburse operating expenses. The Authority also provided an additional $3.9 million of CRRSAA relief funds to concessionaires and rental car operators in the form of rent credits, and this was recognized as non-operating revenue, thereby reducing concessions and car rental revenue. Non-operating expenses for Operating Year 2022 were $1.9 million lower than the prior year due to the increase in PFC collections, which were used to pay debt service expenses. The airline cost per enplanement in Operating Year 2022 was $10.34, just 5.1% higher than the cost per enplanement of $9.84 in Operating Year 2019.

On October 26, 2022, the Authority Board approved the Operating Year 2023 budget. The enplanement projection of 16.5 million passengers used by the Authority for budgeting purposes represents a 17.4% increase over the 14.1 million enplanements in Operating Year 2022. This growth in passenger activity is driving a $12.9 million increase in non-airline revenues versus Operating Year 2022, and also is $3.0 million higher than non-airline revenues in Operating Year 2019. This increase can be attributed to parking, hotel, concessions and car rental revenues. Operating expenses are budgeted to increase by $31.9 million over Operating Year 2022 operating expenses due to inflationary pressures, contract renewal costs, and the continuation by the Authority of addressing infrastructure, facility and fleet needs that previously had been deferred. The impact of the increase in operating expenses is mitigated by the Authority's expected use of additional federal relief funds. The Authority included the use of $24.0 million of ARPA funding for Operating Year 2023 budgeting purposes. This has helped control airline rates and charges with a $10.49 airline cost per enplanement projected in the Operating Year 2023 budget.

Pursuant to the terms of the Airport Use and Lease Agreements, the Authority adjusted the Operating Year 2023 budget with its Mid-Year Projection based on actual data. The enplanement outlook for purposes of the mid-year adjustment in airline rates and charges was revised to 16.0 million enplanements from the 16.5 million passengers included in the original Operating Year 2023 budget. The landed weight outlook included for purposes of the mid-year adjustment was updated to 20.0 billion pounds from the 20.4 billion pounds originally used. In addition, the Authority committed to use another $25 million of ARPA funds to reimburse operating expenses otherwise included in the airport cost center, resulting in a projected signatory landing fee reduction from $3.22 to $2.04. The revised airline cost per enplanement for Operating Year 2023 is projected to be $9.26.

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Historical Debt Service Coverage

The following table presents the historical debt service coverage for Senior Lien Bonds and Junior Lien Bonds for Operating Years 2018 through 2022.

HISTORICAL DEBT SERVICE COVERAGE
Detroit Metropolitan Wayne County Airport
For Operating Years 2018-2022*
(Amounts in thousands of dollars, except as noted)
(Unaudited)

	OY 2018	OY 2019	OY 2019S*	OY 2020	OY 2021	OY 2022
Revenues:						
Revenues	$ 379,498	$ 395,849	$ 99,539	$ 364,623	$ 370,970	$ 387,566
Revenue Fund Balance at Beginning of Year	55,853	55,898	57,483	46,659	47,580	45,711
Other Available Monies:						
PFC Contributions	73,174	70,941	18,850	38,795	42,224	55,084
Other	4,550	8,696	2,039	6,401	5,872	7,960
Interest Income Generated in Bond Funds and Reserves	5,415	2,817	628	6,032	8,222	3,958
Total Revenues	$ 518,490	$ 534,201	$ 178,539	$ 462,510	$ 474,868	$ 500,279
Operation and Maintenance Expenses:	$ 271,452	$ 279,746	$ 71,822	$ 223,182	$ 237,650	$ 261,644
Net Revenues Available for Senior Lien Debt Service	$ 247,038	$ 254,455	$ 106,717	$ 239,328	$ 237,218	$ 238,635
Bond Debt Service - Senior Lien	$ 174,462	$ 183,299	$ 45,454	$ 170,900	$ 168,451	$ 167,757
Debt Service Coverage for Senior Lien Bonds	1.42	1.39	2.35	1.40	1.41	1.42
Net Revenues Available for Junior Lien Debt Service	$ 72,576	$ 71,156	$ 61,263	$ 68,428	$ 68,767	$ 68,878
Bond Debt Service - Junior Lien	$ 11,190	$ 10,514	$ 2,658	$ 10,631	$ 10,631	$ 10,634
Debt Service Coverage for Junior Lien Bonds	1.33	1.31	2.22	1.32	1.32	1.32

SOURCE: Wayne County Airport Authority.
* Beginning on January 1, 2020, the Authority's Operating Year is the 12-month period ending December 31st. Prior to this change in fiscal year end, the Authority's Operating Year was the 12-month period ending September 30th. Operating Year 2019S represents the accounting stub period of October 1, 2019 to December 31, 2019.

For a discussion of forecasted debt service coverage for Operating Years 2023 through 2029 on Outstanding Senior Lien Bonds (including debt service requirements on the Series 2023 Bonds and the Other Approved Capital Projects Future Bonds) and on Outstanding Junior Lien Bonds, see "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT" below and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

SERIES 2023 REPORT OF THE AIRPORT CONSULTANT

The firm of Landrum & Brown, Incorporated ("L&B"), in association with Partners for Economic Solutions, has prepared a Report of the Airport Consultant dated September 18, 2023 (the "Series 2023 Report of the Airport Consultant"), a copy of which is included in this Official Statement as APPENDIX A, in connection with the issuance by the Authority of the Series 2023 Bonds. The Series 2023 Report of the Airport Consultant forecasts Net Revenues, Revenue Fund balances and Other Available Moneys sufficient to meet the requirements of the Rate Covenant with respect to Senior Lien Bonds and the Junior Lien Bonds.

As described in the Series 2023 Report of the Airport Consultant, in addition to all Outstanding Senior Lien Bonds and Junior Lien Bonds, the Series 2023 Report of the Airport Consultant further includes in its financial analysis the issuance and delivery of the Series 2023 Bonds and the Other Approved Capital Projects Future Bonds. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

As further described in the Series 2023 Report of the Airport Consultant, the Authority currently projects that approximately $470 million will be required from the proceeds of Additional Bonds to complete the funding of the 2023 – 2027 CIP capital projects (which amount does not include the Other Approved Capital Projects Future Bonds). The Authority does not yet have a specific plan for the amount and timing of such Additional Bonds because the estimated project costs and schedules of many of the 2023 – 2027 CIP capital projects still are being developed and the Authority has not yet requested Weighted Majority approval for such projects. For these reasons, the estimated debt service on such Additional Bonds has not been included in the financial projections contained in the Series 2023 Report of the Airport Consultant.

On the basis of the assumptions and analyses described in the Series 2023 Report of the Airport Consultant, L&B is of the opinion that (i) sufficient revenues will be generated to pay the Authority's requirements for its Operation and Maintenance (O&M) Fund, Bond Fund, Junior Lien Bond Fund, O&M Reserve Fund, Renewal and Replacement Fund, Authority Discretionary Fund, Airport Development Fund, and other remaining obligations or requirements of the Authority during the projection period from Operating Year 2023 through Operating Year 2029 through a combination of airline rates and charges and nonairline revenue sources, and (ii) projected airline rates and charges are reasonable on an airline cost per enplaned passenger basis compared to other large-hub U.S. airports.

The Series 2023 Report of the Airport Consultant may include adjustments or other factors that result in debt service coverage, airline cost per enplaned passenger or other information that differs from results presented in the Authority's Comprehensive Annual Financial Report or the Authority's Operating Year budget or projection. These adjustments include, without limitation, financial projections for Operating Year 2023 that are based on the Authority's Operating Year 2023 budget, but also incorporate offsets from the Authority's use of funds provided under the CARES Act and CRRSAA that are not otherwise included in the Authority's Operating Year 2023 budget.

The information in the table on the following page has been extracted from the Series 2023 Report of the Airport Consultant.

The following table shows forecasted Operating Years 2023 through 2029 Net Revenues, Revenue Fund balances and Other Available Moneys, debt service requirements on Outstanding Senior Lien Bonds (including debt service requirements on the Series 2023 Bonds and the Other Approved Capital Projects Future Bonds) and on Outstanding Junior Lien Bonds, debt service coverage (Senior Lien Bonds and Junior Lien Bonds) and airline cost per enplaned passenger under the Baseline Projection.

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DEBT SERVICE COVERAGE FORECAST AND PASSENGER AIRLINE CPE FORECAST
Forecasted Operating Years 2023 through 2029
(Baseline Projection)
(dollars in thousands, except for CPE)

Operating Year	Net Revenues, Revenue Fund Balances and Other Available Moneys	Total Senior Lien Debt Service Requirements	Senior Lien Debt Service Coverage Ratio	Total Senior Lien and Junior Lien Debt Service Requirements	Senior Lien and Junior Lien Debt Service Coverage Ratio	Airline CPE
2023	$274,814	$176,798	1.55x	$187,434	1.47x	$ 9.26
2024	279,102	183,530	1.52x	194,162	1.44x	10.39
2025	278,587	185,016	1.51x	195,607	1.42x	10.02
2026	288,287	192,535	1.50x	203,126	1.42x	11.64
2027	291,013	197,271	1.48x	207,867	1.40x	11.56
2028	287,480	193,563	1.49x	204,205	1.41x	11.21
2029	268,577	174,473	1.54x	185,117	1.45x	10.19

SOURCE: Landrum & Brown, Inc.
NOTE: For purposes of calculating Net Revenues, Operation and Maintenance Expenses have been reduced by the amount of such expenses paid, or expected to be paid, by federal relief funds described in APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Financial Framework and Analysis – Federal Aid Related to the COVID-19 Pandemic."

The Series 2023 Report of the Airport Consultant should be read in its entirety for an understanding of the forecasts, including the baseline forecast and the slower recovery scenario, and the underlying assumptions. As noted in the Series 2023 Report of the Airport Consultant, any financial forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. The actual financial results achieved will vary from those forecasts, and the variations may be material. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

ENVIRONMENTAL, SOCIAL AND GOVERNANCE EFFORTS

The Authority has a strategic focus to advance environmental stewardship and sustainability at the Airport, and it is committed to integrating environmental, social and governance factors into existing Airport operations to continually achieve a more sustainable day-to-day operation and environmental strategy. In addition, the Authority has adopted a sustainability policy which is committed to increasing economic benefits, reducing environmental impacts, and improving employee and community relations associated with the operation of the Airport.

Environmental Initiatives

A description of certain ongoing projects as well as projects currently underway or completed at the Airport in furtherance of the Authority's commitment to its environmental goals include, but are not limited to, the following.

Integrated Contingency Plans. The Authority has created an Integrated Contingency Plan for both the Airport and Willow Run Airport to provide one comprehensive spill prevention and response plan for each airport. Each plan describes the procedures, methods, and equipment to be used to prevent oil, other polluting materials, and hazardous waste from impacting surface and ground waters through spills, seepage, discharge, and/or runoff.

Stormwater Detention System. The Airport's stormwater system has the capacity to detain more stormwater than at any other North American airport - approximately 515 million gallons. This system is operated to contain stormwater generated during large rain and snow melt events in ponds located on the Airport's property, followed by controlled releases after the events subside. This strategy reduces the frequency and severity of downstream flooding. The Authority has invested more than $175 million on stormwater and deicing management system improvements since 1990, including the construction of four remote deicing pads.

Deicing Fluid Discharges. The Airport operates the largest aircraft deicing fluid ("ADF") management system in the world, having recycled more propylene glycol – PG (the primary component of ADF) than any airport in the world, eight of the past ten deicing seasons. The Airport's drainage system is constructed to completely separate aircraft deicing runoff from general airport stormwater runoff. All aircraft deicing at the Airport is conducted in areas that drain to one of two wastewater treatment facilities. All runoff in these areas that contains greater than 2% aircraft deicing fluid, is recycled, and any spent aircraft deicing fluid runoff that cannot be recycled, is sent to either two separate water treatment facilities. Through the efforts of the Authority's Department of Environment & Sustainability, the Airport has been awarded the "Zero Violations Club" by one of its treatment facilities for over 17 years.

Water Quality at the Airport. The Authority manages a water distribution system that supplies between 750,000 to 1.2 million gallons of water per day for uses including aircraft de-icing, climate control, terminal concessions and general consumption. In 2021, the Airport's Consumer Confidence Report on Water Quality demonstrated that the Airport surpassed water quality standards as mandated by the Environmental Protection Agency and the Michigan Department of Environment, Great Lakes, and Energy. The Airport's water has consistently met or exceeded all federal and state requirements for regulated contaminants.

Wetlands Management. The Authority's Department of Environment & Sustainability is responsible for complying with wetland regulations at both the Airport and Willow Run Airport. Wetlands are protected if possible and if development projects necessitate wetland impacts, mitigation measures are implemented. In this regard, the Crosswinds Marsh was constructed in 1997 in Sumpter Township Michigan to mitigate for wetlands impacted as the result of the construction of the McNamara Terminal and certain runways. The 1,050-acre mitigated wetland consists of open marsh, wet meadows, forested wetlands, and upland forests. Crosswinds offers seven miles of hiking trails, fishing, picnic areas, 4.5 miles of horseback riding trails, and 4.5 miles of cross-country ski trails.

Wildlife Management. The Authority's Wildlife Program not only provides safety to aircraft and passengers but protects numerous wildlife species from using the airfield through the implementation of various wildlife deterrence methods. As a certified airport, the program complies with federal regulations to monitor and control wildlife activity on and around the airport through the Wildlife Hazard Management Plan. To mitigate wildlife strikes, the Wildlife Program has a robust raptor trapping program, which consists of trapping, banding, and relocating raptors off the airfield to safe pre-determined locations. Since 2016, the program has safely banded over 1,200 raptors. Additionally, the Wildlife Program has worked with Project SNOWStorm and placed GPS transmitters on snowy owls captured at the Authority. This cooperative program provides valuable data and insight that other airports may use when making management decisions regarding snowy owl relocations.

Sustainability Initiatives

The Authority recognizes that global challenges such as resource depletion, economic stability, and energy security can impact the future of the aviation industry and the prosperity of Southeast Michigan. With these challenges in mind, the Authority is committed to increasing economic benefits, reducing environmental impacts, and improving employee and community relations associated with the operation of the Airport. Below are some of the projects that the Authority has currently underway to anchor the Authority's commitment toward a sustainable future.

Sustainable Infrastructure. In 2016, the Authority completed construction of Building 610, a new Public Safety Headquarters. This building was converted from a former airline cargo facility. Sustainable measures include: Bioswales at the entrance of the building to reduce impact on the existing stormwater collection system; a management system that optimizes energy use; recycled content that makes up over 20% of the construction materials used in this building. In addition, over 25% of regional materials were used in the construction of the building. Utilizing these and other criteria from the US Green Building Council, the Authority received certification for the Public Safety Headquarters as the first LEED Building on the Airport campus.

Upgraded Vehicle Fuel Management System. The Authority recently completed construction of a state of-the-art fueling facility located adjacent to the existing Maintenance Complex to replace an outdated fueling facility. This new facility will provide fuel for Authority vehicles including: field vehicles, snow removal equipment, shuttle busses, staff vehicles, and the Authority fuel truck. The facility includes two new underground storage tanks and eight new fuel dispensers. More importantly, the facility is equipped with a fuel management system that provides the following safeguards: Only authorized users can obtain fuel for vehicles for which they are authorized to fuel; and the system conducts a “reasonability-check” to verify that an appropriate number of miles has been driven between fueling.

Mobile Work Order/Safety Management Application. The Authority is developing a mobile Work Order Application program to replace manual field data collection. The new application will be hosted on mobile electronic devices, creating a paperless method to process workorders and inspections. This initiative will increase the efficiency of information transfer by recording information in real-time and maintaining all information in one database.

LED Lighting. In 2013 and 2014, the Authority retrofitted approximately 7,000 lighting fixtures in the McNamara Terminal and Big Blue Parking Deck structures, replacing metal halide bulbs with low wattage LED fixtures. This change resulted in a nearly 70 percent reduction in annual energy consumption, or $658,000 in annual savings from the combined projects. In addition to the energy cost savings, the Authority was awarded nearly $587,000 in energy incentives from DTE Energy for these projects. These projects were nationally recognized in the 2015 Better Buildings Alliance’s Lighting Energy Efficiency in Parking (LEEP) Campaign Awards in two categories: Highest Absolute Annual Savings in a Retrofit at a Single Parking Structure; and Largest Portfolio-wide Annual Absolute Energy Savings.

Electric Vehicle Charging Stations. The Authority has provided ten dual-port electric vehicle (EV) charging stations for public use at several Airport locations. These electric charging stations are provided free-of-charge and are located in prime parking locations near terminal entrances. The Authority has also provided seven (7) dual-port electric vehicle charging stations for employees of the Authority, Transportation Security Administration, Customs & Border Protection and McNamara Terminal.

Reuse of Construction Waste. To reduce construction waste, the Authority has been re-using crushed concrete and asphalt millings produced from on-airport projects. Crushed concrete is used whenever possible for on-site road, parking lot, and runway reconstruction work at the Airport and Willow Run Airport. Since 2012, the Authority has recycled over 900,000 cubic yards of concrete at the Airport with over 450,000 cubic yards reused on-site. The Authority has also recycled over 140,000 cubic yards of asphalt material, with over 20,000 cubic yards reused on-site.

Social Initiatives

Intern/Co-op Program. The WCAA Internship Program is designed to provide selected students an opportunity to experience working at a large commercial Airport, and receive a real world, work-setting experience to gain an in-depth knowledge of how the Authority operates on a day-to-day basis. Authority interns are assigned to various departments including: Airfield Operations; Public Safety; Facilities, Design & Construction; Environment & Sustainability; Human Resources; Financial Planning and Analysis; Public Affairs; and Procurement.

DTW Dogs Pet Therapy Program. In 2022, the Authority launched the DTW Dogs Pet Therapy Program at the Airport with the goal of alleviating the stress traveling can cause through interaction with certified therapy dogs. Through July 2023, four separate dog teams have volunteered throughout the Airport terminals.

Hidden Disabilities Sunflower Program. The Authority's Hidden Disabilities Sunflower Program, instituted at the Airport in 2022, has distributed more than 50 sunflower lanyards and wristbands to travelers with a hidden disability. A hidden disability is one that is not visible and may be physical, mental or neurological. The Authority provides training to Airport tenants as part of the program.

Human Trafficking Awareness Training. To increase awareness of the signs of human trafficking and how to respond to such signs, the Authority has developed and conducted an Anti-Human Trafficking Training program for all Authority employees.

Community Outreach. In 2022, the Authority began implementation of a Diversity, Equity and Inclusion Program focused on training and education and held multiple Business Diversity and Procurement Outreach events to educate and engage the community, which included a sponsored Concessions Job Fair to increase staffing at the Airport.

ACI Airport Health Accreditation. Demonstrating the Authority's continued commitment to health and safety at the Airport, the Authority maintained its ACI Airport Health Accreditation for the Airport in 2022. The ACI Airport Health Accreditation program assesses airports on how aligned their health measures are with industry best practices concerning the health and safety of airline passengers and airport staff.

Charity Golf Event. In 2022, the Authority organized the First Annual WCAA Golf Classic raising $175,000 for Alternatives For Girls, a Detroit-based nonprofit.

Diversity and Fairness Initiatives

The Authority's Procurement Department is responsible for the oversight and management of purchasing, as governed by the Wayne County Airport Authority Procurement and Contracting Ordinance and is dedicated to the principles of competition and fairness.

The goal of the Procurement Department is to provide value added services to procure goods and services of the highest quality, efficiently, effectively, and at the best value for the Authority. The procurement process strives to create a level playing field on which all businesses, including small and Disadvantaged Business Enterprises (DBE), can compete fairly while ensuring nondiscrimination on the basis of race, color, sex, sexual orientation, or national origin in the award and administration of all Authority contracts.

INVESTMENT CONSIDERATIONS

The purchase and ownership of the Series 2023 Bonds involve investment risk. Prospective investors are urged to read this Official Statement, including the appendices hereto, in its entirety. The factors set forth herein, among others, may affect the security for and/or trading value of the Series 2023 Bonds. The information herein does not purport to be a comprehensive or exhaustive discussion of all risks or other considerations that may be relevant to an investment in the Series 2023 Bonds. In addition, the order in which the following information is presented in not intended to reflect the relative importance of any such considerations. There can be no assurance that other risks or considerations not discussed herein are not material or will not become material in the future.

Delta's Presence at the Airport

Delta is the dominant air carrier operating at the Airport and maintains a large connecting hub at the Airport. Delta and the Delta Connection Carriers accounted for approximately 73.7% of the total enplaned passengers at the Airport for Operating Year 2022, 73.4% of the total enplaned passengers at the Airport for Operating Year 2021 and 70.6% in Operating Year 2020. A significant portion of Delta's enplaned passengers are connecting passengers, or passengers that have a scheduled stop at the Airport and transfer to another flight. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Traffic Analysis."

As a result of the Airport's geographic location, facilities and capabilities and Delta's investment in the Airport, the Authority expects, as supported by the Series 2023 Report of the Airport Consultant, that the Airport will remain a system hub for Delta; however, no assurance can be given to that effect or with regard to Delta's future level of activity at the Airport, regardless of Delta's financial condition. If, for whatever reason, Delta discontinues or reduces its hubbing operations at the Airport, its current level of activity at the Airport may not be replaced by other carriers. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Airlines Providing Service at the Airport – *Delta Air Lines*" above. Such a change in Delta's activity at the Airport could result in differences to the projections presented in the Series 2023 Report of the Airport Consultant. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Airlines Providing Service at the Airport" above.

COVID-19 Pandemic and Other Worldwide Health Risks

The COVID-19 pandemic has had and may continue to have material adverse effects on passenger traffic and Airport operations and financial performance. The Authority cannot predict the outcome of many factors that can materially adversely affect the finances or operations of the Airport, including, but not limited to: (a) the scope, duration or extent of the COVID-19 pandemic, including the emergence and prevalence of COVID-19 variants, or any other outbreak or pandemic, on: (i) any additional restrictions and warnings which may be imposed by local, state or federal governments relating to gatherings, air travel or any other activities, nor the timing of the relaxation or release of such restrictions; and (ii) any additional short- or long-term effects the restrictions and warnings imposed by local, state or federal governments may have on the operations of the Airport and the revenues and expenditures of the Authority, or whether airlines or Airport concessionaires will cease operations at the Airport or shut down in response to such restrictions or warnings; (b) the scope, duration or extent of the COVID-19 pandemic, or any other outbreak or pandemic, or the resulting disruption to the local, the State, national or global economy or the impact of such disruption on the operations of the Airport and the revenues and expenditures of the Authority, the demand for air travel or the impact of such disruption on the airlines or concessionaires serving the Airport; or (c) whether any of the foregoing may have a material adverse effect on the operations of the Airport and the revenues and expenditures of the Authority. For a further discussion of the impacts of COVID-19 on passenger traffic and Airport operations and financial performance, see "COVID-19 IMPACTS AND RECENT DEVELOPMENTS" and "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT" above and APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis."

Future outbreaks, pandemics or events outside the Authority's control may reduce demand for travel, which in turn could cause a decrease in passenger activity at the Airport and declines in the Airport's operations and revenues.

Impact of Regional and National Economic Conditions on the Airport

Historically, airline passenger traffic nationwide has correlated closely with the condition of the United States economy and levels of real disposable income. Previous recessions and periods of stagnant economic conditions in the United States, the State and the Detroit metropolitan area contributed to reduced passenger traffic at the Airport. The COVID-19 pandemic materially adversely impacted local, state, national and global economies and severely and negatively affected air travel and the airline industry. The long-term implications of recent economic, public health and political conditions are unclear. A lack of sustainable economic growth or unexpected events could negatively affect, among other things, financial markets, commercial activity and consumer spending. Future increases in passenger traffic will depend largely on the ability of the United States to sustain growth in economic output and income. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

The demographic and economic characteristics of the Airport's Air Service Area comprise the underlying components of air transportation demand for passengers and commercial goods. This relationship is particularly true for origination and destination passenger traffic, which is an important component of demand at the Airport. No assurance can be given as to the fiscal health of the United States, the State, the County or the Detroit metropolitan area in the future or the impact, if any, of such challenges to the economic base of the Air Service Area. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

Financial Condition and Operational Difficulties of Airlines Serving the Airport

The number of passengers using the Airport will depend partly on the profitability of the U.S. airline industry and the associated ability of the industry and individual airlines, particularly Delta, to make the necessary investments to continue providing service. The profitability of the airline industry can fluctuate dramatically from quarter to quarter and from year to year, even in the absence of catastrophic events such as the terrorist attacks of September 11, 2001 or the COVID-19 pandemic. Historically, the airline industry's results have correlated with the performance of the economy. Many of the airlines serving the Airport were impacted by the global economic downturn and recession that occurred between 2008 and 2009 and most domestic airlines suffered significant financial losses. Further, as a result of the impacts of the COVID-19 pandemic, U.S. airlines incurred record losses in 2020 and into 2021. In addition, volatility in the financial and credit markets could have a material adverse effect on the financial condition of the airlines service the Airport, because such economic conditions make it difficult for certain airlines to obtain financing on acceptable terms to refinance certain maturing debt and to meet further capital needs. The COVID-19 pandemic exacerbated the issues described above. As a result, there can be no assurances that other national or international fiscal concerns will not have an adverse effect on the airline industry or the individual airlines serving the Airport.

The aviation industry is sensitive to a variety of factors, including (a) the cost and availability of labor, fuel (which has historically been particularly sensitive to worldwide political instability, such as the current conflict in Ukraine and the resulting sanctions that have been brought against Russia and its oil production), aircraft and insurance, (b) the cost and availability of airline employees and personnel, including pilots and mechanics (as further described in the following paragraph), (c) a slowdown in the production of new aircraft due to supply chain issues and manufacturing staffing shortages, (d) general economic conditions, (e) international trade, (f) currency values, (g) competitive considerations, including the effects of airline ticket pricing, (h) traffic and airport capacity constraints, (i) governmental regulation, including security regulations, climate change-related regulations, taxes imposed on airlines and passengers, and maintenance and environmental requirements, (j) passenger demand for air travel, and (k) disruption caused by airline accidents, criminal incidents and acts of war or terrorism. Such factors are not subject to the control of the Authority.

Workforce and labor shortages (including pilots, mechanics, flight attendants and other personnel) are an aviation industry-wide issue, and have resulted in difficulties in certain airlines restoring and maintaining routes and generally providing service. There are several causes for such shortage, including (a) at the onset of the COVID-19 pandemic, airlines were faced with a surplus of personnel resulting from the sudden and dramatic decline in traffic, and airlines offered their employees buyouts and early retirement packages, and (b) an aging pilot workforce and fewer new pilots coming out of the military. The shortage of pilots available to regional airlines may result in reduced service to some smaller U.S. markets. In addition to the pilot shortage, over the next decade there may be a shortage of qualified mechanics to maintain the airlines' fleet of planes. This potential shortage is a result of an aging pool of mechanics, a large number of which are expected to retire in the next decade, and a lack of younger people joining the ranks of the mechanics. A shortage of mechanics could raise the cost of maintenance, require airlines to maintain more spare planes and/or result in increased flight cancellations and delays. Over the last year, numerous airlines have cancelled thousands of flights attributed to bad weather, staffing shortages and air traffic control issues, among other things.

It is reasonable to assume that any significant financial or operational difficulties incurred by Delta, the predominant airline servicing the Airport, could have a material adverse effect on the Airport, although financial or operational difficulties by any of the other Signatory Airlines also may, whether directly or indirectly, have an adverse impact on Revenues or Airport operations, the effect of which may be material. See " – Delta's Presence at the Airport" above. At this time, it is not possible to predict the effect that any financial or operational difficulties incurred by Delta or any other airline serving the Airport could have on the Airport.

Factors Affecting Levels of Aviation Activity at the Airport

Concerns about the safety of airline travel and the effectiveness of security precautions, particularly in the context of international hostilities, terrorist attacks, volcanic or meteorological events and world health concerns, may influence passenger travel behavior and air travel demand. Travel behavior may be affected by anxieties about the safety of travel and by the inconveniences and delays associated with more stringent security screening procedures, both of which may give rise to the avoidance of air travel generally and the selection of surface travel over air travel. The Authority cannot predict the likelihood of any such events or their effect on the patterns of air travel and air transportation systems.

In addition, there is no assurance that the Airport, despite a demonstrated stable level of demand for airline service and operations prior to the adverse impact of COVID-19, will maintain such levels in the future. The continued presence of the airlines serving the Airport, and the levels at which that service will be provided, are a function of a variety of factors, including: local, regional, national and international economic and political conditions; international hostilities; world health concerns; aviation security concerns; airline service and routes; airline airfares and competition; airline industry economics, including labor costs and the price of aviation fuel; capacity of the Airport and competition from other airports; and business travel substitutes, including videoconferencing and web-casting. Many of these factors are beyond the control of the Authority. Accordingly, no assurance can be given as to the levels of aviation activity that will be achieved at the Airport.

Effect of Signatory Airline Bankruptcies

In 2001 through 2013, most major airlines restructured their route networks and flight schedules and reached agreement with their employees, lessors, vendors, and creditors to cut costs, under Chapter 11 bankruptcy protection. Many of the airlines that are, or at one time were, Signatory Airlines, have financially reorganized through the bankruptcy process. In 2020, five regional airlines, ExpressJet (d/b/a United Express), Trans States Airlines (d/b/a United Express) and Compass Airlines (d/b/a American Eagle and Delta Connection), and the charter carriers, Miami Air International, and Shoreline Aviation, each filed for Chapter 11 bankruptcy protection and ceased operations. Additional bankruptcies, liquidations or major restructurings of other airlines could occur, and it is not possible to predict the impact on the Airport of any such future bankruptcies, liquidations or major restructurings of other airlines. A bankruptcy of a Signatory Airline with significant operations at the Airport could have a material adverse effect on operations at the Airport, Revenues and the cost to the other airlines of operating at the Airport.

Currently, the domestic gates and related facilities at the Airport are preferentially leased to the Signatory Airlines pursuant to respective Airline Agreements. International gates are operated on a shared basis. In the event of bankruptcy proceedings involving any Signatory Airline, the debtor or its bankruptcy trustee must determine whether to assume or reject its agreements with the Authority (a) within 120 days (or later if ordered by the court) with respect to its Airline Agreement or leases of non-residential real property, but in no event later than 210 days after the commencement of the bankruptcy case unless additional time is agreed to by the Authority, or (b) prior to the confirmation of a plan of reorganization with respect to any other agreement. However, bankruptcy courts are courts of equity and can, and often do, grant exceptions to these statutory limitations. In the event of assumption and/or assignment of any agreement to a third party, the airline would be required to cure any pre- and post-petition monetary defaults and provide adequate assurance of future performance under the applicable Airline Agreement or other agreements.

Rejection of an Airline Agreement or other agreement by any Signatory Airline that is a debtor in a bankruptcy proceeding would give rise to an unsecured claim of the Authority against the debtor's estate for damages, the amount of which may be limited by the Bankruptcy Code. However, the amounts unpaid as a result of a rejection of an Airline Agreement by a Signatory Airline in bankruptcy would be included in the calculation of the fees and charges of the remaining Signatory Airlines under their Airline Agreements. See APPENDIX D – "SUMMARY OF THE AIRLINE AGREEMENTS." There is no assurance that the remaining Signatory Airlines would be financially able to absorb such additional costs resulting from such rejection.

Whether or not an Airline Agreement is assumed or rejected in a bankruptcy proceeding, it is not possible to predict the subsequent level of utilization of the gates leased under such agreement. Decreased utilization of gates could have an adverse effect on the cost to the airlines of operating at the Airport.

With respect to any airline that may seek bankruptcy protection under the laws of a foreign country, the Authority is unable to predict what types of orders or relief could be issued by foreign bankruptcy tribunals, or the extent to which any such orders would be enforceable in the United States. Typically, foreign airline bankruptcy proceedings obtain an order in the United States to support and complement the foreign proceedings and stay the actions of creditors in the United States.

Effect of Airline Industry Consolidation and Affiliation

In response to competitive pressures, the United States airline industry significantly consolidated over the period from 2005 to 2016. In 2009, Delta and Northwest merged into a single entity now operating as Delta. In 2010, United Airlines and Continental Airlines merged and now operate as United Airlines. In 2011, Southwest Airlines completed its purchase of AirTran Airways. American Airlines and US Airways completed their merger in 2013, creating the world's largest airline as measured by available seat miles. In October 2022, Spirit shareholders approved a merger agreement with JetBlue Airways, which would create the fifth largest airline in the United States if approved by the U.S. Department of Justice. In March 2023, the U.S. Department of Justice filed a lawsuit to block the Spirit/JetBlue Airways merger, and such lawsuit is expected to go to trial in October 2023.

It is not clear what impact the economic downturn from the COVID-19 pandemic may continue to have on the financial viability of the airlines operating at the Airport, and whether some airline bankruptcies could result in further mergers and acquisitions within the industry. Further, alliances, joint ventures, and other marketing arrangements may provide airlines with many of the advantages of mergers, and, currently, all of the large U.S. network airlines are members of such alliances with foreign-flag airlines. Alliances typically involve marketing, code-sharing, and scheduling arrangements to facilitate the transfer of passengers between the airlines.

To date, these mergers and alliances have not adversely impacted the Airport or the Revenues of the Authority, but it is not possible to predict the future impact, if any, on the Airport of these mergers or alliances. Any further airline consolidation could change airline service patterns, particularly at the connecting hub airports of the merging airlines. Furthermore, if Signatory Airlines merge or form other alliances, gate utilization at the Airport could decrease, which could materially adversely affect Airport operations or financial results, and ultimately the cost to the airlines of operating at the Airport. At this time, it is not possible to predict the effect of any future airline consolidation on connecting activity or gate utilization at the Airport.

Growth of Low-Cost Carriers

A low-cost airline or ultra-low-cost airline (each an "LCC" or "ULCC") is an airline that generally has lower fares for customers and which is able to take advantage of an operating cost structure that is significantly lower than the cost structures of the network carriers. These lower costs can include lower labor costs, a streamlined aircraft fleet and more efficient operations. Because of these lower cost structures, LCCs/ULCCs can conceivably remain profitable while offering lower fares to the traveling public.

Since 2009, Spirit has grown from about 572,000 enplaned passengers in 2009 to 1.8 million passengers in 2019. In addition, Spirit had the second largest passenger market share at the Airport in 2022 at 9.8%. Spirit's enplaned passengers increased by 21.6% through June 2023 as compared to its enplaned passengers for the same six-month period in 2022, as shown in the Authority's records. Historically, Spirit's impact at the Airport was to offer lower fares to stimulate incremental passenger demand, but its growth at the Airport has slowed since the COVID-19 pandemic. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT – Air Service and Air Traffic Analysis – AIR TRAFFIC ACTIVITY AND TRENDS."

The continued presence of the LCCs/ULCCs serving the Airport, and the levels at which such airlines might provide service at the Airport, are a function of a variety of factors, including: airline airfares and competition; airline industry economics, including labor costs and the price of aviation fuel; capacity of the Airport and competition from other airports; and the strength of the origination and destination market at the Airport. Most of these factors are beyond the control of the Authority. Accordingly, no assurance can be given as to the levels of aviation activity that the LCCs/ULCCs will provide at the Airport.

Regulations and Restrictions Affecting the Airport and Airlines Serving the Airport

The operations of the Airport are affected by various contractual, statutory and regulatory restrictions and limitations, including, without limitation, the provisions of the Airline Agreements, the PFC Act and other extensive federal legislation and regulations applicable to all airports in the United States. In the aftermath of the events of September 11, 2001, the Airport also has been required to implement enhanced security measures mandated by the FAA, the Transportation Security Administration and the Department of Homeland Security. It is not possible to predict whether future restrictions or limitations on Airport operations will be imposed, whether future legislation or regulations will affect anticipated federal funding or PFC collections for capital projects for the Airport, whether additional requirements will be funded by the federal government or require funding by the Authority or whether such restrictions or legislation or regulations would adversely affect Revenues. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program" above.

Climate change concerns are shaping laws and regulations at the federal and state levels that could have a material adverse effect on airlines operating at the Airport and could also affect ground operations the Airport. The United States Environmental Protection Agency (the "EPA") has taken steps toward regulation of greenhouse gas ("GHG") emissions under existing federal law. On July 5, 2011, the United States District Court for the District of Columbia issued an order concluding that the EPA has a mandatory obligation under the Clean Air Act to consider whether GHG and black carbon emissions of aircraft engines endanger public health and welfare. On August 15, 2016, the EPA found that GHG emissions from certain aircraft cause and contribute to pollution that endangers public health and welfare. On January 11, 2021, the EPA issued a final rule entitled Control of Air Pollution from Airplanes and Airplane Engines: GHG Emission Standards and Test Procedures, 86 Fed. Reg. 2136 (Jan. 11, 2021), which rule adopts GHG standards equivalent to those adopted by the International Civil Aviation Organization in 2017. The standards apply to certain types of new aircraft, but not to existing airplanes already in service. In January 2021, a coalition of states filed a petition to review in the United States Court of Appeals for the District of Columbia, challenging the final rule as unlawful and requesting remand to the EPA. The petitioners argued that the rule will not reduce aircraft emissions and cause no action by aircraft manufacturers. The EPA reviewed the rule pursuant to President Biden's Executive Order 13990, which directed agency review of regulations promulgated, issued or adopted between January 20, 2017 and January 20, 2021, and announced in November 2021 that it did not propose any changes to the rule. The petition to review the rule is pending. Consequently, the Authority cannot predict what impact the EPA's standards may have on the Airport or on air traffic at the Airport.

The Authority cannot predict what additional laws and regulations with respect to GHG emissions or on other environmental issues (including but not limited to air, water, hazardous substances and waste regulations) will be adopted, or what effects such laws and regulations will have on the Airport or airlines operating at the Airport or the local or State economy. The effects, however, could be material.

Effect of Contractual Counterparty Bankruptcy

Concessionaires or contractual counterparties that served or are currently serving the Airport have filed for bankruptcy protection from time to time in the past and may do so in the future. Hertz Corporation and its affiliates, Thrifty Car Rental and Dollar Rent-A-Car (collectively, "Hertz"), which operate at the Airport, filed for Chapter 11 bankruptcy in 2020, but emerged from bankruptcy in July 2021.

Future bankruptcies, restructurings and liquidations of other concessionaires or contractual counterparties may occur. While it is not possible to predict the impact on the Airport of future bankruptcies, restructurings and liquidations by concessionaires or counterparties, if such concessionaire or counterparty had significant operations or contractual obligations at the Airport, its bankruptcy, restructuring or liquidation could have a material adverse effect on the Revenues of the Airport, operations at the Airport and could increase the costs of other contractual counterparties to operate at the Airport. In addition, there can be no assurance that other additional concessionaires or contractual counterparties would be available to provide the Revenues, services or operations at the Airport of any bankrupt or terminating concessionaire or counterparty.

Availability of PFC Revenues and Other Sources of Funding

The Authority's plan of finance for many of the completed Capital Improvement Program projects at the Airport assumed that PFC revenues would be available in certain amounts and at certain times for the payment of a portion of the Debt Service on the Senior Lien Bonds and the Junior Lien Bonds issued to pay the costs of many of the projects. In addition, the Authority's plan of finance for the 2023 – 2027 CIP assumes that federal grants will be received in certain amounts and at certain times to pay certain capital project costs. See "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program" above. No assurance can be given that these sources of funding actually will be available in the amounts or on the schedule assumed.

The amount of PFC revenue collected for the Airport in past years has varied, and in future years will vary, based upon the actual number of passenger enplanements at the Airport. No assurance can be given that any level of enplanements will be realized. This adverse impact of decreased enplanements could be direct or indirect. For example, PFC shortfalls could result in increases in terminal rentals or Activity Fees at the Airport, thereby negatively impacting the airlines' desire to operate at the Airport. Furthermore, under the terms of the PFC Act, the FAA may terminate the Authority's authority to impose a PFC if the Authority's PFC revenues are not being used for approved projects in accordance with the FAA's approval, the PFC Act or the regulations promulgated thereunder, or if the Authority otherwise violates the PFC Act or regulations. The FAA may also terminate the Authority's authority to impose a PFC for a violation by the Authority of the Airport Noise and Capacity Act. The PFC termination provisions contained in the regulations provide both informal and formal procedural safeguards. In addition, although the FAA's PFC regulations require Collecting Carriers (as defined in the PFC Act) to account for PFC collections separately, and indicate that such funds are to be regarded as trust funds held by the Collecting Carriers for the beneficial interest of the public agency imposing the PFC, bankruptcy court decisions indicate that in a bankruptcy proceeding involving a Collecting Carrier, it is likely that PFCs will not be treated as trust funds and that airports are not entitled to any priority over other creditors of the Collecting Carrier as to such funds.

Also, as discussed under "DETROIT METROPOLITAN WAYNE COUNTY AIRPORT – Capital Improvement Program – *Grants*" above, the assumptions with respect to entitlement and discretionary funding, although considered reasonable by the Authority, are inherently subject to certain uncertainties and contingencies. Actual entitlement and/or discretionary funding levels and timing may vary and such differences may be material.

To the extent that any portion of the funding assumed in the plan of finance for capital projects at the Airport is not available as anticipated, the Authority may be required to issue Additional Bonds or Junior Lien Bonds to pay the costs of such capital projects and to increase airline rates and charges to pay Debt Service on the Senior Lien Bonds and the Junior Lien Bonds and to fund the required coverage thereon. As an alternative to issuing Additional Bonds or Junior Lien Bonds, the Authority may ultimately decide not to proceed with certain capital projects or may proceed with them on a different schedule, producing different results than those included in the projections shown in the Series 2023 Report of the Airport Consultant.

CIP Costs and Schedule

The estimated costs of, and the projected schedule for, the projects in the Capital Improvement Program for the Airport depend on various sources of funding, and are subject to a number of uncertainties. The Series 2023 Projects are part of the Airport's Capital Improvement Program. The ability of the Authority to complete these projects within the current budgets and on the current schedules may be adversely affected by various factors including: (1) estimating errors, (2) design and engineering errors, (3) changes to the scope of the projects, (4) delays in contract awards, (5) material and/or labor shortages, (6) delays due to airline operational needs, (7) unforeseen site conditions, (8) adverse weather conditions, (9) contractor defaults, (10) labor disputes, (11) unanticipated levels of inflation, (12) litigation and (13) environmental issues. No assurance can be given that the costs of the projects will not exceed the current budget for these projects or that the completion will not be delayed beyond the currently projected completion dates. Any schedule delays or cost increases could result in the need to issue Additional Senior Lien Bonds or Junior Lien Bonds, which would require a new Weighted Majority approval for the projects with increased costs. The issuance of Additional Senior Lien Bonds or Junior Lien Bonds may result in increased costs per enplaned passenger to the airlines. No assurance can be given that the Authority would receive the required airline approvals, or that, absent such approvals, an alternative source of funding would be available. At present, the Authority is unable to estimate the costs associated with each of the risks identified above and the total impact of these risks if such events were to occur. In addition, the Authority may ultimately decide not to proceed with certain capital projects or may proceed with them on a different schedule, resulting in different results than those included in the projections shown in the Series 2023 Report of the Airport Consultant.

Cyber-Security

The Airport, like many other large public and private entities, relies on a large and complex technology environment to conduct its operations, and faces multiple cybersecurity threats including, but not limited to, hacking, phishing, viruses, malware and other attacks on its computing and other digital networks and systems (collectively, "Systems Technology"). As a recipient and provider of personal, private, or sensitive information, the Airport may be the target of cybersecurity incidents that could result in adverse consequences to the Airport and its Systems Technology, requiring a response action to mitigate the consequences.

Cybersecurity incidents could result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the Airport's Systems Technology for the purposes of misappropriating assets or information or causing operational disruption and damage. To mitigate the risk of business operations impact and/or damage from cybersecurity incidents or cyber-attacks, the Airport invests in multiple forms of cybersecurity and operational safeguards.

While the Airport cybersecurity and operational safeguards are periodically tested, no assurances can be given by the Authority that such measures will ensure against other cybersecurity threats and attacks. Cybersecurity breaches could cause material disruption to the Airport's finances or operations. The costs of remedying any such damage or protecting against future attacks could be substantial. Further, cybersecurity breaches could expose the Airport to material litigation and other legal risks, which could cause the Airport to incur material costs related to such legal claims or proceedings.

The airlines serving the Airport and other Airport tenants also face cybersecurity threats that could affect their operations and finances. Computer networks and data transmission and collection are vital to the safe and efficient operation of the airlines that serve the Airport and other tenants of the Airport. Despite security measures, information technology and infrastructure of any of the airlines serving the Airport or any other tenants at the Airport may be vulnerable to attacks by outside or internal hackers, or breached by employee error, negligence or malfeasance. Any such breach or attack could compromise systems and the information stored thereon. Any such disruption or other loss of information could result in a disruption in the efficiency of the operation of the airlines serving the Airport and the services provided at the Airport, thereby adversely affecting the ability of the Airport to generate revenue.

Alternative Transportation Modes and Future Parking Demand

One significant source of non-airline revenues at the Airport is from ground transportation activity, including use of on-Airport parking garages; trip fees paid by taxi, limousine, TNCs, such as Uber Technologies Inc. and Lyft, Inc.; and rental car transactions by Airport passengers.

New technologies (such as autonomous vehicles and connected vehicles) and innovative business strategies in established markets such as commercial ground transportation and car rental may continue to occur and may result in further changes in the Airport's passengers' choice of ground transportation mode.

While the Authority makes every effort to anticipate demand shifts, there may be times when the Authority's expectations differ from actual outcomes. In such event, revenue from one or more ground transportation modes may be lower than expected. The Authority cannot predict with certainty what impact these innovations in ground transportation will have over time on revenues from parking, other ground transportation services or rental cars. The Authority also cannot predict with certainty whether or to what extent it will collect non-airline revenues in connection with such new technologies or innovative business strategies. There can be no assurance that these changes will not adversely affect the Authority's revenues.

Assumptions in the Series 2023 Report of the Airport Consultant

The Series 2023 Report of the Airport Consultant should be read in its entirety for an understanding of the forecasts and the underlying assumptions. As noted in the Series 2023 Report of the Airport Consultant, any financial forecast is subject to uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. The actual financial results achieved will vary from those forecasts, and the variations may be material. Further, the Series 2023 Report of the Airport Consultant does not cover the entire period through maturity of the Series 2023 Bonds. See APPENDIX A – "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT."

Forward-Looking Statements

This Official Statement contains statements relating to future results that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. When used in this Official Statement, the words "estimate," project," "forecast," "intend," "expect" and similar expressions identify forward-looking statements. Inevitably, some assumptions used to develop the projections will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between projections and actual results, and those differences may be material.

TAX MATTERS

General

In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., Bond Counsel, under existing law, (i) the interest on the Series 2023A Bonds and the Series 2023C Refunding Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; and (ii) the interest on the Series 2023B Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds is excludable from gross income for federal income tax purposes (except for any period when the Series 2023B Bonds, the Series 2023D Refunding Bonds and the Series 2023E Refunding Bonds are held by a "substantial user" of the Airport or a person deemed "related thereto" (as such terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended (the "Code")) and is an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing law, the Series 2023 Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan, except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

Bond Counsel will express no opinion regarding any other federal or state tax consequences arising with respect to the Series 2023 Bonds and the interest thereon.

The opinions on federal and State of Michigan tax matters are based on the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the Authority contained in the transcript of proceedings and which are intended to evidence and assure the foregoing, including that the Series 2023 Bonds are and will remain obligations the interest on which is excludable from gross income for federal and State of Michigan income tax purposes. The Authority has covenanted to take the actions required of it for the interest on the Series 2023 Bonds to be and to remain excludable from gross income for federal and State of Michigan income tax purposes, and not to take any actions that would adversely affect that exclusion. Bond Counsel's opinions assume the accuracy of the Authority's certifications and representations and the continuing compliance with the Authority's covenants. Noncompliance with these covenants by the Authority may cause the interest on the Series 2023 Bonds to be included in gross income for federal and State of Michigan income tax purposes retroactively to the date of issuance of the Series 2023 Bonds. After the date of issuance of the Series 2023 Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal and State of Michigan income tax purposes of interest on the Series 2023 Bonds or the market prices of the Series 2023 Bonds.

The opinions of Bond Counsel are based on current legal authority and cover certain matters not directly addressed by such authority. They represent Bond Counsel's legal judgment as to the excludability of interest on the Series 2023 Bonds from gross income for federal and State of Michigan income tax purposes but are not a guarantee of that conclusion. The Federal income tax opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel cannot give and has not given any opinion or assurance about the effect of future changes in the Code, the applicable regulations, the interpretations thereof or the enforcement thereof by the IRS.

Ownership of the Series 2023 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, corporations (as defined in Section 59(k) of the Code) subject to the alternative minimum tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry the Series 2023 Bonds. Bond Counsel will express no opinion regarding any such consequences.

Tax Treatment of Accruals on Original Issue Discount Bonds

Under existing law, if the initial public offering price to the public (excluding bond houses and brokers) of a Series 2023 Bond is less than the stated redemption price of such Series 2023 Bonds at maturity, then such Series 2023 Bond is considered to have "original issue discount" equal to the difference between such initial offering price and the amount payable at maturity (such Series 2023 Bonds are referred to as "OID Bonds"). Such discount is treated as interest excludable from federal gross income to the extent properly allocable to each registered owner thereof. The original issue discount accrues over the term to maturity of each such OID Bonds on the basis of a constant interest rate compounded at the end of each six-month period (or shorter period) from the date of original issue with straight-line interpolations between compounding dates. The amount of original issue discount accruing during each period is added to the adjusted basis of such OID Bonds to determine taxable gain upon disposition (including sale, redemption or payment on maturity) of such OID Bonds.

The Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of OID Bonds who purchase such OID Bonds after the initial offering of a substantial amount thereof. Owners who do not purchase such OID Bonds in the initial offering at the initial offering prices should consult their own tax advisors with respect to the tax consequences of ownership of such OID Bonds.

All holders of the OID Bonds should consult their own tax advisors with respect to the allowance of a deduction for any loss on a sale or other disposition of an OID Bond to the extent such loss is attributable to accrued original issue discount.

Amortizable Bond Premium

For federal income tax purposes, the excess of the initial offering price to the public (excluding bond houses and brokers) at which a Series 2023 Bond is sold over the amount payable at maturity thereof constitutes for the original purchasers of such Series 2023 Bonds (collectively, the "Original Premium Bonds") an amortizable bond premium. Series 2023 Bonds other than Original Premium Bonds may also be subject to an amortizable bond premium determined generally with regard to the taxpayer's basis (for purposes of determining loss on a sale or exchange) and the amount payable on maturity or, in certain cases, on an earlier call date (such bonds being referred to herein collectively with the Original Premium Bonds as the "Premium Bonds"). Such amortizable bond premium is not deductible from gross income. The amount of amortizable bond premium allocable to each taxable year is generally determined on the basis of the taxpayer's yield to maturity determined by using the taxpayer's basis (for purposes of determining loss on sale or exchange) of such Premium Bonds and compounding at the close of each six-month accrual period. The amount of amortizable bond premium allocable to each taxable year is deducted from the taxpayer's adjusted basis of such Premium Bonds to determine taxable gain upon disposition (including sale, redemption or payment at maturity) of such Premium Bonds.

All holders of the Premium Bonds should consult with their own tax advisors as to the amount and effect of the amortizable bond premium.

Market Discount

The "market discount rules" of the Code apply to the Series 2023 Bonds. Accordingly, holders acquiring their Series 2023 Bonds subsequent to the initial issuance of the Series 2023 Bonds will generally be required to treat market discount recognized under the provisions of the Code as ordinary taxable income (as opposed to capital gain income). Holders should consult their own tax advisors regarding the application of the market discount provisions of the Code and the advisability of making any of the elections relating to market discount allowed by the Code.

Information Reporting and Backup Withholding

Information reporting requirements apply to interest paid after March 31, 2007 on tax-exempt obligations, including the Series 2023 Bonds. In general, such requirements are satisfied if the interest recipient completes, and provides the payor with, a Form W-9, "Request for Taxpayer Identification Number and Certification," or unless the recipient is one of a limited class of exempt recipients, including corporations. A recipient not otherwise exempt from information reporting who fails to satisfy the information reporting requirements will be subject to "backup withholding," which means that the payor is required to deduct and withhold a tax from the interest payment, calculated in the manner set forth in the Code. For the foregoing purpose, a "payor" generally refers to the person or entity from whom a recipient receives its payments of interest or who collects such payments on behalf of the recipient.

If an owner purchasing the Series 2023 Bonds through a brokerage account has executed a Form W-9 in connection with the establishment of such account no backup withholding should occur. In any event, backup withholding does not affect the excludability of the interest on the Series 2023 Bonds from gross income for federal income tax purposes. Any amounts withheld pursuant to backup withholding would be allowed as a refund or a credit against the owner's federal income tax once the required information is furnished to the IRS.

Future Developments

Bond Counsel's engagement with respect to the Series 2023 Bonds ends with the issuance of the Series 2023 Bonds and, unless separately engaged, bond counsel is not obligated to defend the Authority in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2023 Bonds, under current IRS procedures, the IRS will treat the Authority as the taxpayer and the beneficial owners of the Series 2023 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit.

NO ASSURANCE CAN BE GIVEN THAT ANY FUTURE LEGISLATION OR CLARIFICATIONS OR AMENDMENTS TO THE CODE, IF ENACTED INTO LAW, WILL NOT CONTAIN PROPOSALS WHICH

COULD CAUSE THE INTEREST ON THE SERIES 2023 BONDS TO BE SUBJECT DIRECTLY OR INDIRECTLY TO FEDERAL OR STATE OF MICHIGAN INCOME TAXATION, ADVERSELY AFFECT THE MARKET PRICE OR MARKETABILITY OF THE SERIES 2023 BONDS, OR OTHERWISE PREVENT THE HOLDERS FROM REALIZING THE FULL CURRENT BENEFIT OF THE STATUS OF THE INTEREST THEREON. BOND COUNSEL EXPRESSES NO OPINION REGARDING ANY PENDING OR PROPOSED FEDERAL OR STATE OF MICHIGAN TAX LEGISLATION.

FURTHER, NO ASSURANCE CAN BE GIVEN THAT ANY ACTIONS OF THE INTERNAL REVENUE SERVICE, INCLUDING, BUT NOT LIMITED TO, SELECTION OF THE SERIES 2023 BONDS FOR AUDIT EXAMINATION, OR THE COURSE OR RESULT OF ANY EXAMINATION OF THE SERIES 2023 BONDS, OR OTHER BONDS WHICH PRESENT SIMILAR TAX ISSUES, WILL NOT AFFECT THE MARKET PRICE OF THE SERIES 2023 BONDS.

INVESTORS SHOULD CONSULT WITH THEIR TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THEIR ACQUISITION, HOLDING OR DISPOSITION OF THE SERIES 2023 BONDS, INCLUDING THE IMPACT OF ANY PENDING OR PROPOSED FEDERAL OR STATE OF MICHIGAN TAX LEGISLATION.

LITIGATION

There is no litigation pending, or to the knowledge of the Authority threatened, against or affecting the Authority or the Airport, or, to the Authority's knowledge, any basis therefor, wherein an unfavorable decision, ruling or outcome would have a material impact on the financial condition of the Airport or would adversely affect the transactions contemplated by this Official Statement, or the validity of the Series 2023 Bonds, the Master Bond Ordinance, the Series 2023 Ordinance or any agreement or instrument to which the Authority is a party and which is used or contemplated for use in the transactions contemplated by this Official Statement.

RATINGS

Fitch Ratings, Inc., Moody's Investors Service, Inc. ("Moody's") and Kroll Bond Rating Agency, LLC ("Kroll") have assigned their municipal bond ratings of "A" (Stable Outlook), "A1" (Stable Outlook) and "AA-" (Positive Outlook), respectively, to the Series 2023 Bonds, based upon the underlying credit of the Authority.

S&P Global Ratings, a division of Standard & Poor's Financial Services, LLC ("Standard & Poor's") has assigned its municipal bond rating of "AA" (Stable Outlook), Moody's has assigned its municipal bond rating of "A1" (Stable Outlook), and Kroll has assigned its municipal bond rating of "AA+" (Stable Outlook) to the Series 2023 Bonds with the understanding that upon delivery of such Series 2023 Bonds, the Policy insuring the payment when due of the principal of and interest on the Series 2023 Bonds will be issued by the Bond Insurer. See "BOND INSURANCE" and APPENDIX H – "SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY."

A rating reflects only the views of the rating agency assigning such rating. As part of the process of obtaining ratings for the Bonds, the Authority has had discussions with, and submitted certain materials to, the rating agencies, which materials are consistent with the information provided in this Official Statement. There is no assurance that such ratings will remain in effect for any given period of time or that they may not be lowered, suspended or withdrawn entirely by such rating agencies, if in their judgment, circumstances so warrant. Any such downward change in or suspension or withdrawal of such ratings may have an adverse effect on the market price of the Series 2023 Bonds. Neither the Authority nor the Underwriters have undertaken any responsibility either to bring to the attention of the registered owners of the Series 2023 Bonds any proposed change in or withdrawal of such ratings or to oppose any such revision or withdrawal.

LEGAL MATTERS

The authorization, issuance and sale by the Authority of the Series 2023 Bonds are subject to the approval of Miller, Canfield, Paddock and Stone, P.L.C., Detroit, Michigan, as Bond Counsel. The proposed forms of the approving opinions of Bond Counsel are included in this Official Statement as APPENDIX G. Certain legal matters will be passed upon for the Authority by its General Counsel, and for the Underwriters by their counsel, McGuireWoods LLP.

CONTINUING DISCLOSURE

Continuing Disclosure Undertaking

In order to permit the Underwriters to comply with the continuing disclosure requirements of Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934 (as may be amended from time to time, the "Rule"), the Authority will covenant and agree for the benefit of the Holders or Beneficial Owners of the Series 2023 Bonds in a Continuing Disclosure Undertaking to provide certain annual financial information and operating data and notices of certain enumerated events, if material. See APPENDIX F – "FORM OF CONTINUING DISCLOSURE UNDERTAKING" for the detailed provisions of the Continuing Disclosure Undertaking, including the specific nature of the information to be provided on an annual basis and the events as to which notice is to be given, if material. All capitalized terms used but not defined in this heading shall have the meanings ascribed to them in the Continuing Disclosure Undertaking.

Breach of the Continuing Disclosure Undertaking will not constitute a default under the Master Bond Ordinance. The sole and exclusive remedy of any Holder or Beneficial Owner of the Series 2023 Bonds for enforcement of the provisions of the Continuing Disclosure Undertaking shall be an action for mandamus or specific performance to cause the Authority to comply with its obligations thereunder.

In the Continuing Disclosure Undertaking, the Authority will agree to use its best efforts to require certain "obligated persons" (at this time only Delta) to provide certain annual financial information and operating data, unless the Authority is no longer required to do so under the Rule. The Authority has not undertaken to provide additional information regarding any person that is not obligated under an Airline Agreement, lease or other agreement having a term of more than one year to pay a portion of the debt service on the Series 2023 Bonds and providing at least twenty percent (20%) of the revenues of the Airport for the prior two (2) Operating Years.

Delta has agreed in its Airline Agreement to provide to the Authority such information with respect to Delta as the Authority deems reasonably necessary in order for the Authority to comply with the requirements of the Rule.

The Disclosure Dissemination Agent—DAC

In order to provide certain continuing disclosure with respect to the Series 2023 Bonds in accordance with the Rule, as the same may be amended from time to time, the Authority has entered into a Disclosure Dissemination Agent Agreement ("Disclosure Dissemination Agreement") for the benefit of the Holders of the Series 2023 Bonds with Digital Assurance Certification, L.L.C. ("DAC"), under which the Authority has designated DAC as Disclosure Dissemination Agent.

The Disclosure Dissemination Agent has only the duties specifically set forth in the Disclosure Dissemination Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described in the Disclosure Dissemination Agreement is limited to the extent the Authority has provided such information to the Disclosure Dissemination Agent as required by the Disclosure Dissemination Agreement. The Disclosure Dissemination Agent has no duty with respect to the content of any disclosures or notice made pursuant to the terms of the Disclosure Dissemination Agreement. The Disclosure Dissemination Agent has no duty or obligation to review or verify any information in the Annual Report, Audited Financial Statements, notice of Notice Event or Voluntary Report, or any other information, disclosures or notices provided to it by the Authority and shall not be deemed to be acting in any fiduciary capacity for the Authority, the Holders of the Series 2023 Bonds or any other party. The Disclosure Dissemination Agent has no responsibility for the Authority's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Authority has complied with the Disclosure Dissemination Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Authority at all times.

Continuing Disclosure Compliance

To the knowledge of the Authority, the Authority has not, in the previous five years, failed to comply in any material respect with any continuing disclosure undertaking executed by the Authority pursuant to the Rule.

The Authority has timely filed its audited financial statements and annual disclosure information over the past five years in connection with the continuing disclosure undertakings previously executed by the Authority. All material event disclosures have been filed by the Authority at this time.

UNDERWRITING

The Series 2023 Bonds are being purchased by Siebert Williams Shank & Co., LLC ("SWS"), BofA Securities, Inc., Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Samuel A. Ramirez & Co., Inc. (collectively, the "Underwriters"). The Underwriters have agreed, subject to certain conditions, to (i) purchase the Series 2023 Bonds at an aggregate purchase price of $390,662,927.59 (equal to the par amount of the Series 2023 Bonds plus net original issue premium in the aggregate amount of $21,349,144.71 less an underwriting discount of $436,217.12) pursuant to a Bond Purchase Agreement between the Authority and the Underwriters (the "Bond Purchase Agreement"). The Bond Purchase Agreement provides that the Underwriters will purchase all of the Series 2023 Bonds, if any are purchased. The Underwriters reserve the right to join with dealers and other underwriters in offering the Series 2023 Bonds to the public. The obligations of the Underwriters to accept delivery of the Series 2023 Bonds are subject to various conditions of the Bond Purchase Agreement.

The Underwriters may offer and sell the Series 2023 Bonds to certain dealers (including depositing the Series 2023 Bonds into investment trusts, which investment trusts may be sponsored by the Underwriters) and others at prices lower than the public offering prices stated on the inside cover page hereof. The initial public offering prices may be changed from time to time by the related Underwriters.

The Underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Under certain circumstances, the Underwriters and their affiliates may have certain creditor and/or other rights against the Authority and its affiliates in connection with such activities.

In the various course of their various business activities, the Underwriters and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Authority (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Authority.

The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

One or more of the Underwriters and their respective affiliates may have previously entered into, and may from time to time in the future enter into, direct placements with the Authority regarding Senior Lien Bonds or Junior Lien Bonds or may provide credit facilities, including, without limitation, the Credit Facility. For further information regarding direct placements currently in effect between the Authority and one or more of the Underwriters or their respective affiliates, see "AIRPORT FINANCIAL INFORMATION – Airport Indebtedness – *Direct Placements*" above. For further information regarding the Credit Facility currently in effect between the Authority and Bank of America, N.A., see "AIRPORT FINANCIAL INFORMATION – Airport Indebtedness – *General*" above.

Certain of the Underwriters may have entered into retail distribution agreements with third party broker-dealers, under which the Underwriters may distribute municipal securities to retail investors through the respective financial advisors or electronic trading platforms of such third party broker-dealers. As part of these arrangements, the Underwriters may share a portion of their underwriting compensation with such third party broker-dealers.

FINANCIAL ADVISORS

PFM Financial Advisors LLC and Columbia Capital Management, LLC (collectively, the "Financial Advisors") are serving as Financial Advisors to the Authority in connection with the issuance of the Series 2023 Bonds. The Financial Advisors are financial advisory and consulting organizations and are not engaged in the business of underwriting, marketing or trading municipal securities or any other negotiated instruments. The Financial Advisors have provided advice as to the plan of financing and the structuring of the Series 2023 Bonds and have reviewed and commented on certain legal documentation, including this Official Statement. The advice on the plan of financing and the structuring of the Series 2023 Bonds was based upon materials provided by sources of information believed to be reliable, but the Financial Advisors have not audited, authenticated or otherwise verified such information, including material contained in this Official Statement.

INDEPENDENT ACCOUNTANTS

The financial statements of the Authority as of and for the year ended December 31, 2022, included as APPENDIX B, have been audited by Plante & Moran, PLLC, independent accountants, as stated in their report appearing in APPENDIX B.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

Robert Thomas CPA, LLC will deliver to the Authority its attestation report verifying the mathematical accuracy of the mathematical computations of the adequacy of the cash or state and local government securities deposited in the Refunded Bonds Escrow Fund under the Master Bond Ordinance and the Series 2023, together with investment proceeds, to pay the redemption or purchase price and interest on the Refunded Bonds, supporting the conclusion of Bond Counsel that interest on the Series 2023 Bonds is excludable from gross income for federal income tax purposes as indicated under the heading "TAX MATTERS." Such verification will be based upon information and data provided by the Authority.

MISCELLANEOUS

This Official Statement has been duly authorized by the Board of the Authority, and duly executed and delivered by the Chief Financial Officer of the Authority.

The Appendices are integral parts of this Official Statement and must be read together with all other parts of this Official Statement.

WAYNE COUNTY AIRPORT AUTHORITY

By: /s/ Amber Hunt
Chief Financial Officer

APPENDIX A

SERIES 2023 REPORT OF THE AIRPORT CONSULTANT

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Appendix A:
Report of the Airport Consultant

Detroit Metropolitan Wayne County Airport
Revenue Bonds, Series 2023

September 18, 2023

PREPARED FOR
Wayne County Airport Authority

PREPARED BY
Landrum & Brown, Incorporated

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September 18, 2023

Mr. Chad Newton, AAE, ACE, ASC
Chief Executive Officer
Wayne County Airport Authority
Detroit Metropolitan Wayne County Airport
11050 Rogell Drive, Building 602
Detroit, Michigan 48242

Re: Report of the Airport Consultant, Wayne County Airport Authority, Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A-B; and Wayne County Airport Authority, Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023C-E

Dear Mr. Newton:

Landrum & Brown, Inc. (L&B), in association with Partners for Economic Solutions, is pleased to submit this Report of the Airport Consultant (Report) for the proposed issuance of the Wayne County Airport Authority, Airport Revenue Bonds, (Detroit Metropolitan Wayne County Airport), Series 2023A-B; and Wayne County Airport Authority, Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023C-E, referred to collectively as the Series 2023 Bonds. This independent Report has been prepared for the Wayne County Airport Authority (Authority) to support its planned issuance of the Series 2023 Bonds and is intended to be included in the Official Statement for the Series 2023 Bonds as Appendix A, Report of the Airport Consultant. All capitalized terms in this Report are used as defined in the Official Statement, Master Bond Ordinance, and the Series 2023 Ordinance relating to the Series 2023 Bonds, except as otherwise defined herein.

The Authority has sole and exclusive operational jurisdiction of the Detroit Metropolitan Wayne County Airport (Airport). The Airport serves as the principal commercial service airport for the Detroit metropolitan region, much of Michigan and parts of northern Indiana and Ohio. The Airport is located on approximately 6,224 acres in the City of Romulus, Michigan, about 21 miles west of the City of Detroit's (City) downtown. The airfield at the Airport contains six air carrier runways, including four parallel runways oriented in the northeast-southwest direction and two parallel runways oriented east-west. There are two passenger terminal complexes at the Airport – the McNamara Terminal (also referred to as the South Terminal) and the Evans Terminal (also referred to as the North Terminal). The McNamara Terminal, which serves Delta Air Lines (Delta), its affiliated regional carriers (Delta Connection Carriers), and Delta's other SkyTeam partners,[1] consists of a terminal building with three concourses accommodating 121 aircraft gates and a hotel. The Evans Terminal, which services other carriers not affiliated with Delta, consists of a terminal building and a single concourse with 29 aircraft gates. The Airport also has a multi-level parking structure for short-term and long-term parking adjacent to each terminal building.

[1] The SkyTeam is an alliance of airlines throughout the world and Delta is the only U.S. carrier currently in the alliance.

The day-to-day operations of the Authority are managed by the Chief Executive Officer, who is appointed by the Board of the Authority (Board). The Chief Executive Officer appoints the Chief Financial Officer and other senior staff of the Authority. The executive team of the Authority is a full-time staff of professional and technical personnel located at the Airport and at Willow Run Airport, a general aviation, cargo and reliever airport also operated by the Authority.

The Series 2023 Bonds

The Series 2023 Bonds are being issued pursuant to the provisions of the Master Bond Ordinance and the Series 2023 Ordinance adopted by the Board on April 19, 2023. The Master Bond Ordinance and the Series 2023 Ordinance are collectively referred to herein as the "Ordinance." The Series 2023 Bonds are payable solely from the Net Revenues of the Airport, certain funds and accounts under the Ordinance, and other amounts payable under the Ordinance.

The Authority will use the proceeds of the Series 2023 Bonds, together with other available funds, to (1) pay all or portions of the costs of acquiring, constructing and installing the Series 2023 Projects (defined in Section 3.3.2 of this Report), (2) provide funds to refund all or a portion of the Refunded Bonds (as defined in the Official Statement), (3) make a deposit to the Airport Bond Reserve Account, (4) pay capitalized interest during construction of the Series 2023 Projects, and (5) pay the costs of issuance of the Series 2023 Bonds.

The financial analysis in this Report does not take into consideration any savings associated with the refunding of the Refunded Bonds.

Master Bond Ordinance

The Master Bond Ordinance as adopted by the Board of the Authority on September 26, 2003, and as amended on April 14, 2010 and on November 30, 2011, authorizes the issuance of airport revenue bonds to pay the costs of acquiring and constructing Airport improvements, among other items. Pursuant to the Master Bond Ordinance, the Authority has pledged Net Revenues to the payment of the Series 2023 Bonds. Net Revenues are all Revenues of the Airport remaining after payment of O&M Expenses of the Airport. Revenues include all amounts derived from the operation of the Airport, including all moneys deposited into the Revenue Fund, from whatever source, and all income derived from the charges, fees, rentals and rates charged for services, facilities and commodities furnished by the Airport, whether such income shall be derived from its function as an Airport or not, and including, but not by way of limitation, concessions, rentals, auto parking fees, service charges derived from the operation of the terminal complex buildings and facilities, airplane landing fees, non-airline gasoline fees and miscellaneous charges and rentals from other facilities and services and investment earnings or general revenues derived from the operation of the Airport accumulated by the Authority prior to deposit in the Revenue Fund. Certain revenue items are excluded from Revenues as identified in Section 4.4.2 of this Report.

The Authority is obligated under the Master Bond Ordinance to fix, charge and collect rates, fees, rentals and charges for the use and operation of the Airport as may be necessary or appropriate to produce Revenues in each Operating Year (OY)[2] which will be at least sufficient to provide for: the payment of Operation and Maintenance (O&M) Expenses; together with Passenger Facility Charge (PFC) proceeds, including interest thereon, deposited with the Trustee with respect to such OY, the amounts needed to make the deposits required for the application of revenues pursuant to the Master Bond Ordinance for such OY to the Bond Fund; and, together with Other Available Moneys deposited with the Trustee with respect to such OY, to the extent not needed to make the deposits required under the Master Bond Ordinance for such OY to the Bond Fund, and any unencumbered cash balance held in the Revenue Fund on the last day of the OY preceding the OY: (i) the

[2] Beginning on January 1, 2020, the Authority's OY is the 12-month period ending December 31st. Prior to this, the Authority's OY was the 12-month period ending September 30th.

amounts needed to make the deposits required under the Master Bond Ordinance for such OY to the Junior Lien Bond Fund, the Operation and Maintenance Reserve Fund, the Renewal and Replacement Fund, the Airport Discretionary Fund, and the Airport Development Fund, and (ii) an amount not less than 25% of the Debt Service due and payable on Bonds during such OY. In addition, the Authority also covenants in the Master Bond Ordinance that the rates, fees, rentals, and charges shall be revised from time to time as may be necessary to produce the above amounts, provided that any fee, rent, charge, or rate fixed pursuant to a lease or contract shall not be revised except as provided in such lease or contract.

Airport Use and Lease Agreements

The Authority has use and lease agreements with certain airlines operating at the Airport (the Signatory Airlines). The Airport Use and Lease Agreements (Airline Agreements) are effective through September 30, 2032. The Airline Agreements establish, among other things, procedures for setting and adjusting Signatory Airline rentals, fees and charges to be collected for the use of Airport facilities. The Signatory Airlines at the Airport include the following: Air France, American Airlines, Delta, FedEx, JetBlue Airways, KLM Royal Dutch Airlines,[3] Lufthansa German Airlines, Southwest Airlines, Spirit Airlines, United Airlines, and United Parcel Service. Together, the Signatory Airlines and their respective regional affiliates accounted for over 98% of enplaned passengers and over 97% of landed weight at the Airport, based on OY 2022 traffic.

The Airline Agreements govern airline use of certain Airport facilities, including the airfield, aircraft aprons, both terminals, including baggage claim, ticket counters and gate areas and permits the Signatory Airlines to lease Preferential Use Premises and Shared Use Premises. Preferential Use Premises generally include holdroom areas and gates, ticket counters, office space, storage areas, airline club lounges, and employee break rooms leased to a Signatory Airline and to which the Signatory Airline has a preferential right of use over all other air carriers. Shared Use Premises are space and facilities at the Airport used jointly or in common by air carriers which generally includes baggage claim areas and baggage makeup equipment, excluding Authority-controlled airline space and federal inspection services (FIS) facilities.

Report of the Airport Consultant

In our preparation of this independent Report, we evaluated the ability of the Authority to generate Revenues from operation of the Airport sufficient to meet the funding requirements and obligations established by the Master Bond Ordinance during the Projection Period of OY 2023 through OY 2029 (Projection Period). The following provides an overview of the primary findings and conclusions contained in this Report.

Role of the Airport and Economic Base for Air Traffic

The Airport was classified by the Federal Aviation Administration (FAA) as a Large Hub facility based upon its share of nationwide enplaned passengers in 2022.[4] Based on data from the FAA, approximately 13.8 million enplaned passengers boarded aircraft at the Airport in 2022[5], ranking the Airport the 20th largest in the U.S. The Airport has a diverse, stable base of air carriers and serves two distinct roles for passenger air transportation. First, the Airport serves a large origin-destination (O&D) market, for passengers beginning or ending their trip at the Airport. An estimated 64.5% of the Airport's domestic enplaned passengers were O&D in 2022. Second, the Airport is also a major connecting hub airport for Delta, for passengers connecting through the Airport on the way to their destination. Delta and the Delta Connection Carriers accounted for approximately 73.7% of total enplaned passengers (consisting of both O&D and connecting passengers) at the Airport in 2022.

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3 KLM Royal Dutch Airlines has not operated at the Airport since 2009.
4 The FAA classifies Large Hub airports as those serving over 1.0% of annual U.S. passenger boardings.
5 FAA data excludes non-revenue passengers and differs from Authority records.

The Airport serves as the primary commercial service airport for the Detroit metropolitan area and surrounding region. The geographic region that serves as an airport's primary catchment area is referred to as its "Air Service Area". For the purposes of this report, the Airport's primary Air Service Area is defined as the Detroit-Warren-Ann Arbor Combined Statistical Area (CSA), which includes the following ten counties in Michigan: Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne.[6] The Detroit-Warren-Ann Arbor CSA was the 12th most populous CSA in the nation in 2022 with approximately 5.4 million people and accounted for approximately 53.5% of the entire population of Michigan.

Historically, air travel demand for O&D traffic is largely correlated with a region's demographic and economic characteristics. The economic strength of the Air Service Area has a major impact on the aviation activity at the Airport since approximately 64.5% of the Airport's domestic passenger traffic is O&D. As the aviation industry has generally recovered from the impacts of the Coronavirus Disease 2019 (COVID-19) pandemic, the demographic and economic strength of the Air Service Area is expected to once again drive growth at the Airport. Chapter 2 of this Report reviews current economic trends and conditions of the Airport's Air Service Area and presents data indicative of the Air Service Area's capability to continue to generate demand for air transportation through the Projection Period.

Air Service and Air Traffic Analysis

Prior to the impacts associated with the COVID-19 pandemic, between 2012 and 2019, total enplaned passengers at the Airport increased from approximately 16.1 million to approximately 18.4 million, an overall compound annual growth rate (CAGR) of approximately 1.9% for this period. The Airport was significantly impacted by the pandemic beginning in March 2020 and passenger traffic declined precipitously. In March 2020, passengers were down 55.9% as compared to March 2019 and decreased to a low of 94.0% down in April 2020 as compared to April 2019. In May 2020 and June 2020, enplaned passengers started to recover but remained down 82.7% and 73.7%, respectively, from the same months in 2019. Enplaned passengers decreased by 61.7% from OY 2019 to OY 2020, to 7.0 million enplaned passengers. In OY 2022, the Authority reported 14.1 million enplaned passengers, which is about 76.5% of OY 2019 levels.

Figure 1 depicts the impacts associated with the COVID-19 pandemic on O&D passenger checkpoint throughput at both the Airport and for the overall U.S based on data from the TSA. This figure presents the recovery trend for passenger checkpoint throughput as a percent of 2019 levels. As shown, the impact to the Airport's O&D passengers throughput tracked closely with the nationwide trend early in the pandemic, decreasing to an unprecedented trough of around -91.1% of the prior year's levels in April 2020. Starting in May 2020, TSA checkpoint throughput for the Airport and the U.S. started to slowly recover. In June 2021, the Airport's checkpoint throughput trend dropped below that of the overall U.S. indicating a slower recovery for the Airport as compared to the overall U.S. By July 2023, the Airport had recovered to 92.4% of 2019 TSA checkpoint throughput, while the overall U.S. has recovered to approximately 100.7%.

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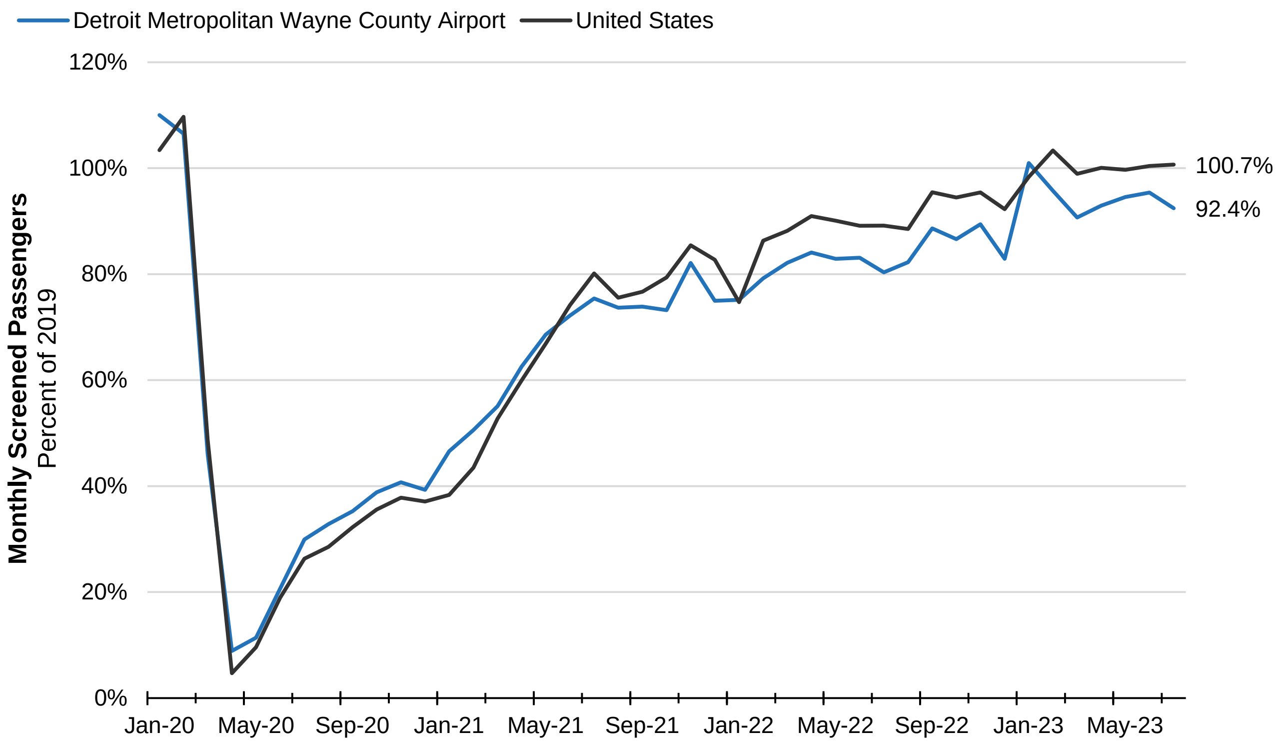
[6] Executive Office of the President: Office of Management and Budget, Revised Delineations of Metropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas, March 6, 2020.

Figure 1 **Comparison of Airport and U.S. Monthly TSA Checkpoint Throughput (January 2020 – July 2023)**



Sources: Wayne County Airport Authority, Management records, accessed March 2023.Transportation Security Administration, accessed August 2023.

It is expected that traffic will continue to recover from the effects of the COVID-19 pandemic over the short-term (OY 2023-2025). It was forecast that under baseline conditions, domestic O&D enplaned passenger traffic will recover to pre-pandemic (2019) levels in 2024 while international enplaned passenger traffic will recover to pre-pandemic levels in 2026 and connecting enplaned passengers will recover to pre-pandemic levels in 2027.

After the recovery for each segment (domestic and international), projections of air traffic activity were developed based on an analysis of the underlying economic conditions of the region, airline traffic trends, and an assessment of Delta's continued operation of hubbing activity at the Airport. The long-term enplanement projection is based on the ability of the Air Service Area's economic base to generate continued passenger growth. The key socioeconomic forecast variables that have been found to have a strong correlation with an airport's passenger demand generally include population, employment, income, and gross regional product. In general, it was assumed that in the long-term (OY 2026-2029), growth in O&D passenger traffic at the Airport will occur as a function of growth in population and the economy of the Air Service Area. The growth in U.S. population and GDP, along with Delta's network strategy, are assumed to be the primary drivers of future connecting passenger traffic.

Enplaned passengers are projected to increase from 14.1 million in 2022 to 19.8 million in 2029. **Table 1** presents the baseline and sensitivity scenario enplaned passenger projections. For additional details on the slower recovery projection scenario, which reflects the unlikely event that domestic connecting passengers remain at the OY 2023 budgeted level through the Projection Period, please refer to Section 2.4.2 herein.

Table 1 Enplaned Passengers – Actual and Projected

		Baseline Scenario		Sensitivity Scenario	
Year		Enplaned Passengers (in thousands)	Percent of 2019	Enplaned Passengers (in thousands)	Percent of 2019
Actual	2019 Actual	18,364	100.0%		
	2020 Actual	7,027	38.3%		
	2021 Actual	11,783	64.2%		
	2022 Actual	14,053	76.5%		
Budget [1]	2023 Budget	16,000	87.1%	16,000	87.1%
Projected	2024	16,957	92.3%	16,127	87.8%
	2025	17,696	96.4%	16,284	88.7%
	2026	18,346	99.9%	16,441	89.5%
	2027	18,873	102.8%	16,598	90.4%
	2028	19,367	105.5%	16,754	91.2%
	2029	19,840	108.0%	16,909	92.1%

Range	Average Annual Growth Rate	
2014-19	2.5%	
2021-24	12.9%	11.0%
2024-29	3.2%	1.0%
2019-29	0.8%	(0.8%)

Note: These projections are based on current expectations and information and are not intended as a representation of facts or guarantee of results.
[1] Reflects the Authority's OY 2023 Mid-Year Projection, which adjusts 2023 enplaned passengers down to 16.0 million from the 16.5 million originally budgeted.

Sources: Wayne County Airport Authority, Aviation Statistics; L&B (estimated and projected data).

Airport Capital Improvement Program

The Authority manages Airport capital projects through an on-going five-year Capital Improvement Program. The current five-year Capital Improvement Program encompasses plans for current and future Airport capital projects for 2023 through 2027 (CIP). The majority of the capital projects in the CIP tend to be "routine" projects for a major airport, including reconstruction or rehabilitation of runways, taxiways, parking decks and roadways, and environmental or planning studies.

This Report divides the capital projects in the CIP into three main categories, described below, for the purposes of identifying the CIP projects included in the financial analysis contained in Chapter 4 of this Report.

The funding plan for the CIP by category is presented in **Table 2**.

- **Series 2023 Projects.** This CIP category is comprised of those CIP projects to be funded, either in whole or in part, with proceeds of the Series 2023 Bonds. A Weighted Majority (defined herein) has approved all of the Series 2023 Projects. The capital and operating costs associated with the Series 2023 Projects are included in the financial analysis contained in Chapter 4 of this Report. The Series 2023 Projects are further described later in Chapter 3.
- **Other Approved Capital Projects.** This CIP category is comprised of additional CIP projects that a Weighted Majority has approved but have not been previously funded in whole and also are not being funded with the proceeds of the Series 2023 Bonds. Nevertheless, the Authority presently intends to issue Additional Bonds during the projection period of this Report to fund the balance of the cost of these Other Approved Capital Projects. Thus, the capital costs of the Other Approved Capital Projects are included in the financial analysis contained in Chapter 4 of this Report. The Other Approved Capital Projects are described later in Chapter 3.
- **Other CIP Projects.** This CIP category is comprised of all other CIP projects that are neither Series 2023 Projects nor Other Approved Capital Projects as defined above. These projects include: (i) those CIP projects that a Weighted Majority has approved and have been funded previously with proceeds of bonds issued by the Authority in the past, and which either currently are in process or have not yet been started, and (ii) those CIP projects that the Authority has not yet fully formulated and/or still are in the conceptual phase, and for which the Authority has not yet requested Weighted Majority approval. It is possible that certain Other CIP Projects may be deferred or not otherwise undertaken by the Authority during the Projection Period (depending on circumstances such as whether a Weighted Majority is willing to approve the as-yet unapproved projects, level of aviation demand, the availability of project funding, more refined scope and cost information for various projects, etc.). The capital costs related to the existing bond proceeds for previously funded Other CIP Projects are included in the financial analysis contained in Chapter 4 of this Report. However, the capital costs for the Other CIP Projects for which Weighted Majority approval has not yet been requested are not included in the financial analysis contained in Chapter 4 of this Report.

Table 2 CIP Funding Plan by Category (in thousands of dollars)[1, 2]

CIP Category	Est. Total Project Costs	Federal and State Grants	Other Funds	Existing Bond Proceeds	Series 2023 Bond Proceeds	Future Bond Proceeds[3]	Other CIP Projects Future Bond Proceeds[4]
Series 2023 Projects	$305,261	$80,600	-	$19,412	$165,229	$40,020	-
Other Approved Capital Projects	$128,625	$15,800	-	$4,904	-	$107,921	-
Other CIP Projects	$881,163	$152,692	$199,602	$58,579	-	-	$470,290
Total CIP	**$1,315,049**	**$259,092**	**$199,602**	**$82,895**	**$165,229**	**$147,941**	**$460,290**

Notes: 1 A Weighted Majority has approved all of the Series 2023 Projects and Other Approved Capital Projects (defined herein). Certain of the Other CIP Projects require approval by a Weighted Majority in order to fund such projects with Bond proceeds, expenditure schedules are subject to change, and projects are subject to demand and available funding.
2 Current cost estimates and construction schedules may vary from the Board-approved CIP.
3 Future Bond Proceeds with respect to the Series 2023 Projects and Other Approved Capital Projects are the proceeds of bonds currently planned to be issued in future years to fund the Series 2023 Projects and Other Approved Capital Projects. Future Bond Proceeds are included as part of the financial analysis included in this Report.
4 Other CIP Projects Future Bond Proceeds are the proceeds of bonds currently planned to be issued in future years to fund Other CIP Projects for which the Authority would need to obtain Weighted Majority approval in order to fund these projects with Bond proceeds and include the debt service on such Bonds in airline rates and charges. Other CIP Projects Future Bond Proceeds are not included in the financial analysis included in this Report.
Amounts may not add because of rounding.

Source: Authority management records, September 2023

As shown in Table 2, the Series 2023 Projects are estimated to cost approximately $305.3 million and are planned to be funded with approximately $19.4 million of existing Bond proceeds, $165.2 million of the proceeds from the Series 2023 Bonds, approximately $40.0 million of future Bond proceeds, and approximately $80.6 million of grants, including expected FAA Airport Improvement Program (AIP), Bipartisan Infrastructure Law (BIL), Airport Terminal Program (ATP), and other grants.

Financial Analysis

L&B evaluated the ability of the Authority to generate Net Revenues sufficient to meet the funding requirements and obligations established by the Master Bond Ordinance during the Projection Period of OY 2023 through OY 2029. Financial projections for OY 2023 are based on the Authority's OY 2023 Budget and OY 2023 Mid-Year Projection.

Per our analyses, the Authority is projected to produce sufficient Net Revenues, which, together with Other Available Moneys and unencumbered amounts in the Revenue Fund, are expected to equal at least 125% of debt service on Outstanding Bonds as well as the Additional Bonds included in the financial projections. The Authority is projected to meet its requirements and obligations established by the Master Bond Ordinance and maintain reasonable levels of airline cost per enplaned passenger (CPE). **Table 3** below presents projected debt service coverage ratios and airline CPE for the baseline projection presented above in Table 1. As shown, annual debt service coverage ratios are projected to range between 1.48x and 1.55x for Senior Lien Debt Service and to range between 1.40x and 1.47x for Senior Lien and Junior Lien Debt Service Coverage combined during the Projection Period. As the Authority includes projected unencumbered amounts in the Revenue Fund as part of the calculation allowed under the Master Bond Ordinance, debt service coverage ratios exceed the 1.25x ratio required by the Master Bond Ordinance.

Table 3 **Debt Service Coverage Projection and Passenger Airlines CPE Projection (in thousands of dollars, expect for CPE)**

Operating Year	Net Revenues, Revenue Fund Balances and Other Available Moneys	Total Senior Lien Debt Service Requirements	Senior Lien Debt Service Coverage Ratio	Total Senior Lien and Junior Lien Debt Service Requirements	Senior Lien and Junior Lien Debt Service Coverage Ratio	Airline CPE
OY 2023	$274,814	$176,798	1.55x	$187,434	1.47x	$9.26
OY 2024	$279,102	$183,530	1.52x	$194,162	1.44x	$10.39
OY 2025	$278,587	$185,016	1.51x	$195,607	1.42x	$10.02
OY 2026	$288,287	$192,535	1.50x	$203,126	1.42x	$11.64
OY 2027	$291,013	$197,271	1.48x	$207,867	1.40x	$11.56
OY 2028	$287,480	$193,563	1.49x	$204,205	1.41x	$11.21
OY 2029	$268,577	$174,473	1.54x	$185,117	1.45x	$10.19

Source: Landrum & Brown, Inc.
Note: For the purposes of calculating Net Revenues, O&M Expenses have been reduced by the amount of such expenses paid, or expected to be paid, by federal relief money described in section 4.7 of this Report.

In preparing our findings and conclusions, L&B has relied upon the accuracy and completeness of financial and other data provided to it by the referenced sources, without independent verification. Certain statements contained in this Report, including the Exhibits that follow, are not historical facts but are forecasts and “forward-looking statements.” No assurance can be given that the future results discussed herein will be achieved, and actual results may differ materially from the projections described herein. In this respect, the words “estimate,” “forecast,” “project,” “anticipate,” “expect,” “intend,” “believe” and similar expressions are intended to identify forward-looking statements. The forward-looking statements in this Report are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. All estimates, projections, forecasts, assumptions and other forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth in this Report and the Official Statement. L&B has no responsibility to update this Report for events and/or circumstances occurring after the date of this Report.

The historical financial information and operating data set forth in this Report for the dates as of which such information and data are set forth and for the periods that occurred before the COVID-19 pandemic and the measures instituted to control such pandemic may not be indicative of future results or performance due to these and other factors. For a description of the Authority's ongoing response to the COVID-19 pandemic and related financial and operating effects on the Authority and the Airport, see the section in the Official Statement titled "COVID-19 IMPACTS AND RECENT DEVELOPMENTS."

L&B is not registered with the U.S. Securities & Exchange Commission as a municipal advisor, is not acting as a municipal advisor, and does not assume any fiduciary duties or provide advisory services as described in Section 15B of the Securities Exchange Act of 1934 or otherwise. L&B does not make recommendations or advice regarding any action to be taken by our clients with respect to any prospective, new, or existing municipal financial products or issuance of municipal securities including with respect to the structure, timing, terms, or other similar matters concerning municipal financial products or the issuance of municipal securities.

L&B, in association with Partners for Economic Solutions, appreciates this opportunity to serve as the Authority's Airport Consultant for this proposed financing.

Sincerely,

Landrum & Brown, Incorporated

Landrum & Brown, Incorporated

Contents

List of Tables

List of Figures — Page

1 Role of the Airport and Economic Base for Air Traffic

This chapter provides more detail about the Airport including a summary of its role in accommodating air traffic for the nation, the region, and as an important connecting hub in the network of Delta Air Lines, Inc. (Delta). This chapter also describes the Detroit region's economic base and its ability to continue to support demand for air transportation.

1.1 Role of the Airport

The Wayne County Airport Authority (Authority) is a public airport authority created in 2002 pursuant to Public Airport Authority Act, Act 90, Michigan Public Acts of 2002. The Authority is a public body corporate, and an agency, political subdivision and instrumentality of the Charter County of Wayne, Michigan, vested with the power to manage and operate Detroit Metropolitan Wayne County Airport (Airport or DTW) and Willow Run Airport. The Authority has sole and exclusive operational jurisdiction of the Airport and Willow Run Airport, which includes the exclusive right, responsibility, and authority to occupy, operate, control and use the Airport and Willow Run Airport and their facilities.[7]

1.1.1 National Role

The Airport has consistently been one of the largest commercial passenger airports in the U.S. In calendar year 2019, the Airport had 18.1 million enplaned passengers, 18th most in the U.S. Enplaned passengers at the Airport decreased by 62.4% to 7.1 million due the Coronavirus Disease 2019 (COVID-19) pandemic in 2020. In 2021, enplaned passengers at DTW increased to 11.5 million.[8] Outside of some airports serving largely leisure markets and a few other connecting hub airports, DTW's decrease and subsequent recovery in passenger traffic was consistent with most of the largest airports in the U.S. with large hub airports being down 31.1% on average in 2021. As a result, DTW was able to maintain its ranking in 2020 and 2021. Based on its level of activity, the Airport is classified by the Federal Aviation Administration (FAA) as one of 30 Large Hub facilities in U.S.[9] **Table 1-1** provides the enplaned passenger volume for Large Hub airports in the U.S. for 2019 and 2022. Based on data from FAA, DTW ranked 20th in 2022 with 13.8 million enplaned passengers[10].

In addition to passenger operations, there is also a significant amount of air cargo processed at the Airport. According to Airports Council International–North America (ACI-NA), 171,171 metric tons of air cargo, including both freight and mail, were loaded and unloaded at the Airport in 2020. Many of the airports in the U.S. saw a surge in cargo volumes in 2020 due to the COVID-19 pandemic. However, DTW maintained a similar volume in 2020 as compared to 2019. In 2022, 184,862 metric tons of air cargo were loaded and unloaded at DTW which represented a 4.9% increase over 2021. The relatively small growth in cargo at DTW over the past two years has resulted in the Airport being ranked as the 36th busiest cargo airport in the U.S. in 2022, down from 29th in 2019 by ACI-NA.

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7 Public Airport Authority Act, Act 90, Michigan Public Acts of 2002.
8 Enplaned passenger values are from Federal Aviation Administration, Air Carrier Activity Information System (ACAIS) and may not match the Airport's reported values.
9 The FAA classifies Large Hub are those airports that each account for 1 percent or more of total U.S. passenger enplanements.
10 FAA data excludes non-revenue passengers and differs from Authority traffic data, which reflects 14.1 million enplaned passengers in 2022.

Table 1-1 **U.S. Large Hub Airport Enplaned Passenger Rankings (Ranked based on 2022)**

Rank	City	Airport	Code	Enplaned Passengers (in '000s) CY 2022	CY 2019	Percent Change
1	Atlanta	Hartsfield - Jackson Atlanta International	ATL	45,396	53,506	-15.2%
2	Fort Worth	Dallas-Fort Worth International	DFW	35,345	35,779	-1.2%
3	Denver	Denver International	DEN	33,774	33,593	0.5%
4	Chicago	Chicago O'Hare International	ORD	33,120	40,871	-19.0%
5	Los Angeles	Los Angeles International	LAX	32,327	42,939	-24.7%
6	New York	John F Kennedy International	JFK	27,154	31,037	-12.5%
7	Las Vegas	Harry Reid International	LAS	25,481	24,728	3.0%
8	Orlando	Orlando International	MCO	24,470	24,562	-0.4%
9	Miami	Miami International	MIA	23,950	21,421	11.8%
10	Charlotte	Charlotte/Douglas International	CLT	23,100	24,200	-4.5%
11	Seattle	Seattle-Tacoma International	SEA	22,158	25,002	-11.4%
12	Phoenix	Phoenix Sky Harbor International	PHX	21,853	22,434	-2.6%
13	Newark	Newark Liberty International	EWR	21,775	23,161	-6.0%
14	San Francisco	San Francisco International	SFO	20,411	27,779	-26.5%
15	Houston	George Bush Intercontinental/Houston	IAH	19,814	21,905	-9.5%
16	Boston	General Edward Lawrence Logan International	BOS	17,444	20,699	-15.7%
17	Fort Lauderdale	Fort Lauderdale/Hollywood International	FLL	15,370	17,951	-14.4%
18	Minneapolis	Minneapolis-St Paul International	MSP	15,242	19,193	-20.6%
19	New York	LaGuardia	LGA	14,367	15,394	-6.7%
20	**Detroit**	**Detroit Metro Wayne County**	**DTW**	**13,751**	**18,143**	**-24.2%**
21	Philadelphia	Philadelphia International	PHL	12,421	16,006	-22.4%
22	Salt Lake City	Salt Lake City International	SLC	12,384	12,841	-3.6%
23	Arlington	Ronald Reagan Washington National Airport	DCA	11,554	11,595	-0.4%
24	San Diego	San Diego International	SAN	11,162	12,649	-11.8%
25	Glen Burnie	Baltimore/Washington International	BWI	11,151	13,285	-16.1%
26	Tampa	Tampa International	TPA	10,539	10,979	-4.0%
27	Austin	Austin-Bergstrom International Airport	AUS	10,383	8,507	22.0%
28	Dulles	Washington Dulles International	IAD	10,266	11,884	-13.6%
29	Nashville	Nashville International	BNA	9,829	8,936	10.0%
30	Chicago	Chicago Midway International	MDW	9,650	10,082	-4.3%
31	Honolulu	Daniel K. Inouye International Airport	HNL	8,828	9,989	-11.6%

Note: Numbers differ from Airport reported as it excludes non-revenue passengers.
Source: Federal Aviation Administration, Air Carrier Activity Information System (ACAIS), August 2023.

ACI-NA data indicated that the Airport had 238,574 aircraft operations[11] in 2020 (including all-cargo carrier operations), which was down 39.9% from 2019. Comparatively, total aircraft operations at the top 25 airports in the U.S. decreased an average of 29.1% during the same period. As a result, the Airport was ranked as the 20th busiest airport in the U.S. in 2020, down from 17th in 2019. Recovery in aircraft operations has been slower at DTW than some other major U.S. airports, as airlines at the Airport have opted for larger aircraft to handle the recovery of enplaned passengers instead of operating smaller aircraft on a route several times per day which has been enacted at other airports. In 2021, aircraft operations at DTW increased 20.3% compared to an average of 34.3% for the other airports in the top-25. As such, DTW dropped to 21st in aircraft operations in the U.S. for 2021. In 2022, there were 284,516 aircraft operations at DTW, a decline of 0.8% from 2021, which ranked 27th in the U.S.

1.1.2 Regional Role

The Airport serves as the primary commercial service airport for the Detroit metropolitan area and surrounding region. Domestic origin and destination (O&D) passengers, i.e., those passengers that either begin or end their travel at the Airport, accounted for approximately 57.6% of the Airport's passenger traffic in 2019.[12] In 2022, domestic O&D passengers accounted for 64.5% of the Airport's traffic, reflecting a faster recovery of O&D traffic than connecting traffic at the Airport even though both O&D and connecting traffic were below 2019 levels.

The geographic region that serves as an airport's primary catchment area is referred to as its "Air Service Area". For the purposes of this report, the Airport's primary Air Service Area is defined as the Detroit-Warren-Ann Arbor Combined Statistical Area (CSA), which includes the following ten counties in Michigan: Lenawee, Lapeer, Livingston, Macomb, Oakland, St. Clair, Wayne, Genesee, Monroe, and Washtenaw.[13] The Detroit-Warren-Ann Arbor CSA was the 12th most populous CSA in the nation in 2022 with approximately 5.4 million people and accounted for approximately 53.5% of the entire population of Michigan.[14]

In many cases, an airport's air service area can extend beyond its primary Air Service Area depending on the location of other population centers and availability of other commercial service airports. However, it is generally the economic strength of the primary air service area that provides the principal demand for supporting O&D air travel. In the case of the Airport, its secondary Air Service Area generally consists of southeastern and south-central Michigan, northwestern Ohio, northeastern Indiana, and the southernmost areas of the Province of Ontario, Canada, generally in the Windsor metropolitan area. The limits of a secondary air service area are generally defined by other airport facilities in the region.

While there are other airports within the primary and secondary Air Service Areas, the Airport is by far the largest and provides the most direct service to destinations. Chicago Midway International Airport (MDW), approximately 270 driving miles from the Airport, is the nearest U.S. Large Hub airport. The Toronto Pearson International Airport (YYZ) in Ontario, Canada with more than 25 million enplaned passengers in 2019 is the nearest large airport that is comparable in size to the Airport. However, it is across the U.S. border in Canada and approximately 240 driving miles from the Airport. The nearest U.S. Medium Hub airport is the Cleveland-Hopkins International Airport (CLE) at approximately 145 driving miles southeast from the Airport. Bishop International Airport (FNT) in Flint, Michigan is located approximately 77 miles to the north of the Airport and provides nonstop service to 12

11 An aircraft operation includes the landing, takeoff, or touch-and-go procedure by an aircraft on the runway at an airport.

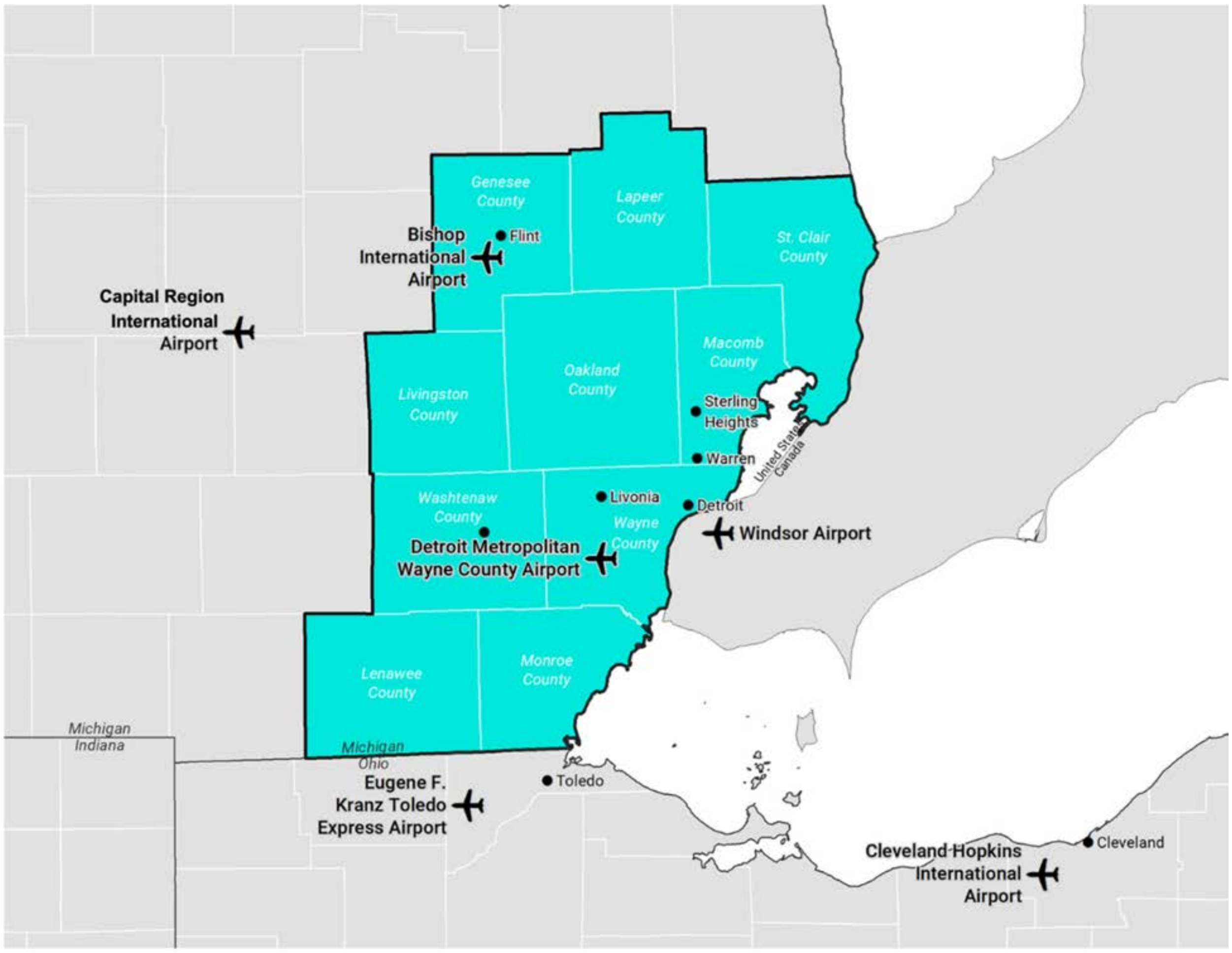
12 Data used to estimate an airport's share of O&D passengers is from the USDOT. These data are a random 10% sample of tickets either ticketed by a U.S. carrier or where a U.S. carrier operated at least one flight in the ticket's itinerary. Therefore, the calculation of the Airport's share of O&D passengers is an estimate based on this data, which is generally accepted in the industry as the best publicly available data source for such purposes.

13 Executive Office of the President: Office of Management and Budget, Revised Delineations of Metropolitan Statistical Areas, and Combined Statistical Areas, and Guidance on Uses of the Delineations of These Areas, March 6, 2020.

14 United States Census, 2020 Decennial Census.

destinations, most of which are in Florida. FNT's limited offerings provide little competition for DTW. Therefore, it is reasonable to conclude that there is somewhat limited competition for air service at the Airport given the driving distances to these other comparable airports. **Figure 1-1** illustrates the Airport's location in relation to its Air Service Area as well as the other airports within the region.

Figure 1-1 Air Service Area and Proximity to Other Airports



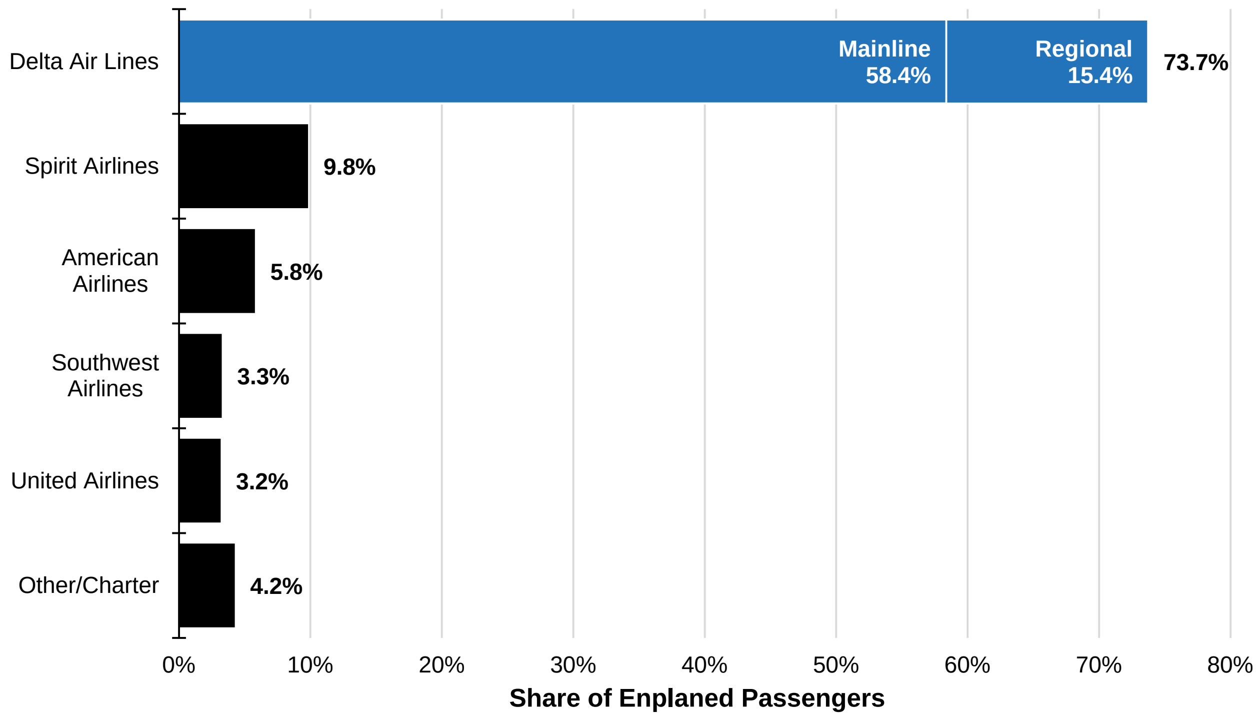
Airport	Code	Airport Category	Enplaned Passengers (in '000) CY 22	CY 19
Detroit Metropolitan Wayne County Airport	DTW	Large	13,751	18,143
Windsor International Airport	YQG	n.a.	n.a.	383
Bishop International Airport	FNT	Non-Hub	300	303
Toledo Express Airport	TOL	Non-Hub	85	124
Capital Region International Airport	LAN	Non-Hub	83	167
Cleveland Hopkins International Airport	CLE	Medium	4,238	4,895

Note: Windsor International Airport has not announced the passenger volume since 2019.
Source: Federal Aviation Administration, Air Carrier Activity Information System (ACIAS), accessed August 2023.

1.1.3 Role as a Hub for Delta

The Airport's leading carrier, Delta, operates a major connecting hub at the Airport. Delta's enplaned passenger market share, including its affiliated regional carriers (Delta Connection Carriers), comprised approximately 73.7% of enplaned passengers at the Airport in 2022. **Figure 1-2** presents the overwhelming share of the Airport's enplaned passenger market share was Delta's in 2022.

Figure 1-2 Enplaned Passenger Market Share at the Airport (2022)



Notes: Regional affiliates, as applicable, have been included with their appropriate network partner. Amounts may not add because of rounding.

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

Delta is the Airport's largest carrier and operates an important connecting hub at the Airport. In 2022, 56.1% of Delta's passengers at the Airport were O&D passengers. The other 43.9% of Delta's passengers were those that connected through the Airport on the way to their destination. Delta's air service at the Airport is described in more detail in Chapter 2 of this Report.

1.2 Socioeconomic Base for Air Travel

Air travel demand for O&D traffic is largely correlated with a region's demographic and economic characteristics. Given that approximately 64.5% of the Airport's domestic passenger traffic was O&D in 2022, the economic strength of the Air Service Area has a major impact on the aviation activity at the Airport. The next sections review current economic trends and conditions in the Airport's Air Service Area and present data indicating the Air Service Area's capability to generate growing demand for air transportation throughout the forecast period.

1.2.1 Socioeconomic Trends

Data for population, age distribution, educational attainment, income, and gross regional product for the Air Service Area are discussed below. Parallel data for Michigan and the United States also are shown to provide a basis of comparison to trends in the Air Service Area. Where available, historical data is presented for the 2012-2022 period, providing the most recent 10 years of historical data. Also, where available, forecast data is presented through 2029 to be consistent with air traffic and financial projections presented later in this Report.

1.2.1.1 Historical and Forecast Population

With a population of nearly 5.4 million in 2022, the 10-county Air Service Area is the 12th most populous metropolitan region in the United States (see **Table 1-2**).

Table 1-3 includes 2012 and 2022 population data and trends in the Air Service Area, Michigan, and the U.S. Data forecasts for 2029 are also included. Data in Table 1-3 show that between 2012 and 2022, the population in the Air Service Area increased by 0.1%, from approximately 5,340,000 to 5,368,000. During the same period, Michigan's population also increased by 0.1% and the U.S. population increased by 0.6%. In 2022, the Air Service Area accounted for approximately 53.5% of Michigan's population.

The projected population increase in the Air Service Area for the period 2022-2029 reflects a CAGR of 0.01%, which is below the projected CAGR for Michigan (0.1%) and the U.S. CAGR (0.7%) during the same period. However, the increase in new residents in the Air Service Area, approximately 3,000 between 2022 and 2029, is expected to contribute to stable demand for air service at the Airport.

Table 1-2 Top 20 Combined Statistical Areas in the United States (2022)

Rank	Combined Statistical Area	2022 Population Estimate
1	New York-Newark	23,072,743
2	Los Angeles-Long Beach	18,372,485
3	Washington-Baltimore-Arlington	9,968,104
4	Chicago-Naperville	9,806,184
5	San Jose-San Francisco-Oakland	9,482,708
6	Dallas-Fort Worth	8,449,932
7	Boston-Worcester-Providence	8,434,220
8	Houston-The Woodlands	7,533,096
9	Philadelphia-Reading-Camden	7,381,187
10	Atlanta--Athens-Clarke County--Sandy Springs	7,088,898
11	Miami-Fort Lauderdale-Port St. Lucie	6,909,110
12	**Detroit-Warren-Ann Arbor**	**5,368,296**
13	Phoenix-Mesa	5,069,600
14	Seattle-Tacoma	4,982,019
15	Orlando-Deltona-Daytona Beach	4,428,098
16	Minneapolis-St. Paul	4,085,415
17	Denver-Aurora	3,663,515
18	Cleveland-Akron-Canton	3,598,304
19	Portland-Vancouver-Salem	3,285,859
20	Charlotte-Concord	2,920,892

Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023. Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

Table 1-3 Historical and Forecast Population (2012-2029)

	Population (in thousands)			CAGR[2]	
	Historical		Forecast[1]		
Region	2012	2022	2029	2012-22	2022-29
United States	314,281	333,288	348,985	0.6%	0.7%
Michigan	9,919	10,034	10,114	0.1%	0.1%
Air Service Area	5,340	5,368	5,371	0.1%	0.01%

Notes: 1 Population growth data are based on estimates of the Air Service Area's birth rate, death rate, and net in-migration.
2 Compound annual growth rate.
Sources: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023.
Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

Table 1-4 presents age data for the Air Service Area, Michigan, and the U.S for 2022. The median age in the Air Service Area is 39.7 years, nearly equal to that of Michigan and higher than that of the U.S. (38.4 years). Demand for air travel varies by age group. According to Consumer Expenditure Survey data from the U.S. Bureau of Labor Statistics, persons between the ages of 45 and 64 account for 44% of expenditures on airline fares.[15]

Table 1-4 Age Distribution (2022)

Age Range	Air Service Area	Michigan	United States
19 and under	23.6%	23.7%	24.4%
20 to 24 years	6.0%	6.4%	6.5%
25 to 34 years	14.1%	13.5%	13.9%
35 to 44 years	12.1%	11.9%	13.0%
45 to 54 years	12.4%	11.9%	12.0%
55 to 64	13.4%	13.4%	12.5%
65 and above	18.3%	19.2%	17.7%
Median Age	39.7 years	39.9 years	38.4 years

Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023.
Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

15 *Who's Buying for Travel*, 12th Edition, 2018, New Strategist Publications. Data in Who's Buying for Travel are based on the U.S. Bureau of Labor Statistics' Consumer Expenditure Survey, a nationwide survey of household spending.

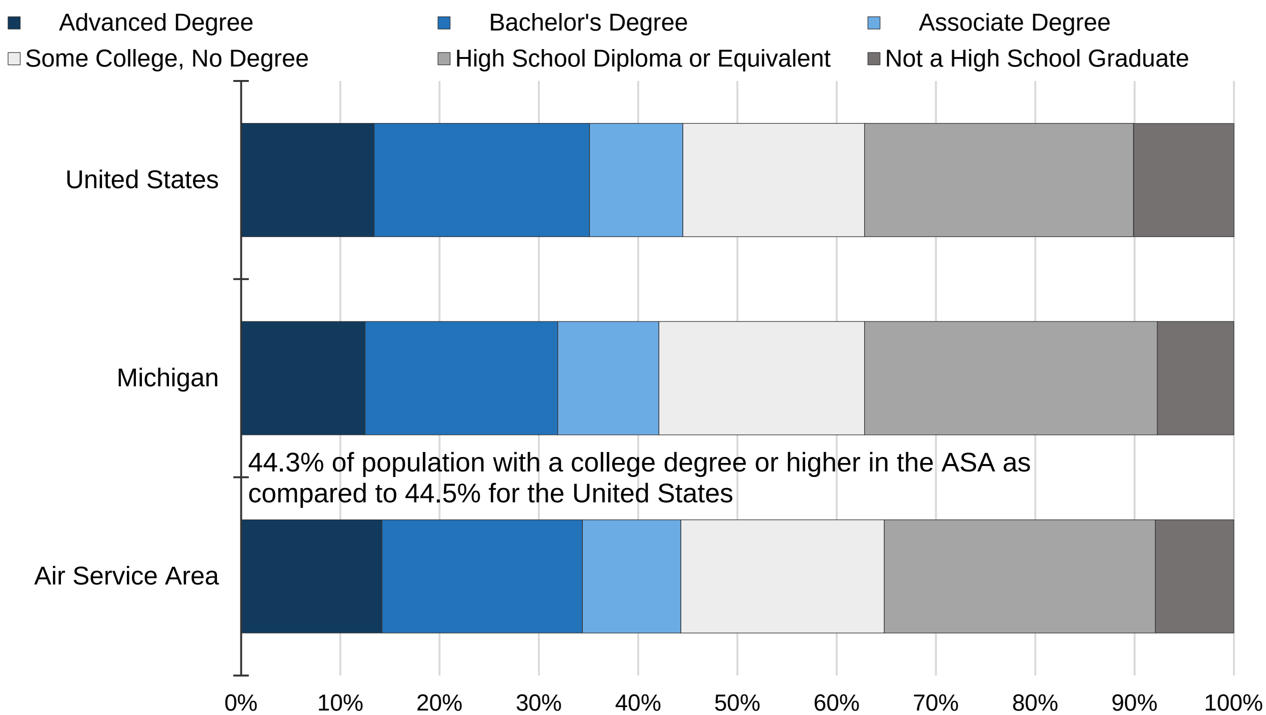
Table 1-4 shows that in 2022, residents in the Air Service Area aged 45 to 64 made up 25.9% of the population, compared with 25.3% of the population in Michigan, and 24.5% in the U.S. This is the age group that has historically generated the most expenditures on airline fares and it is represented in the Air Service Area in a proportion that is higher than in both Michigan and the U.S.

1.2.1.2 Educational Attainment

Figure 1-3 includes educational attainment data for the Air Service Area, Michigan, and the U.S for 2022. The Air Service Area is home to a substantial number of educated adults. Nearly 1.6 million people, or 42.3% of the Air Service Area's population over the age of 25, have a post-secondary degree (associate, bachelor's, or graduate). This percentage is higher than that of Michigan (39.9%) and of the U.S. (42.0%). Air Service Area residents account for approximately 57% of all Michigan residents with a post-secondary degree.

Educational attainment is higher in Detroit's four "collar" counties (Livingston, Macomb, Oakland, Washtenaw) than in the Air Service Area as a whole.[16] These four counties contain 51.6% of the Air Service Area's population aged 25 and over. Approximately 52.8% of residents aged 25 and over in these four counties have a post-secondary degree.[17]

Figure 1-3 Educational Attainment (2022)



Source: Esri Market Profiles for Detroit-Warren-Ann Arbor CSA, Michigan, and United States, March 2023. Compiled by Partners for Economic Solutions, March 2023

16 Collar counties are defined as suburban counties that surround a county with a central city.
17 Esri Market Profiles for Livingston, Macomb, Oakland, and Washtenaw counties, March 2023.

According to Consumer Expenditure Survey data from the U.S. Bureau of Labor Statistics, persons with a college degree generate a high percentage of expenditures on air travel. Data indicate that 74% of airline fares are purchased by college graduates, while 18% of airline fares are purchased by consumers who have had some college or have earned an associate degree; 8% of airline fares are purchased by consumers who never attended college.[18]

In addition to having a highly educated population, the Air Service Area is also home to more than 40 colleges and universities such as the University of Michigan, Wayne State University, Central Michigan University, Oakland Community College, Macomb Community College, Eastern Michigan University, Oakland University, Henry Ford College, Lawrence Technological University, Wayne County Community College, and others. Colleges and universities in the Air Service Area have a total enrollment of approximately 236,000 students[19] and generate demand for air travel through academic conferences, visiting professorships, study abroad programs, and individual student and faculty travel.

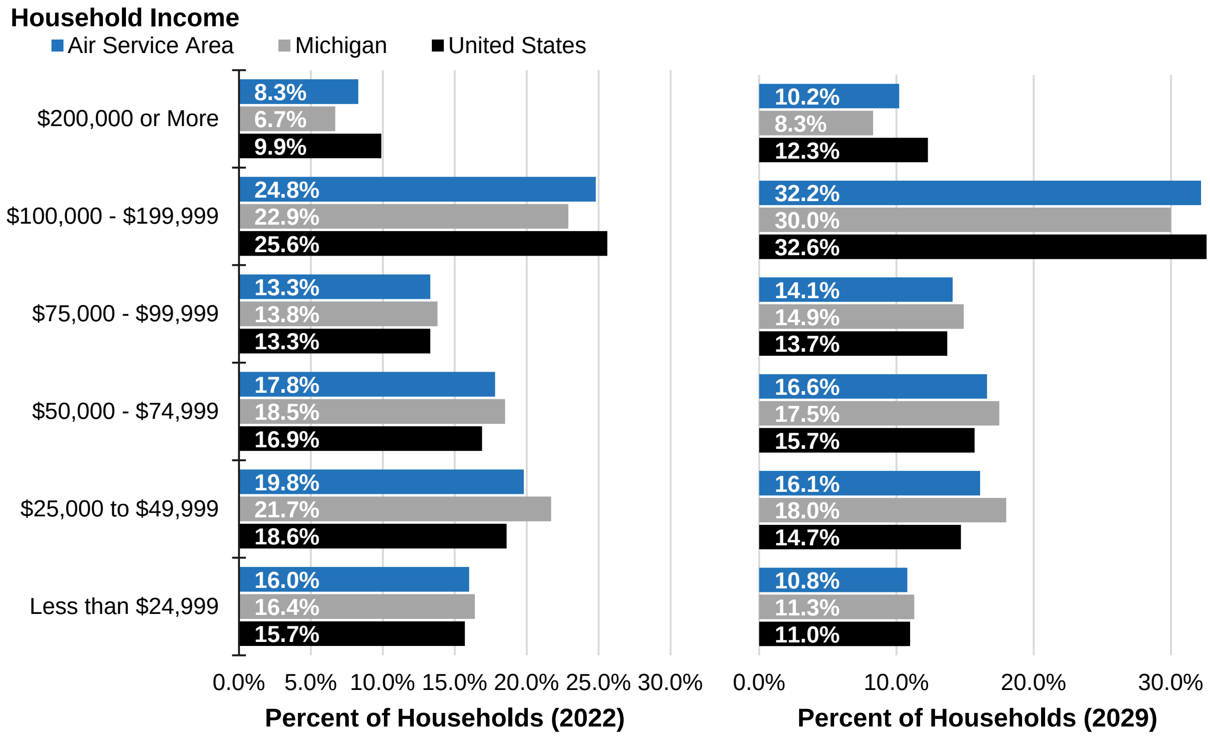
1.2.1.3 Household Income

Figure 1-4 includes 2022 and 2029 median household income data for the Air Service Area, Michigan, and the U.S. The Air Service Area's estimated 2022 median household income of $68,249 was 6.9% above Michigan's ($63,818) and 5.8% lower than that of the U.S. ($72,414).[20] Forecasts for 2029 show that the median household income in the Air Service Area ($85,927) will continue to exceed Michigan's ($81,103) but will be lower compared to that of the U.S. ($89,800).[21]

In Detroit's four collar counties, median household income exceeds that of the Air Service Area as a whole. In 2022, median household income in the collar counties was $81,544;[22] forecasts indicate that median household income in the collar counties will be $100,430 in 2029.[23]

[18] *Who's Buying for Travel*, 12th Edition, 2018, New Strategist Publications.
[19] National Center for College Statistics, https://nces.ed.gov, accessed March 2023.
[20] In 2022 dollars.
[21] In 2029 dollars.
[22] In 2022 dollars.
[23] In 2029 dollars.

Figure 1-4 Household Income Distribution (2022 vs 2029)



Notes: Amounts are shown in current dollars, i.e., 2022 data are shown in 2022 dollars and 2029 data are shown in 2029 dollars.
Calculations of 2029 median income and household income distribution are based on 2027 estimates from Esri.

Source: Esri Market Profiles for Detroit-Warren-Ann Arbor CSA, Michigan, and United States, June 2022.
Compiled by Partners for Economic Solutions, March 2023

The percentage of higher income households, defined as those earning $100,000 or more annually, within the Air Service Area is another key indicator of potential demand for air travel services. In 2022, approximately 723,000 Air Service Area households had an income of $100,000 or more. This is equal to 33.1% of all Air Service Area households. According to Consumer Expenditure Survey data from the U.S. Bureau of Labor Statistics, 55% of airline fare expenditures are made by households with annual income of $100,000 or more.[24] Data in **Table 1-5** forecast that between 2022 and 2029, the Air Service Area will gain an additional approximately 204,000 households with annual income greater than $100,000.

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[24] *Who's Buying for Travel*, 12th Edition, 2018, New Strategist Publications.

Table 1-5 Households with Income of $100,000 and Above (2022 vs 2029)

	Air Service Area	Michigan	United States
Total Households			
2022 estimate	2,184,527	4,055,325	128,654,083
2029 forecast	2,187,173	4,071,956	131,454,686
Increase in households	2,646	16,631	2,800,603
CAGR 2022-2029	0.02%	0.1%	0.3%
Households with Income of $100,000 and Above[1]			
2022 estimate	723,078	1,200,376	45,672,199
2029 forecast	927,362	1,559,559	59,023,154
Increase in households with income of $100,000 and above	204,283	359,183	13,350,954
CAGR 2022-2029	3.6%	3.8%	3.7%
Percent of Households with Income of $100,000 and Above[1]			
2022 estimate	33.1%	29.6%	35.5%
2029 forecast	42.4%	38.3%	44.9%

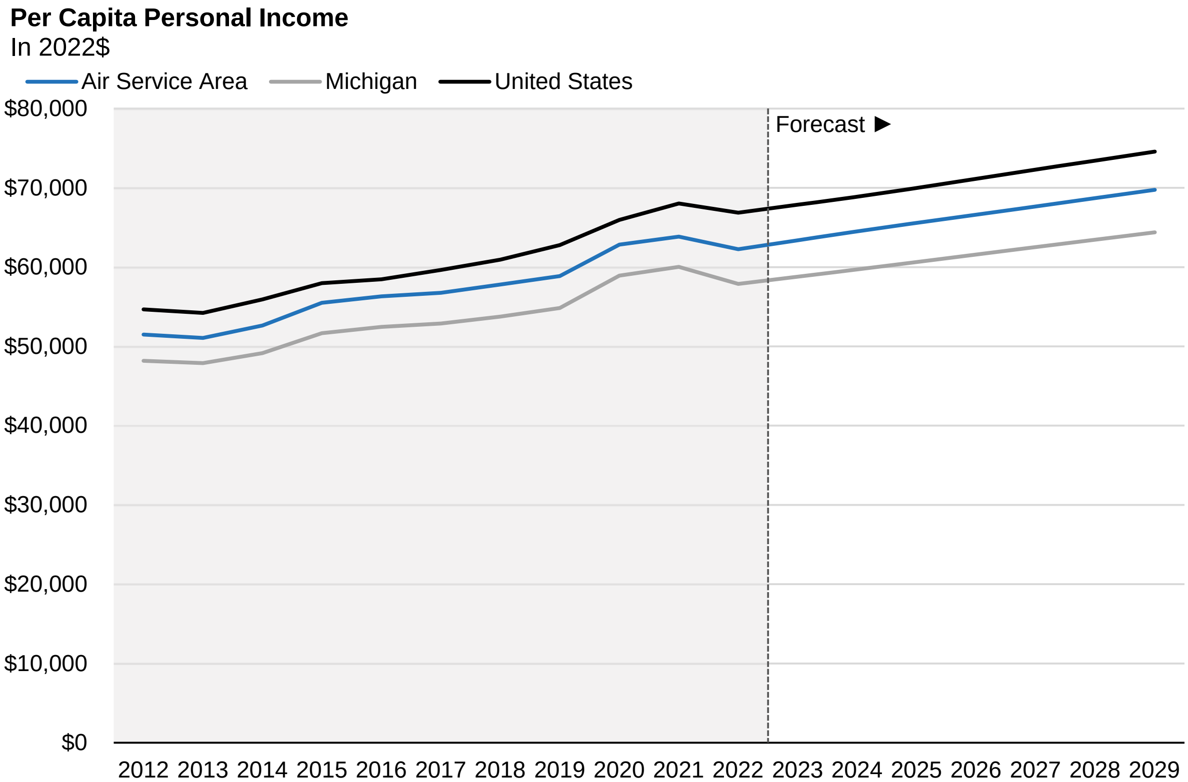
Notes: [1] In current dollars.
Calculations of 2029 households and income distribution are based on 2027 estimates from Esri.
Source: Esri Market Profiles for Detroit-Warren-Ann Arbor CSA, Michigan, and United States, March 2023.
Compiled by Partners for Economic Solutions, March 2023

1.2.1.4 Per Capita Personal Income

Personal income is a key indicator of a region's demand for air travel and includes the sum of wages and salaries, other labor income, proprietors' income, rental income of persons, dividend income, personal interest income, and transfer payments, excluding personal contributions for government social insurance. Per capita personal income is a measure of the relative affluence of a region's residents and, consequently, of their ability to afford air travel.

Figure 1-5 shows annual per capita personal income for the Air Service Area, Michigan, and the U.S. From 2012 to 2022, per capita personal income in the Air Service Area was higher than that of Michigan by an average of 7.1% and was below that of the U.S. by an average of 5.4%. Between 2012 and 2022, per capita personal income for the Air Service Area increased at a CAGR of 1.9%, the same as Michigan (1.9%) and slightly lower than the U.S. CAGR (2.0%) during the same period. Forecasts for 2029 show that per capita income in the Air Service Area is expected to increase from $62,255 in 2022 to $69,767 in 2029. This reflects a CAGR of 1.64% for the Air Service Area, equal to the CAGR for the U.S and slightly higher than the CAGR for Michigan (1.5%).

Figure 1-5 **Historical and Forecast Per Capita Personal Income (2012-2029)**



Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023. Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

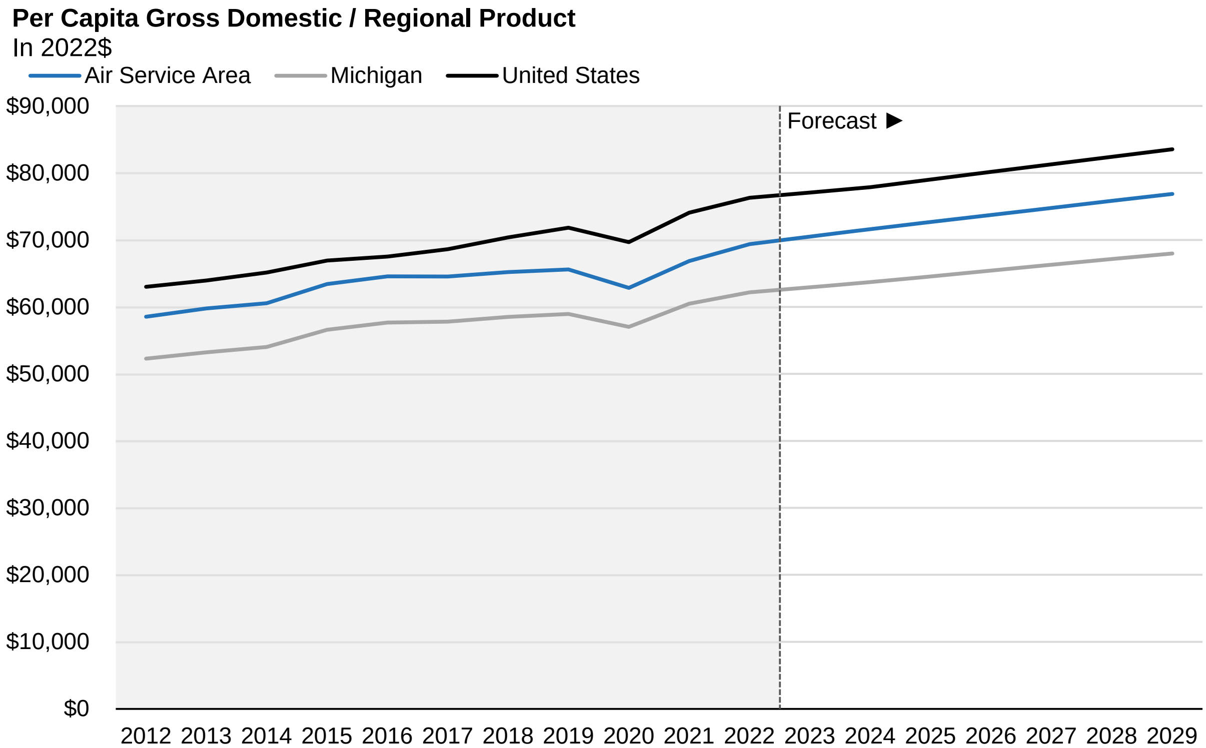
1.2.2 Per Capita Gross Regional Product / Gross Domestic Product

Per capita gross domestic product (national level) and per capita gross regional product (state- and county-level) are measures of the value of all final goods and services produced within a geographic area, divided by the total population. These per capita measures are general indicators of the economic health of a geographic area and, consequently, of the area's potential demand for air transportation services.

Figure 1-6 shows the per capita gross regional product for the Air Service Area and Michigan, and per capita gross domestic product data for the U.S. from 2012 through 2022. The Air Service Area's per capita gross regional product increased from $58,539 in 2012 to $69,366 in 2022, reflecting a CAGR of 1.7% and a lower growth rate compared to the U.S. (1.9%) but equal to that of Michigan.

Forecasts for 2029 show that per capita gross regional product for the Air Service Area is expected to increase from $69,366 in 2022 to $76,876 in 2029. This projected increase represents a CAGR of 1.5% for the Air Service Area and is higher than the growth rates for Michigan (1.3%) and the U.S. (1.3%) between 2022 and 2029.

Figure 1-6 **Historical and Forecast Per Capita Gross Regional and Gross Domestic Product (2012-2029)**



Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023. Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

1.2.3 Labor Market Trends

Civilian labor force data, unemployment rates, and employment by industry data for the Air Service Area are discussed below. Parallel data for Michigan and the U.S. are also shown to provide a basis of comparison for trends in the Air Service Area.

1.2.3.1 Labor Force and Unemployment Trends (2012 – February 2023)

Figure 1-7 includes annual civilian labor force and unemployment data from 2012 through February 2023 for the Air Service Area, Michigan, and the U.S. Data in Figure 1-8 show that between 2012 and 2022, the Air Service Area labor force increased at a CAGR of 0.5%—growing slightly more than the labor force CAGR in Michigan (0.3%) but lagging the growth rate in the U.S. (1.1%). In absolute terms, the labor force in the Air Service Area increased by approximately 123,000 workers between 2012 and 2022.

The Air Service Area's annual unemployment rate was higher than Michigan's in all years from 2012 through 2022, except for 2017 when the Air Service Area's rate was lower than Michigan's, and 2022 when the rates were equal. The annual unemployment rate in the Air Service Area was higher than that of the U.S. from 2012 through 2022.

The global pandemic had a major impact on employment throughout the nation beginning in March 2020. In terms of recent unemployment rates, Figure 1-7 shows that in February 2023, the non-seasonally adjusted unemployment rate in the Air Service Area was 4.0%.[25] This figure is far below the Air Service Area's 11.0% annual unemployment rate in 2020 and it reflects the region's ongoing economic recovery. The Air Service Area's February 2023 non-seasonally adjusted unemployment rate was below the non-seasonally adjusted rate in Michigan (4.6%) and above the U.S. rate (3.9%).[26]

1.2.3.2 Employment by Industry

The Air Service Area is known as the automotive capital of the world and is home to the global headquarters of General Motors and Ford Motor Company, as well the North American headquarters of Stellantis North America (formerly Fiat Chrysler Automobiles),[27] Maserati North American, SAIC USA, and Volkswagen Group of America. Innovative all-electric vehicle manufacturers with operations in the Air Service Area include Bollinger Motors (electric trucks), Rivian (electric trucks and SUVs), and Lordstown Motors (electric trucks).

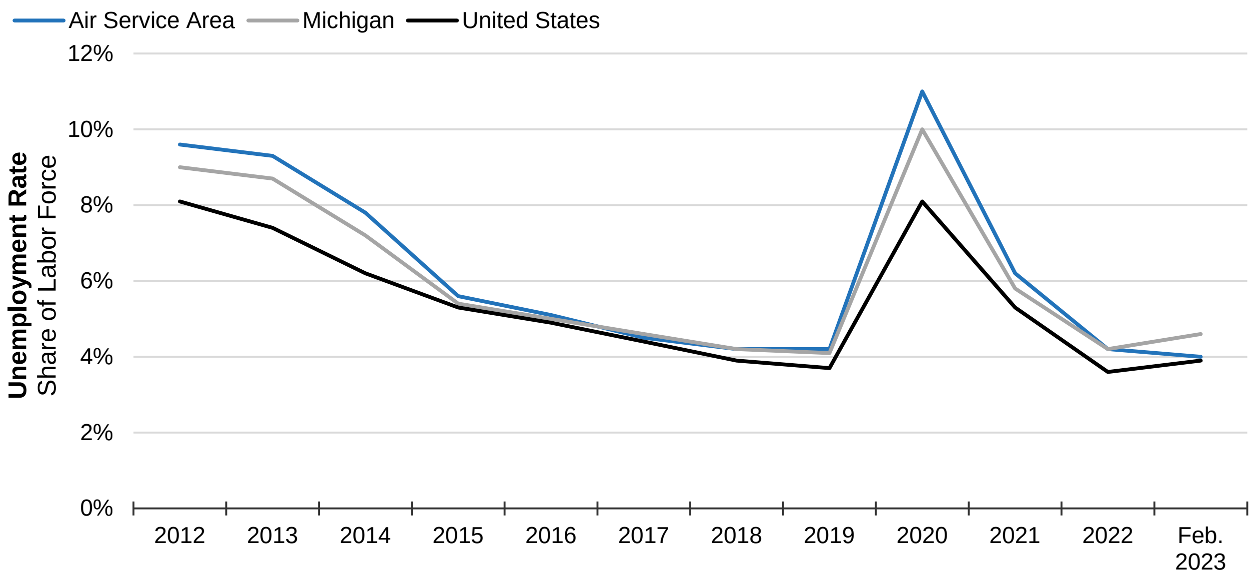
Michigan is also the location of headquarters or other facilities of 96 of North America's largest 100 automotive suppliers such Magna International, Lear Corp., ZF North America, BorgWarner Inc., Robert Bosch LLC, Forvia North America, Continental Automotive Systems, Flex-N-Gate, Denso International, Aisin, Yazaki, Tenneco, BASF Corp., Piston Group, ThyssenKrupp North America, Autoliv North America, Panasonic Automotive Systems, Yanfeng, Hitachi Automotive Systems Americas, Gestamp North America, Grupo Antolin North America, Mitsubishi Electric, Toyota Boshoku America, Visteon, Cooper Standard, Garrett Motion, Maxion Wheels, Johnson Electric, and American Axle & Manufacturing. Many of these suppliers are international companies and are an important source of demand for airline business travel.

Automotive research facilities also have a significant presence in the Air Service Area and include Toyota Technical Center, Ford Research and Innovation Center, GM Technical Center, Daimler R&D Center North America, Honda Research and Development, Hyundai American Technical Center, Isuzu Technical Center of America, Changan U.S. R&D Center, Guangzhou Automobile Group (GAC) R&D Center, American Haval Motor Technology/Great Wall Motors, Mahindra North American Technical Center, Mitsubishi Motors R&D of America, Nissan Technical Center North America, Subaru Research and Development, and the University of Michigan's Center for Automotive Research.[28] Additional information about the automotive industry is discussed later in this chapter.

Beyond its strong manufacturing base, the Air Service Area economy provides employment across a diverse range of industries. **Table 1-6** shows the number of jobs by major industry sector in the Air Service Area and the U.S. in 2012, 2017, and 2022. Between 2012 and 2022, the Air Service Area gained approximately 321,000 jobs and experienced relatively stronger job growth in construction and manufacturing compared to the U.S. The Air Service Area's most significant job growth from 2012 to 2022 occurred in services (78,000), transportation/utilities (71,000), finance/insurance and real estate (66,000), manufacturing (39,000), health care (21,000), leisure/hospitality (22,000), and construction (29,000).

[25] Monthly civilian labor force data published for the Air Service Area are not seasonally adjusted.
[26] In Febraury 2023, the seasonally adjusted unemployment rate was 4.3% in Michigan and 3.6% in the U.S.
[27] In January 2021, shareholders approved the $52 billion merger of Fiat Chrysler Automobiles with PSA (Peugeot). The new company, named Stellantis, is the world's fourth largest automaker. "Fiat Chrysler, Peugeot Get Green Light for $52 Billion Carmaker," *Reuters*, January 4, 2021, https://www.reuters.com/business/autos-transportation/ fiat-chrysler-peugeot-get-green-light-52-billion-carmaker-2021-01-04, accessed March 2023.
[28] OEM HQ – R&D, MICHAuto Automobility Asset Map, https://michauto.org/automobility-asset-map, accessed March 2023.

Figure 1-7 Civilian Labor Forecast and Unemployment Rate (2012 – February 2023)



	Civilian Labor Force			Unemployment Rate		
Year	Air Service Area	Michigan	United States	Air Service Area	Michigan	United States
2012	2,494,585	4,685,462	142,469,000	9.6%	9.0%	8.1%
2013	2,529,042	4,736,919	143,929,000	9.3%	8.7%	7.4%
2014	2,520,620	4,759,720	146,305,000	7.8%	7.2%	6.2%
2015	2,509,129	4,760,207	148,834,000	5.6%	5.4%	5.3%
2016	2,578,743	4,848,638	151,436,000	5.1%	5.0%	4.9%
2017	2,640,338	4,911,247	153,337,000	4.5%	4.6%	4.4%
2018	2,665,022	4,944,794	155,761,000	4.2%	4.2%	3.9%
2019	2,690,326	4,976,013	157,538,000	4.2%	4.1%	3.7%
2020	2,605,220	4,863,008	147,795,000	11.0%	10.0%	8.1%
2021	2,594,761	4,779,555	152,581,000	6.2%	5.8%	5.3%
2022	2,617,448	4,835,966	158,291,000	4.2%	4.2%	3.6%
Feb. 2023	2,589,820	4,839,421	166,178,000	4.0%	4.6%	3.9%

Compound Annual Growth Rates

2012 – 2022	0.5%	0.3%	1.1%			

Note: February 2023 data are not seasonally adjusted. In February 2023 the seasonally adjusted unemployment rate was 4.3% in Michigan and 3.6% in the U.S. Seasonally adjusted civilian labor force data are not available for the Air Service Area.

Source: Bureau of Labor Statistics, U.S. Department of Labor, April 2023.
Compiled by Partners for Economic Solutions, April 2023

Table 1-6 Historical and Forecast Employment by Industry (2012 – 2029)

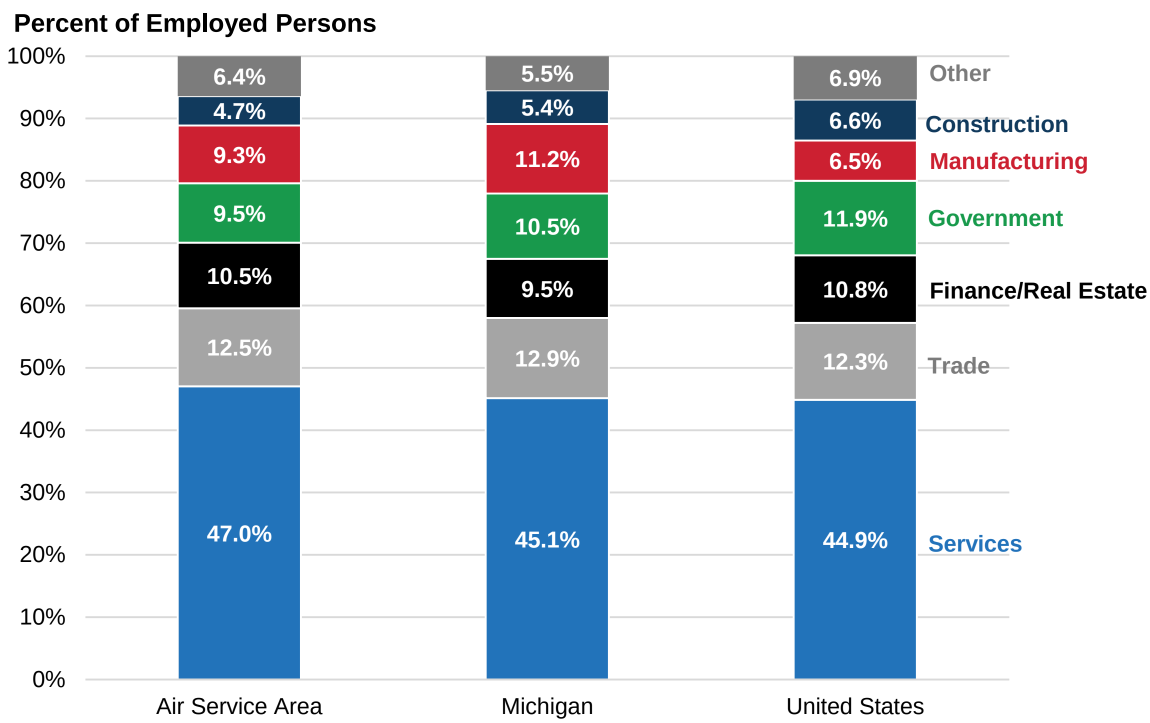
	Air Service Area				United States (in thousands)			
	Historical		Forecast		Historical		Forecast	
Industry[1]	2012	2017	2022	2029	2012	2017	2022	2029
Construction[2]	121,815	141,490	151,004	145,684	11,370,386	12,817,179	13,556,270	13,956,706
Manufacturing	258,409	305,625	297,260	294,568	12,596,227	13,233,195	13,299,421	13,464,252
Wholesale/Retail Trade	394,781	416,187	401,122	400,297	24,314,289	25,836,001	25,401,918	25,947,071
Transportation/ Utilities	91,446	116,559	162,663	170,834	6,444,035	8,587,552	10,862,305	11,633,666
Information	45,370	45,783	43,017	43,655	3,224,710	3,404,509	3,424,976	3,477,453
Fin/Ins/Real Estate	270,597	298,771	336,856	364,526	17,556,512	19,454,015	22,275,782	25,542,522
Health Care	377,750	393,028	399,070	449,187	20,097,433	22,215,266	24,176,372	28,068,089
Leisure/Hospitality	255,248	287,914	277,094	325,767	16,643,403	19,307,007	19,822,765	23,932,560
Services	754,036	806,597	832,211	912,476	40,005,692	44,424,374	48,304,493	55,459,905
Government	315,360	309,836	305,817	309,928	24,104,000	24,493,000	24,571,393	25,520,771
Total	2,884,812	3,121,790	3,206,114	3,416,922	176,356,687	193,772,098	205,695,695	227,002,995

Notes: [1] Civilian, non-agricultural employment only.
[2] Includes mining and forestry employment.

Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023.
Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

Figure 1-8 presents employment by industry for the Air Service Area, the State, and the U.S. The figure shows that in 2022 the Air Service Area had a higher percentage of jobs in manufacturing and services compared to the U.S. In the wholesale/retail trade industry, the Air Service Area had a similar proportion of workers compared with the U.S. The Air Service Area had a lower percentage of jobs in construction, finance/insurance/real estate, and government compared to the U.S. in 2022. The Air Service Area's employment forecast for 2022 through 2029 reflects a CAGR of 0.9%, compared with a CAGR of 1.4% for the U.S.

Figure 1-8 Employment by Industry (2022)



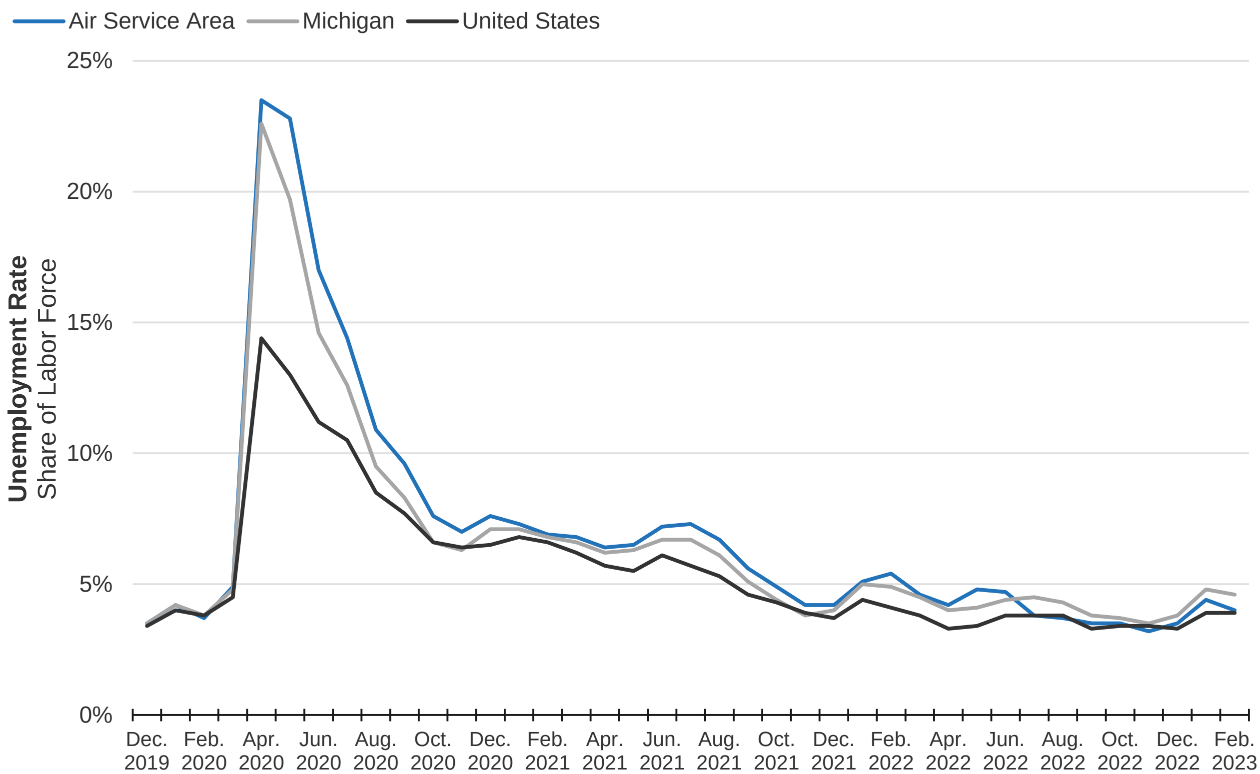
Notes: Civilian, non-agricultural employment only. Construction includes mining and forestry employment.
Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023. Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

Data in Table 1-6 and Figure 1-8 indicate that the Air Service Area has a diversified employment base that is expected to generate additional demand for airline service at the Airport.

1.2.3.3 Job Recovery Following Impact of COVID-19 on 2020 Unemployment

The 2020 unemployment rate in the Air Service Area, Michigan, and the U.S. peaked in April primarily as a result of impacts associated with the COVID-19 pandemic and the shutdown of most sectors of the U.S. economy. **Figure 1-9** shows that as the Air Service Area adjusted to public health measures and reopened its economy, unemployment fell 19.5 percentage points from a peak of 23.5% in April 2020 to 4.0% in February 2023 (non-seasonally adjusted). Michigan's non-seasonally adjusted unemployment rate of 4.6% in February 2023 was 18.0 percentage points below its peak non-seasonally adjusted unemployment rate of 22.6% in April 2020. The U.S. unemployment rate decreased by 10.5 percentage points from 14.4% in April 2020 to 3.9% in February 2023 (non-seasonally adjusted).

Figure 1-9 Unemployment Rates (December 2019 – February 2023)

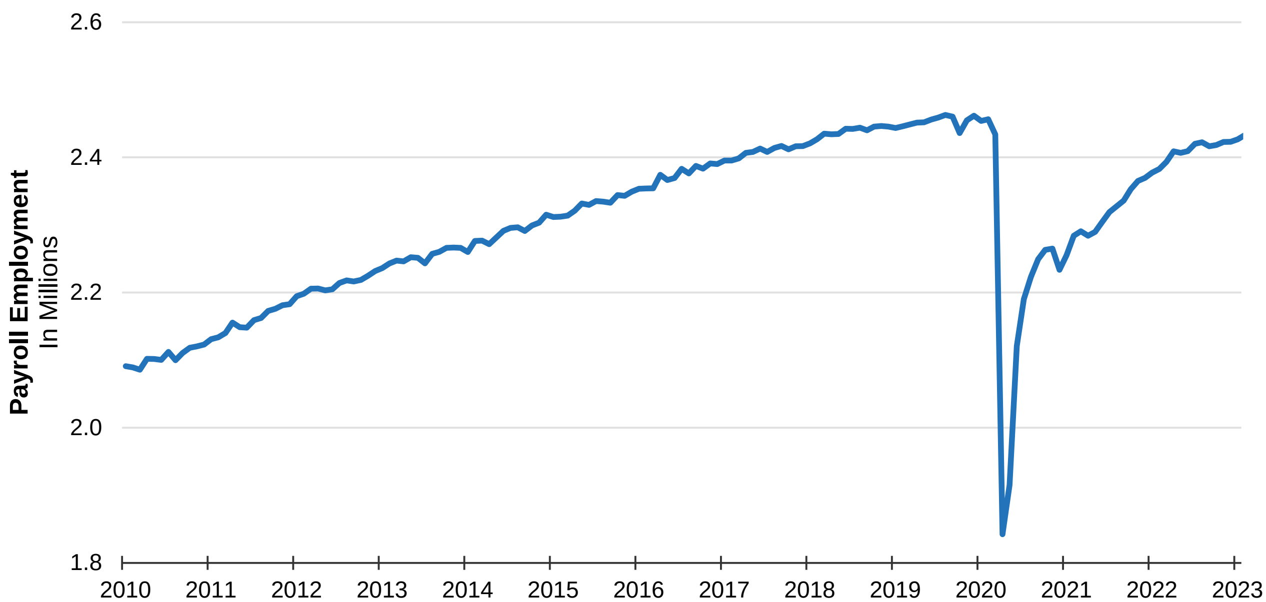


Note: Not seasonally adjusted
Source: U.S. Department of Labor, Bureau of Labor Statistics, April 2023.
Compiled by Partners for Economic Solutions, April 2023

1.2.3.4 Payroll Employment Recovery Following Impact of COVID-19

While Air Service Area industries such as leisure/hospitality, education and health services, and manufacturing experienced significant and rapid job loss in 2020, employment in the Air Service Area recovered considerably between May 2020 and February 2023. **Figure 1-10** shows that total payroll employment in the Air Service Area fell from a 10-year annual high in 2019 to a record loss of approximately 610,000 jobs by April 2020. However, the Air Service Area has recovered approximately 97% of this loss, regaining approximately 591,000 jobs between April 2020 and February 2023.

Figure 1-10 Total Air Service Area Nonfarm Payroll Employment (January 2010 – February 2023)



Note: Total nonfarm employment of workers on payrolls, seasonally adjusted
Source: U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics, State and Area Employment, April 2023.
Compiled by Partners for Economic Solutions, April 2023

1.2.4 Regional Economic Profile

This section discusses the Air Service Area's major employers, regional collaboration, cost advantages, the automotive industry, and the tourism industry.

1.2.4.1 Major Employers

Fortune magazine publishes a yearly list of the top 1,000 publicly traded companies in the U.S., ranked by annual revenue. **Table 1-7** shows that 20 Fortune 1,000 corporations are headquartered in the Air Service Area, including: Ford Motor (ranked 22nd); General Motors (25th); Dow (64th); Penske Automotive Group (142nd); Lear (186th); DTE Energy (239th); BorgWarner (244th); Rocket Companies (282nd); Ally Financial (345th); Masco (413th); Kelly Services (618th); Domino's Pizza (662nd); and Sun Communities (964th). As of 2021, the 20 Fortune 1,000 companies headquartered in the Air Service Area had combined annual revenue of approximately $466.0 billion and over 832,000 employees worldwide.

Table 1-7 Air Service Area Fortune 1,000 Company Headquarters (2022) [1]

Fortune 1000 Rank	Company	Revenue (in billions USD)	Worldwide Employees	Industry
22	Ford Motor Co.	$136.3	183,000	Automobile Manufacturing
25	General Motors	$127.0	157,000	Automobile Manufacturing
64	Dow	$54.9	35,700	Chemical Manufacturing
142	Penske Automotive Group	$25.6	24,797	Automotive Retailing, Services
186	Lear	$19.3	160,100	Automotive Supplier
239	DTE Energy	$15.4	10,300	Utility
244	BorgWarner	$14.8	49,300	Automotive Supplier
282	Rocket Companies	$13.2	26,000	Financial Services
345	Ally Financial	$10.7	10,500	Financial Services
413	Masco	$8.3	20,000	Home Equipment, Furnishings
421	Autoliv	$8.2	58,176	Automotive Supplier
587	American Axle & Manufacturing	$5.2	18,000	Automotive Supplier
618	Kelly Services	$4.9	7,400	Staffing Services
662	Domino’s Pizza	$4.4	10,450	Restaurant
710	Meritor	$3.8	9,600	Automotive Supplier
736	Garrett Motion	$3.6	7,600	Automotive Supplier
840	UWM Holdings	$3.0	8,000	Financial Services
884	Visteon	$2.8	10,000	Automotive Supplier
952	Cooper-Standard	$2.3	21,300	Automotive Supplier
964	Sun Communities	$2.3	5,455	Retirement Communities
	Total	**$466.0**	**832,678**	

Note: [1] Based on 2021 revenue.
Source: Fortune, https://fortune.com/fortune500/2022, accessed March 2023.
Compiled by Partners for Economic Solutions, March 2023

Table 1-8 lists the major employers in the Air Service Area. These employers represent a variety of industries including automobile manufacturing and suppliers (Ford Motor, Stellantis, General Motors, Magna International of America, etc.), education (University of Michigan, Detroit Public Schools Community District, Wayne State University), health care (Beaumont Health, Henry Ford Health Systems, Trinity Health Michigan, Ascension Michigan), financial services (Rocket, United Wholesale Mortgage), utilities (DTE Energy), and government.

In addition to contributing to the Air Service Area’s diverse economic base, these companies depend on air passenger and freight service for the continued health and expansion of their business enterprises.

Table 1-8 Major Air Service Area Employers

Company	Industry	Local Employees
Ford Motor Company (#22)	Automobile Manufacturing	47,750
Stellantis NV	Automobile Manufacturing	37,761
University of Michigan	Education	35,185
General Motors (#25)	Automobile Manufacturing	33,935
Beaumont Health	Health Care	24,668
U.S. Government	Government	19,953
Rocket (#282)	Financial Services	18,000
Henry Ford Health System	Health Care	17,875
Trinity Health Michigan	Health Care	12,991
Ascension Michigan	Health Care	12,452
U.S. Postal Service	Government	11,680
State of Michigan	Government	9,195
United Wholesale Mortgage (#840)	Financial Services	9,126
City of Detroit	Government	8,563
Detroit Medical Center	Health Care	8,338
Blue Cross Blue Shield of Michigan	Health Care	7,417
DTE Energy (#239)	Utility	7,398
Detroit Public Schools Community District	Education	6,892
Ilitch Companies	Entertainment	6,000
McLaren Health Care Corp.	Health Care	5,340
Magna International of America	Automotive Supplier	4,637
Wayne State University	Education	4,545
Comerica Bank	Financial Services	4,254
Roush Enterprises	Automotive Supplier	4,000
ZF Aftermarket	Automotive Supplier	3,920

Note: (#) indicates 2022 Fortune 1,000 ranking.
Source: "Largest Southeast Michigan Employers," *Crain's Detroit Business The Book 2022*, December 19, 2022.
Compiled by Partners for Economic Solutions, March 2023

1.2.4.2 From Motor City to Global Mobility Leader

Nicknamed Motor City, Detroit has been the center of the auto industry in North America for over 100 years and ranks first in the U.S. for automotive manufacturing jobs. Michigan is an international center of automotive innovation, with 68% of annual business-funded U.S. automotive research and development (R&D), or approximately $15 billion per year.[29]

During the 2022 Detroit Auto Show, Governor Whitmer unveiled new strategies to ensure that Michigan remains a global leader in electric vehicles (EVs), autonomous vehicles (AVs), battery technology, and transportation innovations. Developed by the State of Michigan's Office of Future Mobility and Electrification (OFME, see below), the Council on Future Mobility and Electrification (CFME) and other State of Michigan partners, the MI Future Mobility Plan presents goals, strategies, and programs to: increase Michigan's high-tech workforce; install 100,000 EV chargers statewide; and maintain Michigan's leadership in innovative mobility policies.[30]

EV (Electric Vehicle) Strategy

As a former Michigan governor, U.S. Secretary of Energy Jennifer Granholm has supported policies that encourage a more energy efficient U.S. auto fleet and greater investment in next generation transportation technologies. During her two terms as governor, Granholm supported the production of electrical vehicles and alternative energy technology in an effort to mitigate climate change as well as to diversify Michigan's manufacturing economy and strengthen its industrial base. In May 2022, Secretary Granholm traveled to Detroit to announce multi-billion-dollar funding opportunities for investments in battery manufacturing and recycling.[31]

With nine battery plants and facilities, Michigan is home to one-third of U.S. battery production and development. Since 2020, Michigan has attracted $16.3 billion in EV and battery investments and is #1 in the U.S. for business-funded automotive and mobility research and development.[32]

Because an insufficient charging infrastructure could delay the long-term transition to EVs, the *MI Future Mobility Plan* has set a goal to deploy 100,000 EV chargers for two million EVs by 2030. The Charge Up Michigan program will leverage state and federal funding, utility collaborations, and public-private partnerships to install EV charging infrastructure along Michigan's interstates and strategic thoroughfares. The program will also assist local communities with the buildout of EV charging networks.[33]

High-Tech Workforce Development

In the past, Michigan companies had difficulty competing with Google, Microsoft, Meta, Salesforce and other tech giants for workers. In 2022, however, tech companies in the U.S. cut over 97,000 jobs, up 646% from 13,000 layoffs in 2021. Tens of thousands of tech workers have been laid off in the San Francisco Bay Area alone between January and April 2023.[34]

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29 Michigan is Automobility Report, MICHAuto, September 2021, https://michauto.org/michigan-is-automobility, accessed March 2023.

30 MI Future Mobility Plan, Office of Future Mobility and Electrification, Michigan Economic Development Corporation, https://www.michiganbusiness.org/4aecec/globalassets/documents/mobility/state-strategy-for-the-future-of-mobility-and-electrification-detailed-version.pdf accessed March 2023.

31 "Secretary Granholm Visited Michigan to Announce $3.16 Billion for Domestic Battery Production and Tout Benefits of American Manufacturing," 4 May 2022, U.S. Department of Energy, https://www.energy.gov/articles/icymi-secretary-granholm-visited-michigan-announce-316-billion-domestic-battery-production; "U.S. to spend more than $3 bln on EV battery manufacturing," 2 May 2022, *Reuters*, https://www.reuters.com/business/autos-transportation/us-spend-more-than-3-bln-ev-battery-manufacturing-white-house-2022-05-02, accessed March 2023.

32 Michigan EV Landscape, MICHauto, https://michauto.org/michigan-ev-landscape, accessed March 2023.

33 MI Future Mobility Plan, Office of Future Mobility and Electrification, Michigan Economic Development Corporation, https://www. michigan business.org/4aecec/globalassets/documents/mobility/state-strategy-for-the-future-of-mobility-and-electrification-detailed-version.pdf, accessed March 2023.

34 "Tech Layoffs in 2023: A Timeline," 21 April 2023, *Computerworld*, https://www.computerworld.com/article/3685936/tech-layoffs-in-2023-a-timeline.html; "Tech Companies Plan Hundreds More Bay Area Job Cuts as Layoffs Worsen," 4 April 2023, *The Mercury News*,

With an estimated 3,000 job openings for software designers and other skilled workers, Michigan companies must actively recruit workers from out of state. Using social media marketing and professional recruiters, Michigan businesses have been able to offer new opportunities to laid off workers, as well as a better work-life balance. There has also been a "boomerang effect" where Michigan tech graduates leave careers at large tech firms on the coasts and return home to work in corporate IT for traditional companies.[35]

In addition, the Michigander EV Scholars Program is part of a $34 million investment in skills development and workforce recruitment that was introduced by the Michigan Economic Development Corporation (MEDC) in 2023. A public-private partnership with 15 major Michigan employers,[36] public universities, and community colleges, this new scholarship program is the largest of its kind in the nation and will help meet growing industry demand. Selected engineering and computer science students in their junior or senior year at the University of Michigan, Michigan State University, and Michigan Technology University will be eligible for a tuition credit of up to $10,000 if they accept a job offer from an EV-partner employer in Michigan and commit to remaining in the role for one year. MEDC has also established a Talent Action Team to monitor the Michigander EV Scholars Program and give students access to networking opportunities with industry leaders.[37]

Innovative Mobility Policies

While many states in the U.S. are competing to attract mobility jobs, Michigan has gained worldwide recognition for its industry-friendly, innovative policies supporting EV and connected and automated vehicle (CAV) testing. Michigan leads the nation in CAV legislation, permitting driverless car testing on public roads, and truck platooning test support. Michigan's forward-looking CAV policies have made the Air Service Area a global leader in the next generation of mobility technology. Designed to improve safety and traffic flows, connected vehicles (CVs) use wireless technology to communicate with other vehicles, traffic signals, road infrastructure, and smartphones, and to obtain data from cloud-based storage systems. Automated vehicles (AVs) use sensors, cameras, and computers to take control of driving tasks such as steering, braking, and accelerating.

The 32-acre MCity testing facility opened in Ann Arbor in 2015 with $60 million in funding from the Michigan Department of Transportation, the University of Michigan, and 59 industry partners. The CAV testing environment includes urban and suburban streetscapes, intersections, buildings, streetlights, road signs, guard rails, construction barriers, and other features. MCity's activities encompass research and development, and innovative projects such as driverless shuttle safety, object detection by vehicle-based sensors, and simulation software.[38]

https://www.mercurynews.com/2023/04/04/tech-job-cut-san-jose-newark-bay-area-layoff-roku-lucid-economy; "These are the Biggest Tech Layoffs Impacting the S.F. Bay Area," 14 March 2023, *San Francisco Chronicle*, https://www.sfchronicle.com/tech/article/bay-area-layoffs-17750576.php, accessed April 2023.

35 "Michigan Tries to Lure Tech Workers After Layoffs at Google, Other Giants," 23 January 2023, Bridge Michigan, https://www.bridgemi.com/business-watch/michigan-tries-lure-tech-workers-after-layoffs-google-other-giants, accessed March 2023.

36 Ford, General Motors, Toyota, BorgWarner, Bosch, LG Energy Solution, Magna, and others.

37 "Not Our Grandfather's Auto Industry: New EV Scholarship Program Launches in Michigan," 7 March 2023, Let's Detroit, https://letsdetroit.com/not-our-grandfathers-auto-industry-new-ev-scholarship-program-launches-in-michigan; Match With Michigan Jobs, Michigan Economic Development Corporation, https://www.michiganbusiness.org/talent-action-team; "Michigan Announces Launch of Nation's Largest Campaign to Promote New Careers in State's Surging Electric Vehicle and Mobility Sector," 1 March 2023, Michigan Economic Development Corporation, https://www.michiganbusiness.org/press-releases/2023/03/talent-campaign-launch, accessed March 2023.

38 Mcity Test Facility, https://mcity.umich.edu/our-work/mcity-test-facility, accessed March 2023.

In April 2018, the 500-acre, $135 million American Center for Mobility (ACM) opened at GM's former Willow Run power train plant in Ypsilanti Township, which is adjacent to Willow Run Airport. ACM is a massive, purpose-built, non-profit testing facility for CAV and other mobility technologies. This unique facility offers a 2.5-mile highway loop, a 700-foot curved tunnel, and two double overpasses for high-speed driverless vehicle testing in all weather conditions. ACM is one of only 10 U.S. Department of Transportation designated Automated Vehicle Proving Grounds for testing CAV technologies.[39]

1.2.4.3 Defense and Homeland Security Industry

The Air Service Area is a major location for the defense and homeland security industry. During World War II, Detroit was the center of what President Franklin D. Roosevelt named the "Arsenal of Democracy" as it provided weapons and vehicles necessary for victory. In 2020, the region was home to approximately 3,400 defense industry businesses with a total of 92,000 employees. Major defense contractors in the Air Service Area include General Dynamics Land Systems, GM Defense, GE Aviation, BAE Systems, MTU America (Rolls Royce Power Systems), AM General, Oshkosh Defense, and Raytheon Technologies. Air Service Area businesses were awarded approximately $5.3 billion in defense and homeland security contracts in 2020.

The Air Service Area's colleges and universities are home to numerous defense and homeland security related programs that provide graduates and workforce training for the region's defense industry. Areas of specialization for these educational institutions include innovative materials for defense applications, cybersecurity, advanced vehicle systems, intelligent electronics, autonomous aerial vehicle testing, and smart sensors and integrated micro systems.

U.S. Department of Defense organizations located in the Air Service Area include: the Defense Logistics Agency; U.S. Army Tank Automotive and Armaments Command; Integrated Logistics Support Center; Office for Chemical and Biological Defense; Ground Vehicle System Center; Ground Combat Systems; and Combat Systems Support. The U.S. Army Garrison Detroit Arsenal, located in Warren, is a 178-acre, 200 million-square-foot facility that is home to 8,000 military and Department of Defense civilian and contract workers. Selfridge Air National Guard Base located in Macomb County hosts all four Department of Defense services (U.S. Army, Navy, Air Force, and Marines) plus the Department of Homeland Security.[40]

1.2.4.4 Business Taxes and Incentives

Michigan offers a variety of resources that provide personalized assistance for businesses starting, relocating, or expanding operations in the state. Ranking among the top 10 states for major new and expanded facilities, Michigan has a 6.0% corporate income tax rate that has assisted in attracting and retaining businesses. The reform of the industrial personal property tax in 2014 is cited by economic development experts for creating $500 million in annual business savings.[41]

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[39] American Center for Mobility, https://www.acmwillowrun.org/smart-mobility-test-center; U.S. Department of Transportation Designates 10 Automated Vehicle Proving Grounds to Encourage Testing of New Technologies, 19 January 2017, U.S. Department of Transportation, https://www.transportation.gov/briefing-room/dot1717, accessed March 2023.

[40] Top Michigan Defense Contractors, Michigan Economic Development Corporation, https://www.michiganbusiness.org/industries/defense; Defense, Detroit Regional Chamber, https://www.detroitchamber.com/research/regional-overview/industries/defense; DOD in Michigan, Michigan Defense Center, https://www.michigandefensecenter.com/dod-in-michigan, accessed March 2023.

[41] Incentives & Taxes, Michigan Economic Development Corporation, https://www.michiganbusiness.org/services/incentives-and-taxes, accessed March 2023.

While many states offer tax credits that provide future savings based on jobs and investment targets, Michigan has adopted programs that provide immediate benefits such as loans, grants, or other economic assistance. For example, property tax abatements available to Michigan businesses include 50% abatements for up to 12 years on real property for industrial processors and "high tech" companies.[42] Michigan's Revitalization and Placemaking (RAP) Program, launched in 2022, is a $184 million program that provides incentives for private investment in building conversions and renovations in the state's downtowns and commercial districts that will attract new users and support economic vitality.[43]

These programs encourage the replacement, restoration, or new construction of job creating facilities. As a result of its business tax and incentives structure, Michigan currently ranks 12th among the 50 states in the Tax Foundation's Business Tax Climate Index.[44]

1.2.4.5 Regional Collaboration and Economic Development

Site selection and business relocation experts underscore the importance of air service and the impression a region's airport facilities give to business and leisure travelers. Because access to domestic and international markets is a major factor in the site selection process, the Airport plays a significant role in business attraction and expansion in the Air Service Area.[45]

Economic development officials throughout the Air Service Area work collaboratively to attract national and foreign investment to the region. Partners include the Detroit Regional Chamber, Detroit Economic Growth Corp., Wayne County Economic Development, Ann Arbor SPARK, Advantage Oakland, Economic Development Alliance of St. Clair County, Flint and Genesee Chamber of Commerce, Lapeer Development Corp., Lenawee Economic Development Corp., Macomb County Department of Planning and Economic Development, Monroe County Business Alliance, Michigan Chamber of Commerce, Michigan Manufacturers Association, Small Business Association of Michigan, Pure Michigan Business Connect, and Detroit Means Business.[46]

Foreign Investment[47]

The Air Service Area's economic development organizations work with MEDC and numerous foreign chambers of commerce to promote foreign direct investment (FDI) in Michigan. From 2015 to 2020, Michigan's FDI employment increased 31% versus 15% in the U.S. overall. Currently more than 1,185 international employers have operations in Michigan.[48] According to Global Business Alliance, in 2022 Michigan led the nation with 64% of FDI jobs in the manufacturing industry. Michigan also has the second highest concentration of FDI jobs, with employment at international companies making up 9.1 percent of private-sector jobs.[49]

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42 Incentives & Taxes, Michigan Economic Development Corporation, https://www.michiganbusiness.org/services/incentives-and-taxes, accessed March 2023.

43 Revitalization and Placemaking (RAP) Program, Michigan Economic Development Corporation, https://www.michiganbusiness.org /rap, accessed March 2023.

44 2023 State Business Tax Climate Index, Tax Foundation, https://taxfoundation.org/2023-state-business-tax-climate-index, accessed March 2023.

45 *Measuring and Understanding the Relationship Between Air Service and Regional Economic Development*, May 2022, Transport-ation Research Board; Airport Cooperative Research Program, https://nap.nationalacademies.org/catalog/26682/measuring-and-understanding-the-relationship-between-air-service-and-regional-economic-development, accessed March 2023.

46 Regional Collaboration, Detroit Regional Chamber, https://www.detroitchamber.com/about/regional-collaboration, accessed March 2023.

47 Foreign direct investment is defined as a cross-border investment that establishes a lasting management interest (10% or more of voting stock) in an enterprise; International Trade & Investment, Bureau of Economic Analysis, https://www.bea.gov/resources /learning-center/what-to-know-international-trade-investment, accessed March 2023.

48 Michigan, Global Business Alliance, https://globalbusiness.org/state/michigan, accessed March 2023.

49 Hawaii and South Carolina tied for first place, each having 9.4% of private-sector jobs at international companies. "Ten States Leading America's FDI Manufacturing Workforce," 17 March 2023, Global Business Alliance, https://globalbusiness.org/ten-states-leading-americas-fdi-manufacturing-workforce; "Global Business Alliance Releases New State-by-State Analysis," 22 February 2022, Global Business Alliance, https://globalbusiness.org/global-business-alliance-releases-new-state-by-state-analysis, accessed March 2023.

Major investment projects include a $40 million Safety Advancement Lab at Nissan's technical lab in Farmington Hills; a $150 million Hyundai Motor testing and investigation laboratory in Ann Arbor (150 jobs); and a $526 million investment in manufacturing facilities by automotive supplier Magna International (1,500 jobs).[50] With 313,000 FDI jobs, Michigan ranks #7 in the U.S. behind #1 California (845,400 FDI jobs), #2 Texas (666,100), #3 New York (519,800), #4 Illinois (375,200), #5 Florida (358,700), and #6 Pennsylvania (320,000).[51]

Economic Development Awards

Despite economic challenges presented by the COVID-19 pandemic, in 2022 Michigan received a noteworthy accolade from Bloomberg which ranked it #1 for economic resilience through the pandemic. Among 37 states with a population greater than 2 million, Michigan was ranked #1 based on equally weighted measures of employment, personal income, home prices, mortgage delinquency, state tax revenue, and the stock market performance of its publicly traded companies according to data compiled by Bloomberg.[52]

Other economic development awards and accolades for Michigan in 2021 and 2022 included a "Deal of the Year Impact Award" from *Business Facilities* magazine for General Motors' planned $7 billion investment in EV production in Michigan. *Business Facilities* also ranked Michigan #1 in Automotive Manufacturing, #4 in Manufacturing Output as a percentage of GRP, and #4 in Manufacturing Employment. Michigan also received a Golden Shovel Award for Manufacturing by *Area Development* magazine. Further accolades for Michigan included: #3 State for Sustainability Development in *Site Selection* magazine's Sustainability Rankings; a Top 3 State To Dominate EV battery manufacturing in 2030 from CNBC; #8 Best State to Start a Career from Best Colleges; and #8 state with Best Employers for New Grads from *Forbes* magazine.[53]

Recognition for Detroit in 2022 included: #2 Most Affordable Cities/Large, #9 Manufacturing Hub/Large MSAs and #9 Tech Talent Leader/Labor Pool less than 100,000 from *Business Facilities*; and #1 Emerging Startup Ecosystem in 2022 by from Startup Genome's 2022 Global Startup Ecosystem Report (GSER).[54]

Office of Future Mobility and Electrification (OFME)

In July 2020, Governor Whitmer announced the launch of the Office of Future Mobility and Electrification (OFME), a division of the state's Department of Labor and Economic Opportunity (LEO), to work across state government, academia, and private industry to support the startup and growth of businesses with emerging transportation technologies. OFME's mission is to advance the competitiveness of Michigan's auto industry, especially in the development and production of next-generation transportation technologies.

The creation of the OFME is a response to changes in automotive manufacturing and the consequent need to support Michigan's auto industry through legislation, public policy, smart infrastructure, and innovative partnerships. Headed by a Chief Mobility Officer, OFME focuses on six objectives: increase EV and CAV

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50 In Your State, Global Business Alliance, https://globalbusiness.org/in-your-state, accessed March 2023.

51 Global Business Alliance Releases New State-by-State Analysis, 22 February 2022, Global Business Alliance, https://globalbusiness.org/global-business-alliance-releases-new-state-by-state-analysis, accessed March 2023.

52 "The Winners and Losers from a Year of Ranking Covid Resilience," 23 November 2021, Bloomberg.com, https://www.bloomberg.com/news/features/2021-11-23/the-winners-and-losers-from-a-year-of-ranking-covid-resilience#xj4y7vzkg; Michigan Recognized as Home to No. 1 Economy, 17 February 2022, Michigan Economic Development Corporation, https://www.michiganbusiness.org/ press-releases/2022/02/tji-michigan-recognized-as-home-to-no.-1-economy, accessed March 2023.

53 Michigan Awards and Rankings, Michigan Economic Development Corporation, https://www.michiganbusiness.org/rankings; "2022 Deal of the Year: Impact Awards," 15 February 2023, Business Facilities, https://businessfacilities.com/2022-deal-of-the-year-impact-awards; "Business Facilities' 18th Annual Rankings Report: State Rankings," 4 August 2022, *Business Facilities*, https://businessfacilities.com/business-facilities-18th-annual-rankings-report-state-rankings; "2021 Gold & Silver Shovel Awards Recognize State and Local Economic Development Efforts," Q2 2021, *Area Development*, https://www.areadevelopment.com/Gold-Shovel-Econdev-Awards/Q2-2021/recognize-new-state-and-local-economic-development-efforts.shtml, accessed March 2023.

54 "Business Facilities' 2022 Metro Rankings Report," 8 August 2022, *Business Facilities*, https://businessfacilities.com/business-facilities-2022-metro-rankings-report; Michigan Awards and Rankings, Michigan Economic Development Corporation, https://www.michiganbusiness.org/rankings, accessed March 2023.

technology investment and job creation; expand smart infrastructure to reduce traffic crashes and fatalities; increase mobility startups; develop a stronger pipeline of software engineering talent; accelerate electric vehicle ownership in Michigan; and increase Michigan's share of EV production. Working within the Michigan Economic Development Corporation (MEDC), OFME released The MI Future Mobility Plan in 2022 with a comprehensive strategy to strengthen the state economy and ensure Michigan's continued leadership in the automotive industry.[55]

Detroit Region Aerotropolis

The Detroit Region Aerotropolis is a four-community (Romulus, Taylor, Huron Township, Van Buren Township), two-county (Wayne and Washtenaw) public-private partnership focused on investment, corporate expansion, and economic development in industrial areas surrounding the Airport and Willow Run Airport. The Wayne County Airport Authority has a representative on the Detroit Region Aerotropolis Development Corporation Board and works closely with Aerotropolis staff to facilitate business attraction and site selection efforts.[56] Offering 6,000 acres of development-ready land with access to two world-class airports, three major interstates, and five Class-A rail lines, the Aerotropolis is the premier location for greenfield expansion in Southeast Michigan. The ability to rapidly transport cargo to U.S. and international customers provides an advantage to Aerotropolis companies over their competitors.[57] The benefit of easy airport access was demonstrated during the COVID-19 pandemic when local companies were able to fly personal protective equipment and medical supplies to aid other parts of the U.S.

Beyond offering incentives to promote investment in the region, Aerotropolis assists companies with economic development services such as site identification, infrastructure analysis, market data, demographic information, and community engagement. Aerotropolis' target industries include advanced manufacturing, next-generation mobility, and logistics. A recent partnership between Kroger (the largest U.S. grocery retailer) and Ocado (an ecommerce technology expert) resulted in the investment of $95 million in the city of Romulus for a 135,000-square-foot customer fulfillment center. Businesses that have recently located operations in Detroit Region Aerotropolis include Mayser Polymer, S&F Foods, Plastisteel Corp., UPS Supply Chain Solutions, Brose, Crane Worldwide Logistics, Aerostar Manufacturing, Romulus Trade Center, and Our Next Energy (ONE). Recent business expansions include Penske Logistics, Piston Automotive, Medline Industries, Precision Machine Products, and Amazon (see below).[58]

Amazon

Amazon operates over 10 fulfillment and sorting centers in the Air Service Area, including the 84-acre, $40 million, 855,000-square-foot regional fulfillment center opened by Amazon in Romulus in 2018 and four facilities that launched in 2020. Since 2021, two Amazon warehouse/fulfillment centers have been built at Pinnacle Aeropark (the former Pinnacle Race Course horse racing track) in Huron Township and created 1,000 new jobs. In March 2023, Amazon announced hiring plans for 1,200 workers at its largest Michigan facility—the new, $400 million, 3.8 million-square-foot fulfillment center located on a 78-acre site at the former Michigan State Fairgrounds in Detroit. According to Amazon, the company operates 26 facilities in Michigan which have created 13,500 jobs in the state.

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55 "Michigan's Office of Future Mobility and Electrification Formally Launches, Sets Course for Economic Growth, Job Creation," The Office of Governor Gretchen Whitmer, Press Releases, 2 July 2020, https://www.michigan.gov/whitmer/0,9309,7-387-90499_90640-533468--,00.html; Office of Future Mobility and Electrification, Michigan Economic Development Corporation, https://www.michigan business.org/ofme, accessed March 2023.

56 Detroit Region Aerotropolis Development Corporation 2022 Annual Report, December 2022, https://www.detroitaero.org/who-we-are-/marketing-materials, accessed April 2023.

57 The Aerotropolis Advantage, Detroit Region Aerotropolis, https://www.detroitaero.org/who-we-are-/the-aerotropolis-advantage, accessed March 2023.

58 Detroit Region Aerotropolis 2022 Annual Report and 2020 Annual Report, Detroit Region Aerotropolis Development Corporation, https://www.detroitaero.org/who-we-are/marketing-materials; "Detroit Region Aerotropolis Annual Report Shows Strong Growth," 29 December 2021, *Detroit Business*, https://www.dbusiness.com/Detroit Region Aerotropolis Annual Report Shows Strong Growth, accessed March 2023.

Since 2010 Amazon has invested more than $2.5 billion in Michigan, including infrastructure and compensation to its employees.[59]

Michigan Central

In 2018, Ford announced plans to restore Michigan Central Station (MCS) as the centerpiece of a 30-acre, 1.2 million-square-foot, four-building innovation district in Corktown that will be focused on developing advancements in electric and automated vehicles. Dominating Corktown's skyline near downtown Detroit, MCS was once a world-class train station but was abandoned in 1988. The 21-floor, 1914 Beaux Arts landmark building, which shares the same architect with the Grand Central Terminal in New York, will be redeveloped into an innovative office facility.

Ford's $950 million investment in redeveloping Michigan Central is designed to facilitate collaboration between teams of engineers and innovators and to give them access to a first-of-its-kind mobility testing platform. As a state-of-the-art mobility district, Michigan Central will allow Ford and its partners to try out new solutions in real-world situations. Ford's dedicated electric vehicle organization and autonomous vehicle business team are currently located in Corktown.

In February 2022, Google announced that it is joining Michigan Central as a Founding Partner and will collaborate with Ford on products and services that are defining the future of mobility. Initially, Google's role has been to provide cloud technology, to offer workforce training in computer coding and programming languages to local students, and to mentor job seekers.

Ford's plans for the Michigan Central project include flexible workspaces, co-working areas, labs, and innovation studios for an estimated 5,000 workers—2,500 from Ford and 2,500 from Google and other mobility business partners. Michigan Central is designed as a walkable community that will be anchored by the restored train station. Public amenities will include new open spaces, biking trails, pedestrian-friendly streetscapes, and abundant green space. Michigan Central will also be a node on the connected and autonomous vehicle corridor running from Detroit to Dearborn and Ann Arbor that has been proposed by the State of Michigan. This corridor will link Michigan Central to a regional network of testing, research and innovation centers.[60]

Gordie Howe International Bridge

The $5.7 billion Gordie Howe International Bridge, connecting Detroit to Windsor, Ontario across the Detroit River, is currently under construction. Despite COVID-19-related construction delays, project completion is expected in

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59 "Amazon Hiring 1,200 for Detroit Fulfillment Center Launch," 16 March 2023, *Crain's Detroit Business*, https://www.crainsdetroit.com/jobs/amazon-hiring-1200-detroit-fulfillment-center-launch, "Amazon Begins Hiring 1,200 Full-time Positions in Detroit," 16 March 2023, *D Business*, https://www.dbusiness.com/daily-news/dbusiness-daily-update-amazon-begins-hiring-1200-full-time-positions-in-detroit-and-more; "Amazon Invests $6B+ in Michigan, Creates 21K Jobs," 11 August 2021, *D Business*, https://www.dbusiness.com/daily-news/amazon-invests-6b-in-michigan-creates-21k-jobs; "Wayne County's Game Changer," 30 May 2022, *Crain's Detroit Business*, https://www.crainsdetroit.com/sponsored-content/wayne-countys-game-changer; "Amazon Begins Process to Hire 1,200 Workers at Detroit Fulfillment Center," 16 March 2023, *Detroit Free Press*, https://www.freep.com/story/money/business/2023/03/16/amazon-hiring-jobs-detroit-fulfillment-center/70015671007; "Amazon Expands Investment in Metro Detroit, Creates Thousands of New Jobs to Support Operations," 11 January 2021, Business Wire, https://www.businesswire.com/news/home/20210111005173/en/Amazon-Expands-Investment-in-Metro-Detroit-Creates-Thousands-of-New-Jobs-to-Support-Operations, accessed March 2023.

60 "U.S. Automakers Aim to Make Detroit the Next Silicon Valley," 8 February 2023, *Newsweek*, https://www.newsweek.com/2023/02/ 17/us-automakers-aim-make-detroit-next-silicon-valley-1779611.html; "Ford to be Joined by Google in Train Station Ecosystem," 4 February 2022, *Automotive News*, https://www.autonews.com/automakers-suppliers/ford-be-joined-google-train-station-ecosystem-state-commits-new-resources; About Michigan Central, Ford Motor Company, https://michigancentral.com/about; "Ford Reveals Plans for Inclusive, Vibrant, Walkable Mobility Innovation District Around Michigan Central Station," 17 November 2020, Ford Motor Company, https://media.ford.com/content/fordmedia/fna/us/en/news/2020/11/17/ford-plans-mobility-innovation-district.html; "Behind-the-Scenes Work is Done as Ford Puts Detroit Railroad Station Back Together," 12 January 2022, *Automotive News*, https://www.autonews.com/automakers-suppliers/ford-motor-co-opens-michigan-central-station-progress-update-renovations, accessed March 2023.

2025. Named for Detroit Red Wings ice hockey star, and Canadian citizen, Gordie Howe, the 1.6-mile bridge will have two 820-foot "A" shaped towers (taller than Detroit's GM Renaissance Center), six auto lanes, and a bicycle and pedestrian path. When completed, it will be the longest cable-stayed bridge in North America.[61]

While the existing Ambassador Bridge crossing terminates in Windsor's city streets, the new bridge, which is located approximately 3.5 miles downriver from the Ambassador Bridge, will connect the U.S. and Canadian freeway systems and allow for uninterrupted traffic flow. The Gordie Howe International Bridge is one of the largest infrastructure projects under construction in North America. In addition to the bridge itself, the project includes toll collection facilities, border inspection facilities, connecting ramps, re-configured freeway interchange ramps, railway relocation, and maintenance buildings. The facility will be the largest Canadian port along the U.S.-Canada border and one of the largest ports in North America.[62]

Rocket Companies

Investments in real estate, facilities, and businesses by Rocket Companies chairman Dan Gilbert have been among the highest-profile ventures in the Air Service Area in recent years. In 2010, Quicken Loans relocated to downtown Detroit from Livonia and other Air Service Area suburbs and brought 3,600 workers to the city center. Several of Quicken Loans' sister companies have also moved to Detroit. Along with real estate company Bedrock Detroit, Rock Ventures, and start-up companies funded by Rock Ventures, the affiliates of Quicken Loans/Rocket Mortgage and other Rocket Companies employ an estimated 18,000 workers in the Air Service Area.[63]

University of Michigan Center for Innovation

Announced in 2019, the University of Michigan Center for Innovation (UMCI) will be a $250 million, 200,000-square-foot facility located in The District Detroit, a 50-block downtown mixed-use district that features Detroit's three professional sports facilities, hotels, theaters, office buildings, parks, and housing. University of Michigan graduate Stephen Ross (founder of Related Companies) and Olympia Development of Michigan (an Ilitch company) are the principal sponsors of UMCI which will be operated by University of Michigan. UMCI will be a center for world-class research, education, and entrepreneurship offering programs in technology, robotics, sustainability, and computer sciences. In addition to graduate-level academic courses, UMCI will offer workforce training, professional development, and certificate programs.[64]

In February 2020, Ross announced a $100 million gift to University of Michigan to launch UMCI's fundraising campaign. UMCI is expected to build on Detroit's growing momentum as a center for innovation that provides a pipeline of graduates to local businesses and offers training and education to current workers to expand their skills in a world of fast-paced technological change.[65]

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61 Project Overview, Gordie Howe International Bridge, https://www.gordiehoweinternationalbridge.com/en/project-overview; "Cable Installation for Gordie Howe International Bridge Now Underway," 24 January 2023, News Releases, Gordie Howe International Bridge, https://www.gordiehoweinternationalbridge.com/en/Cable-installation-for-Gordie-Howe-International-Bridge-now-underway; "Gordie Howe Bridge Completion Date Likely in 2025," 30 November 2022, CBC News, https://www.cbc.ca/news/canada/windsor /gordie-howe-bridge-delayed-1.6669484, accessed March 2023.

62 Gordie Howe International Bridge, Michigan Department of Transportation, https://www.michigan.gov/mdot/projects-studies/special-construction/gordie-howe-international-bridge, accessed March 2023.

63 Our Story, Rocket Companies, https://www.rocketcompanies.com/who-we-are/our-story, https://www.rocketcompanies.com/who-we-are/our-story; Our Companies, Rocket Companies, https://www.rocketcompanies.com/our-companies; "Rocket Companies and United Wholesale Mortgage Shed Thousands of Jobs," 2 March 2023, Detroit Free Press, https://www.freep.com/story/money/business/2023/03/02/rocket-companies-united-wholesale-mortgage-shed-jobs/69965035007, accessed March 2023.

64 Detroit Center for Innovation, https://detroitinnovation.com; "University of Michigan Unveils New Name, Plans for Detroit Innovation Center," 6 March 2023, *The Detroit News*, https://www.detroitnews.com/story/news/local/michigan/2023/03/06/university-of-michigan-center-for-innovation-detroit-expanded-plans-stephen-ross-olympia-development/69976611007, accessed March 2023.

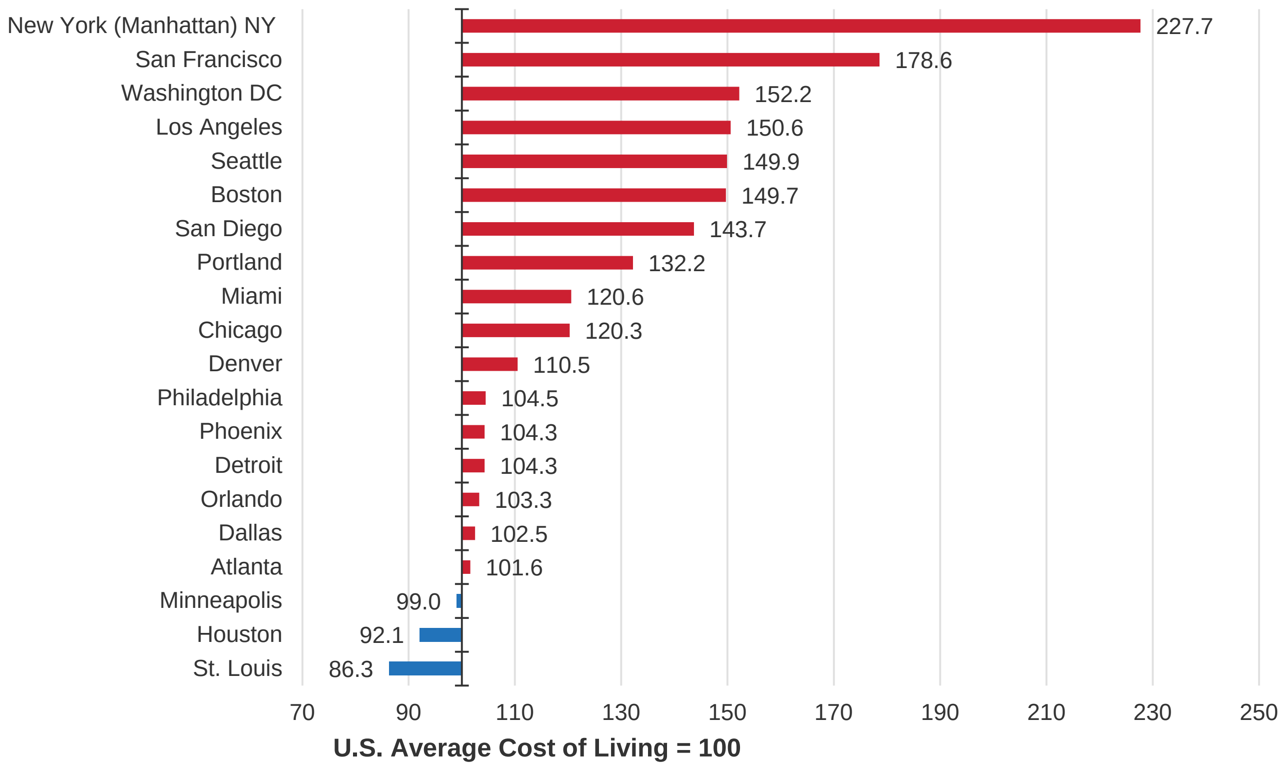
65 "Stephen Ross Announces $100 Million Gift to Detroit Center for Innovation," 21 February 2020, University of Michigan, https://detroit.umich.edu/news-stories/stephen-ross-announces-100-million-gift-to-detroit-center-for-innovationaccessed March 2023.

1.2.4.6 *Cost of Living*

Another important factor in business attraction and employee retention is the Air Service Area's favorable cost of living. According to the Council for Community and Economic Research, in 2022 the Air Service Area was ranked the seventh most affordable major metro region in the U.S. (see **Figure 1-11**).

In addition to a low cost of living, the Air Service Area offers desirable urban amenities such as professional sports teams, nationally recognized art museums and cultural institutions, internationally renowned performing arts companies, and other attractions (see Tourism Industry below). As a result, Air Service Area residents enjoy a high quality of life in terms of numerous cultural and entertainment amenities compared to other low-cost regions in the U.S.

Figure 1-11 Cost of Living Index for Top 20 Metro Areas



Notes: Data not available for San Jose CA.
Average U.S. Cost of Living Index = 100.

Source: Cost of Living Index, 2022 Annual Average, Council for Community and Economic Research, January 2023.
Compiled by Partners for Economic Solutions, March 2023

1.2.4.7 *Tourism Industry*

The Air Service Area is home to a rich variety of cultural, educational, and entertainment attractions including: the Detroit Institute of Arts, the sixth largest comprehensive fine arts museum in the U.S.; Cranbrook Art Museum; the Charles H. Wright Museum of African American History, the largest collection of African-American art and artifacts in the world; Motown Museum; the Henry Ford Museum; Greenfield Village; Detroit Historical Museum; Museum of Contemporary Art Detroit; Automotive Hall of Fame; Birmingham Bloomfield Art Center; Michigan Science Center; Sea Life Michigan Aquarium; Legoland Discovery Center Michigan; and others.

Performing arts companies in the Air Service Area include: the Detroit Symphony Orchestra; Michigan Opera Theatre; Ann Arbor Symphony Orchestra; Dearborn Symphony; Livonia Symphony Orchestra; Macomb Symphony; Academy of Early Music; Cranbrook Music Guild; Rackham Choir; Detroit Children's Choir; Michigan Philharmonic, Detroit Chamber Winds & Strings; Chamber Music Society of Detroit; Civic Jazz Orchestra; Motor City Brass Band; Birmingham Concert Band; Eisenhower Dance Detroit; The Purple Rose Theatre Company; Detroit Public Theatre; Shakespeare in Detroit; and Detroit Repertory Theatre. Broadway in Detroit presents national touring companies of Broadway productions at the Fisher Theatre and other Detroit venues including the Detroit Opera House and Music Hall.

Detroit has hosted auto shows for over 100 years. The North American International Auto Show (NAIAS, aka Detroit Auto Show) is regarded as a premier international annual event where car makers unveil new products, held at Cobo Center in downtown Detroit each January since 1989 (except in 2021 and 2022).[66] When NAIAS resumed in 2022, the nine-day show was moved from January to September to take advantage of warmer weather. It was held at Huntington Place (formerly Cobo Center), Hart Plaza, and other outdoor venues throughout downtown Detroit. NAIAS attracts approximately 5,000 journalists and 800,000 attendees annually. Other automobile- or transportation-related shows held annually in the Air Service Area include: Autorama; Autopalooza; Concours d'Elegance of America; Fall Camper Show; Snowmobile USA Show; Detroit Boat Show; and Novi Boat Show.[67]

Festivals and events held throughout the year in the Air Service Area include: Michigan State Fair; Detroit International Jazz Festival; Great Lakes Chamber Music Festival; Detroit Music Awards; Movement Electronics Music Festival; Royal Starr Film Festival; Detroit Free Press Talmer Bank Marathon; ArtWorks Detroit; Fall Beer Festival; Maker Faire at the Henry Ford; Plymouth International Ice Sculpture Festival; the Ann Arbor Art Fair; and others.

The Air Service Area is among only 12 metro regions that has teams from all four major U.S. professional sports organizations. Located between downtown Detroit, Midtown, and Corktown, The District Detroit is a 50-block, mixed-use entertainment complex that features three professional sports facilities: Comerica Park, Ford Field, and Little Caesar's Arena. It brings together the Air Service Area's four professional sports teams within three blocks of each other: the National Football League's Detroit Lions; Major League Baseball's Detroit Tigers; National Basketball Association's Detroit Pistons; and National Hockey League's Detroit Red Wings. The University of Michigan Wolverines also offer major collegiate sports in Air Service Area. Nicknamed "The Big House", the football stadium for University of Michigan in Ann Arbor hosts crowds in excess of 100,000. Crisler Center is the University of Michigan basketball arena and has a capacity of over 12,700.[68] Educational institutions in the Air Service Area offering National Collegiate Athletic Association (NCAA) sports include University of Detroit-Mercy, Eastern Michigan University, Oakland University, and Wayne State University.

[66] Owing to the COVID-19 pandemic, the North American International Auto Show was canceled in 2021 and 2022

[67] "Detroit Auto Show to Feature New Adventures for the Whole Family," 17 August 2022, North American International Auto Show, https://naias.com/news/detroit-auto-show-to-feature-new-mobility-adventures-for-the-whole-family; "750,000+ Celebrate the Future of the Mobility Industry at 2019 NAIAS," 27 January 2019, North American International Auto Show, https://naias.com/news/750000-celebrate-the-future-of-the-mobility-industry-at-2019-naias, accessed March 2023.

[68] University of Michigan, https://mgoblue.com/sports/2017/6/16/facilities.aspx, accessed March 2023.

The Air Service Area's wide array of cultural choices and entertainment options is an important factor supporting repeat visits. The ability to see attractions or undertake activities that were missed on a previous visit has been cited as a significant element in a visitor's intent to return to a travel destination.[69]

1.2.5 Economic Outlook

In the near term, the U.S. economy is expected to experience elevated inflation, wage growth, and supply constraints. Business investment is expected to moderate in response to tighter monetary policy and higher interest rates.[70] In the medium term, inflationary pressures are expected to decline as tightening financial conditions correct supply and demand imbalances in the economy.[71] In the longer run (six to ten years), forecasters surveyed by the Federal Reserve Bank of Philadelphia expect the annual rate of inflation in the U.S. to fall below 3.0%.[72]

1.2.5.1 Real GDP Growth Forecasts

Figure 1-12 shows historical U.S. real GDP growth from the Bureau of Economic Analysis (BEA) and growth projections for the U.S. between 2023-2029 from the Congressional Budget Office (CBO), Federal Reserve Open Market Committee (FOMC), and Office of Management and Budget (OMB). The lockdowns, business closures, and extensive unemployment caused by the COVID-19 pandemic resulted in the decline in U.S. real GDP in 2020 (-2.8%). Real GDP growth in the U.S. in 2021 (5.9%) and 2022 (2.1%) reflected the impact of pent-up demand, business re-openings, and increased consumer spending.

The 2023 real GDP growth projections shown in Figure 1-13 range from 0.3% (CBO) to 1.8% (OMB). The CBO expects real GDP growth of 1.8% in 2024, rising to 2.7% in 2025, then falling to 1.9% by 2029. The OMB predicts steadier real GDP growth, rising from 1.8% in 2023 to 2.2% in 2029. The FOMC expects real GDP to increase from 0.5% in 2023 to 1.6% in 2024 and then to 1.8% from 2025 to 2029.

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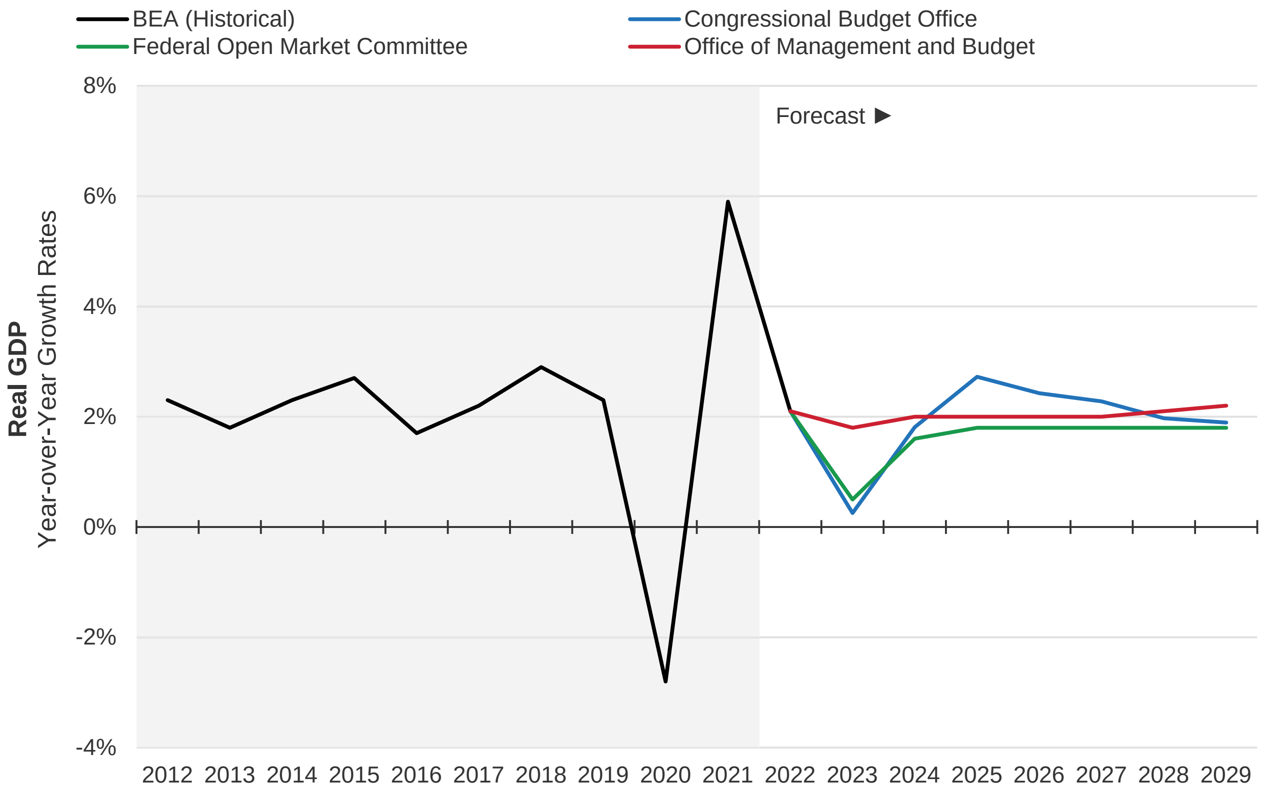
69 Jeffrey M. Caneen, "Cultural Determinants of Tourist Intention to Return," published in Consumer Psychology of Tourism, Hospitality and Leisure, CABI Publishing, 2004; "Active Research Directions for Studying Repeat Tourist Behaviour," Manisha Agarwal et al., Advances in Social Science, Education and Humanities Research, Volume 259, 3rd International Seminar on Tourism (ISOT 2018), https://www.atlantis-press.com/article/125909381.pdf, accessed March 2023.

70 Recent Economic and Financial Developments, Monetary Policy Report – March 2023, Board of Governors of the Federal Reserve System, https://www.federalreserve.gov/monetarypolicy/2023-03-mpr-summary.htm, accessed March 2023.

71 The Budget and Economic Outlook: 2023 to 2033, 15 February 2023, Congressional Budget Office, https://www.cbo.gov/publication/58848, accessed March 2023.

72 First Quarter 2023 Survey of Professional Forecasters, 10 February 2023, Federal Reserve Bank of Philadelphia, https://www.philadelphiafed.org/surveys-and-data/real-time-data-research/survey-of-professional-forecasters, accessed March 2023.

Figure 1-12 U.S. Real GDP Growth Forecast



Sources: Bureau of Economic Analysis, Annual Real Gross Domestic Product, Chained 2012 Dollars, February 2023; Congressional Budget Office, Real GDP, 10-Year Economic Projections, February 2023; Office of Management and Budget, Mid-Session Review: Budget of the U.S. Government Fiscal Year 2023, 23 August 2022; Board of Governors of the Federal Reserve System, Federal Open Market Committee, Summary of Economic Projections, 3 March 2023.
Compiled by Partners for Economic Solutions, March 2023

The most recently published forecast (February 2023) by business economists from the National Association for Business Economics (NABE) indicates consensus for U.S. annual real GDP growth of 0.8% in 2023 and 1.4% in 2024. The NABE forecast also estimates an average annual U.S. unemployment rate of 3.9% in 2023 and 4.3% in 2024.[73]

Similarly, the most recent Michigan Economic and Revenue Outlook predicts an annual U.S. unemployment rate of 3.9% in 2023 that will rise to 4.5% in 2024 and then decline to 4.2% in 2025. The February 2023 Michigan Forecast released by the University of Michigan Research Seminar in Quantitative Economics (RSQE) expects job declines in retail trade, information, and finance in 2023 and 2024.[74]

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73 National Association for Business Economics, *NABE Outlook*, February 2023.

74 Economic and Revenue Outlook FY 2022-23, FY 2023-24 and FY 2024-25, 13 January 2023, Michigan Department of Treasury, https://www.house.mi.gov/hfa/PDF/RevenueForecast/Admin_Economic_and_Revenue_Outlook_Jan2023.pdf; Michigan Forecast, 22 February 2023, University of Michigan Research Seminar in Quantitative Economics (RSQE), https://lsa.umich.edu/econ/rsqe/forecasts/michigan-forecast.html, accessed March 2023.

Data in **Table 1-9** show 2022 and 2029 economic variables for the Air Service Area and U.S. including population, employment, personal income, and gross regional and domestic product. Growth forecasts for employment, personal income, and gross regional product (GRP) for the Air Service Area are all positive and indicate a steady though modest recovery between 2022-2029. Although growth rates for some measures in the Air Service Area are lower compared to those of the U.S. (population, employment, total personal income, gross regional product), the Air Service Area economy will nonetheless add nearly 225,000 jobs over the forecast period. In addition, the Air Service Area and U.S. share equal growth rates in per capita personal income, and nearly equal per capita GRP growth rates. These economic factors, added to the Air Service Area's existing population of nearly 5.4 million residents and 3.2 million jobs, indicate the ongoing capacity of the Air Service Area to generate demand for air travel services during the forecast period.

Table 1-9 Passenger Demand Forecast Variables (2022 - 2029)

Variable	2022 Estimate	2029	CAGR 2022-29
Population			
Air Service Area	5,368,296	5,370,914	0.01%
United States	333,287,557	348,985,370	0.7%
Employment			
Air Service Area	3,206,114	3,416,922	0.9%
United States	205,695,695	227,002,995	1.4%
Personal Income (in billions)			
Air Service Area	$334.2	$374.7	1.6%
United States	$22,287.8	$26,032.3	2.2%
Per Capita Personal Income			
Air Service Area	$62,255	$69,767	1.6%
United States	$66,872	$74,594	1.6%
Gross Regional Product (in billions)			
Air Service Area	$372.4	$412.9	1.5%
United States	$25,425.4	$29,157.3	2.0%
Per Capita Gross Regional Product			
Air Service Area	$69,366	$76,876	1.5%
United States	$76,287	$83,549	1.3%

Notes: All dollar amounts are in 2022 dollars.
CAGR = Compound annual growth rate.
Source: Woods & Poole Economics, Inc., Complete Economic and Demographic Data Source, June 2023.
Compiled by Partners for Economic Solutions, March 2023. Updated by Landrum & Brown August 2023.

2 Air Service and Traffic Analysis

This chapter evaluates and describes the current state of air service at the Airport, analyzes historical trends in air traffic, identifies key factors that generally affect demand for air travel, and provides forecasts of air traffic through 2029.

2.1 Air Service at the Airport

The following sections evaluate current air service capacity and operating performance for primary passenger airlines serving the Airport. The Airport's overall O&D market is also assessed at the market level, comparing performance with prior years. To the extent airline market data and related information is available, impacts associated with the COVID-19 pandemic are also identified.

Enplaned passengers at the Airport experienced a significant decrease in 2020 due to the impacts associated with the COVID-19 pandemic. In recent months, passenger activity has been trending upwards towards pre-pandemic levels, which are described later in this chapter. It is important to understand the scope of traffic decreases and level of recovery as air service at the Airport is described in the following sections.

2.1.1 Airlines Operating at the Airport

The Airport has diverse air service from primary U.S. airlines composed of different types of carriers. As of July 2023, the Airport had scheduled passenger service by four U.S. network airlines, [75] two low-cost carriers (LCCs),[76] three ultra-low-cost carriers (ULCCs),[77] and seven foreign flag airlines. **Table 2-1** provides a list of the scheduled passenger and all-cargo airlines that served the Airport as of July 2023. All domestic carriers have maintained service, albeit at lower traffic levels since the onset of the COVID-19 pandemic. However, the international carriers all had periods of no service as a result of the pandemic. In addition, three new carriers; Westjet, Icelandair, and Sun Country each began service in May 2023, and Turkish Airlines announced in July 2023 plans to initiate four-times weekly service to and from Istanbul beginning November 15, 2023.

Table 2-1 Airlines Operating at the Airport as of July 2023

Domestic Passenger Airlines (9)	Foreign Flag Passenger Airlines (7)	All-Cargo Airlines (3)
Alaska Airlines	Aeromexico	DHL
American Airlines	Air Canada	UPS
Delta Air Lines	Air France	FedEx
Frontier Airlines	Icelandair	
JetBlue	Lufthansa	
Southwest Airlines	Royal Jordanian Airlines	
Spirit Airlines	WestJet	
Sun Country		
United Airlines		

Source: Wayne County Airport Authority, Airline Directory.

75 For the purposes of this Report, Alaska Airlines, American Airlines, Delta and United Airlines are considered network airlines.
76 For the purposes of this Report, Southwest Airlines and JetBlue Airways are considered low-cost carriers.
77 For the purposes of this Report, Frontier Airlines Spirit Airlines, and Sun Country are considered ultra-low-cost-carriers.

To illustrate specific trends in changes to the passenger market share, **Table 2-2** provides the enplaned passenger by airline and their associated market share from 2018 through 2022. The top five airlines at the Airport, Delta, Spirit Airlines (Spirit), American Airlines (American), Southwest Airlines (Southwest), and United Airlines (United), accounted for more than 96% of the total enplaned passengers in each year from 2018 through 2022. During this time, Delta increased its market share the most at the Airport, increasing from 72.5% in 2018 to 73.7% in 2022. In 2020 and 2021, some airlines, particularly the LCCs and ULCCs, increased their market share as network and foreign flag airlines reduced operations at the Airport.

2.1.2 Current Nonstop Service

The Airport's passenger operations have historically peaked in the summer months. In July 2019, there was nonstop service to 137 markets (114 domestic and 23 international markets) from the Airport. Nonstop service to many markets was suspended in 2020 and 2021 because of the COVID-19 pandemic. For July 2023, there is scheduled service to 111 markets (90 domestic and 21 international markets) from the Airport. **Figure 2-1** and **Figure 2-2** provide a breakdown of the scheduled domestic and international nonstop markets at the Airport for July 2023.

2.1.3 Origin and Destination Markets

Table 2-3 provides information regarding the Airport's top domestic O&D markets, including the number of daily O&D enplaned passengers for 2019 and 2022. The table also presents daily departing seats. For instance, New York / Newark (the largest O&D market at the Airport) had an average of 1,491 daily O&D enplaned passengers with 2,866 total departing seats to the market in 2022.

The table helps to illustrate how the Airport's air travel demand has changed since the start of the COVID-19 pandemic. Overall, O&D passengers were down 12.3% in 2022 as compared to 2019 levels at the Airport. While nearly every market experienced a downturn, it is noted that more traditional leisure markets such as those in South Florida (up 8.4%) have fared significantly better than other markets that are not as leisure focused. Another important distinction for these destinations is that they are all served by LCCs and ULCCs. In 2019, nonstop flights were provided to all the Airport's top 50 O&D markets. Sacramento (SMF) was the only domestic market in the top 50 without scheduled service in 2022. The other markets served from the Airport prior to the COVID-19 pandemic that are not currently served are smaller regional markets outside of the top 50.

Airline service to the Airport's top international market, Cancun, Mexico, was maintained nearly throughout the pandemic. Other major international O&D markets include London in the United Kingdom, Montego Bay in Jamaica, Mexico City in Mexico, Frankfurt in Germany, and Punta Cana in the Dominican Republic. Rome was the largest international market without nonstop international service in 2022. However, Delta resumed service to Rome (FCO) on June 5, 2023.

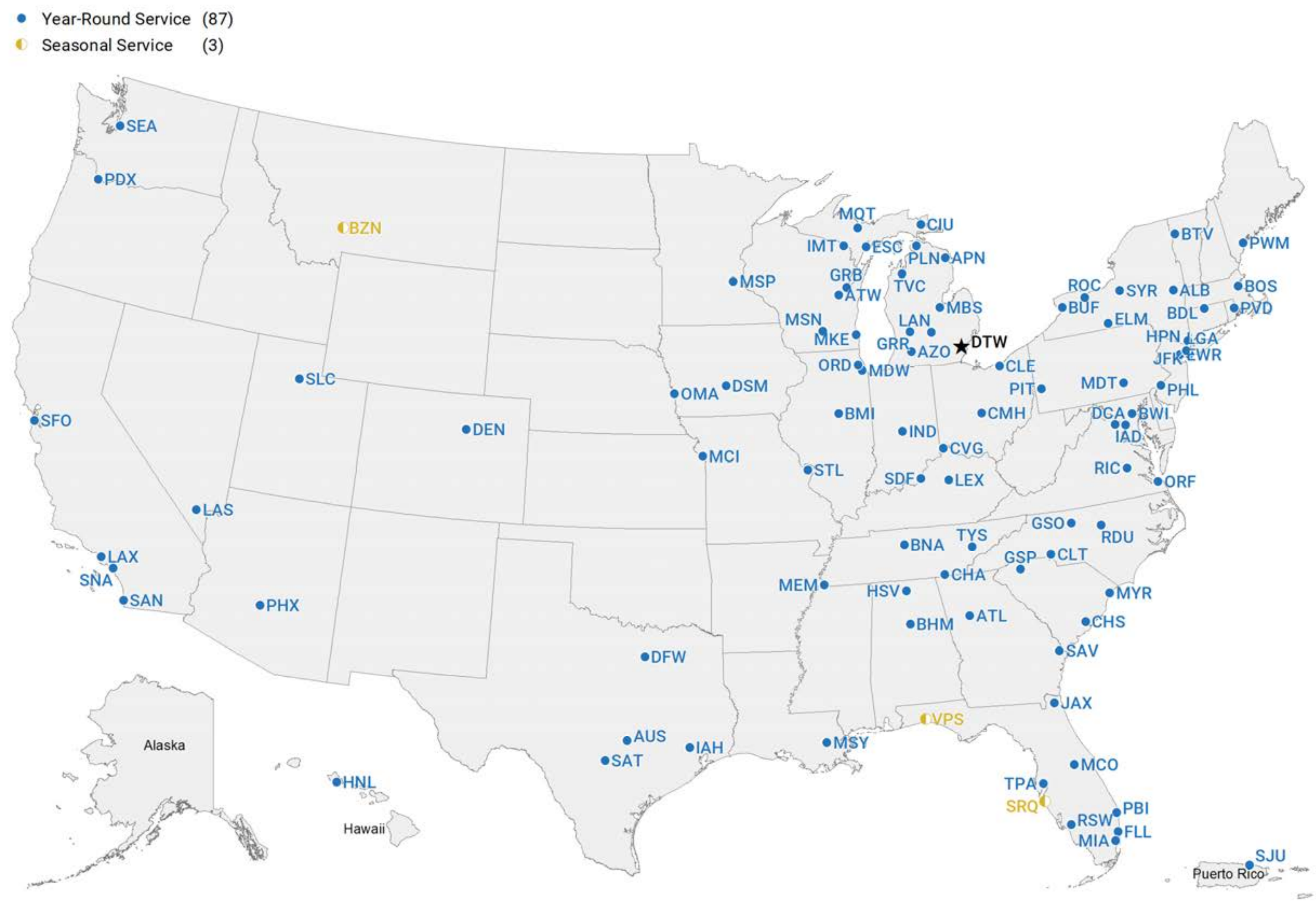
Table 2-2 **Enplaned Passenger Market Share at the Airport (2018 – 2022)**

	Enplaned Passengers (In Thousands)					Market Share				
Airline	2018	2019	2020	2021	2022	2018	2019	2020	2021	2022
Delta	12,761	13,581	4,961	8,653	10,361	72.5%	74.0%	70.6%	73.4%	73.7%
Spirit	1,686	1,828	934	1,334	1,380	9.6%	10.0%	13.3%	11.3%	9.8%
American	1,001	976	453	709	812	5.7%	5.3%	6.4%	6.0%	5.8%
Southwest	835	700	271	417	457	4.7%	3.8%	3.9%	3.5%	3.3%
United	624	622	216	335	445	3.5%	3.4%	3.1%	2.8%	3.2%
Others	700	658	192	334	596	4.0%	3.6%	2.7%	2.8%	4.2%
Total	**17,608**	**18,364**	**7,027**	**11,783**	**14,053**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Note: Percentages may not add because of rounding.
Regional affiliates, as applicable, have been included with their appropriate network partner.
Other includes Alaska Airlines, Frontier Airlines, JetBlue Airways, Foreign Flags, and charter airlines.

Source: Wayne County Airport Authority.

Figure 2-1 Map of Domestic Nonstop Destinations (for July 2023)



Source: Diio Mi, Schedule – Dynamic Table, accessed February 2023.

Figure 2-2 Map of International Nonstop Destinations (for July 2023)

Note: Prior to the COVID-19 pandemic, there was service to Cozumel, Grand Cayman, Nassau, Beijing, and Ottawa. Service to these destinations have not yet returned.

Source: Diio Mi, Schedule – Dynamic Table, accessed July 2023.

Table 2-3 Top 25 Domestic O&D Markets from the Airport (Sorted based on 2022 O&D)

		Enplaned O&D Passengers Per Day			Departing Seats Per Day		
Region	Airports	2019	2022	Percent Change	2019	2022	Percent Change
New York / Newark	LGA, JFK, EWR	1,638	1,491	-9.0%	3,096	2,866	-7.4%
Orlando	MCO	1,591	1,454	-8.6%	2,053	1,851	-9.8%
South Florida	FLL, MIA, PBI	1,336	1,448	8.4%	1,945	2,076	6.7%
Las Vegas	LAS	1,103	1,034	-6.2%	1,755	1,592	-9.3%
Atlanta	ATL	985	1,004	1.9%	2,532	2,361	-6.7%
Baltimore / Washington	DCA, IAD, BWI	1,163	866	-25.5%	2,899	2,238	-22.8%
Tampa	TPA	842	850	0.9%	1,127	1,098	-2.6%
Los Angeles Basin	LAX, SNA	915	833	-9.0%	1,456	1,436	-1.4%
Fort Myers	RSW	798	777	-2.7%	1,098	1,009	-8.2%
Phoenix	PHS	706	709	0.3%	1,172	1,061	-9.4%
Denver	DEN	861	694	-19.4%	1,524	1,292	-15.3%
Dallas / Ft. Worth	DFW, DAL	751	635	-15.5%	1,503	1,285	-14.5%
Boston	BOS	703	570	-18.8%	1,468	1,083	-26.2%
Houston	IAH	514	525	2.1%	923	802	-13.1%
Chicago	ORD, MDW	707	453	-36.0%	2,566	1,868	-27.2%
San Francisco Bay Area	OAK, SJC, SFO	510	437	-14.2%	909	648	-28.7%
Nashville	BNA	444	396	-10.9%	975	782	-19.8%
Seattle	SEA	438	395	-9.9%	1,207	999	-17.3%
Minneapolis	MSP	483	347	-28.2%	1,387	1,009	-27.3%
San Diego	SAN	369	342	-7.2%	561	542	-3.4%
Philadelphia	PHL, TTN	460	326	-29.2%	1,044	673	-35.6%
Charlotte	CLT	327	320	-2.3%	1,159	1,060	-8.6%
Austin	AUS	369	290	-21.4%	596	460	-22.9%
New Orleans	MSY	336	285	-15.1%	528	441	-16.5%
Raleigh / Durham	RDU	316	234	-26.0%	614	462	-24.7%
Top 25		***18,664***	***16,714***	***-10.4%***	***36,099***	***30,991***	***-14.1%***
Others		6,504	5,351	-17.7%	18,346	12,117	-34.0%
Total		**25,168**	**22,065**	**-12.3%**	**54,445**	**43,108**	**-20.8%**

Source: Diio Mi, US DOT Origin and Destination Survey Data, Accessed March 2023.

2.1.4 Airline Revenue Performance at the Airport

Airline performance at an airport can be measured primarily by four key airline revenue metrics: revenue per available seat mile, load factor, yield, and cost per available seat mile. Each of these airline metrics are summarized below.

- **Revenue per Available Seat Mile (RASM)** – RASM is the unit metric used by airlines, expressed in cents, to measure the amount of revenue received for each available seat mile (ASM). ASMs are measured by airlines for the purpose of determining capacity; one ASM unit equates to one seat flying one mile. For example, an aircraft with 100 seats operating on a route of 1,000 miles would equate to 100,000 ASMs. For the purposes of this analysis, RASM only measures passenger revenue derived from air fares and does not include other revenues received by airlines such as baggage fees.
- **Load Factor** – Load factor measures how an airline is performing on a specific route or in aggregate in terms of filling its available seat capacity. Load Factor is calculated as total revenue passenger miles (RPMs) divided by ASMs. RPMs are the general airline metric for measuring the number of miles traveled by paying passengers. For example, a revenue passenger flying one mile equates to one RPM.
- **Yield** – This measure is airline yield or revenue per passenger mile (RPM). Yield (or RPM) is like RASM, however, yield measures revenue for each passenger-mile sold (RASM measures revenue for each passenger-mile available to be sold). Yield is the industry measurement for price, while load factor is a volume-related measurement. RASM factors in both and, thus, is considered the key airline revenue metric.
- **Cost per Available Seat Mile (CASM)** – CASM is the unit metric used by airlines, expressed in cents, to measure the overall efficiency of a route or the airline. CASM is derived by dividing the operating costs of an airline by ASM. Generally, the lower the CASM, the more profitable and efficient the airline. It is important to note that CASM data is generally only available on an airline-by-airline basis and is not available by airport or by specific routes, therefore it is not examined as part of this study.

In general, the higher the RASM or yield, and the lower the CASM, the more profitable an airline is assuming that the number of ASMs remain constant over time. Since an airline's revenue does not necessarily increase proportionately with the distance they fly, both RASM and yield will typically decrease as the overall length of the trip or stage length increases. Therefore, if an airline increases its overall stage length, it should be expected that RASM and yield will decrease. To account for this, RASM and yields have been adjusted based on the airline's average stage length. For the purposes of this Report and to normalize for varying stage lengths, all stage length adjusted (SLA)[78] values are expressed in a base of 1,000 miles.

Table 2-4 compares key airline revenue metrics for the five largest incumbent airlines serving the Airport in 2019 versus 2022. As shown, nearly all key airline revenue metrics with the exception of load factors have recovered from the effects of the COVID-19 pandemic. Note that the data presented does not include airline ancillary fees for items such as ticket changes, checked bags, priority seating, etc., or CASM, as this data is not available by airport. In recent years, U.S. airlines have realized significant revenues from these ancillary fees. The Airport has favorable numbers for all three metrics provided when compared to the national average.

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[78] Stage length adjustments are a common practice used to normalize comparisons of passenger yields and revenue per available seat mile. Stage length adjustments for 1,000 miles are made using the formula:
SLA Value = Value * (observed length of haul/1000)$^{0.5}$.

Table 2-4 Key Airline Revenue Metrics at the Airport (2019 vs. 2022)

	SLA Passenger RASM		Load Factor		SLA Yield	
Airline	2019	2022	2019	2022	2019	2022
Delta	14.8¢	16.1¢	85%	82%	17.7¢	19.7¢
Spirit	4.5¢	7.3¢	84%	83%	5.3¢	8.8¢
American	13.0¢	15.3¢	80%	84%	16.5¢	18.3¢
Southwest	9.3¢	9.7¢	84%	83%	11.4¢	12.0¢
United	14.4¢	16.7¢	83%	85%	17.5¢	19.8¢
Airport Average	**13.3¢**	**14.7¢**	**84%**	**83%**	**16.0¢**	**17.9¢**
U.S. Average	**11.8¢**	**12.9¢**	**82%**	**83%**	**14.6¢**	**15.7¢**

Notes: Data include regional affiliates, as applicable, and do not include airline ancillary fees such as charges for checked baggage, etc.
SLA Value = Value * (observed length of haul/1,000)$^{0.5}$
Source: Diio, US DOT Reports DB1A and T100, accessed March 2023.

2.1.5 Delta's Operations at the Airport

As described previously, the Airport serves as a key hub for Delta. Delta is the dominant airline at the Airport, enplaning 73.7% of the Airport's total passengers in 2022. The Airport is one of Delta's primary connecting hubs within its network, along with Hartsfield-Jackson Atlanta International Airport, Minneapolis-Saint Paul International Airport, and Salt Lake City International Airport. As shown in **Table 2-5**, the Airport is Delta's 3rd largest domestic airport, 3rd largest international, and 3rd largest overall airport based on 2022 departing seats. In 2019, DTW was 3rd largest domestic, 3rd largest international, and 2nd largest overall airport.

Table 2-5 Delta's Top 10 Airports Based on Departing Seats (2022)

		Domestic		International		Total	
Name	Code	Seats	Rank	Seats	Rank	Seats	Rank
Hartsfield-Jackson Atlanta International Airport	ATL	37,595,493	1	4,694,636	1	42,290,129	1
Minneapolis−Saint Paul International Airport	MSP	12,233,586	2	933,590	4	13,167,176	2
Detroit Metropolitan Wayne County Airport	**DTW**	**11,508,558**	**3**	**1,081,223**	**3**	**12,589,781**	**3**
Salt Lake City International Airport	SLC	10,075,386	4	572,921	8	10,648,307	4
John F. Kennedy International Airport	JFK	6,841,477	6	3,020,792	2	9,862,269	5
LaGuardia Airport	LGA	7,712,456	5	183,438	9	7,895,894	6
Los Angeles International Airport	LAX	6,739,385	7	584,690	7	7,324,075	7
Seattle-Tacoma International Airport	SEA	5,923,137	8	756,926	5	6,680,063	8
Boston Logan International Airport	BOS	5,020,321	9	603,429	6	5,623,750	9
Orlando International Airport	MCO	3,628,777	10	22,548	11	3,651,325	10

Source: Diio Mi, Schedule – Dynamic Table, accessed February 2023.

2.1.5.1 Delta's Origin and Destination Traffic at the Airport

The size of the Airport's O&D base is a key consideration for Delta as a hub. As shown in **Table 2-6**, the Airport generated approximately $1.1 billion in estimated fare revenue for Delta in 2022. The Airport was 3rd largest based upon fare revenue and domestic O&D passengers. In 2019, DTW was the 3rd largest based on both fare revenue and domestic O&D passengers.

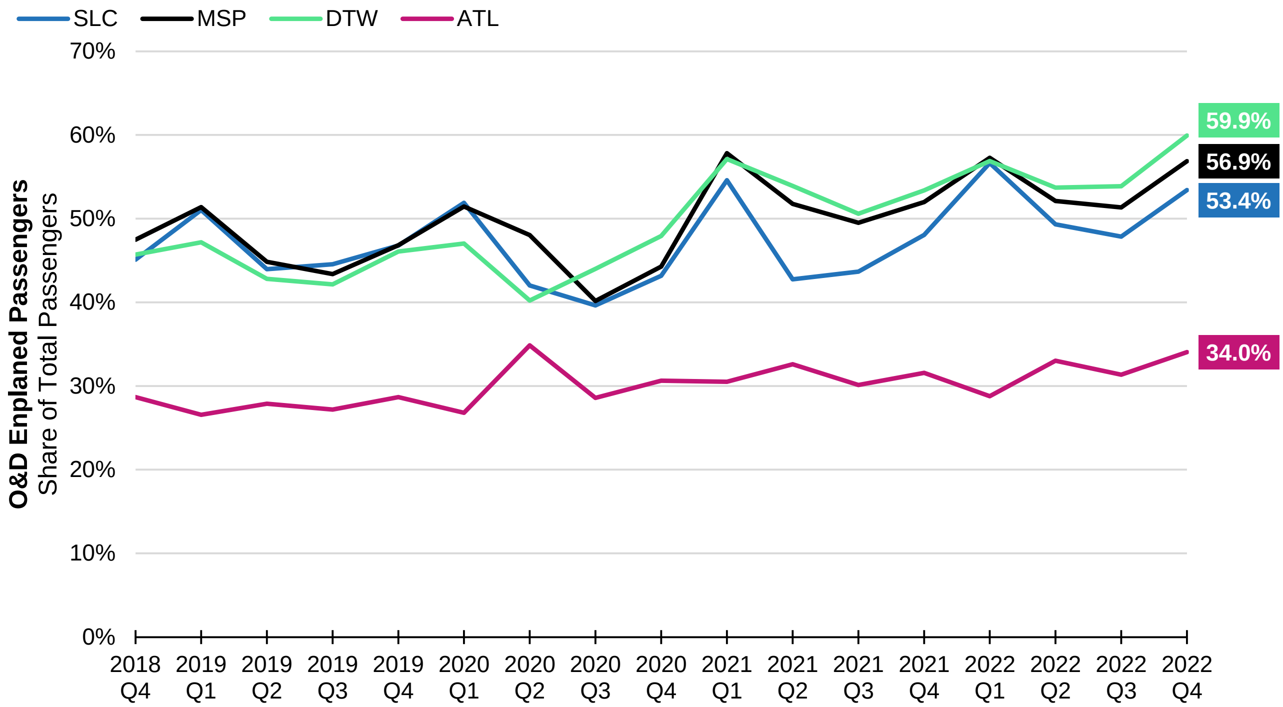
Table 2-6 Delta's Top 10 Domestic O&D Airports Based on Fare Revenue (2022)

Name	Code	Domestic O&D Enplanements (millions)	Average One-Way Fare	Revenue Dollars (in millions)	Revenue Ranking
Hartsfield-Jackson Atlanta International Airport	ATL	9.8	$216	$2,112	1
Minneapolis−Saint Paul International Airport	MSP	5.2	$226	$1,181	2
Detroit Metropolitan Wayne County Airport	**DTW**	**5.0**	**$228**	**$1,141**	**3**
Los Angeles International Airport	LAX	4.2	$267	$1,114	4
Salt Lake City International Airport	SLC	4.2	$227	$952	5
John F. Kennedy International Airport	JFK	3.6	$245	$877	6
LaGuardia Airport	LGA	4.2	$182	$759	7
Boston Logan International Airport	BOS	3.4	$216	$735	9
Seattle-Tacoma International Airport	SEA	2.8	$237	$674	8
Orlando International Airport	MCO	2.9	$211	$612	10

Note: Fares are exclusive of taxes and fees.
Source: Diio Mi, US DOT Origin and Destination Survey Data, accessed March 2023.

Figure 2-3 presents the percentage of O&D enplaned passengers at Delta's key "interior" connecting hub airports including ATL, MSP, SLC, and the Airport. Interior hubs are considered to be those hub airports that are geographically located within the interior of the U.S. and not on either the east or the west coast. As shown, 59.9% of Delta's enplaned passengers at the Airport were O&D passengers in the 4th quarter of 2022. This percentage of O&D traffic is higher than its other major connecting hubs at MSP and SLC. Delta's share of O&D traffic at the Airport was also well above that for Delta's ATL hub. However, given ATL's role as Delta's largest global connecting hub airport, comparisons to ATL are not as relevant as the other hub comparisons. Per discussions with Delta staff, serving large O&D markets and maintaining a ratio of approximately 40% to 50% of O&D traffic at its primary connecting hubs, except for ATL, is considered to be a sustainable balance for its network. Over the past two decades, other Delta connecting hubs that served much smaller local O&D markets that were unable to sustain a similar share of O&D passenger traffic were either significantly downsized or discontinued as connecting hubs within Delta's network.

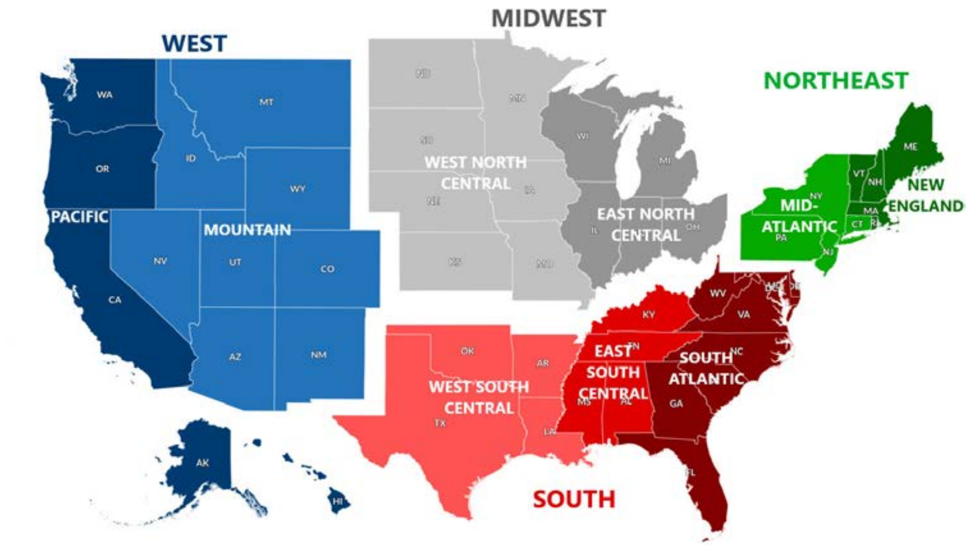
Figure 2-3 Delta's Percent of O&D Enplaned Passengers at Interior Connecting Hubs (2018 Q4 – 2022 Q4)



2.1.5.2 Delta's Connecting Traffic at the Airport

The Airport provides Delta a strategic presence in the central U.S., allowing for connectivity to and from the U.S. upper Midwest, Great Lakes region, the east to west coasts, as well as to the rest of the country and world. DTW is used to connect passengers from nearly any region to another, with the exception of West-to-West flow. **Figure 2-4** presents the U.S. regions used to analyze connecting traffic.

Figure 2-4 United States Regions



Source: Cirium, Diio Mi: US DOT Reports DB1A, accessed March 2023.

Table 2-7 provides the detailed number of connecting passengers at each of Delta's connecting hubs. Given the size of Delta's hub at ATL, it serves as a top connecting hub to and from many U.S. regions, and it naturally serves as the top connecting airport for markets in the south and southeast. Although the Airport and MSP are relatively close in geographical proximity to each other in the upper Midwest, both airports are operated by Delta in such a way that they work together to augment each other and better serve separate regions of the U.S. While both airports provide connectivity to and from the Midwest region, Delta uses DTW as a connection point from the Midwest to the Northeast region of the U.S. while MSP focuses on connectivity from the Midwest to the West. DTW is also used to connect passengers from the Northeast to the West and the Midwest regions of the U.S. whereas MSP is used to connect passengers from the South to the West. Delta also connects passengers through DTW to augment larger O&D markets to and from the South. As with other Delta hubs, it also allows for additional passenger connectivity to larger U.S. O&D markets.

In summary, the Airport serves a relatively large O&D market which is beneficial to its long-term viability as a major U.S. hub for Delta. It primarily connects East North Central, Middle Atlantic and South Atlantic regions of the U.S. to points to the west, while augmenting connectivity in the largest markets in the U.S. to the east and west coasts. Finally, the Airport has been a major international gateway for Delta, particularly to Europe and Asia as described in more detail in the following section.

Table 2-7 Delta Connecting Passengers by Hub by Region (2022)

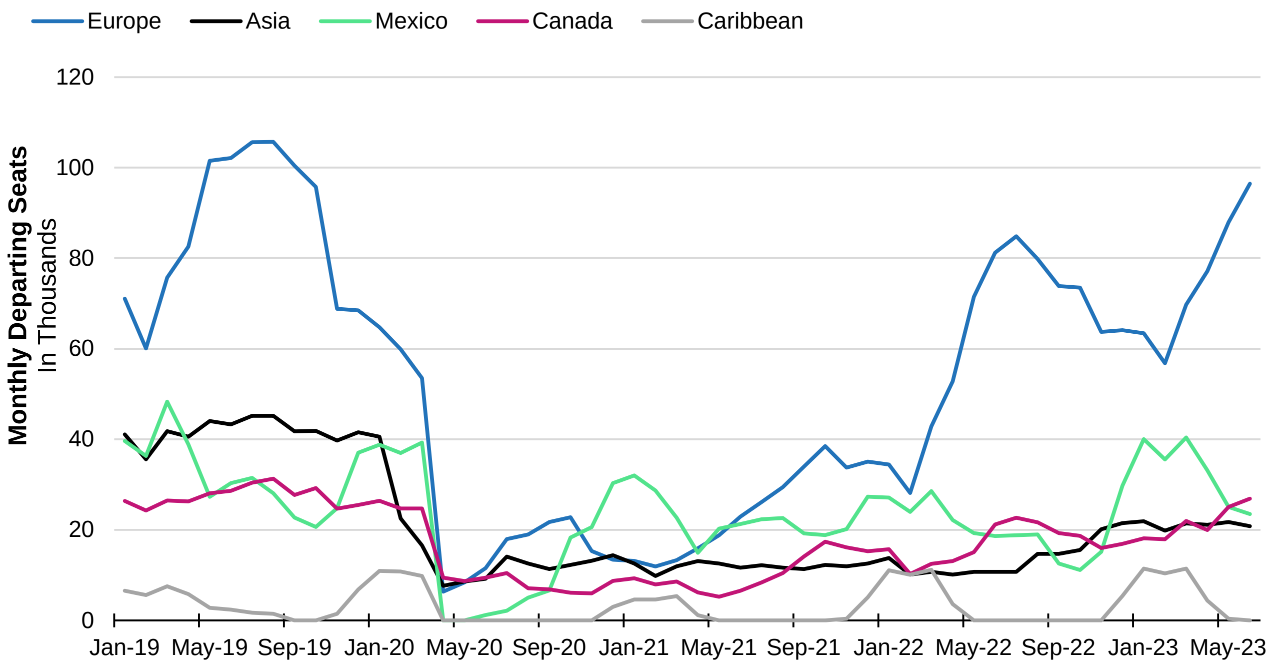
Origin Region	Destination Region	Enplaned Passengers (In Thousands)						
		Connecting Hub						
		DTW	MSP	ATL	SLC	SEA	LAX	**Total**
West	West	0	13	19	1,273	749	274	**2,329**
	Midwest	192	757	207	370	150	109	**1,785**
	Northeast	302	253	336	134	75	46	**1,146**
	South	227	475	2,276	783	191	244	**4,196**
	International	46	84	258	168	191	137	**883**
	Total	**767**	**1,583**	**3,096**	**2,728**	**1,356**	**810**	**10,339**
Midwest	West	192	757	207	370	150	109	**1,785**
	Midwest	152	303	40	0	0	0	**495**
	Northeast	276	101	102	0	0	0	**480**
	South	469	405	2,073	1	0	0	**2,948**
	International	126	124	445	8	20	18	**740**
	Total	**1,215**	**1,690**	**2,868**	**379**	**170**	**127**	**6,448**
Northeast	West	302	253	336	134	75	46	**1,146**
	Midwest	276	101	102	0	0	0	**480**
	Northeast	12	0	0	0	0	0	**12**
	South	214	12	1,297	1	0	0	**1,524**
	International	43	20	251	1	12	13	**342**
	Total	**846**	**386**	**1,986**	**137**	**88**	**59**	**3,503**
South	West	227	475	2,276	783	191	244	**4,196**
	Midwest	469	405	2,073	1	0	0	**2,948**
	Northeast	214	12	1,297	1	0	0	**1,524**
	South	111	12	6,190	0	0	0	**6,314**
	International	141	77	1,319	13	35	35	**1,620**
	Total	**1,163**	**981**	**13,155**	**799**	**226**	**279**	**16,602**
International	West	46	84	258	168	191	137	**883**
	Midwest	126	124	445	8	20	18	**740**
	Northeast	43	20	251	1	12	13	**342**
	South	141	77	1,319	13	35	35	**1,620**
	International	13	10	168	3	19	17	**230**
	Total	**368**	**315**	**2,441**	**193**	**277**	**220**	**3,815**
Grand Total		**4,359**	**4,956**	**23,546**	**4,235**	**2,116**	**1,495**	**40,707**

Note: Totals may not equal due to rounding.
Source: Cirium, Diio Mi: US DOT Reports DB1A, accessed March 2023.

2.1.5.3 Delta's International Traffic at the Airport

In 2019, Delta operated an average of 28 daily departures with 5,036 departing seats to 26 international destinations. The COVID-19 pandemic has had a significant impact on international travel and recovery has been slower than domestic travel. In 2022, Delta operated an average of 17 daily departures with 2,962 departing seats to 17 international destinations. **Figure 2-5** presents the recovery in international seating capacity by world region. As shown, seating capacity to Asia continues to be well below pre-pandemic levels. However, seating capacity to Europe and Canada continue to recover and seating capacity to the Caribbean and Mexico exceeded 2019 levels in January 2023. By June 2023, seating capacity to Europe and Canada are scheduled to be at 94.4% and 93.9% of June 2019 levels respectively. Seating capacity to Asia in June 2023 is scheduled to continue to be well below June 2019 levels.

Figure 2-5 Delta's International Departing Seating Capacity by World Region (January 2019 – June 2023)



Source: Diio Mi, Schedule – Dynamic Table, Accessed February 2023.

More details regarding the recovery of the individual world regions are provided below:

- **Transatlantic Routes:** Delta operated 6 European destinations in 2019: Amsterdam (AMS), Paris (CDG), Rome (FCO), Frankfurt (FRA), London-Heathrow (LHR) and Munich (MUC). Delta's AMS seat capacity from the Airport was roughly twice as large as the next largest airport. AMS, CDG and LHR benefit from Delta's SkyTeam Alliance (coordinated pricing and scheduling) with Air France/KLM. At the onset of the COVID-19 pandemic, Delta removed all European service at DTW but quickly resumed its service to AMS by the end of April 2020 followed by CDG in July 2020. To date, Delta has also resumed service to LHR in October of 2021, FRA in April 2022, and MUC in May 2022. New seasonal service to Reykjavík (KEF) began in May of 2023 and service to FCO resumed in June 2023.

- **Latin American Routes:** Prior to the onset of the pandemic, Delta offered service to 4 destinations in the Caribbean and 6 in Mexico. Much of this was seasonal service. To date, Delta has resumed service to 2 Caribbean markets (Punta Cana and Montego Bay) and 5 Mexican markets (Cancun, Mexico City, Puerto Vallarta, Monterrey (now being operated by Aeromexico), and San Jose del Cabo).
- **Canadian Routes:** In 2019, Delta operated ten daily departures to 3 Canadian destinations— Montreal, Toronto (Pearson), and Ottawa, and provided seasonal service to Vancouver. To date, Delta has resumed its service to Montreal and Toronto.
- **Asian Routes:** In 2019, Delta provided service to 5 Asian destinations—Seoul, Nagoya, Tokyo, Beijing, and Shanghai. At the time, Delta had the most scheduled departing seats to Asia from the Airport than from any other airport in the U.S. To date, Delta has resumed service to Seoul, Tokyo, Shanghai, and Nagoya. However, Delta ended service to Nagoya in March 2023.

2.1.6 Spirit Airline’s Operations at the Airport

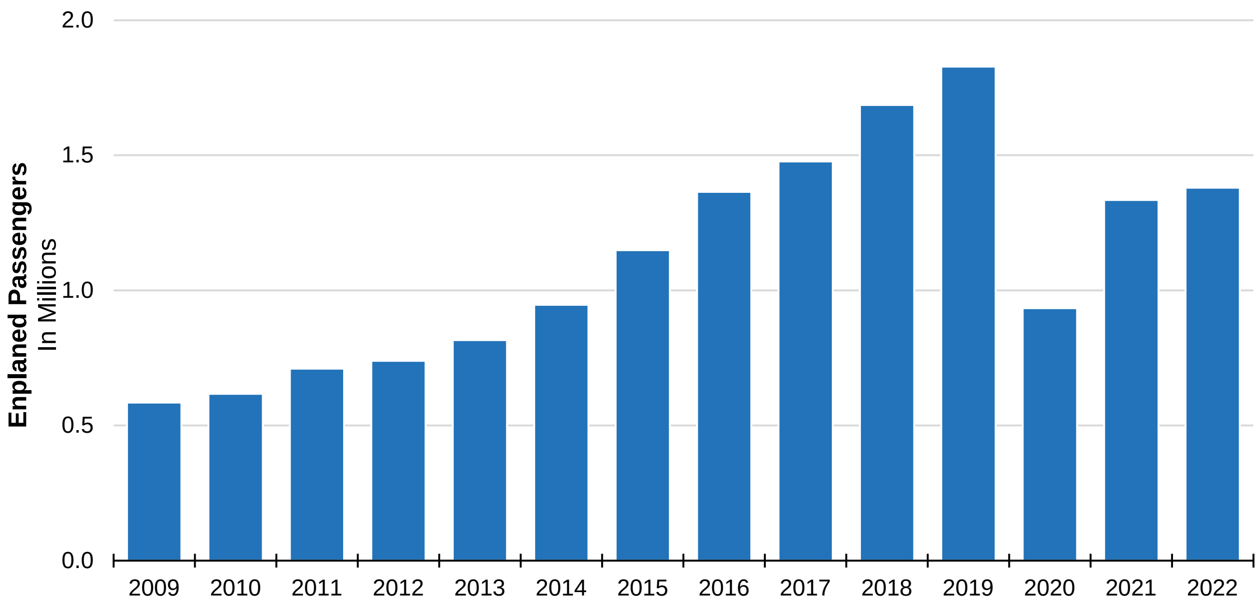
Spirit is the 2nd largest carrier at the Airport. Spirit enplaned 1.8 million passengers in 2019, accounting for 10.0% of the total annual enplaned passengers at the Airport. At that time, Spirit had an average of 32 daily departures to 19 year-round and 8 seasonal destinations. In 2022, Spirit enplaned 1.4 million passengers at the Airport.

Historically, Spirit’s impact at the Airport was to offer lower fares to stimulate incremental passenger demand. Spirit’s business model focuses on leisure passenger traffic to larger destination markets in addition to catering to the “visit friends and relatives” (VFR) airline market segment. Spirit has historically operated from the Airport to traditional destination markets, such as those in Florida, the Caribbean, and Las Vegas. More recently, Spirit added service to markets with a mix of vacation and VFR demand, such as larger cities on the east coast, Midwest, south central, and west coast of the U.S. Overall, Spirit has generated additional O&D traffic growth in these markets, in addition to stimulating O&D traffic on Delta, as Delta selectively matches lower Spirit air fares. While Spirit has served the Airport since 1992, most of Spirit’s growth at the Airport has occurred since CY 2000. In 2017, Spirit opened a $32 million maintenance hangar at the Airport. While the Airport was one of 12 maintenance bases in Spirit’s network, at the time, it was the only maintenance base with a hanger. The opening of the maintenance facility demonstrated the long-term commitment the airline has to DTW. According to the O&D Survey, 2000 through 2019, the average fare paid on Spirit at the Airport has declined by 45%. This decrease in fares at the Airport was likely one of the drivers of growth in O&D passengers over this period.

Figure 2-6 presents Spirit’s growth in enplaned passengers from 2009 through 2022.

From 2009 through 2019, Spirit almost tripled its passenger volume from the Airport, growing from about 572,000 enplaned passengers in 2009 to more than 1.8 million enplaned passengers in 2019 (a CAGR of 12.1%) This ranked the Airport as the 6th fastest growing airport in the Spirit system during that period. During the onset of the COVID-19 pandemic, Spirit reduced operations to serve just 8 destinations at reduced frequencies. However, the airline was quick to return service and had service to 14 destinations by the end of 2020. Since then, Spirit has aggressively changed its offerings at the Airport, resuming service to previous destinations and adding new service but quickly cutting underperforming routes. This strategy has largely been effective for Spirit at the Airport. As shown in Figure 2-6, in 2021, Spirit had 1.3 million enplaned passengers which was approximately 27.0% below 2019 levels, closer than any of the other airlines to pre-pandemic levels. This quick recovery has resulted in the Airport being the 4th largest airport in Spirit’s network from 2019 through 2021 behind the leisure markets of Fort Lauderdale, Orlando, and Las Vegas. However, the recovery moderated in 2022 with the airline only growing 3.4% at the Airport, the lowest of the airlines at the Airport, as Spirit focused elsewhere on traffic recovery. The slower growth in 2022 resulted in the Airport dropping to the 7th largest airport in Spirit’s network. Spirit had 1.4 million enplaned passengers in 2022, 24.5% below 2019 levels. However, from January through June 2023, Spirit's enplaned passengers have increased approximately 21.6% over the same period in 2022, indicating a continued recovery at the Airport.

Figure 2-6 Spirit Enplaned Passenger at the Airport (2009 – 2022)



Source: Wayne County Airport Authority.

2.2 Air Traffic Activity and Trends

This section analyzes historical trends in air traffic activity at the Airport including enplaned passengers, aircraft operations, and landed weight. It also discusses the primary factors affecting these trends. This section identifies, to the extent data is available, air traffic trends at the Airport that have been impacted by the COVID-19 pandemic.

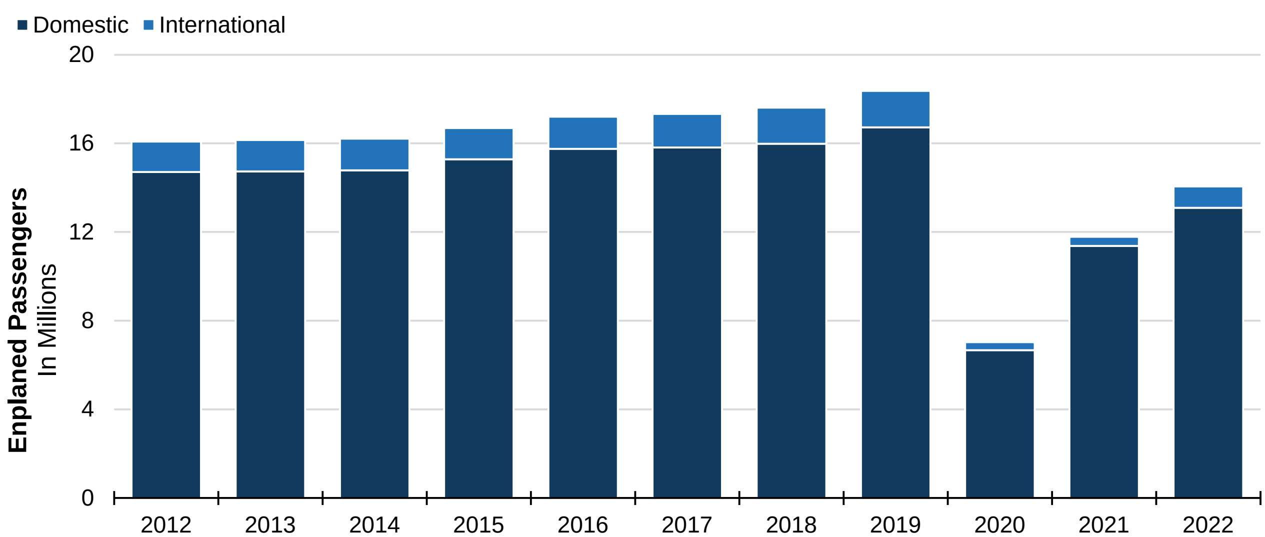
2.2.1 Enplaned Passengers

Passenger activity at an airport drives numerous revenues and financial measures including such items as non-airline revenues (e.g., parking, rental cars, terminal concessions, etc.), Passenger Facility Charge (PFC) revenues, rental car Customer Facility Charge (CFC) revenues, and FAA Airport Improvement Program (AIP) entitlement grant distributions. Enplaned passengers are also the denominator for airline cost per enplaned passenger (CPE). The relationship of the enplaned passengers to the Airport's financial performance is discussed in more detail in Chapter 4 of this Report. **Table 2-8** presents the historical enplaned passengers at the Airport categorized by domestic O&D, domestic connecting, and international for the period of 2012 through 2022, as well as 2022 and 2023 year-to-date (YTD) through June. From 2012 through 2019, connecting passengers, which are primarily driven by Delta's route network decisions, varied between 6.7 million and 7.6 million as Delta shifted its flights from smaller connecting markets through the Airport to larger, higher yield nonstop O&D markets at the Airport as a response to competition from and strong growth in O&D traffic by the LCC and ULCC carriers at the Airport. As a result, the Airport's percentage of domestic O&D traffic increased from 48.6% to 57.6% from 2012 to 2019. During the pandemic, the share of connecting traffic continued to decline. In 2022, 64.5% of domestic passengers at DTW were O&D.

Table 2-8 Historical Enplaned Passengers (2012 – 2022)

Year	Domestic O&D[1]	Domestic Connecting	International	Total	Year-Over-Year Growth Rate
2012	7,149,244	7,559,336	1,370,452	**16,079,032**	
2013	7,101,884	7,631,332	1,414,956	**16,148,172**	0.4%
2014	7,331,167	7,453,330	1,429,237	**16,213,734**	0.4%
2015	7,792,297	7,486,828	1,406,960	**16,686,085**	2.9%
2016	8,397,638	7,352,864	1,447,649	**17,198,151**	3.1%
2017	8,850,308	6,968,291	1,507,001	**17,325,600**	0.7%
2018	9,317,790	6,660,930	1,629,662	**17,608,382**	1.6%
2019	9,633,276	7,093,353	1,637,332	**18,363,961**	4.3%
2020	3,962,454	2,701,063	363,074	**7,026,591**	-61.7%
2021	7,179,773	4,190,954	411,875	**11,782,602**	67.7%
2022	8,450,269	4,643,513	959,149	**14,052,931**	19.3%
2022 YTD[2]				**6,777,774**	
2023 YTD[2]				**7,514,674**	10.9%

Range	Average Annual Growth Rate			
2012-19	4.4%	-0.9%	2.6%	**1.9%**
2019-22	-4.3%	-13.2%	-16.3%	**-8.5%**



[1] Domestic O&D is the non-directional (average) number of passengers and includes pre-cleared international traffic. Domestic O&D enplaned passengers also include those enplaned passengers that depart the Airport to a domestic destination; however, have a final destination that is an international airport (i.e., such passengers connect through another domestic airport enroute to an international destination, but are domestic non-stop passengers from the Airport).

[2] 2022 year-to-date (YTD) data is through June 2022 and 2023 YTD data is through June 2023.

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

2.2.1.1 2012 through 2019

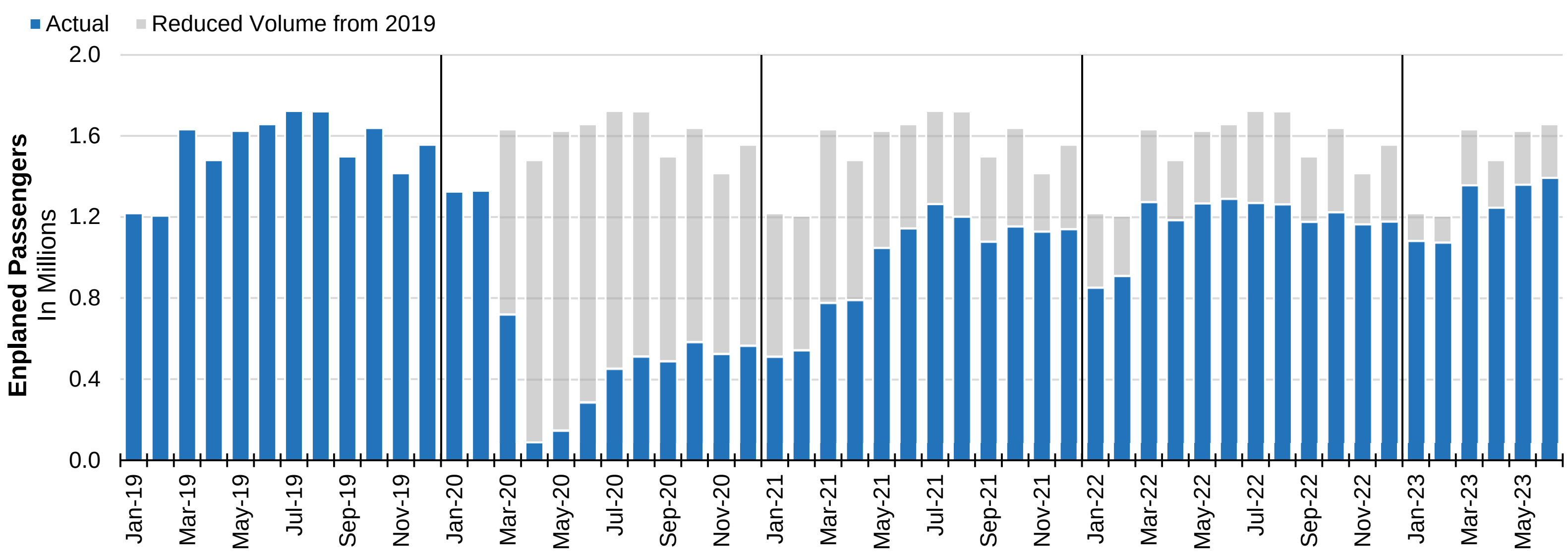
From 2012 through 2019, total enplaned passenger traffic at the Airport experienced a consistent upward trend. Enplaned passengers at the Airport increased from 16.1 million in 2012 to 18.4 million in 2019, representing a CAGR of 1.9%. Since the Airport predominantly serves domestic traffic, most of the increase in passenger levels was domestic. International enplaned passengers increased at a significantly faster rate from 2012 to 2019 as compared to domestic enplaned passengers (a CAGR of 2.6% versus 1.9%, respectively).

2.2.1.2 COVID-19 Pandemic Impact: 2020 through 2022

Beginning in March 2020, enplaned passengers at the Airport decreased dramatically because of the impacts associated with the COVID-19 pandemic. These impacts included international travel restrictions and stay-at-home orders throughout the U.S. **Table 2-9** presents the monthly enplaned passengers for 2020 through year-to-date 2023 compared to 2019. As shown, in March 2020, enplaned passengers decreased by approximately 55.9% from March 2019. The decrease continued into April when enplaned passengers were 94.0% lower than April 2019. Overall, enplaned passengers decreased by 61.7% in 2020 as compared to 2019 levels with most of the impact occurring after mid-March 2020 when the impacts from the COVID-19 pandemic generally took hold in the U.S. Since April 2020, enplaned passengers at the Airport have recovered nearly every month. By December 2021, enplaned passengers were down 26.7% when compared to December 2019. For the entire year 2021, enplaned passengers were 35.8% lower than in 2019. There was some continued recovery, particularly in the early months of 2022. However, by the end of the year, the recovery had stagnated. For the entire year 2022, enplaned passengers were 23.5% lower than in 2019. In June 2023, monthly enplaned passengers were down 15.9% as compared to June 2019.

Table 2-9 **Monthly Enplaned Passengers (2019 – 2023 YTD)**

	Enplaned Passengers (In Thousands)					Percent of 2019			
Month	2019	2020	2021	2022	2023	2020	2021	2022	2023
January	1,218	1,324	512	852	1,084	108.8%	42.1%	69.9%	89.0%
February	1,206	1,329	544	910	1,074	110.2%	45.1%	75.5%	89.1%
March	1,631	720	777	1,274	1,357	44.1%	47.6%	78.1%	83.2%
April	1,479	89	791	1,185	1,246	6.0%	53.5%	80.1%	84.2%
May	1,624	148	1,048	1,268	1,360	9.1%	64.6%	78.1%	83.7%
June	1,657	286	1,144	1,290	1,393	17.3%	69.0%	77.8%	84.1%
July	1,722	453	1,264	1,270		26.3%	73.4%	73.7%	
August	1,720	513	1,202	1,263		29.8%	69.8%	73.4%	
September	1,498	489	1,079	1,177		32.6%	72.0%	78.5%	
October	1,638	584	1,154	1,224		35.7%	70.4%	74.7%	
November	1,415	525	1,128	1,164		37.1%	79.7%	82.3%	
December	1,555	566	1,140	1,178		36.4%	73.3%	75.7%	
Total	**18,364**	**7,027**	**11,783**	**14,053**	**7,515**	**38.3%**	**64.2%**	**76.5%**	**85.2%**



Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

2.2.2 Aircraft Operations

Airlines' decisions on aircraft type and the number of operations to accommodate passenger demand ultimately determine overall aircraft landed weight. Airlines are constantly evaluating how to best serve passenger demand with their available aircraft fleet. In markets that exhibit strong business travel, an airline may decide to operate smaller aircraft on a route several times per day to offer customers more choice and redundancy. In other cases, an airline may choose to offer larger aircraft and less frequency. Airlines also make decisions to change aircraft capacity on routes in response to load factors and profitability. Aircraft fleet mix and operations are important considerations for airport operators when planning for the appropriately sized airport facilities and to ensure the airport has sufficient capacity to accommodate operations in the future. **Table 2-10** presents the aircraft operations at the Airport from 2012 through 2022, as well as 2022 and 2023 YTD through June.

2.2.2.1 2012 through 2019

Commercial operations at the Airport refers to commercial passenger and all-cargo aircraft operations. The Great Recession[79] forced airlines to re-examine their operations in an effort to remain financially sound. As a result, many airlines implemented cost-saving measures and eliminated many poor performing routes with low load factors. Additionally, airlines opted to use larger aircraft where feasible. Small regional jets (aircraft with 50 or fewer seats) were retired at an accelerated rate. According to the U.S. Department of Transportation Air Carrier Statistics database (T-100), the average number of seats on departing aircraft at the Airport increased from an average of 93.8 seats in 2012 to 116.6 seats in 2019. This significant change in the aircraft fleet operating at the Airport, combined with higher load factors resulted in an increase in the average number of enplaned passengers from approximately 76.2 per departure in 2012 to 96.2 in 2019. This increase in passengers per operation has allowed airlines to operate fewer flights to handle a comparable number of passengers. As a result, scheduled commercial passenger aircraft operations decreased from 2012 at a CAGR of -1.2% through 2019.

Non-commercial operations at the Airport refers to general aviation (GA) and military aircraft operations. From 2012 to 2019, GA aircraft operations have declined at a CAGR of 0.6%. From 2012 to 2019, military aircraft operations decreased from 223 in 2012 to 89 in 2019.

2.2.2.2 COVID-19 Pandemic Impact: 2020 through 2022

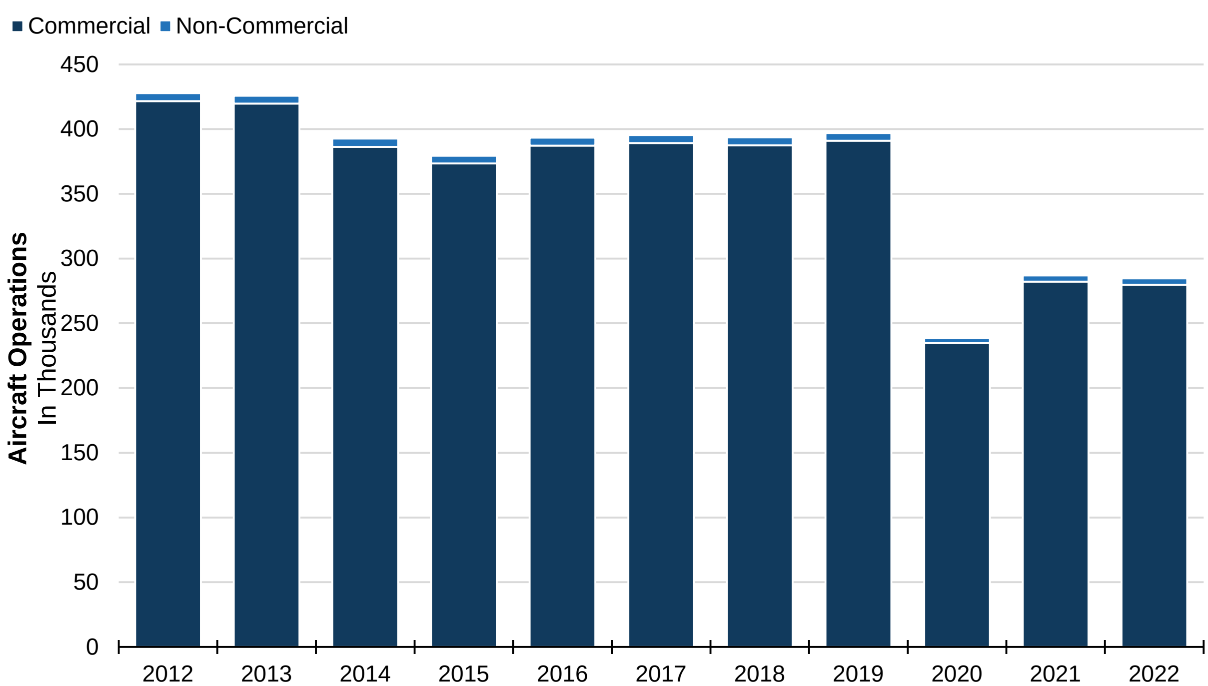
In response to the significant decrease in enplaned passengers in the U.S. and at the Airport during the ongoing COVID-19 pandemic, the airlines reduced the number of daily flights and air service in kind. **Table 2-11** depicts the monthly aircraft operations for 2019 through 2022. As shown, in March 2020, aircraft operations were approximately 15.8% lower than in March 2019, compared to a 55.9% decrease in enplaned passengers. Normally, aircraft operations would be more directly related to enplaned passengers. However, there was an initial reluctance to remove flights from flight schedules because of the implementation of social distancing practices (i.e., restricting the use of middle seats). The decrease continued into April 2020 and May 2020 when aircraft operations were 66.8% and 74.8% lower than the same months in the prior year, respectively. Aircraft operations in December 2021 were down 35.0% from December 2019. In 2021, aircraft operations overall were 27.7% lower than in 2019. There was little recovery in aircraft operations during 2022 as airlines opted for larger aircraft to handle the recovery of enplaned passengers. In 2022, aircraft operations overall were 29.3% lower than in 2019. In June 2023, aircraft operations were down 29.0% as compared to June 2019. Despite the slow recovery for aircraft operations, landed weight has recovered faster due to the increase in average aircraft size. This is further discussed in Section 2.2.3.2.

[79] The Great Recession was a major U.S. economic recession that occurred between December 2007 and June 2009.

Table 2-10 **Historical Aircraft Operations (2012 – 2022)**

Year	Commercial	Non-Commercial	Total	Year-Over-Year Growth Rate
2012	421,558	6,256	**427,814**	
2013	419,738	5,994	**425,732**	-0.5%
2014	386,239	6,396	**392,635**	-7.8%
2015	373,431	5,945	**379,376**	-3.4%
2016	387,165	6,262	**393,427**	3.7%
2017	389,183	6,174	**395,357**	0.5%
2018	387,407	6,274	**393,681**	-0.4%
2019	391,048	5,861	**396,909**	0.8%
2020	234,637	3,937	**238,574**	-39.9%
2021	282,193	4,716	**286,909**	20.3%
2022	279,783	4,823	**284,606**	-0.8%
2022 YTD[1]			**142,878**	
2023 YTD[1]			**141,144**	-1.2%

Range	Average Annual Growth Rate		
2012-19	-1.1%	-0.9%	**-1.1%**
2019-21	-15.1%	-10.3%	**-15.0%**

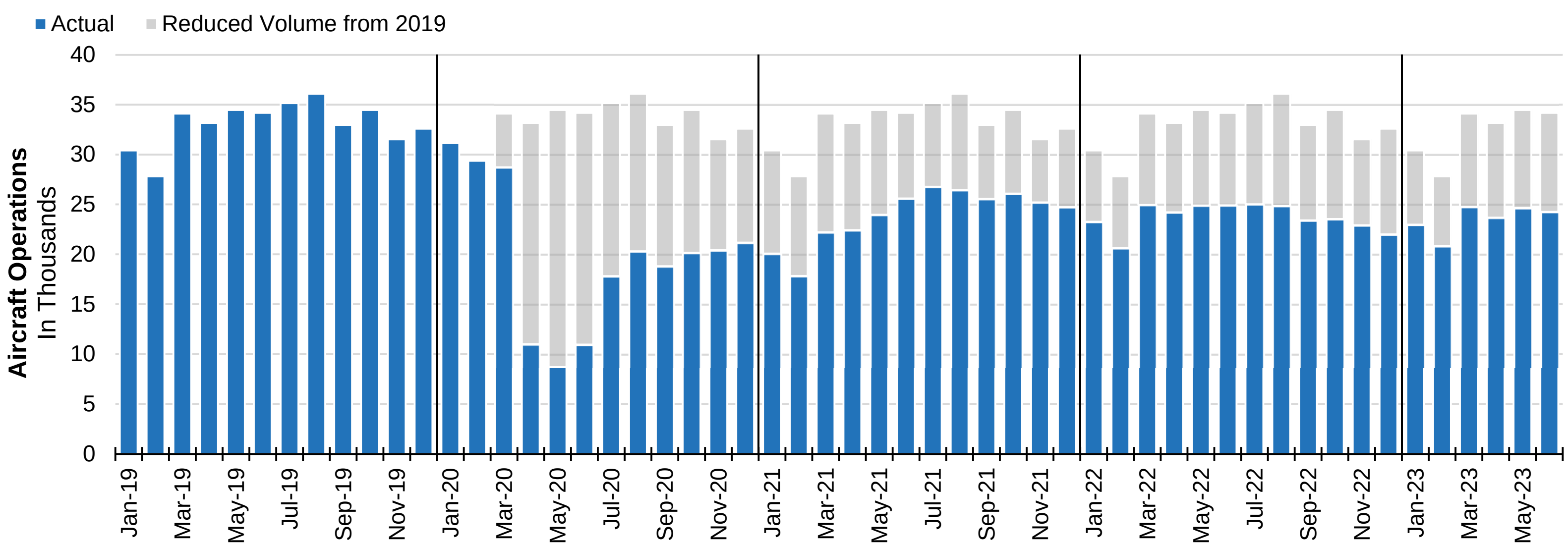


[1] 2022 year-to-date (YTD) data is through June 2022 and 2023 YTD data is through June 2023.

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

Table 2-11 **Monthly Aircraft Operations (2019 – 2023 YTD)**

	Aircraft Operations					Percent of 2019			
Month	2019	2020	2021	2022	2023	2020	2021	2022	2023
January	30,404	31,141	20,073	23,271	22,970	102.4%	66.0%	76.5%	75.5%
February	27,806	29,365	17,837	20,631	20,831	105.6%	64.1%	74.2%	74.9%
March	34,103	28,729	22,206	24,957	24,766	84.2%	65.1%	73.2%	72.6%
April	33,174	11,008	22,428	24,210	23,678	33.2%	67.6%	73.0%	71.4%
May	34,463	8,696	23,963	24,900	24,639	25.2%	69.5%	72.3%	71.5%
June	34,178	10,956	25,605	24,909	24,260	32.1%	74.9%	72.9%	71.0%
July	35,144	17,815	26,768	25,018		50.7%	76.2%	71.2%	
August	36,082	20,302	26,444	24,852		56.3%	73.3%	68.9%	
September	32,970	18,815	25,560	23,401		57.1%	77.5%	71.0%	
October	34,470	20,149	26,085	23,542		58.5%	75.7%	68.3%	
November	31,526	20,415	25,206	22,920		64.8%	80.0%	72.7%	
December	32,589	21,183	24,734	21,995		65.0%	75.9%	67.5%	
Total	**396,909**	**238,574**	**286,909**	**284,606**	**141,144**	**60.1%**	**72.3%**	**71.7%**	**72.7%**



Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

2.2.3 Aircraft Landed Weight

Aircraft landed weight, expressed in 1,000-pound units, is the sum of the maximum gross certificated landing weight as certified by the FAA for passenger and all-cargo aircraft landing at the Airport. Per the Airport Use and Lease Agreement with the Signatory Airlines that operate at the Airport, aircraft landed weight is used as the denominator in the calculation of landing fees that are used to recover the net costs of the Airport. Therefore, landed weight is an important measure for the Airport as it provides a method to recover costs from each airline based on its share of landed weight. **Table 2-12** presents the landed weight at the Airport from 2012 through 2022, as well as 2022 and 2023 YTD through June.

2.2.3.1 2012 through 2019

Aircraft landed weight at the Airport increased from 20.5 million units in 2012 to 22.7 million units in 2019, representing a CAGR of 1.5%. Both passenger airlines and all-cargo airlines contributed to landed weight growth, increasing at a CAGR of 1.4% and 4.1%, respectively.

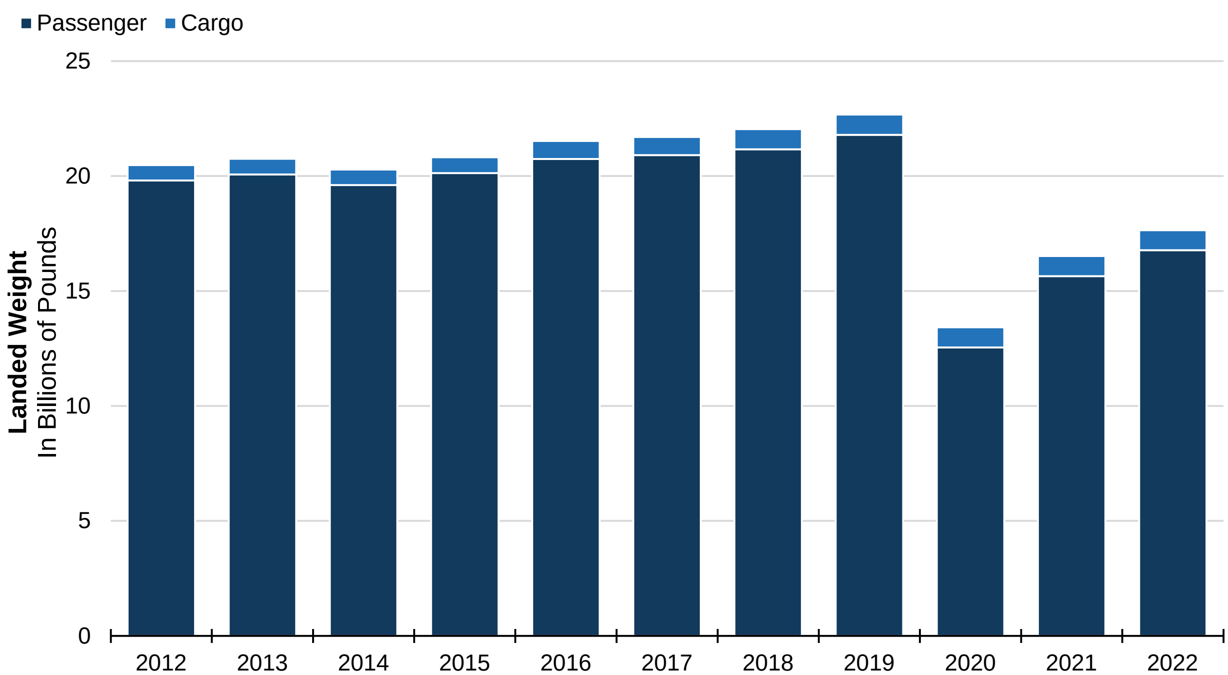
2.2.3.2 COVID-19 Pandemic Impact: 2020 through 2023 YTD

Table 2-13 depicts the monthly aircraft landed weight from January 2019 through year-to-date 2023. As shown, starting in March 2020, aircraft landed weight decreased by approximately 18.5% from March 2019, compared to 55.9% for enplaned passengers and 15.8% for aircraft operations. The decrease continued into May when aircraft landed weight was 75.3% lower than May 2019. Since May 2020, aircraft landed weight at the Airport has consistently recovered. In December 2021, aircraft landed weight was 20.0% lower than in December 2019. For the entire year 2021, landed weight decreased by 27.2% when compared to 2019. There was some continued recovery, particularly in the early months of 2022. However, by the end of the year, the recovery had stagnated. For the entire year 2022, aircraft landed weight was 22.2% lower than in 2019. In June 2023, monthly aircraft landed weight was down just 18.6% as compared to June 2019.

Table 2-12 **Historical Landed Weight (2011 – 2022) (1000-lb units)**

Year	Passenger Airlines	All-Cargo Airlines	Total	Year-Over-Year Growth Rate
2012	19,808,298	665,478	**20,473,776**	
2013	20,066,276	681,902	**20,748,178**	1.3%
2014	19,610,316	674,519	**20,284,835**	-2.2%
2015	20,131,092	685,687	**20,816,779**	2.6%
2016	20,744,066	781,548	**21,525,614**	3.4%
2017	20,907,197	789,890	**21,697,087**	0.8%
2018	21,164,591	871,844	**22,036,435**	1.6%
2019	21,792,018	884,000	**22,676,018**	2.9%
2020	12,546,463	877,047	**13,423,510**	-40.8%
2021	15,646,760	863,007	**16,519,465**	23.1%
2022	16,771,479	869,978	**17,641,457**	6.8%
2022 YTD[1]			**8,685,106**	
2023 YTD[1]			**9,354,031**	7.7%

Range	Average Annual Growth Rate			
2012-19	1.4%	4.1%	**1.5%**	
2019-22	-8.4%	-0.5%	**-8.0%**	

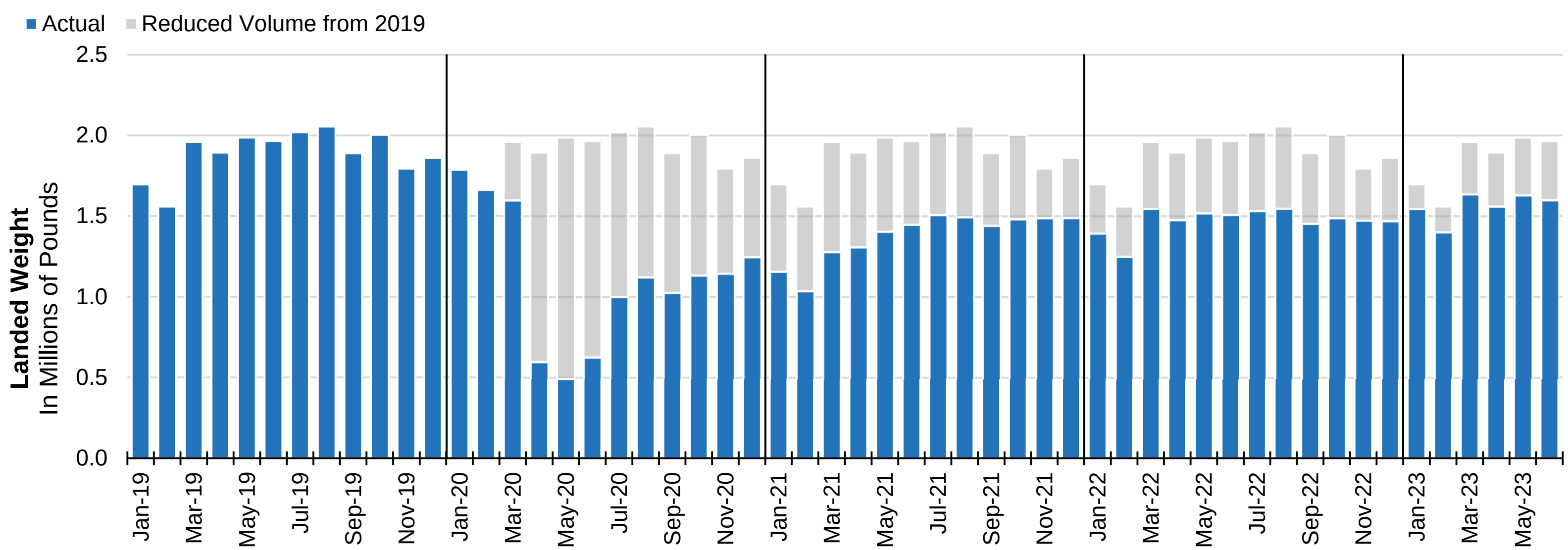


[1] 2022 year-to-date (YTD) data is through June 2022 and 2023 YTD data is through June 2023.

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

Table 2-13 Monthly Landed Weight (2019 – 2023 YTD)

	Landed Weight (1,000-lb Units, in thousands)					Percent of 2019			
Month	2019	2020	2021	2022	2023	2020	2021	2022	2023
January	1,696	1,786	1,156	1,392	1,535	105.4%	68.2%	82.1%	90.5%
February	1,559	1,661	1,035	1,248	1,400	106.5%	66.4%	80.1%	89.8%
March	1,959	1,597	1,277	1,545	1,635	81.5%	65.2%	78.9%	83.5%
April	1,892	597	1,306	1,475	1,559	31.5%	69.0%	77.9%	82.4%
May	1,986	490	1,403	1,517	1,628	24.7%	70.7%	76.4%	82.0%
June	1,965	625	1,447	1,508	1,598	31.8%	73.6%	76.8%	81.4%
July	2,019	1,001	1,507	1,531		49.6%	74.6%	75.8%	
August	2,055	1,121	1,493	1,546		54.6%	72.6%	75.2%	
September	1,888	1,024	1,440	1,452		54.3%	76.3%	76.9%	
October	2,003	1,132	1,481	1,487		56.5%	73.9%	74.2%	
November	1,794	1,143	1,487	1,472		63.7%	82.9%	82.0%	
December	1,860	1,245	1,488	1,468		66.9%	80.0%	78.9%	
Total	**22,676**	**13,423**	**16,519**	**17,641**	**9,354**	**59.2%**	**72.8%**	**77.8%**	**84.6%**



Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics.

2.3 Key Factors Affecting Air Traffic Demand

The following section addresses certain key factors that could impact air traffic activity, both nationwide and at the Airport.

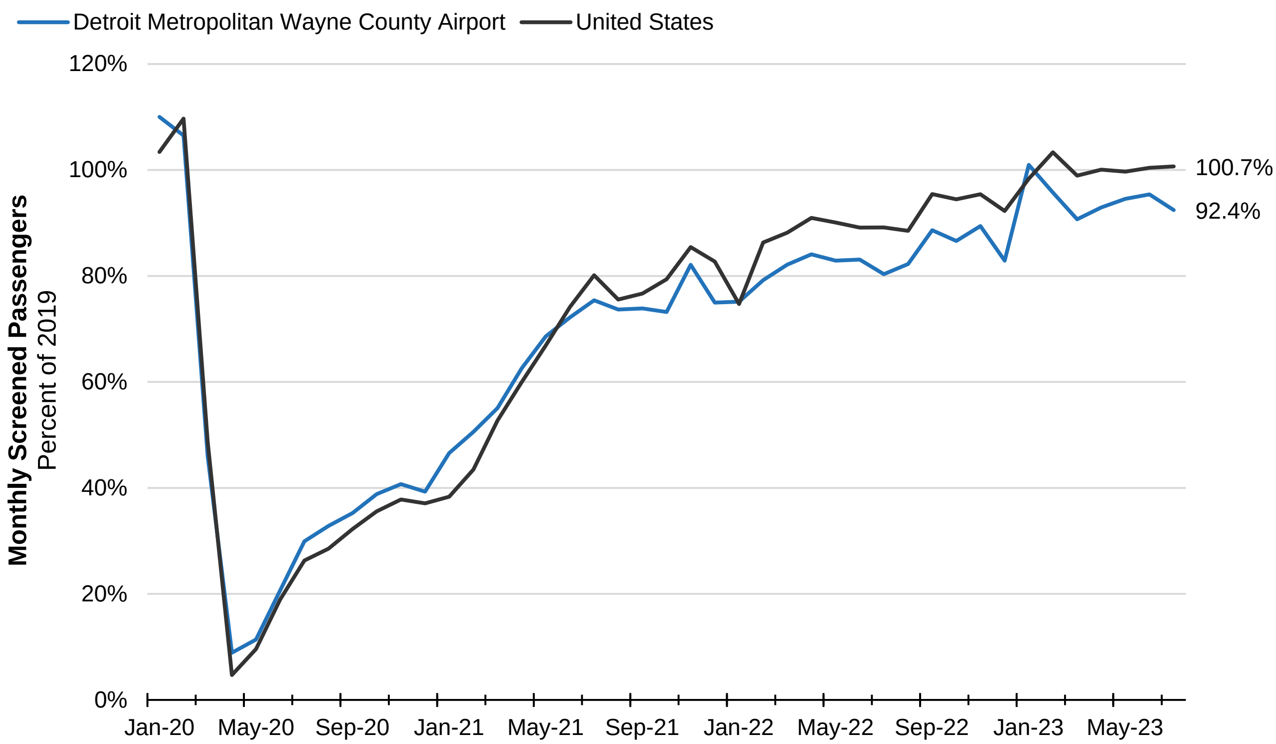
2.3.1 The COVID-19 Pandemic

While passenger traffic, and to a lesser extent aircraft operations and landed weight, was dramatically affected by the impacts associated with the COVID-19 pandemic initially, it started to recover during the summer of 2020. However, during the fall of 2020, the recovery seemed to stall but showed further recovery during the winter holiday season in 2020. The recovery of air traffic nationwide slowed again during the early winter months in 2021 but had a more rapid recovery over the rest of 2021. Travel over the winter holiday season in 2021/2022 was strong; however, airline staffing issues caused in part by COVID-19 variants, along with winter weather, caused many flight cancelations and delays. Travel over the holiday season in 2022/2023 was also generally strong; however, weather impacts across the U.S. and operational issues experienced by Southwest Airlines also caused many flight delays and cancelations. On a national level, the ongoing effects of the COVID-19 pandemic on air travel have diminished when compared to the past two years. On May 5, 2023, the World Health Organization announced its decision to no longer designate the COVID-19 pandemic as a global health emergency, citing high levels of immunity globally induced by vaccination or infection, or both.

Figure 2-7 depicts the impacts associated with the COVID-19 pandemic to O&D passenger checkpoint throughput at both the Airport and for the overall U.S based on data from the TSA. This figure presents the recovery trend for passenger checkpoint throughput as a percent of 2019 levels. As shown, the impact to the Airport's O&D passengers throughput tracked closely with the nationwide trend early in the pandemic, decreasing to an unprecedented trough of around -91.1% of the prior year's levels in April 2020. Starting in May 2020, TSA checkpoint throughput for the Airport and the U.S. started to slowly recover. In June 2021, the Airport's checkpoint throughput trend dropped below that of the overall U.S. suggesting a slower recovery for the Airport as compared to the overall U.S. By July 2023, the Airport has recovered to 92.4% of 2019 TSA checkpoint throughput, while the overall U.S. has recovered to approximately 100.7%. This lower recovery level for the Airport as compared to the U.S. is believed in part to be due to DTW being more of a business-orientated market. Business traffic has lagged leisure in terms of recovery thus far. According to a survey conducted by JD Power, 42% of passengers at DTW were travelling for business purposes in the first quarter of 2019. In a recent update to this survey, JD Power indicated that business travelers only accounted for 37% from November 2022 through January 2023. Delta's domestic corporate sales in the quarter ended December 2022 were 80 percent recovered to 2019 levels.[80] Recent corporate survey results indicate that 96 percent of companies expect their travel will stay the same or increase sequentially in the quarter ended March 2023.[81] The US Travel Association projects that the volume of business travel by air will recover to around 98% of pre-pandemic levels in 2023 with full recovery by 2024.[82]

80 Delta Air Lines, Delta Announces December Quarter and Full Year 2022 Profit.
81 Ibid
82 CAPA Center for Aviation, After slow end to 2022, the business travel outlook is turning more positive for 2023, March 2023.

Figure 2-7 Comparison of Airport and U.S. TSA Checkpoint Throughput (January 2020 – July 2023)



Sources: Wayne County Airport Authority, Management records, accessed August 2023.
Transportation Security Administration, accessed August 2023.

2.3.2 Economic Conditions and Events

Historically, the U.S. economy, as measured by GDP, has generally grown at a relatively steady rate, averaging 3.1% per annum between 1960 and 2019. The rate of growth had been remarkably stable reflecting both the size and maturity of the U.S. economy. Individual years have fluctuated from the long-term trend for a variety of reasons including macroeconomic factors, fuel shocks, war, and terrorist attacks.

Prior to 2020, there were two official economic recessions in the U.S. in the 21st century. The first occurred between March 2001 and November 2001 and was compounded by the September 11, 2001 terrorist attacks. The negative impact of these events on the airline industry is well documented. The recession itself was short-lived by historical standards and the economy returned to positive growth quickly, fueled by a gradual but prolonged reduction in interest rates. The Great Recession occurred between December 2007 and June 2009.[83] As a result of the Great Recession, the nation's unemployment rate rose from 5.0% in December 2007 to a high of 10.0% in October 2009.[84]

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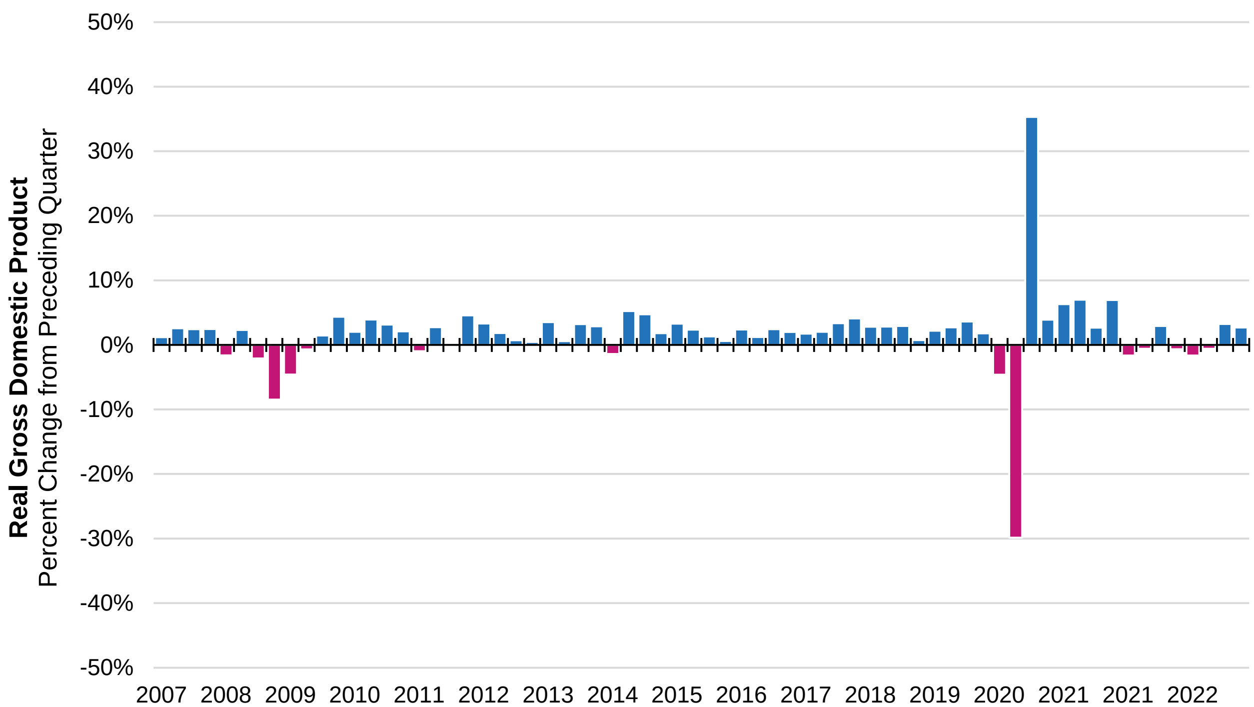
83 National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions, September 20, 2010.
84 Ibid.

The outbreak of COVID-19 in early 2020 and the declaration of a pandemic by the WHO on March 11, 2020, coupled with the subsequent travel restrictions led to disruptions of economies around the world, resulting in dramatic increases in unemployment and significant decreases in air traffic. According to the BEA, real GDP decreased at an annual rate of 31.4% in the second quarter of 2020 after decreasing by 5.0% in the first quarter of 2020. In comparison, the worst decrease in GDP during the Great Recession was 8.4% in the fourth quarter of 2008. There was significant recovery in GDP in the third quarter, increasing 33.4%. Growth was followed by increases of 4.3% in the fourth quarter of 2020, 6.3% in the first quarter of 2021, and 6.5% in the second and third quarters of 2021. In the second quarter of 2021, GDP exceeded the level experienced in the fourth quarter of 2019. **Figure 2-8** depicts the magnitude of the impact the COVID-19 pandemic had on the United States economy when compared to the Great Recession.

Traditionally, two consecutive quarters of contraction is the benchmark used to determine if a country has entered a recession. The National Bureau of Economic Research defines a recession as a significant decline in economic activity that is spread across the economy and lasts more than a few months.[85] Economic markers such as unemployment, rising wages, and consumer spending indicate that the economy is stronger than what is indicated by the contraction in GDP. The second estimate for 4th quarter 2022 shows a 2.7% growth in GDP, representing a second consecutive quarter of positive growth.

Figure 2-8 United States Economic Impact of the COVID-19 Pandemic

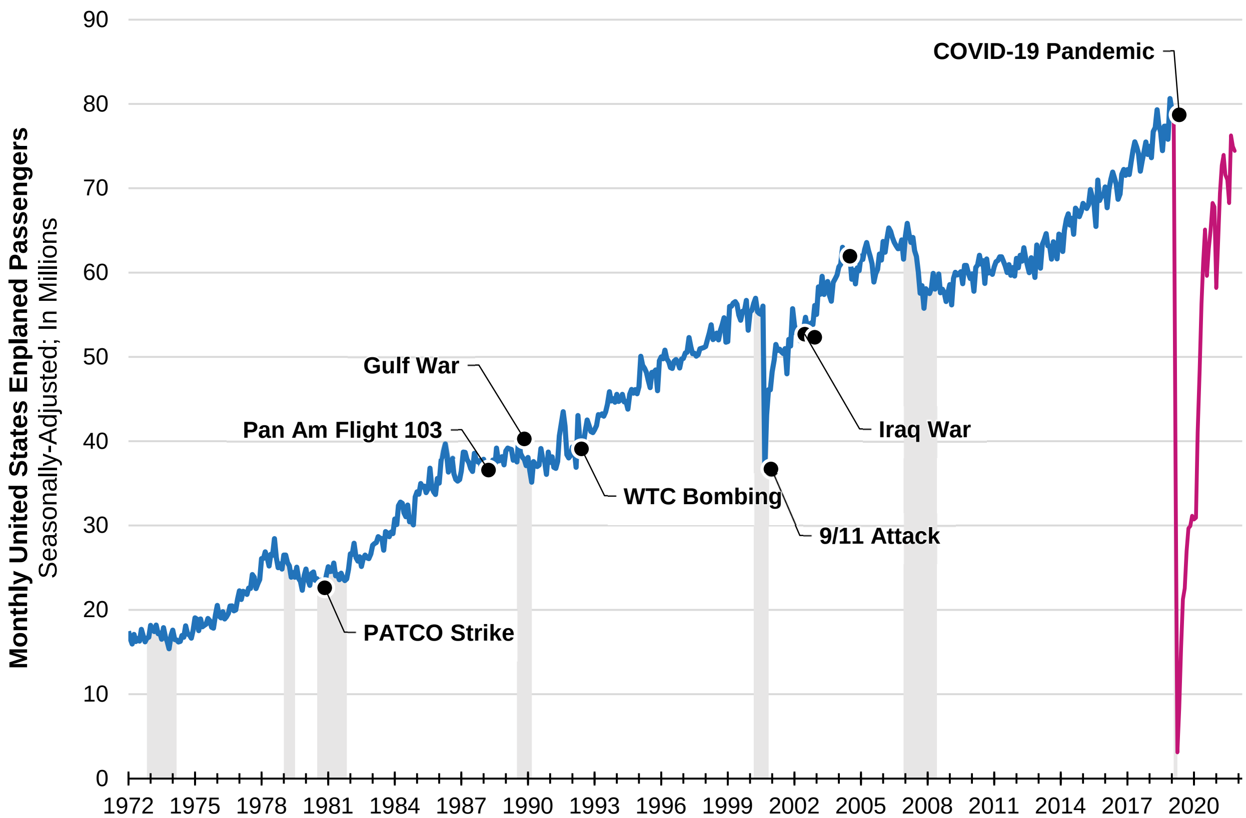


Source: U.S. Bureau of Economic Analysis, National Income and Product Accounts, March 2023.

85 National Bureau of Economic Research, Business Cycle Dating.

Figure 2-9 shows how enplaned passenger traffic in the U.S. has experienced long-term growth. During periods of economic contractions and exogenous events, there is a notable decline in passenger volumes, and during the subsequent economic expansions and recovery periods, there is significant growth in passenger volumes. Additionally, exogenous shocks such as terrorist attacks have generally had a short but significant impact on passenger volumes. As presented in this figure, the COVID-19 pandemic has been the most disruptive event to impact aviation in history. There is still much uncertainty around when air traffic on a national level will recover to "pre-COVID-19" levels. Additionally, in the short-term, certain factors such as the ability to add capacity given pilot and aircraft shortages (discussed below) are impacting airline traffic. According to data from Form 41 Schedule T-100, only four large hub (Las Vegas, Miami, Austin, and Nashville) and nine medium hub airports recovered to pre-pandemic levels in 2022 in terms of enplaned passengers.

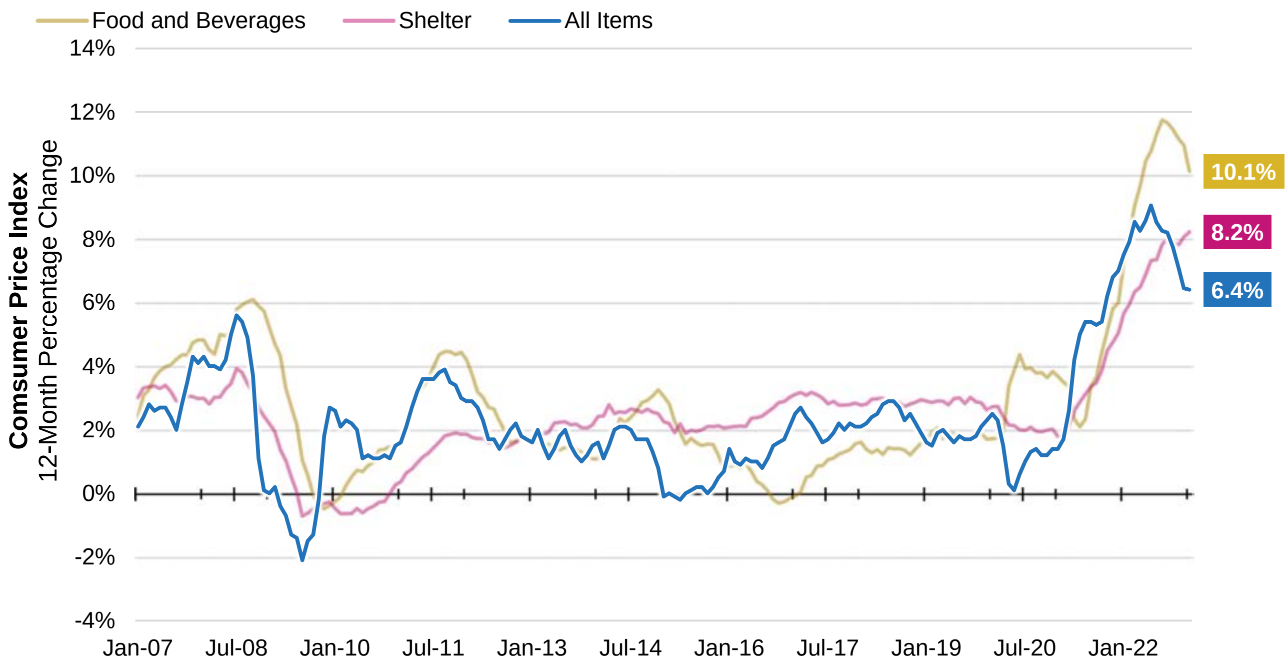
Figure 2-9 U.S. Aviation System Shocks and Recoveries (through October 2022)



Note: Excludes non-revenue enplaned passengers.
Source: U.S. Bureau of Transportation Statistics, U.S. Air Carrier Traffic Statistics; National Bureau of Economic Research, U.S. Business Cycle Expansions and Contractions.

Increases in inflation can have a negative impact on passenger traffic if inflation increases at a faster rate than income. The consumer price index (CPI) is a measure of the average change over time in the prices paid by urban consumers for consumer goods and services. Consumer prices began to increase in April 2021 as the country continued to recover from the recession associated with the COVID-19 pandemic, driven in large part by rising fuel and food prices. Global supply chain issues also attributed to increases to the CPI. The average cost of goods and services began to climb at an accelerated rate beginning June 2021 with items like food, fuel, and housing being directly impacted. In June 2022 the CPI increased to 9.1% over June 2021. Since June 2022, the increase in CPI has slowed. In January 2023, the CPI increased to 6.4% over January 2022. **Figure 2-10** graphically depicts how CPI in the U.S. has changed since January 2007. Inflation has reached historically high levels that have not been experienced for approximately 40 years.

Figure 2-10 Consumer Price Index (January 2007 – January 2023)



Source: United States Bureau of Labor Statistics, Consumer Price Index (CPI) Databases.

How inflation is impacting air travel is somewhat difficult to assess at this time. According to a study from Bankrate, 63% of U.S. adults are likely to travel during the summer season of 2023, up from 61% in 2022.Of those that say they would not be taking a vacation this summer, cost is the largest reason and 62% indicate that they can't afford it because of inflation. The survey also indicates that 26% of those people planning vacation are saving money by opting to drive instead of flying to their destination.[86] Over time, it is anticipated that inflation will return to rates historically experienced over the long term, and that demand for air travel will return to its historical relationship with inflation.

86 Bankrate, 80% of summer vacationers are changing their plans due to inflation, April 23, 2023.

At present, there is much uncertainty around the global economy and the events currently unfolding with the COVID-19 pandemic, the war between Russia and Ukraine, a global recession, oil prices, and inflation. Future waves of COVID-19, a prolonged or expansion of the war beyond Russia and Ukraine, oil prices, other socioeconomic conditions, and their impacts to the global economy could have a further negative impact on national air passenger demand in the future.

2.3.3 The U.S. Airline Industry

2.3.3.1 Airline Profitability

In 2008 and 2009, the U.S. airline industry decreased capacity, particularly in short-haul markets with smaller, short range aircraft types. The result has been significant improvement in yields, RASM, and subsequent profitability prior to outbreak of the COVID-19 pandemic. In recent years prior to the COVID-19 pandemic, the U.S. airline industry had been at its most stable, profitable point in history. According to the Bureau of Transportation Statistics (BTS), the 23 U.S. scheduled passenger airlines reported a pre-tax net operating profit of $15.8 billion in CY 2019, which was a 19.7% increase from 2018 and marked the eleventh consecutive year of pre-tax operating profits. The scheduled passenger airlines reported an operating profit margin of 7.5% in 2019, which was up from 6.3% in 2018.[87] Profitability during this period can also be attributed to airlines unbundling services and increasing the use of ancillary fees such as charges for checked baggage.

As a result of the impacts of the COVID-19 pandemic, U.S. airlines incurred record losses in 2020 and into 2021. The U.S. DOT has reported that U.S. scheduled passenger airlines reported four straight quarter after-tax net loss beginning in the second quarter of 2020. For four quarters ending first quarter 2021, airlines experienced an after-tax net loss of $34.0 billion.[88] However, U.S. airlines had a $1.0 billion profit in the second quarter of 2021, the first profit since the beginning of the COVID-19 pandemic, followed by a $2.7 billion profit in the third quarter of 2021.[89] The International Air Transport Association (IATA) estimates that globally airlines lost $126.4 billion in 2020. In 2021, IATA projects losses to be cut to $47.7 billion as revenues rise to $458 billion.[90] To help support U.S. air carriers through this crisis, which is evident by the recent financial performance stated above, in March 2020, the U.S. Senate passed by unanimous vote the CARES Act. Under Title IV of the CARES Act, Congress approved $500 billion in federal assistance to severely distressed sectors of the economy as part of the larger $2 trillion stimulus package. The approved programs include $61 billion to the airline sector as follows:

i) $29 billion in loans and loan guarantees for air carriers, FAA Part 145 aircraft repair stations and ticket agents;

ii) $32 billion in payroll protection grants for air carriers and their contractors; and

iii) Relief to air carriers from federal excise taxes that apply to transporting passengers and cargo and the purchase of aviation jet fuel.

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87 Bureau of Transportation Statistics, 2019 Annual and 4th Quarter U.S. Airline Financial Data.

88 Bureau of Transportation Statistics, U.S. Airlines Narrow Net Loss in 1st Quarter 2021 from 4th Quarter 2020, https://www.bts.gov/newsroom/us-airlines-narrow-net-loss-1st-quarter-2021-4th-quarter-2020.

89 Bureau of Transportation Statistics, U.S. Airlines' Net Profit in 3rd Quarter 2021 Nearly Triples 2nd Quarter, https://www.bts.gov/newsroom/us-airlines-net-profit-3rd-quarter-2021-nearly-triples-2nd-quarter.

90 International Air Transport Association, Reduced Losses but Continued Pain in 2021, https://www.iata.org/en/pressroom/pr/2021-04-21-01/

The $25 billion to passenger air carriers, $4 billion to cargo air carriers, and $3 billion to contractors were allocated for support under CARES Act funds.[91] As a condition of accepting these funds, U.S. airlines were required to (1) refrain from imposing involuntary furloughs on U.S.-based employees or reducing employee pay or benefits through September 30, 2020; (2) maintain certain limitations on executive compensation through March 24, 2022; (3) suspend the payment of dividends or other distributions and cease stock buybacks through September 30, 2021; and (4) continue service as is reasonable and practicable under DOT regulations. Enacted on December 27, 2020, the Consolidated Appropriations Act (including CARES) created the Payroll Support Program Extension (PSP2) which allocated another $15 billion to passenger air carriers and $1 billion to contractors. On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) was signed and provided $2 billion in economic relief to airports. Most recently, the American Rescue Plan Act of 2021 extended assistance to passenger air carriers and contractors that received financial assistance under PSP2 for an additionally $14 billion and $1 billion respectively.

Jet fuel prices have risen sharply since the start of the Ukraine war, and upward pressures on fuel prices are expected to continue. Based on U.S. DOT Form 41 data for 2021, fuel costs represented just over 33% of airlines' operating expenses. All airlines will be directly impacted by the rising jet fuel prices and have two options in terms of managing the increased cost of fuel; they must either absorb the costs themselves, which will further impact airline profit margins, or pass the higher fuel costs on to passengers through higher air fares which could reduce demand for air travel.

As discussed above, it is expected that the airlines will continue to experience financial distress for the foreseeable future until air traffic is able to recover to reasonable levels. It is generally assumed that the airlines will continue to right-size capacity to meet demand and evolve business models in the near-term.

2.3.3.2 Airlines Bankruptcies and Mergers

Over the past two decades, the U.S. airline industry has undergone a significant transformation. Although it had been profitable in recent years prior to the impacts associated with the COVID-19 pandemic, the U.S. airline industry cumulatively experienced losses of approximately $62 billion from 2000 through 2009 on domestic operations. Many airlines filed for Chapter 11 bankruptcy protection and some ceased operations altogether. During this period, airlines suffered from excess capacity, which drove down yields. Yields adjusted for inflation had dropped by approximately 70%. With oil prices spiking to near $150 per barrel in 2008, industry changes were critical. As a result, all the major network airlines restructured their route networks and reached agreements with lenders, employees, vendors, and creditors to decrease their cost structure.

As discussed above, the airlines have experienced significant financial difficulty given the significant passenger decreases caused by the impacts associated with the COVID-19 pandemic. As of December 9, 2021, five U.S. airlines including three regional carriers and one charter airline ceased operating primarily as a result of the COVID-19 pandemic.[92] Since December 2021, no additional U.S. scheduled mainline passenger airline have filed for bankruptcy protection or ceased operations. However, given the ongoing financial struggles and the uncertain recovery of air traffic, it is possible that airlines may file for bankruptcy protection or potentially cease operations in the future primarily as a result of the COVID-19 pandemic.

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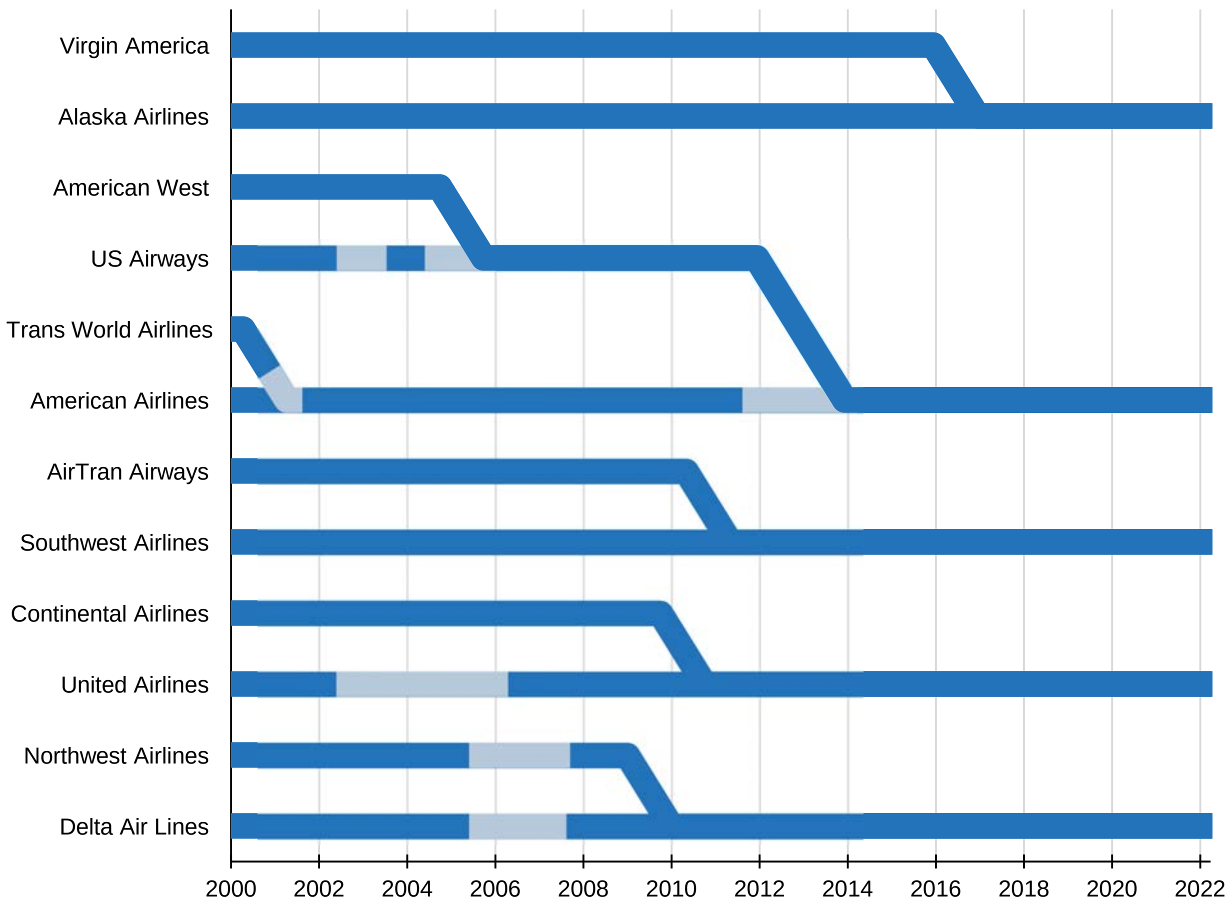
91 Department of the Treasury, Payroll Support Program Payments, https://home.treasury.gov/policy-issues/cares/preserving-jobs-for-american-industry/payroll-support-program-payments

92 The five U.S. airlines that have gone bankruptcy in 2020 are the regional carriers: ExpressJet (UA), Trans States Airlines (UA), and Compass Airlines (AA and DL), and the charter carriers: Miami Air International, and Shoreline Aviation. The major carriers served by the regional partner carriers contracted with other carriers to provide regional service.

Industry consolidation has taken place as a result of competitive pressures and economic conditions. Many airlines have merged or been acquired since the turn of the 21st century. **Figure 2-11** provides a graphical representation of the major U.S. airline mergers during this period. These mergers have resulted less competition among the airlines and increased pricing power. The potential impacts associated with consolidation include limited industry seats, limited capacity growth, and increases in fares.

Figure 2-11 Major U.S. Airline Mergers of the 21st Century[1]



Note: Lighter shading indicates bankruptcy.
Source: Airlines for America, U.S. Airline Mergers and Acquisitions.

It is expected that airlines will continue to enter into partnerships and code-share agreements in attempts to seek competitive advantages. For example, in early 2021, American entered into partnerships with both Alaska Airlines for markets in the western U.S. and JetBlue Airways for markets in the eastern U.S. However, on May 19, 2023 a federal judge ruled that the alliance between American and JetBlue Airways must end within 30 days, citing diminished competition in the domestic market for air travel. In October 2022, Spirit Airlines shareholders approved a new merger agreement with JetBlue Airways, which will create the fifth largest airline in the U.S. This merger still awaits approval from U.S. Department of Justice, and if approved, is likely months away from consummation.

2.3.4 Pilot Shortage

At the onset of the COVID-19 pandemic, airlines were faced with a surplus of personnel resulting from the sudden and dramatic decline in traffic. As a result, airlines offered their employees buyouts and early retirement packages. In total, it is estimated that approximately 10% of pilots took early retirement during the pandemic.[93] In addition, an aging pilot population is expected to continue to compound the issues arising from early retirements caused by the pandemic as well as the mandatory pilot retirement age of 65. FAA airman certification statistics shows that 28% of the 170,086 people with an airline transport pilot (ATP) certificate are 60 years of age or older and are due to retire over the next five years. In contrast, only 4.4% of people with an ATP certification were under the age of 30.

The recovery of air traffic demand in the U.S. was relatively modest from April 2020 through February 2021. However, starting in March 2021, passenger demand has increased more rapidly and has since recovered to more than 90% of the U.S. passenger levels experienced in 2019. As a result of this rapid recovery and the airlines' inability to quickly replace their retired pilots, airlines have experienced shortages of trained pilots to fly aircraft. The pilot shortage problem has been more amplified during peak travel periods throughout the year. In particular, regional airlines have been hit the hardest by the pilot shortage. Unable to provide the wages of the larger airlines, the regional airlines have been losing their pilots to the mainline carriers who are attempting to fill their needs. As a result, the regional airlines have had to scale back or in some cases eliminate service, to smaller markets including some subsidized through the FAA's Essential Air Service Program.

In order to meet this demand, airlines are quickly attempting to backfill the positions left open by pilot retirements by hiring and training new pilots. However, in addition to offering early retirement to its pilots, the airlines also trimmed back their pilot training programs to cut costs during the pandemic. The Regional Airline Association estimated that 4,346 new pilots qualified for their ATP certificates in 2021 compared to 6,664 in 2019. The U.S. airline industry was hoping to add approximately 13,000 pilots in 2022, more than double the previous record in annual hiring.[94] However, the total new pilots qualified in 2022 totaled approximately 9,500.

According to a report from Oliver Wyman, by 2029 the increased demand for pilots is expected to outpace the supply creating a pilot shortage of approximately 60,000 pilots worldwide and nearly 21,000 in North America.[95] In the U.S., there are currently several potential measures being explored to help alleviate the pilot shortage, including:

- Raising the federally mandated retirement age for airline pilots from 65 to 67
- Reducing flight-hour requirements before joining a U.S. carrier
- Lowering the barrier to entry for training programs such as dropping the requirement for a four-year college degree
- Creating gateway programs such as Alaska's Ascend Pilot Academy and United's Aviate Academy which offer financial aid and scholarships to lessen the high cost of becoming a pilot

If the pilot shortage continues to become more widespread in the industry, the passenger airlines may not be able to meet future passenger demand, and would be required to reduce their seat capacity, resulting in material impacts to future passenger traffic in the U.S and internationally.

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93 CNN, A shortage of pilots could keep the airlines from making a real comeback.
94 Regional Airline Association, 2021 Regional Airline Association Annual Report.
95 Oliver Wyman, After COVID-19, Aviation Faces a Pilot Shortage.

On March 1, 2023, Delta ratified a new Pilot Working agreement. The contract, which runs through December 2026, provides the 15,000 pilots with an immediate 18% pay increase and pay increases in each of the subsequent three years. Under the agreement, Delta will also provide a 1% increase of any pay offered by its competitors (American and United) under any those airline's negotiated contracts.

2.3.5 Aircraft Shortage

Airlines parked planes during the pandemic as demand declined but now are struggling to have the capacity to meet the demand as travel has returned. Supply chain issues and staffing shortages have resulted in a significant slowdown in production of new aircraft. In February 2023, deliveries of the 737 Max aircraft were expected to drop from 35 in January to the low 20s. Boeing is still optimistic in ramping production up in order to meet its goal of delivering 400-450 planes this year.[96]

The shortages due to production are compounded by maintenance delays. According to Oliver Wyman, there is a 12,000 to 18,000 short fall in mechanics.[97] In order to overcome this shortage of mechanics, airlines will have to employ similar solutions as they have been doing with pilots including increased pay and subsidizing the training process.

2.3.6 Aviation Fuel

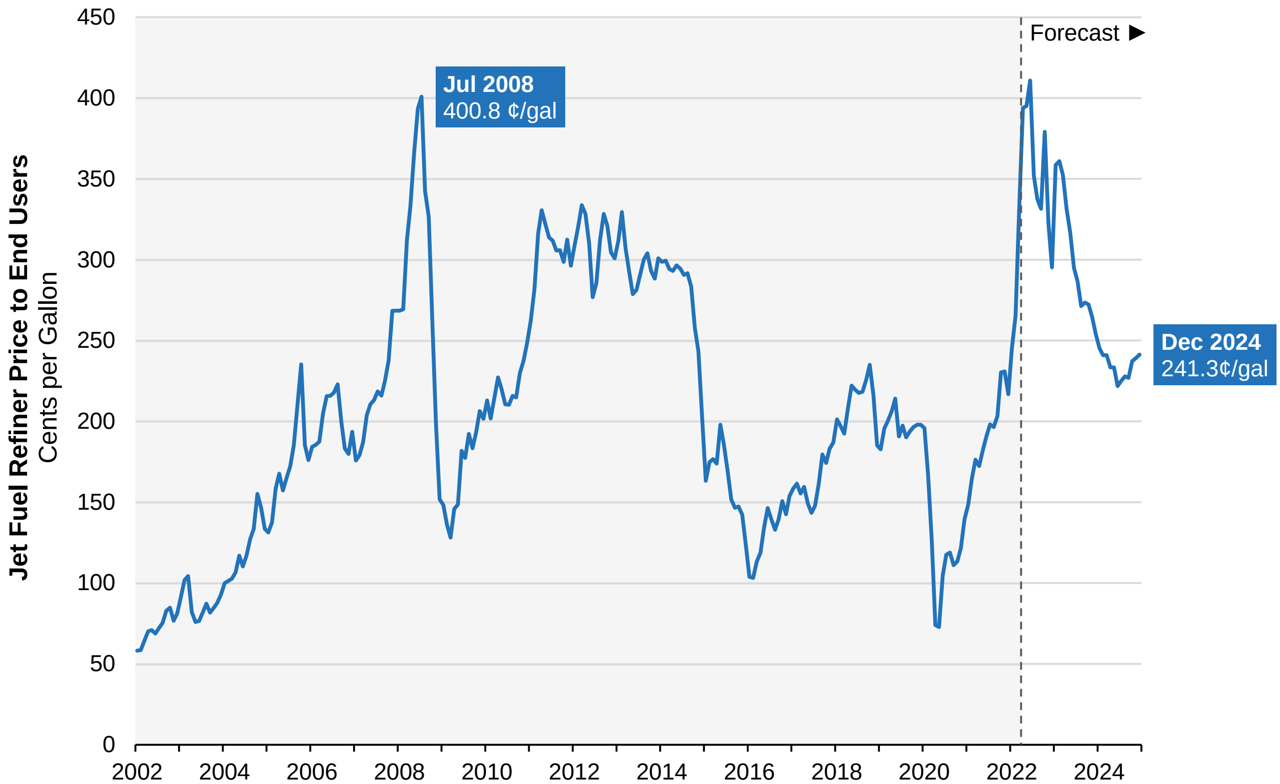
The price of oil and the associated cost of jet fuel has historically been one of the largest operating costs affecting the airline industry. In 2000, jet fuel sold to end users averaged $0.89 per gallon. The average cost of jet fuel increased steadily through 2007. However, in 2008, crude oil prices and, consequently, jet fuel surged in price as a result of strong global demand, a weak U.S. dollar, commodity speculation, political unrest, and a reluctance to materially increase supply. In July 2008, jet fuel reached an average price of $4.01 per gallon, nearly double the price the year prior. Reduced demand in 2009 stemming from the global financial crisis and subsequent economic downturn resulted in a sharp decline in price. However, as the economic climate improved and political unrest continued in the Middle East, oil prices increased in the subsequent three years. The increase in the price of jet fuel put upwards pressure on airline operating costs. As a result, airlines cut capacity or increased fares, and sometimes both. The average price of jet fuel dropped significantly in 2015 and 2016, reaching a low of $1.03 per gallon in February 2016. Since then, jet fuel prices increased steadily to a peak of $2.25 in October 2018 before falling to $1.70 per gallon in December 2019 due to increased oil supplies. In 2019, jet fuel prices remained fairly stable, averaging approximately $1.90 per gallon from February 2019 through January 2020.

As a result of the COVID-19 pandemic, the global demand for crude oil and fuel decreased dramatically starting in January 2020. As a result, the price of crude oil dropped below $20 per barrel in April 2020. Since then, crude oil supply curtailments have caused oil prices to recover. Prices hovered near $40 per barrel from early June 2020 through December 2020, then increased to $92 per barrel in February 2022. Following the start of the war between Russia and Ukraine, crude oil prices reached nearly $109 per barrel in March 2022, receded to approximately $102 per barrel in April 2022 and increased again back to nearly $115 per barrel in June 2022.

96 Reuters, Boeing says parts shortages persist, hampering plane production, February 15, 2023.
97 Oliver Wyman, While A Shortage May Be Inevitable, Aviation Has Options Long-Term

Jet fuel prices have risen sharply since the start of the Ukraine war and upward pressures on prices will likely continue, particularly if more stringent sanctions are applied to the Russian energy sector and depending on potential increases in production elsewhere. The U.S. Energy Information Administration (EIA) provides forecasts of jet fuel refiner price to end users in a report entitled Short-Term Energy Outlook. In the March 2023 release, the EIA projects that jet fuel prices will reach 241.3 cents per gallon by December 2024. **Figure 2-12** presents the historical price for jet fuel refiner price to end users and the EIA's forecast of that price.

Figure 2-12 Jet Fuel Prices (January 2002 – December 2024)



Source: U.S. Energy Information Administration, Short-Term Energy Outlook (March 2023).

Future fuel prices and availability are uncertain and fluctuate based on numerous factors. These can include supply-and-demand expectations, geopolitical events, fuel inventory levels, monetary policies, and economic growth estimates. Historically, certain airlines have also employed fuel hedging as a practice to provide some protection against future fuel price increases.

Aviation fuel costs will continue to impact the airline industry in the future. If aviation fuel costs increase significantly over current levels, air traffic activity could be negatively affected as airlines attempt to pass costs on to consumers through higher airfares and fees in order to remain profitable. At this time, alternative fuels are not yet commercially cost effective.

2.3.7 Aviation Security

Since the September 11, 2001, terrorist attacks (9/11), government agencies, airlines, and airport operators have upgraded security measures to guard against threats and to maintain the public's confidence in the safety of air travel. Security measures have included cargo and baggage screening requirements, deployment of explosive detection devices, strengthening of aircraft cockpit doors, the increased presence of armed air marshals, awareness programs for personnel at airports, and new programs for flight crews. Aviation security is under the control of the federal government through the TSA.

Although terrorist events targeting aviation interests would likely have negative and immediate impacts on the demand for air travel, the industry and demand have historically recovered from such events. There have been terrorist attacks at airports internationally including at Brussels Airport in March 2016, the Istanbul Atatürk Airport in June 2016, and the Paris Orly Airport in March 2017. So long as government agencies continue to seek processes and procedures to mitigate potential risks and to maintain confidence in the safety of aircraft, without requiring unreasonable levels of costs or inconvenience to the passengers, economic influences are expected to be the primary driver for aviation demand as opposed to security and safety.

2.3.8 National Air Traffic Capacity

The U.S. aviation system has a major impact on the national economy because it provides a means of transporting people and cargo over long distances in a relatively short period. As demand for air travel increases, the national aviation system must maintain enough capacity to allow for travel without unacceptable delays or congestion. It is generally assumed that the required infrastructure improvements needed to maintain capacity will keep pace with demand. Although not likely over the period of FY 2023 to FY 2029 (Projection Period) evaluated herein, the inability of the national aviation system to keep pace with demand could create congestion and delays on a national level that could adversely affect the passenger experience and impact future demand.

2.4 Air Traffic Activity Projections

This section presents the air traffic activity projections including the key assumptions used to develop those projections. The air traffic activity projections included in this Report represent L&B's opinion, based on information available to L&B as well as estimates, trends and assumptions that are inherently subject to economic, political, regulatory, competitive and other uncertainties, all of which are difficult to predict and many of which will be beyond the control of L&B. Projected results may not be realized, and actual results could be significantly higher or lower than projected. L&B is not obligated to update, or otherwise revise, the projections or the specific portions presented to reflect circumstances existing after the date when made or to reflect the occurrence of future events, even in the event that any or all of the assumptions are shown to be in error.

2.4.1 Baseline Air Traffic Projections

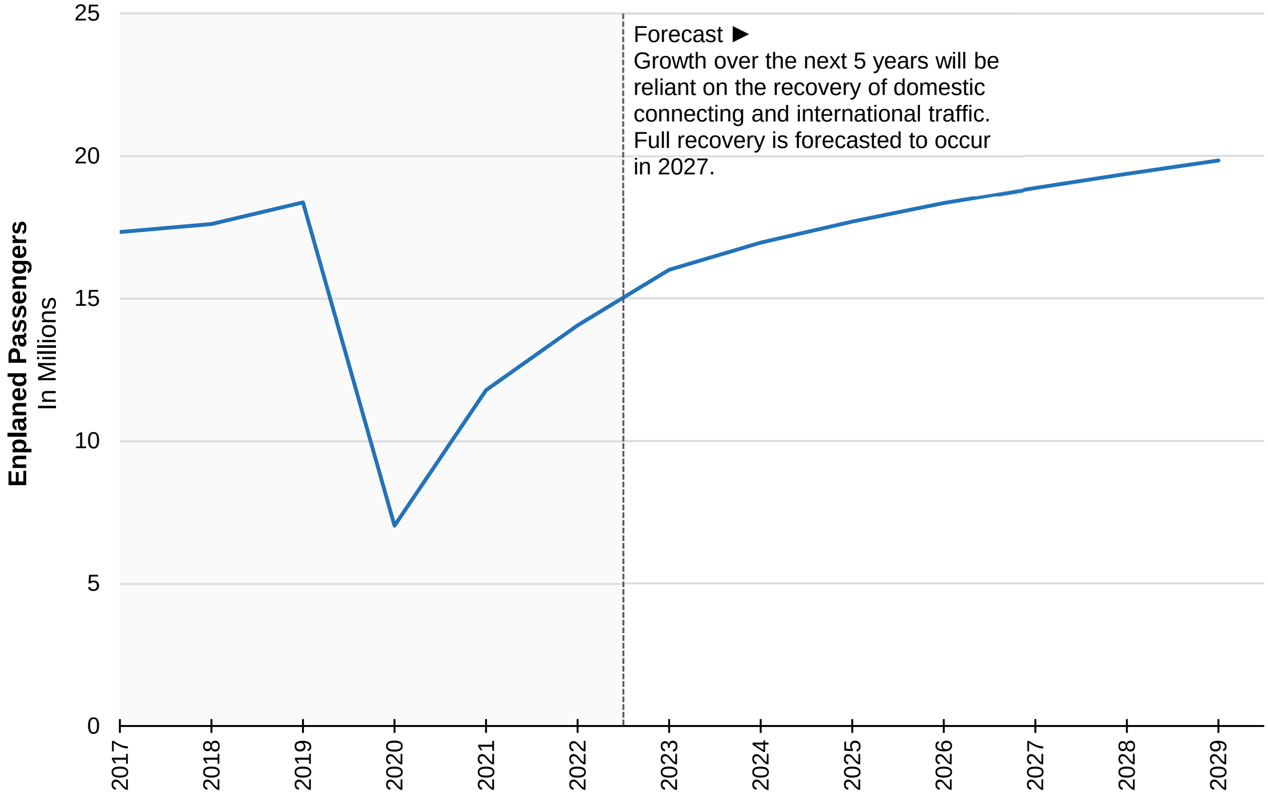
It is expected that traffic will continue to recover from the effects of the COVID-19 pandemic over the short-term. It was forecast that under baseline conditions, domestic O&D enplaned passenger traffic will recover to pre-pandemic (2019) levels in 2024 while international enplaned passenger traffic will recover to pre-pandemic levels in 2026 and connecting enplaned passengers will recover to pre-pandemic levels in 2027.

After the recovery for domestic O&D and international enplaned passengers, projections of these segments of air traffic activity were developed based on an analysis of the underlying economic conditions of the region, airline traffic trends, and an assessment of Delta's continued operation of hubbing activity at the Airport. In general, it was assumed that in the long-term, growth in O&D passenger traffic at the Airport will occur as a function of growth in population and the economy of the Air Service Area. The growth in U.S. population and GDP, along with Delta's network strategy, are assumed to be the primary drivers of future connecting passenger traffic. In addition, several other assumptions are incorporated into the long-term projection including the following:

- The airlines will continue to add capacity that is in line with demand.
- Delta will continue to operate the Airport as a connecting hub. However, it was assumed it would take until 2029 before domestic connecting traffic would account for the same share as it did in 2019. As such, it was assumed that domestic connecting passengers would account for 42.5% of total domestic passengers by 2029.
- The domestic airlines other than Delta and the Delta Connection carriers currently serving the Airport will continue to provide air service to support local long-term demand primarily to and from their hub airports, key focus cities, and larger O&D markets, and the Airport will continue as a key airport for Spirit Airlines.
- Delta and other airlines will continue to provide trans-oceanic service to markets in Europe and Asia, as well as other international markets such as Canada, Mexico, and the Caribbean from the Airport. Service to other international markets will also be provided as demand dictates.
- There will be no major disruption of airline service or airline travel behavior nationally or at the Airport.

The long-term enplanement projection is based on the ability of the Air Service Area's economic base to generate continued passenger growth. The key socioeconomic forecast variables that have been found to have a strong correlation with an airport's passenger demand generally include population, employment, income, and gross regional product. Enplaned passenger traffic is driven by the region's economic base. **Figure 2-13** presents the resulting enplaned passenger projection.

Figure 2-13 **Enplaned Passengers - Actual and Projected (2012 – 2029)**



Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics (historical). Landrum & Brown (forecast).

The projections for domestic and international enplaned passengers through 2029 are presented in **Table 2-14**. From 2014 to 2019, growth in domestic enplaned passengers was strong, increasing at a CAGR of 2.5%. Prior to the pandemic, international traffic was increasing at an average rate of 2.8% per annum from 2014 through 2019. However, it is assumed that international traffic will not return to 2019 levels until 2026 and connecting enplaned passengers will recover to 2019 levels in 2027.

Table 2-14 Baseline Enplaned Passenger Projection (2019 – 2029)

Year		Domestic O&D[1]	Domestic Connecting	International	Total	Year-Over-Year Growth Rate
Actual	2019	9,633,276	7,093,353	1,637,332	**18,363,961**	4.3%
	2020	3,962,454	2,701,063	363,074	**7,026,591**	-61.7%
	2021	7,179,773	4,190,954	411,875	**11,782,602**	67.7%
	2022	8,450,269	4,643,513	959,149	**14,052,931**	19.3%
Budget [2]	2023	9,527,000	5,129,600	1,343,400	**16,000,000**	13.9%
Projected	2024	9,674,900	5,846,800	1,435,000	**16,956,700**	6.0%
	2025	9,822,200	6,340,600	1,532,800	**17,695,600**	4.4%
	2026	9,968,900	6,739,800	1,637,300	**18,346,000**	3.7%
	2027	10,115,100	7,086,400	1,671,900	**18,873,400**	2.9%
	2028	10,260,900	7,399,300	1,706,800	**19,367,000**	2.6%
	2029	10,406,200	7,691,500	1,742,000	**19,839,700**	2.4%

Range	Average Annual Growth Rate			
2014-19	5.6%	-1.0%	2.8%	**2.5%**
2021-24	10.5%	11.7%	51.6%	**12.9%**
2024-29	1.5%	5.6%	4.0%	**3.2%**
2019-29	0.8%	0.8%	0.6%	**0.8%**

Notes: [1] Domestic O&D is the non-directional (average) number of passengers and includes pre-cleared international traffic. Domestic O&D enplaned passengers also include those enplaned passengers that depart the Airport to a domestic destination; however, have a final destination that is an international airport (i.e., such passengers connect through another domestic airport enroute to an international destination, but are domestic non-stop passengers from the Airport).
[2] Reflects the Authority's OY 2023 Mid-Year Projection

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics (historical). Landrum & Brown (forecast).

Passenger airline landed weights were estimated based on assumptions regarding future aircraft load factors and aircraft capacity, both of which are assumed to increase more during the recovery from the COVID-19 pandemic over the next two years and then more gradually thereafter. Cargo has experienced some decline during the pandemic but it was not as pronounced as passenger traffic. However, given the growth prior to the pandemic, it is unlikely that the decline will continue into the future. Therefore, the all-cargo landed weight projection was developed using a trend analysis using the historical landed weights from 2012 through 2022. **Table 2-15** presents the baseline landed weight projection.

Table 2-15 Baseline Landed Weight Projection (In Thousand-Pound Units; 2019 – 2029)

	Year	Passenger	All-Cargo	Total	Year-Over-Year Growth Rate
Actual	2019	21,792,018	884,000	**22,676,018**	2.9%
	2020	12,546,463	877,047	**13,423,510**	-40.8%
	2021	15,646,807	872,658	**16,519,465**	23.1%
	2022	16,771,479	869,978	**17,641,457**	6.8%
Budget [1]	2023	19,100,000	900,000	**20,000,000**	13.4%
Projected	2024	20,242,100	925,000	**21,167,100**	5.8%
	2025	21,124,200	950,000	**22,074,200**	4.3%
	2026	21,900,600	975,000	**22,875,600**	3.6%
	2027	22,530,200	1,000,000	**23,530,200**	2.9%
	2028	23,119,400	1,025,000	**24,144,400**	2.6%
	2029	23,683,700	1,050,000	**24,733,700**	2.4%

Range	Average Annual Growth Rate		
2014-19	2.1%	5.6%	**2.3%**
2021-24	11.6%	1.8%	**11.1%**
2024-29	1.4%	2.6%	**1.5%**
2019-29	0.8%	1.7%	**0.9%**

Note: [1] Reflects the Authority's OY 2023 Mid-Year Projection
Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics (historical). Landrum & Brown (forecast).

2.4.2 Downside Sensitivity Projections

Given ongoing uncertainty as to the level and duration of the full recovery of international travel from the impacts associated with the COVID-19 pandemic, the war in Ukraine, and the other factors described in Section 2.3 above, L&B also prepared a downside sensitivity projection of enplaned passengers at the Airport. This sensitivity projection is not necessarily a representation of a likely scenario but is intended to represent a downside scenario if certain conditions that would be expected to negatively impact air traffic demand were to occur in order to demonstrate the financial impacts of such a scenario as provided in Section 4.16 of this Report.

Under the downside scenario, it is assumed that domestic O&D passengers would remain in line with the baseline projection presented herein, but that domestic connecting passengers would remain flat at the OY 2023 budgeted level through the Projection Period. It is also assumed in this sensitivity scenario that international passengers would increase at half the rate of the domestic O&D passengers to reflect a flattening of international connecting passengers. **Table 2-16** provides the downside sensitivity scenario enplaned passenger projection by similar segments as the baseline projection.

Table 2-16 Sensitivity Enplaned Passenger Projection (2019 – 2029)

Year		Domestic O&D[1]	Domestic Connecting	International	Total	Year-Over-Year Growth Rate
Actual	2019	9,633,276	7,093,353	1,637,332	**18,363,961**	4.3%
	2020	3,962,454	2,701,063	363,074	**7,026,591**	-61.7%
	2021	7,179,773	4,190,954	411,875	**11,782,602**	67.7%
	2022	8,450,269	4,643,513	959,149	**14,052,931**	19.3%
Budget [2]	2023	9,527,000	5,129,600	1,343,400	**16,000,000**	13.9%
Projected	2024	9,645,300	5,129,600	1,351,741	**16,126,641**	0.8%
	2025	9,792,700	5,129,600	1,362,069	**16,284,369**	1.0%
	2026	9,939,500	5,129,600	1,372,279	**16,441,379**	1.0%
	2027	10,085,800	5,129,600	1,382,378	**16,597,778**	1.0%
	2028	10,231,700	5,129,600	1,392,377	**16,753,677**	0.9%
	2029	10,377,100	5,129,600	1,402,270	**16,908,970**	0.9%

Range	Average Annual Growth Rate			
2014-19	5.6%	-1.0%	2.5%	**2.8%**
2021-24	10.3%	7.0%	9.1%	**48.6%**
2024-29	1.5%	0.0%	1.0%	**0.7%**
2019-29	0.7%	-3.2%	-0.8%	**-1.5%**

Note: [1] Domestic O&D is the non-directional (average) number of passengers and includes pre-cleared international traffic. Domestic O&D also includes domestic enplanements whose final stop is an international destination but connects through a domestic airport after departing from the Airport.
[2] Reflects the Authority's OY 2023 Mid-Year Projection

Source: Wayne County Airport Authority, Aviation Statistics, accessed at https://www.metroairport.com/business/about-wcaa/facts-figures/aviation-statistics (historical). Landrum & Brown (forecast).

3 Airport Facilities and Capital Program

This Chapter provides an overview of existing Airport facilities and describes the Airport's Capital Improvement Program (CIP) and the Series 2023 Projects (defined herein), and other planned capital improvements at the Airport with Weighted Majority approval from the Signatory Airlines, referred to as Other Approved Capital Projects for the purposes of this Report.

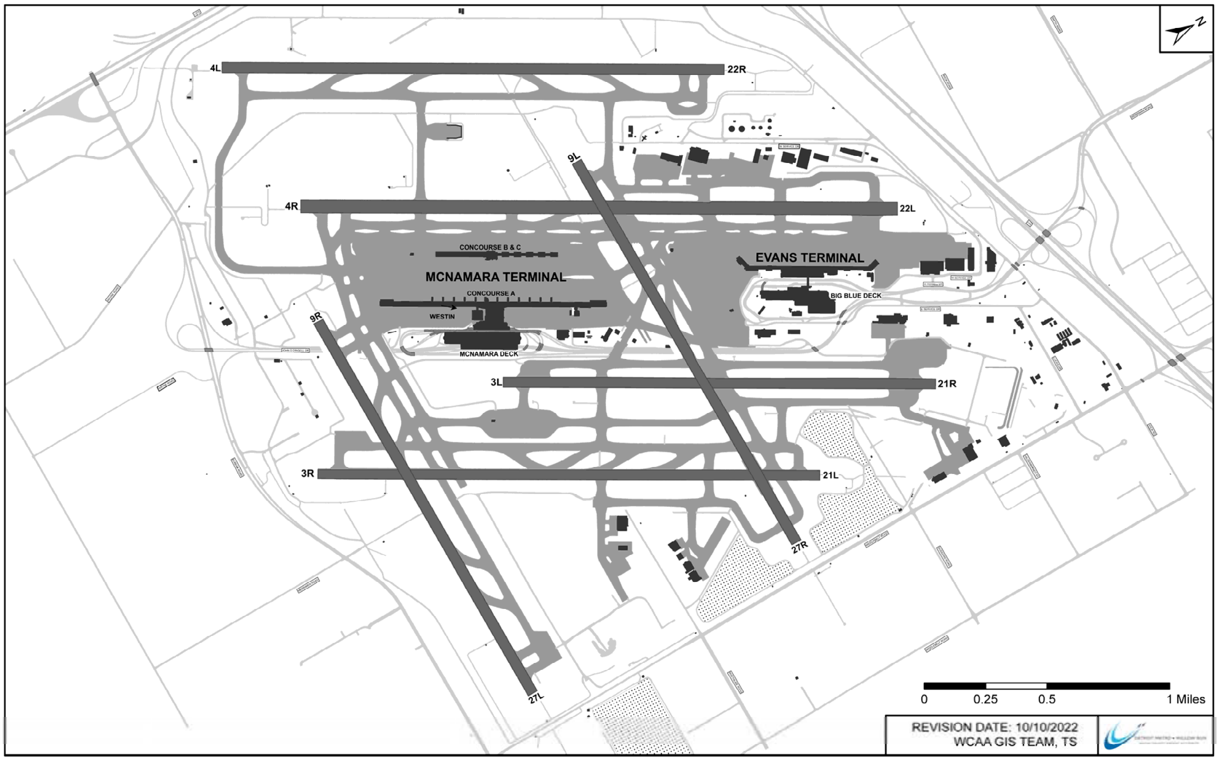
In March 2023, the Airport was named one of the best airports in North America by the 2022 Airport Service Quality (ASQ) Awards, one of the highest honors in the aviation industry. According to the ASQ Awards, the Airport was highly rated for efficient security checkpoints and border/passport control areas, staff courtesy, cleanliness, and excellent digital displays, signage, and wayfinding. The Airport has received three ASQ Awards since 2018.[98]

3.1 Existing Airport Facilities

The Airport comprises approximately 6,224 acres of land in Wayne County, Michigan and the City of Romulus. It is located approximately 21 miles southwest of the City of Detroit's downtown. Access to the Airport is primarily from Interstate 94 (north of the Airport), Interstate 275 (west of the Airport), and Interstate 75 and the Southfield Freeway (east of the Airport). Existing Airport facilities are described in sections below and are depicted on **Figure 3-1**.

98 "DTW Ranked as the Best Airport in North America for Customer Experience," 7 March 2023, WXYZ Detroit – Channel 7, https://www.wxyz.com/news/dtw-ranked-as-the-best-airport-in-north-america-for-customer-experience, accessed March 2023.

Figure 3-1 Airport Layout



Source: Authority management records.

3.1.1 Airfield Facilities

The Airport has six runways, including four parallel runways that are oriented northeast-southwest (designated 4L-22R, 4R-22L, 3L-21R, and 3R-21L) and two parallel runways oriented east-west (designated 9L-27R and 9R-27L). **Table 3-1** summarizes the published lengths and widths of each runway, and the runways are also depicted on Figure 4-1.

Table 3-1 Runway Dimensions

Runway	Length (Feet)	Width (Feet)
4L-22R	10,000	150
4R-22L	12,003	200
3L-21R	8,501	200
3R-21L	10,001	150
9L-27R	8,708	150
9R-27L	8,500	150

Source: Federal Aviation Administration, Airport Facility Directory.

The Airport's runways are equipped with high intensity runway lighting systems and centerline lighting (except for Runway 9L-27R). Precision instrument landing systems (ILS) have been installed on the ends of Runway 4L-22R, Runway 4R-22L, and 3R-21L for approaches during instrument flight rules (IFR) conditions. An ILS is also installed on runway ends 27R and 27L. Runway 3L-21R and runway ends 9L and 9R are not equipped with an ILS.

The Airport has an extensive taxiway system providing safe and efficient access to and from runway ends, terminal facilities, apron areas, and cargo and hangar facilities. Each runway has an associated parallel, full-length taxiway.

3.1.2 Terminal Facilities

The Airport has two passenger terminal complexes, one comprised of – the Edward H. McNamara Terminal (McNamara Terminal or South Terminal), located on the south side of the Airport; and the other comprised of the Warren Cleage Evans Terminal, renamed in April 2022 in honor of the current County Executive (Evans Terminal or North Terminal), located on the north side. Figure 4-1 also depicts the Airport's existing terminal complexes.

The McNamara Terminal is now used exclusively by Delta, the Delta Connection Carriers, and Delta's SkyTeam Alliance partners. The terminal complex includes three concourses, A, B, and, C, with 121 aircraft gates and total terminal space of approximately 2.28 million square feet. The Westin Hotel is adjacent to and directly connected to the McNamara Terminal. Concourse A is one-mile long and has an indoor tram that traverses the length of the concourse. Concourses B and C are located to the west of Concourse A connected by an underground tunnel and moving walkways. The lower level of the terminal contains the FIS facility, customs facility, and international passenger baggage claim. It also contains offices for Customs and Border Protection (CBP), as well as airline support space, and security re-check for connecting passengers. In 2015 and 2016, because of changes in aircraft fleet mix and the ongoing phase out of 50-seat regional jets, Delta closed 16 gates on the north end of Concourse C; but continues to lease these now unoccupied gates. While the 16 gates are not currently in operation, they could be re-opened for use if demand warrants. In addition, Gate A1 is not currently being operated because of various operational constraints, reflecting 104 total gates. A pedestrian bridge connects the McNamara Terminal to level 6 of the parking garage and provides vertical circulation to a Ground Transportation Center.

The Evans Terminal accommodates all domestic and foreign flag passenger airlines except Delta, the Delta Connection Carriers, and certain other SkyTeam affiliated airlines. The Evans Terminal currently provides a total of 29 gates and approximately 850,000 square feet of space on two levels.[99] Six of the gates are currently controlled by the Authority as common use gates and four of the six common use gates can serve both international and domestic flights. The facility is designed to be expandable as demand warrants. The Evans Terminal includes a central terminal facility, a 29-aircraft gate airside concourse, approximately 50,200 square feet of concessions space, and an FIS facility of approximately 26,000 square feet with the capacity to process up to 800 passengers per hour.

The lower level of the Evans Terminal contains both the passenger baggage claim and the baggage handling and sorting areas used by airline personnel. Additionally, there are airline office spaces adjacent to the claim areas to support passenger luggage retrieval, Airport police, Authority building maintenance office space, and storage and mechanical spaces. The upper level contains ticket counter check-in positions, airline electronic kiosks for passenger check-in, airline office space, two passenger security screening checkpoints, several concessions

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99 In 2019, three additional passenger boarding gates and passenger loading bridges were opened at the north end of the Evans Terminal and were funded with the proceeds from the Series 2018 Bonds as a Series 2018 Project. These three new gates were accommodated within the existing Evans Terminal building footprint.

spaces in the secure areas of the building and building mechanical rooms. A vertical circulation core at the front of the building provides access to a bridge over the departures level roadway which connects to the ground transportation center (GTC) and parking garage.

Table 3-2 presents the current number of aircraft gate positions at the Airport by concourse and used by the airlines.

Table 3-2 Aircraft Gate Use at the Airport

	McNamara Terminal			Evans Terminal	
Airline	Concourse A	Concourse B	Concourse C	Concourse D	Total
American	-	-	-	7	7
Delta	63[1]	17	41[1]	-	121
Frontier [2]	-	-	-	-	-
JetBlue	-	-	-	1	1
Southwest	-	-	-	4	4
Spirit	-	-	-	6	6
United	-	-	-	5	5
Authority Controlled	-	-	-	6	6
Total	**63**	**17**	**41**	**29**	**150**

Note: [1] In 2015 and 2016, because of changes in aircraft fleet mix and the ongoing phase out of 50-seat regional jets, Delta closed 16 gates on the north end of Concourse C; however, Delta is still leasing these now unoccupied gates and they have been included in the amounts on the table. In addition, Gate A1 is not currently being operated because of various operational constraints.
[2] Frontier may soon begin leasing a gate on Concourse D which would reduce the number of Authority controlled gates to 5.

Source: Detroit Metropolitan Wayne County Airport Master Plan Update

3.1.3 Public Parking Facilities

Public parking at the Airport currently consists of approximately 19,000 spaces at both structured facilities and surface lots. Structured parking is currently available adjacent to both the McNamara Terminal and Evans Terminal to allow for convenient pedestrian access. The various parking products offered to passengers at the Airport are described below.

- The McNamara Terminal provides a 10-level garage containing long-term parking for 8,343 vehicles and short-term parking for 729 vehicles. This garage also provides 404 spaces for valet parking.
- The Big Blue Deck, a six-level garage, provides public parking at the Evans Terminal. The Big Blue Deck provides long-term parking for 6,335 vehicles and short-term parking for 203 vehicles.
- The Airport also has additional public parking for a flat daily rate at two surface lots located near the Evans Terminal. Green Lot 1 contains 1,520 long-term parking spaces and Green Lot 2 contains 896 economy and long-term spaces available for public use. Free continuous shuttles are available to both the Evans and McNamara Terminals from these lots.

- In addition, two cell phone lots are available near the northern and southern entrances of the Airport. These lots were created as part of an initiative to reduce curbside waiting at the Airport.

The Airport currently provides over 6,000 employee parking spaces primarily at three separate locations. The South Employee Lot is designated as an employee-only surface lot with approximately 4,500 spaces, situated off Eureka Road just east of the south Airport entrance. The North Employee Lot provides approximately 600 employee parking spaces, and the McNamara Parking Garage contains approximately 780 designated employee parking spaces. Additional locations for employee parking are the parking lots adjacent to the prior L.C. Smith Terminal with approximately 250 spaces and 172 parking spaces for use outside of the Authority's Public Safety building.

3.1.4 Rental Car Facilities

The rental car facilities are located in the northeast corner of Airport property and encompass approximately 65 acres. These areas include ready/return spaces, service areas, quick turn-around facilities, and customer service buildings and areas. The rental car facilities are bounded by Goddard Road (north), Middlebelt Road (east), and East Service Drive (west). Lucas Drive bisects the rental car area and provides the primary access and egress to each of the on-Airport rental car sites. There are six on-Airport rental car sites (Budget-Payless, Hertz, Avis, Alamo-National, Dollar-Thrifty, and Enterprise). All rental car facilities are accessed by arriving passengers by following signage to each terminal's GTC and then riding the rental car company's shuttle. Most rental car companies operate two independent shuttle routes, one for each terminal.

3.1.5 Ancillary Facilities

Ancillary facilities support the aviation-related activities at the Airport. The facilities identified as ancillary are categorized as general aviation, cargo facilities, aircraft maintenance facilities, fuel farm, the public safety building, and other airport facilities.

- **General Aviation.** General aviation and corporate aviation facilities are located throughout the airport campus. The fixed base operator (FBO) at the Airport is Signature Flight Support, which accommodates aircraft parking, fuel, hangars, catering, and other flight support services.
- **Air Cargo/Mail Facilities.** Air cargo facilities at the Airport are located in three general areas of Airport property. The largest air cargo tenants, DHL, FedEx and United Parcel Service, are in different areas of the airfield. DHL and FedEx are in the northwest area of the Airport in Buildings 714A and 723 adjacent to Taxiway Z. United Parcel Service's facility is located on the southern portion of the Airport between the ends of Runways 27R and 27L. Delta Cargo operates out of Building 536, located adjacent to the Green Lot 2. Several other passenger airline and smaller cargo facilities are also located in the northern area of the Airport with access from Merriman Road. Currently FedEx is working in partnership with DTW Sierra BTS Partners Development, LLC to build a 300,000 square foot state of the art air cargo facility on the airfield encompassing 64 acres of previously undeveloped land.
- **Aircraft Maintenance Facilities.** Several aircraft maintenance operation facilities are based at the Airport. These facilities are located in various areas of the of the Evans Terminal core area. Some of these include facilities for Delta, Spirit, United Parcel Service, and FedEx. Aircraft serviced at these facilities include large wide-body aircraft (i.e., Boeing 747s) to smaller general aviation type aircraft.
- **Fuel Farm.** The fuel farm at the Airport is located in the northwestern section of the airfield and consists of four 20,000-barrel fuel storage tanks and two 65,000-barrel fuel storage tanks. The fuel farm has a capacity of over four million gallons and an estimated five days of storage capacity. The fuel facilities at the Airport also include a truck load rack, underground pipelines and underground hydrant systems that

serve the McNamara Terminal and Evans Terminal. Delta operates the entire fuel system at the Airport for its benefit as well as the benefit of the other air carriers at the Airport pursuant to a fueling system lease with the Authority, and under an operating agreement with Swissport.

- **Public Safety Building.** This building houses the consolidated functions related to the Airport Response Center (ARC), Emergency Operations Center (EOC), Badging and Credentials, and the Police Operations Facility (POC) within a "state of the art" single story building.
- **Berry Administration Building.** In August 2017, the Authority moved its administration offices from the Smith Building (formerly the Smith Terminal, which was demolished in December 2020) to the Berry Administration Building. This new facility is a four-story, 85,600 square-foot office building connected to the north end of the Evans Terminal. The Berry Administration Building is connected to the non-secure side of the Evans Terminal through a pedestrian bridge. The building's design considers modern workplace best practices along with security concerns, and sustainable principles. The Authority obtained Leadership in Energy and Environmental Design (LEED) certification with the United States Green Building Council (USGBC) for the building.
- Other Airport support facilities include, but are not limited to, aircraft rescue and firefighting (ARFF) facilities, flight kitchens, and an airport traffic control tower (ATCT). The primary ARFF station is located just north of the McNamara Terminal and south of Runway 9L-27R. The Airport also has a smaller secondary ARFF facility located near Taxiway V adjacent to the FedEx cargo apron. Additionally, the Airport has a landside ARFF station serving the roadways and terminals located along Rogell Drive. There are two in-flight catering companies that service departing flights, Do & Co and Gate Gourmet. Delta leases Building 505 which houses the Do & Co flight kitchen in order to support their operation. The ATCT is located north of the McNamara Terminal and it also houses the Terminal Radar Approach Control (TRACON) facility that serves the Airport and other regional airports.

3.2 Willow Run Airport

The Authority also operates and maintains Willow Run Airport, which is approximately 11 driving miles west of the Airport. Willow Run is situated between Ypsilanti and Van Buren townships (between Wayne and Washtenaw counties) on approximately 2,600 acres of land north of I-94 and southeast of Michigan Avenue. Willow Run is classified in the FAA's National Plan of Integrated Airport Systems (NPIAS) as a “reliever” airport to the Airport. It does not have any commercial passenger airline service and accommodates general aviation activity, as well as on demand air cargo operators. According to the FAA's Air Carrier Activity Information System (ACAIS), Willow Run was the nation's sixth largest non-passenger commercial service airport in terms of all-cargo aircraft landed weight for 2019, which is the latest data available.

Willow Run Airport is used for general aviation activity, and on-demand/just-in-time air cargo operators specializing in transportation of automotive-related parts and supplies and other freight. Today, Willow Run serves as a base for many of the Detroit region's on-demand/just-in-time cargo operators, including USA Jet, Kalitta Charters, and Ameristar. Crosswinds Aviation (affiliated with Eastern Michigan University), ATP Flight School and Kalitta Training are based at the airport and conducts a significant amount of flight training activity.

The following briefly summarizes the key facilities at Willow Run:

- **Airfield.** The airfield includes two runways (one northeast-southwest oriented parallel runway and one crosswind east-west oriented runway), and associated taxiways, aprons, and other safety-related protection zones.
- **Air Cargo.** Willow Run Airport accommodates air cargo operators who provide on-demand air cargo services that support the timely movement of manufactured components for the automobile industry in Southeast Michigan. Cargo operators are currently located in the southwest section of the airport.
- **General Aviation.** A number of prominent businesses in the region base aircraft at the airport, as well as recreational general aviation aircraft owners. There are three general aviation terminals located at the airport operated by AvFlight and Odyssey Aviation. Eastern Michigan University's Eagle Flight Centre is based at the airport and conducts a significant amount of flight training activity. In addition, the Yankee Air Museum bases a number of historical World War II military aircraft at the airport.
- **Ground Transportation and Parking.** Tyler Road provides the primary access to Willow Run Airport from both the east via Beck Road and the west via Interstate 94 and U.S. Route 12. Parking is available at a surface lot west of Hangar 1 on the west side of the airfield, and at a number of individually maintained lots located adjacent to hangar facilities on the east side of the airfield. Parking is also located adjacent to Kalitta Charters on the south side of the airfield and the Hantz Air hangar on the north side of the airfield.
- **Aviation Support Facilities.** The ARFF building and the airfield electrical vault are located adjacent to the east apron. The snow removal equipment/maintenance facility is also located on the west side of the airfield along Tyler Road and the fuel farm is located on Tyler Road to the south. The ATCT is located midfield of the airport with access provided via the east apron.

3.3 Airport Capital Improvement Program

The Authority manages Airport capital projects through an on-going five-year Capital Improvement Program. The current Capital Improvement Program encompasses plans for current and future Airport capital projects for OY 2023 though OY 2027 (CIP). The CIP is an important tool used for formulating future project financing plans, maximizing federal and state grant opportunities and pro-actively planning for the replacement or reconstruction of essential infrastructure components that are nearing the end of their useful or service life. The CIP provides a framework for scheduling and coordinating execution of multiple projects to minimize operational impact. The majority of the capital projects in the CIP tend to be "routine" projects for a major airport, including reconstruction or rehabilitation of runways, taxiways, parking decks and roadways, and environmental or planning studies.

This Report divides the CIP into three main categories, described below, with the first two categories identified as the CIP projects included in the financial analysis contained in Chapter 4 of this Report.

The categories of the Airport's five-year CIP used in this Report are further described as follows.

- **Series 2023 Projects.** This CIP category is comprised of those CIP projects to be funded, either in whole or in part, with proceeds of the Series 2023 Bonds. A Weighted Majority has approved all of the Series 2023 Projects. The capital and operating costs associated with the Series 2023 Projects are included in the financial analysis contained in Chapter 4 of this Report. The Series 2023 Projects are further described later in this chapter.

- **Other Approved Capital Projects.** This CIP category is comprised of additional projects that a Weighted Majority has approved but have not been previously funded in whole and also are not being funded with proceeds of the Series 2023 Bonds. The Authority presently intends to issue Additional Bonds during the Projection Period of this Report to fund the balance of the cost of these Other Approved Capital Projects. The capital costs of the Other Approved Capital Projects are included in the financial analysis contained in Chapter 4 of this Report. The Other Approved Capital Projects are described later in this chapter.
- **Other CIP Projects.** This CIP category is comprised of all other CIP projects that are not Series 2023 Projects nor Other Approved Capital Projects as defined above. These projects include: (i) those CIP projects that a Weighted Majority has approved and previously have been funded with proceeds of bonds issued in the past by the Authority in the past, and which either currently are in process or have not yet been started, and (ii) those CIP projects that the Authority has not yet fully formulated and/or still are in the conceptual phase, and for which the Authority has not yet requested Weighted Majority approval. It is possible that certain Other CIP Projects may be deferred or not otherwise undertaken by the Authority during the Projection Period (depending on circumstances such as whether a Weighted Majority is willing to approve the as-yet unapproved projects, level of aviation demand, the availability of project funding, more refined scope and cost information for various projects, etc.). The capital costs related to the existing bond proceeds for previously funded Other CIP Projects are included in the financial analysis contained in Chapter 4 of this Report. However, the capital costs for the Other CIP Projects for which Weighted Majority approval has not yet been requested are not included in the financial analysis contained in Chapter 4 of this Report.

The following sections describe in more detail the CIP and the Series 2023 Projects, and the Other Approved Capital Projects.

3.3.1 Overall Five-Year Capital Improvement Program

As described above, the Authority plans for its overall capital development program through an on-going five-year Capital Improvement Program. The CIP includes all of the categories of projects described above for the purposes of this Report. **Table 3-3** presents the CIP and projected expenditures from OY 2023 through OY 2027. As shown, the capital projects in the CIP are estimated to cost approximately $1.3 billion.

The Authority anticipates that the CIP projects will be funded from a combination of federal grants, other Airport funds, proceeds from existing bonds, proceeds from the Series 2023 Bonds, and proceeds from Additional Bonds. **Table 3-4** presents the CIP by project element and anticipated funding sources for the planned $1.3 billion of project costs. As shown on Table 3-4, future bond proceeds required to fund the CIP are further categorized into two separate groups for the purposes of this Report: “Future Bond Proceeds” and “Other CIP Projects Future Bond Proceeds.” Future Bond Proceeds with respect to the Other Approved Capital Projects are the proceeds of Bonds currently planned to be issued in the future to fund the Other Approved Capital Projects. Future Bond Proceeds to fund approximately $147.9 million of project costs are included as part of the financial analysis included in this Report. Other CIP Projects Future Bond Proceeds are the proceeds of Bonds currently planned to be issued in the future to fund those Other CIP Projects that have not been approved yet by a Weighted Majority and are not included in the financial analysis of this Report.

Table 3-3 Airport's Five-Year Capital Improvement Program Costs by Element (in thousands of dollars) [1, 2]

Project Element	Estimated Total Project Costs	Expenditures Prior to 12/31/2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027+
Airfield	$618,002	$54,927	$109,300	$39,000	$133,090	$169,300	$112,385
Power Plants & Electrical Distribution System	45,000	15,900	7,600	12,000	9,500	-	-
Parking & Ground Transportation Facilities	105,850	13,250	9,750	16,000	16,300	20,550	30,000
Bridges & Roadways	94,900	7,300	35,700	39,400	500	12,000	-
Security & Communications	16,870	6,970	9,900	-	-	-	-
Support Facilities, Site Development, & Demolitions	155,600	810	3,900	75,450	75,440	-	-
Terminals	235,327	5,395	61,700	72,078	34,077	39,577	22,500
Water, Sanitary, & Stormwater Systems	42,700	2,750	20,750	19,200	-	-	-
Other Projects	800	-	800	-	-	-	-
Total	**$1,315,049**	**$107,302**	**$259,400**	**$273,128**	**$268,907**	**$241,427**	**$164,885**

Notes: [1] All of the Series 2023 Projects and Other Approved Capital Projects (defined herein) have been approved by a Weighted Majority. Many of the Other CIP Projects require approval by a Weighted Majority in order to fund such projects with Bond proceeds, expenditure schedules are subject to change, and projects are subject to demand and available funding.
[2] Current cost estimates and construction schedules may vary from the Board-approved five-year CIP.
Amounts may not add because of rounding.

Source: Authority management records, September 2023

Table 3-4 Airport's Five-Year Capital Improvement Program Costs by Funding Source (in thousands of dollars)[1, 2]

Project Element	Estimated Total Project Costs	Federal and State Grants	Other Funds	Existing Bond Proceeds	Series 2023 Bond Proceeds	Future Bond Proceeds[3]	Other CIP Projects Future Bond Proceeds[4]
Airfield	$618,002	$98,529	$15,000	$50,550	$65,708	$113,371	$274,844
Power Plants & Electrical Distribution System	45,000	-	-	9,725	16,275	-	19,000
Parking & Ground Transportation Facilities	105,850	-	1,900	8,650	12,200	6,800	76,300
Bridges & Roadways	94,900	67,425	-	-	16,600	-	10,875
Security & Communications	16,870	900	3,070	11,520	1,380	-	-
Support Facilities, Site Development & Demolitions	155,600	-	123,000	2,450	2,741	13,250	14,159
Terminals	235,327	82,238	29,032	-	34,425	14,520	75,113
Water, Sanitary & Stormwater Systems	42,700	-	26,800	-	15,900	-	-
Other Projects	800	-	800	-	-	-	-
Total	**$1,315,049**	**$249,092**	**$199,602**	**$82,895**	**$165,229**	**$147,941**	**$470,290**

Notes: [1] A Weighted Majority has approved all of the of the Series 2023 Projects and Other Approved Capital Projects (defined herein). Certain of the Other CIP Projects require approval by a Weighted Majority in order to fund such projects with Bond proceeds, expenditure schedules are subject to change, and projects are subject to demand and available funding.
[2] Current cost estimates and construction schedules may vary from the Board-approved CIP.
[3] Future Bond Proceeds with respect to the Other Approved Capital Projects are the proceeds of bonds currently planned to be issued in future years to fund the Other Approved Capital Projects. Future Bond Proceeds are included as part of the financial analysis included in this Report.
[4] Other CIP Projects Future Bond Proceeds are the proceeds of bonds currently planned to be issued in future years to fund Other CIP Projects for which the Authority would need to obtain Weighted Majority approval in order to fund the projects with Bond proceeds and include the debt service on such Bonds in airline rates and charges. Other CIP Projects Future Bond Proceeds are not included in the financial analysis included in this Report.

Amounts may not add because of rounding.

Source: Authority management records, September 2023

To further summarize the five-year CIP, **Table 3-5** presents the funding plan for the three main CIP categories used in this Report.

Table 3-5 Airport's Five-Year Capital Improvement Program Funding Plan by Category (in thousands of dollars)[1, 2]

CIP Category	Est. Total Project Costs	Federal and State Grants	Other Funds	Existing Bond Proceeds	Series 2023 Bond Proceeds	Future Bond Proceeds[3]	Other CIP Projects Future Bond Proceeds[4]
Series 2023 Projects	$305,261	$80,600	-	$19,412	$165,229	$40,020	-
Other Approved Capital Projects	$128,625	$15,800	-	$4,904	-	$107,921	-
Other CIP Projects	$881,163	$152,692	$199,602	$58,579	-	-	$470,290
Total CIP	**$1,315,049**	**$249,092**	**$199,602**	**$82,895**	**$165,229**	**$147,941**	**$470,290**

Notes: [1] A Weighted Majority has approved all of the of the Series 2023 Projects and Other Approved Capital Projects (defined herein). Certain of the Other CIP Projects require approval by a Weighted Majority in order to fund such projects with Bond proceeds, expenditure schedules are subject to change, and projects are subject to demand and available funding.
[2] Current cost estimates and construction schedules may vary from the Board-approved CIP.
[3] Future Bond Proceeds with respect to the Other Approved Capital Projects are the proceeds of bonds currently planned to be issued in future years to fund the Other Approved Capital Projects. Future Bond Proceeds are included as part of the financial analysis included in this Report.
[4] Other CIP Projects Future Bond Proceeds are the proceeds of bonds currently planned to be issued in future years to fund Other CIP Projects for which the Authority would need to obtain Weighted Majority approval in order to fund the projects with Bond proceeds and include the debt service on such Bonds in airline rates and charges. Other CIP Projects Future Bond Proceeds are not included in the financial analysis included in this Report.
Amounts may not add because of rounding.

Source: Authority management records, September 2023

As shown above in Table 3-5, the Series 2023 Projects have estimated project costs of approximately $305.3 million and are planned to be funded by approximately $80.6 million of expected grant funds and other sources, approximately $19.4 million of existing Bond proceeds, approximately $165.2 million of proceeds of the Series 2023 Bonds, and approximately $40.0 million of proceeds of future Bonds.

The Other Approved Capital Projects have estimated project costs of approximately $128.6 million and are planned to be funded by approximately $15.8 million of expected grant funds, approximately $4.9 million of existing Bond proceeds and approximately $107.9 million of Future Bond Proceeds. The planned funding for both the Series 2023 Projects and the Other Approved Capital Projects is discussed in more detail below.

The Other CIP Projects have estimated project costs of approximately $881.2 million and are planned to be funded by approximately $152.7 million of grants, $199.6 million of other funds, $58.6 million of existing Bond proceeds, and approximately $470.3 million of Other CIP Future Bond Proceeds. As indicated previously, many of the Other CIP Projects still require Weighted Majority approval in order to be funded by Bond proceeds, and the Other CIP Projects Future Bond Proceeds are not included in the financial analysis contained in this Report.

The federal and state grants provided in Table 3-5 reflects a variety of grants sought by the Authority through a number of programs, including the FAA AIP, Bipartisan Infrastructure Law (BIL) Airport Infrastructure Grant (AIG), BIL Airport Terminal Program (ATP), and FAA Voluntary Airport Low Emissions (VALE) Program. Grants requested, or anticipated to be requested, by the Authority through these programs include, but may not be limited to:

- FAA AIP grants of approximately $18.3 million and approximately $10.4 million for Taxiway Y.
- BIL ATP grant for the replacement of passenger boarding bridges in the McNamara Terminal –$5.0 million for phase 1 and $6.0 million for phase 2.
- BIL ATP grant for upgrades to the passenger restrooms at the McNamara Terminal – approximately $28.0 million.
- BIL ATP grant for updates to baggage claim units at the McNamara Terminal – approximately $10.8 million.
- VALE Program grant for the purchase and installation of preconditioned air (PCA) units and ground power units (GPU) at the McNamara Terminal for 40 gates – approximately $6.2 million.
- VALE Program grant for the purchase and installation of preconditioned air (PCA) units and ground power units (GPU) at the McNamara Terminal for 6 gates – approximately $0.7 million.
- VALE Program grant for the purchase and installation of preconditioned air (PCA) units and ground power units (GPU) at the McNamara Terminal for 25 gates – approximately $6.4 million.
- VALE Program grant for the purchase and installation of preconditioned air (PCA) units for 22 gates and ground power units (GPU) for 28 gates at the Evans Terminal – approximately $4.9 million.
- BIL AIG grants for bridges and tunnel rehabilitation programs – approximately $33.3 million in 2022 and approximately $33.2 million in 2023.

The Authority also utilized federal relief funds to offset certain operating expenses during the COVID-19 pandemic, the uses of these funds are provided in section 4.7 herein.

3.3.2 The Series 2023 Projects

As described earlier, the Series 2023 Projects include those CIP projects to be funded in whole or in part with proceeds of the Series 2023 Bonds. The Series 2023 Projects include taxiway reconstruction, terminal apron rehabilitation, parking deck, bridges, roadways and tunnel rehabilitation, security system upgrades, support facilities roof replacements, various terminal improvements, including terminal refresh, roof enhancements, security camera upgrades, jet bridge replacements and terminal ground service equipment upgrades, and miscellaneous pump, watermain and stormwater forcemain projects, all of which are described in detail in the following sections. **Exhibit A** presents details on the estimated project costs for the Series 2023 Projects along with planned funding sources.

The Series 2023 Projects are estimated to cost approximately $305.3 million (including design, engineering, construction, escalation for inflation, and contingency amounts, but excluding financing costs). Sources of funding for the Series 2023 Projects are presented in Exhibit A of this Report. The Series 2023 Projects were subject to the Signatory Airline Weighted Majority approval process described in Section 4.4.3.2, Airline Approval of Capital Improvement Projects, and a Weighted Majority has approved all of the Series 2023 Projects. A description of each of the Series 2023 Projects is contained in the following subsections.

3.3.2.1 McNamara Terminal Apron Rehabilitation Phase 2 – Gates B1 through B21, C1 through C27, and A74 through A78

The Authority has an on-going airfield pavement rehabilitation/reconstruction plan in place to address pavement surfaces and long-term capital maintenance repairs to apron pavement serving the McNamara Terminal. The Authority selects the method of rehabilitation, replacement, or reconstruction based on severity of deterioration, timing of future reconstruction, operational constraints, and other factors affecting the safe and efficient operation of the airfield. Phase 2 of the plan includes apron pavement work and repair of underground infrastructure where necessary to accomplish the pavement works at McNamara Terminal aircraft gates B1 through B21, C1 through C27, and A74 through A78. This Series 2023 Project consists of the Phase 2 construction work, which is planned for 2023 and estimated to cost approximately $50.5 million, approximately $37.5 million of which is planned to be funded from proceeds of the Series 2023 Bonds. The remaining funding is planned to be from previously issued Bonds. The design work associated with this project was previously approved by the Signatory Airlines in 2021 and funded by the Series 2021 Bonds.

3.3.2.2 McNamara Terminal Apron Rehabilitation Phase 3 – Taxiway U9 west of Gates A4 through A60

Phase 3 of the McNamara Terminal Apron Rehabilitation plan includes pavement work on Taxilane U9 west of McNamara Terminal aircraft gates A4 through A60 and the repair of underground infrastructure where necessary. This project consists of the design, engineering, and construction of Phase 3. The estimated cost of this project is approximately $57.1 million. The Authority is planning to fund $30.0 million of the project work with proceeds of the Series 2023 Bonds and $27.1 million from proceeds of future Bonds.

3.3.2.3 Medium Voltage Transmission Lines for Primary Service to the North Campus and Airfield – Phase 2 – Generator Upgrade and Powerhouse Switchgear

In 2019, the Signatory Airlines approved a capital project entitled, “Medium Voltage Transmission Lines for Primary Service to the North Campus and Airfield – Phase 1.” That project consisted of the design, engineering, and construction to extend medium voltage (13.8kV) electrical power from the South Power Plant to the North Power Plant and replaced the 4.8V power to the north campus and airfield. The construction for that Phase 1 project was funded from proceeds of the Series 2021 Bonds.

The Phase 2 projects include the preparation of specifications, design, engineering, and construction for updated controls for North Power Plant equipment to maximize the redundancies provided by connecting the North and South Power Plants. This Series 2023 Project is estimated to cost $4.0 million and is planned to be funded entirely from proceeds of the Series 2023 Bonds. This project is planned to be completed in 2023.

3.3.2.4 North Campus Electrical Distribution Loop 3

The Airport’s north campus primary electrical distribution systems consist of three basic loops. The majority of Loops 1 and 2 have been upgraded to enable future distribution of medium voltage power from the North Power Plant. This Series 2023 Project consists of the design, engineering, and construction work to complete the upgrade to Loop 3. This project is planned to be completed in 2023 and is estimated to cost approximately $9.0 million, which is planned to be funded entirely from the proceeds of the Series 2023 Bonds.

3.3.2.5 Medium Voltage Conversion – Direct Feed from Powerhouse

In connection with system investigation and design work for electrical distribution loop upgrades, several facilities that are not fed electrical power by an of the existing loops were identified. These facilities require upgrades to the electrical supply, connecting them to one of the Airport's electrical distribution loops. This project consists of design, engineering, and construction of Big Blue Deck and Wick Road medium voltage upgrades, and other facilities that may be discovered during design and construction of Loops 2 and 3. The estimated cost for this project is $3.3 million, which is planned to be funded entirely from the proceeds of the Series 2023 Bonds.

3.3.2.6 Big Blue Parking Deck – Concrete Floor Repairs, Guardrails, and Waterproofing

Parking structures, based on their construction and exposure to elements, require on-going structural maintenance to maximize their useful life. The Authority has an asset management plan (AMP) in place for routine improvements to both parking structures at the Airport. In 2021, the Signatory Airlines approved of a capital project that consisted of the design/engineering and construction services for the replacement of concrete floors, guardrails, and waterproofing on the ramps in the eastern half of the Big Blue Parking Deck. That project was funded with Series 2021 Bond proceeds.

This Series 2023 Project is the continuation of the AMP work for replacement of concrete floors, guardrails, and waterproofing on the ramps in the eastern half of the Big Blue Parking Deck. The estimated cost for this project is $5.6 million, which is planned to be funded entirely from the proceeds of the Series 2023 Bonds.

3.3.2.7 McNamara Parking Deck Elastomeric Coating

In 2021, the Signatory Airlines approved a project that consisted of the design and construction work planned for 2021 and 2022 for the initial portions of a multi-year CIP project that includes elastomeric coating and waterproofing of concrete wall surfaces at the McNamara Parking Deck to prevent water damage to structural elements of the deck. Applications of the coatings require removal of portions of the guardrail systems and replacement of weathered or damaged guardrail elements prior to reinstallation.

This Series 2023 Project consists of additional work to complete the McNamara Parking Deck Elastomeric Coating multi-year project. The estimated cost for this project is $6.6 million, which is planned to be funded entirely from the proceeds of the Series 2023 Bonds.

3.3.2.8 Bridges and Roadways Rehabilitation Program: Dingell Drive – McNamara Terminal to North Tunnel

This Series 2023 Project consists of the planning, design/engineering, and construction to complete certain portions of the Authority's on-going Bridge and Roadway Improvement Program. This project is for the design and construction activity planned to occur through 2024 to replace deteriorated portions of roadway pavement, curbs and associated components/systems, and construct safety improvements on both northbound and southbound Dingell Drive from the McNamara Terminal to the north tunnel. This work will be done concurrently with the work on Dingell Drive tunnels to coordinate traffic lane closures. The project is estimated to cost $12.7 million of which approximately $3.2 million is intended to be funded with proceeds of the Series 2023 Bonds and approximately $9.5 million to be funded with grants and other Airport funds. In the future, the Authority will request Weighted Majority approval for additional bridge and roadway project work as required.

3.3.2.9 Tunnel Rehabilitation Program – South Tunnel (Phase II)

Dingell Drive, a main roadway artery at the Airport, contains three tunnels under two runways and a taxiway. In 2021, a Weighted Majority approved the design work (Phase I) for a multi-year project consisting of the design and engineering work and the construction work necessary to repair/replace fans and life safety systems including electrical supply in the south tunnel under Runway 9R-27L and to perform structural waterproofing. This Series 2023 Project consists of Phase II of the multi-year CIP project and consists of the final design and construction work planned to occur through 2024. This Series 2023 Project is estimated to cost $25.0 million of which approximately $6.3 million is intended to be funded with proceeds of the Series 2023 Bonds and approximately $18.8 million to be funded with grants and other Airport funds.

3.3.2.10 Tunnel Rehabilitation Program – North Tunnel and Middle Tunnel

This Series 2023 Project is the work for the multi-year Tunnel Rehabilitation Program consisting of the design, engineering, and construction work necessary to repair/replace fans and life safety systems including electrical supply and associated components and systems to perform structural waterproofing in the north tunnel under Runway 9L-27R and the middle tunnel under Taxiway Fox. This work is expected to occur through 2024. This Series 2023 Project is estimated to cost $28.7 million of which approximately $7.2 million is intended to be funded with proceeds of the Series 2023 Bonds and approximately $21.5 million to be funded with grants and other Airport funds.

3.3.2.11 Security System & Network Upgrades - Phase 3: Sensitive Security Rooms, Core & Edge Switches

The Authority's SSNU Program is a multi-year effort to improve coverage of the security and communication network systems at the Airport, and to upgrade the system as technology evolves. This Series 2023 Project includes the design and installation of core switches, edge switches, and network cores at the Evans Terminal, McNamara Terminal, and the Public Safety Building, and the necessary technology to incorporate the equipment into the Airport's security system and network. The work associated with this Series 2023 Project is expected to occur through 2024. The estimated cost for this project is $6.0 million, which is planned to be funded using approximately $4.6 million of previously issued Bonds and approximately $1.4 million of proceeds of the Series 2023 Bonds.

3.3.2.12 Roof Replacement Plan

This Series 2023 Project consists of the planning, environmental, design, engineering, and construction work necessary to remove and replace the roofing components and systems at Building #425 – SkyWest Hangar and Building #711 – Authority Maintenance. The design, engineering, and construction for this project was completed in 2022. This project is estimated to cost approximately $2.7 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds.

3.3.2.13 Evans Terminal – Fire Alarm Systems Improvement

This Series 2023 Project consists of the replacement of the Evans Terminal fire alarm system. The system is original to the terminal, which opened in 2008, and has reached the end of its useful life. This project is estimated to cost approximately $4.7 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds.

3.3.2.14 Evans Terminal – Terminal Refresh (Phase I)

Changes in the aviation industry and lessons learned since the Evans Terminal opened in 2008 necessitate a terminal refresh. This terminal refresh project will be implemented in two phases. Phase I will address cosmetic changes to improve the appearance of the Evans Terminal departure curbside and lobby area and will incorporate new self-bag-drop technology throughout the ticketing and check-in area of the terminal. Phase II of this CIP project, which is planned for 2025, will address expansion of interior floor space that incorporates express selfcheck-in kiosks and self-bag-drop technology. This Series 2023 Project consists of Phase I design and construction expected to occur through 2023 and is estimated to cost approximately $15.4 million, $2.5 million of which is planned to be funded with the proceeds of the Series 2023 Bonds. The remaining $12.9 million is planned to be funded using proceeds from future Bonds. The Authority will seek additional Signatory Airline approval in the future for Phase II work.

3.3.2.15 McNamara Terminal, Evans Terminal and Hotel Roof Life Cycle Enhancements

This capital project consists of the planning, environmental, design, engineering, and construction work necessary to upgrade or replace failing roof components and systems at the McNamara Terminal, Evans Terminal and Airport Hotel. This Series 2023 Project consists of the design, engineering and construction work for this project, which is planned to be completed through 2024. This project is estimated to cost $3.0 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds.

3.3.2.16 McNamara Terminal – Security Camera Upgrades

The McNamara Terminal security camera network has reached the end of its useful life. This Series 2023 Project consists of the design and installation of a replacement system that meets current and future security and operational needs of the Authority and McNamara Terminal tenants. This project is estimated to cost $7.0 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds.

3.3.2.17 McNamara Terminal – Jet Bridge Replacements

The jet bridges throughout the McNamara Terminal are nearing the end of their useful lives. The Authority plans to replace more than 100 jet bridges over a multi–year schedule. This Series 2023 Project consists of the replacement of jet bridges and related equipment to be completed during the first two years, 2023 and 2024, of the replacement program. This project is estimated to cost $30.0 million and is planned to be funded using approximately $17.2 million of proceeds of the Series 2023 Bonds and approximately $12.8 million of grants. In the future, the Authority will seek additional Signatory Airline approval for the remainder of the replacement program.

3.3.2.18 Primary Pump and Switchgear Replacements

This capital project includes the evaluation, design and construction work necessary to replace or rehabilitate stormwater pumps, pump stations, and associated switchgear at Airport pump stations: 1, 2, 3, 6 and 10. Reconstruction work may include pumps, switchgear, wing-walls, supervisory control and data acquisition (SCADA) equipment, lighting, and ventilation equipment. This Series 2023 Project consists of design, engineering, and construction work for this project, which is planned to be completed by 2024. This project is estimated to cost $3.5 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds.

3.3.2.19 Water Main Replacement – Phase II

The Authority has a multi-year capital project consisting of the design, engineering, and installation of water mains at the Airport. Phase II of the multi-year project includes work at Meter Pit #1 on the north end of the Airport, along the East Service Drive, and at the South Construction Staging Area. This Series 2023 Project consists of the Phase II design and engineering work planned for 2023, and the Phase II construction work, scheduled to occur in 2023 and 2024. This project is estimated to cost $3.4 million and is planned to be funded entirely with proceeds of the Series 2023 Bonds. Signatory Airline approval for future phases of project work will be sought as needed.

3.3.2.20 Stormwater Forcemain Eastside Site

This capital project consists of the design and construction services required to install a series of below-ground forcemains from a new development site at Taxiway Sierra to Pond 3W and an outfall direct discharge and any related infrastructure/equipment at Pond 3W. The project also includes alterations to Pond 6, including an increase to the pond elevation by two (2) feet and modification to the existing sluice gate. Design, engineering, and construction work for this project is planned to be completed by 2024. The estimated total cost for this project is $27 million. Funding for the project is anticipated to be $9.0 million from the proceeds of the Series 2023 Bonds and $18.0 million from other sources.

3.3.3 Other Approved Capital Projects

As described earlier, the Other Approved Capital Projects are those CIP projects that a Weighted Majority has approved but have not been previously funded in whole and also are not being funded with Series 2023 Bond proceeds. The Authority presently intends to issue Additional Bonds during the Projection Period of this Report to fund the balance of the cost of these Other Approved Capital Projects. The Other Approved Capital Projects are shown in **Exhibit B**. Preliminary cost estimates for the Other Approved Capital Projects total approximately $128.6 million. The capital costs of the Other Approved Capital Projects are included in the financial analysis contained in Chapter 4 of this Report.

The Other Approved Capital Projects include the following:

- Taxiway K Reconstruction
- Taxiway Z (Southern Portion) Relocation and AOA Service Road Modification and Extension
- McNamara Terminal Apron Rehabilitation - Phase 4: Gates C2 through C22, B2 through B20, Runway 4R De-ice Pad (Design Only)
- McNamara Parking Deck Rehabilitation - Interior Rehabilitation & Drain Piping Replacement (Design & Construction 2022-2024)
- Fire Training Facility Restoration and Burn Pit Replacement (construction)
- Ice Control Materials Storage Facilities
- McNamara Terminal - Ground Service Equipment Electrification - Ground Pre-Conditioned Air Ground Power Unit Upgrade

3.4 Plan of Finance

Exhibits A and B, respectively, present the total project costs along with estimated funding sources for the Series 2023 Projects and the Other Approved Capital Projects. These estimates are based on currently available information regarding the estimated cost and timing of the Series 2023 Projects and Other Approved Capital Projects. As presented in Exhibit A, the Series 2023 Projects are estimated to cost approximately $305.3 million and the Other Approved Capital Projects are estimated to cost approximately $128.6 million as shown on Exhibit B. Additional detail regarding the estimated funding sources for the Series 2023 Projects and Other Approved Capital Projects is presented in this section.

The Series 2023 Projects and Other Approved Capital Projects are planned to be funded primarily with grant and other Airport funds and proceeds of the Series 2023 Bonds and future Bonds, respectively. Specifically, the Authority plans to issue the Series 2023 Bonds to pay the costs of the Series 2023 Projects in whole or in part. Currently, the Authority is planning to issue Additional Bonds over the next several years to fund the cost of remaining portions of the Series 2023 Projects and the Other Approved Capital Projects based on future timing and cash flow needs. As presented on Exhibit A, the Series 2023 Projects are estimated to be funded by approximately $80.6 million of grants and other Airport funds, $19.4 million of existing Bond proceeds, $165.2 million of Series 2023 Bond proceeds, and $40.0 million of proceeds from future Bonds. As shown on Exhibit B, approximately $15.8 million of grants and other Airport funds, $4.9 million of existing Bond proceeds, and approximately $107.9 million of future Bond proceeds are expected to fund costs of the Other Approved Capital Projects. Assumptions related to the issuance of the Series 2023 Bonds and future Bonds are provided in Section 4.8.

3.5 Financial Impact for the Series 2023 Projects and the Other Approved Capital Projects

Sources of funding for the Series 2023 Projects and the Other Approved Capital Projects are presented on Exhibits A and B. The estimated financial impacts of the Series 2023 Projects and Other Approved Capital Projects are incorporated in this Report.

Also, as indicated previously, the capital costs related to the existing bond proceeds for previously funded Other CIP Projects are included in the financial analysis contained in Chapter 4 of this Report. However, the capital costs of the Other CIP Projects for which Weighted Majority approval has not yet been requested are not included in the financial analysis in Chapter 4 of this Report.

It is likely that the Authority will issue Additional Bonds during the Projection Period to fund certain Other CIP Projects not yet approved by a Weighted Majority. In addition, it is possible that during the Projection Period, the Authority could consider other future Airport improvements not planned at this time. However, it is assumed that the Authority will only undertake other future projects when demand warrants, necessary environmental reviews have been completed, approvals have been obtained, and associated project costs can be supported by a reasonable level of Airport user fees or other discrete funding sources such as state and federal grants, PFCs, and third-party funds.

4 Financial Framework and Analysis

This Chapter discusses the financial framework for the Airport, including an overview of the governing body, management structure of the Authority, financial structure including Airport cost centers, certain obligations of the Master Airport Revenue Bond Ordinance (Master Bond Ordinance), and certain provisions contained in the Airport Use and Lease Agreements (Airline Agreements) with the Signatory Airlines (defined herein) and in other key agreements at the Airport. Debt Service projections for the Series 2023 Bonds, Operation and Maintenance (O&M) Expenses, Revenues projections, debt service coverage, and other key financial analyses are also described in this Chapter.

Prior to January 1, 2020, the Authority's OY was the 12-month period from October 1 through September 30. As of January 1, 2020, the Authority revised its OY to be the 12-month period from January 1 through December 31 or consistent with a calendar year (CY). Historical operating results (prior to OY 2020) are presented in the Authority's previous OY (year ending September 30).

The financial analysis contained in this Chapter as well as the Exhibits provided at the end of this Chapter present results for actual OY 2022 and projections for OY 2023 through OY 2029, also referred to as the 'Projection Period.' Financial projections for OY 2023 are based on the Authority's OY 2023 Budget and Mid-Year Projection.

4.1 Airport Governing Body

Pursuant to the Authority Act the Authority has sole and exclusive operational jurisdiction for the Airport and Willow Run Airport, with the exclusive right, responsibility and authority to occupy, operate, control and use them. The Authority is a political subdivision and instrumentality of the Charter County of Wayne, Michigan (Wayne County) and a public agency of Wayne County for the purposes of federal and state laws, but is not subject to any county charter requirements or the direction or control of either the Wayne County Executive or Commission. The Authority is managed by an independent, seven-member Board. Four members are appointed by the Wayne County Executive, two members are appointed by the Governor of the State of Michigan, and one member is appointed by the Wayne County Commission.

4.2 Management Structure

The day-to-day operations of the Authority are managed by the Chief Executive Officer, who is appointed by the Authority Board. The Chief Executive Officer appoints the Chief Financial Officer and other senior staff of the Authority. The Chief Executive Officer and senior management team lead seven Authority Divisions: Finance & Technology Division, Public Safety Division, Facilities & Terminal Operations Division, Operations & Maintenance Division, Administration Division, Planning, Design & Construction Division, and Economic Development Division. Each Division of the Authority is responsible for several Departments. The executive team of the Authority is a full-time staff of professional and technical personnel located at the Airport.

4.3 Financial Structure

The Authority's airports include both the Airport and Willow Run Airport (together, the Airports). For accounting purposes, the Authority segregates expenses and revenues into cost centers, which can be units of activities, groups of employees, and geographical areas of the Airports.

The Authority funds its operation of the Airports with Revenues generated from Airports rentals, fees, and charges. The Authority is financially self-sustaining with Revenues generated from airline and other tenant fees, grants, Passenger Facility Charges (PFCs), concession fees, and other Revenues of the Airports. Airport capital improvements are funded by the Authority with: (1) federal, state, and other grants-in-aid, (2) Revenues generated from the Airports rentals, fees and charges; (3) Airport revenue bond proceeds; (4) PFC revenues, (5) CFC revenues, and (6) other Authority funds.

4.4 Accounting Structure

Pursuant to the Airline Agreements, the Authority created various cost centers for the purpose of accounting for and allocating costs and revenues of the Airport in order to establish airline rentals, fees, and charges for the use of the Airfield and the Terminals. Per the Airline Agreements, the airline cost centers are the South Terminal Cost Center, North Terminal Cost Center, and the Airport Cost Center. As described below, rate-setting at the Airport is per a residual methodology, where Activity Fees (landing fees) are calculated on an Airport-wide residual basis and Terminal Rentals are calculated to recover the costs of each respective terminal cost center. The Signatory Airlines have the financial risk for the Airport operation and benefit from non-airline revenue credits in the calculation of Activity Fees. The Airline Agreements also have an annual settlement provision that sets a process for the reconciliation of rates and charges with the airlines at the end of each OY.

The Airline Agreements specifically indicate how O&M Expenses, Bond Debt Service, Other Available Moneys, and Revenues of the Airport are allocated to each cost center. The Series 2023 Bonds are payable from the Net Revenues from all cost centers of the Airport. A definition of each cost center per the Agreement is contained below.

4.4.1 Cost Centers:

- **South Terminal Cost Center** shall mean the Cost Center which includes the land identified as the McNamara Terminal and all facilities, equipment and improvements now or hereafter located thereon, including all passenger terminal buildings, connecting structures, passenger walkways and tunnels, concourses, hold areas and FIS facilities, and any additions and improvements thereto, as that land, facilities, equipment and improvements may change from time to time.
- **North Terminal Cost Center** shall mean the Cost Center which includes the land identified as the Evans Terminal and all facilities, equipment and improvements now or hereafter located thereon, including all passenger terminal buildings, connecting structures, passenger walkways and tunnels, concourses, hold areas and FIS facilities, and any additions and improvements thereto, as that land, facilities, equipment and improvements may change from time to time.
- **Airport Cost Center** shall mean the Cost Center which includes the land identified as the Airport and all facilities, equipment and improvements now or hereafter located thereon, and any additions and improvements thereto, as that land, facilities, equipment and improvements may change from time to time with the exception of those areas of the Airport that are part of the South Terminal Cost Center and North Terminal Cost Center.

4.4.2 Master Bond Ordinance

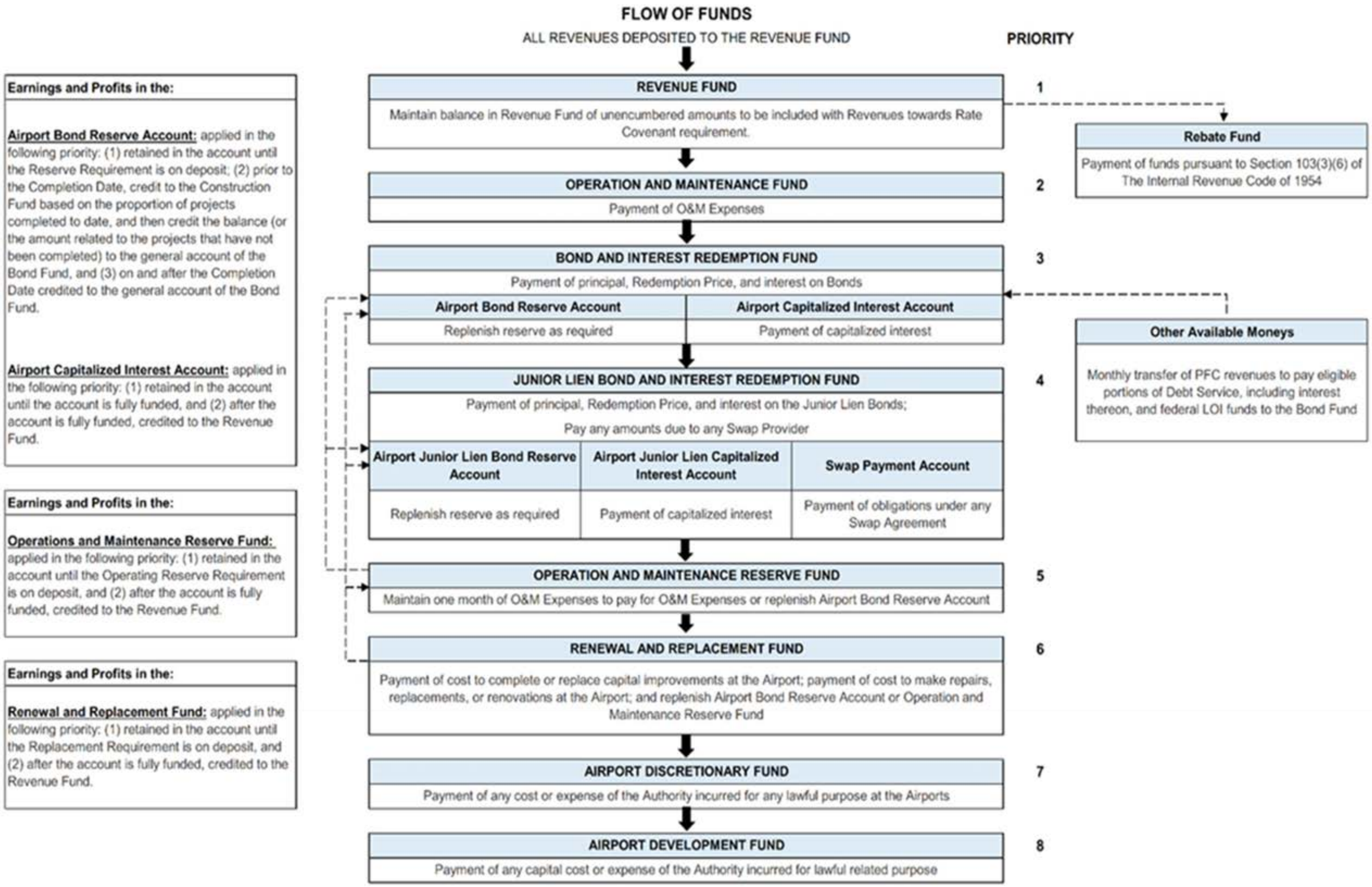
The Master Bond Ordinance as adopted by the Board of the Authority on September 26, 2003, and as thereafter amended, authorizes the issuance of airport revenue bonds to pay the costs of acquiring and constructing Airport improvements, among other items. The Series 2023 Bonds are being issued pursuant to the provisions of the Master Bond Ordinance and the Series 2023 Ordinance, adopted by the Board on April 19, 2023. The Master Bond Ordinance and the Series 2023 Ordinance are collectively referred to as the "Ordinance." The Series 2023 Bonds are payable solely from the Net Revenues of the Authority, certain funds and accounts under the Ordinance, and other amounts payable under the Ordinance.

Pursuant to the Ordinance, the Authority has pledged Net Revenues to the payment of the Series 2023 Bonds. Net Revenues are all Revenues of the Authority remaining after payment of O&M Expenses at the Airport. Revenues include all amounts derived from the operation of the Airport, including all moneys deposited into the Revenue Fund, from whatever source, and all income derived from the charges, fees, rentals and rates charged for services, facilities and commodities furnished by the Airport, whether such income shall be derived from its function as an Airport or not, and including, but not by way of limitation, concessions, rentals, auto parking fees, service charges derived from the operation of the terminal complex buildings and facilities, airplane landing fees, non-airline gasoline fees and miscellaneous charges and rentals from other facilities and services and investment earnings or general revenues derived from the operation of the Airport accumulated by the Authority prior to deposit in the Revenue Fund. Revenues do not include (i) rentals or other amounts to be paid in the future by any Person pursuant to a lease or other agreement with the County or the Authority, which rentals or other amounts are pledged for the payment of bonds issued to provide funds to construct Special Facilities, (ii) the proceeds of federal grants or PFCs, or the proceeds of any other grant, charge or tax intended as a replacement therefor or other capital contributions from any source, (iii) the Net Proceeds of insurance or condemnation proceeds resulting from the damage or destruction or taking of any portion of the Airport, or (iv) Special Purpose Revenues, which include Customer Facility Charges (CFCs) imposed on Airport rental car customers.

4.4.2.1 Flow of Funds

Article V of the Master Bond Ordinance establishes certain funds and accounts and the priority for the flow of Revenues and certain other amounts to such funds and accounts, as described below. Figure 4-1 illustrates the flow of funds as set forth in the Ordinance.

Figure 4-1 Flow of Funds



Source: Master Bond Ordinance

As long as there are Bonds outstanding, all Revenues are required to be deposited into the Revenue Fund. Revenues will be set aside for the payment of the following amounts or deposited or transferred to the following funds and accounts in the following order of priority:

- **First: to the Operation and Maintenance Fund.** On or prior to the 25th day of the month by the Trustee at the direction of an Authorized Officer, a sum sufficient to provide for the payment of the next calendar month's O&M Expenses for the Airport. Moneys in the Operation and Maintenance Fund, held by Trustee, shall be used only for the purpose of paying O&M Expenses, including payments on lines of credit, notes or other obligations issued for operating cash flow purposes.
- **Second: to the Bond and Interest Redemption Fund (Bond Fund).** Except as otherwise provided in the Master Bond Ordinance, moneys on deposit in the Bond Fund are used for the purpose of paying the principal, Redemption Price, and interest on Bonds, or paying obligations under a Swap Agreement entered into by the County prior to January 1, 1998. Separate accounts created in the Bond Fund include the Airport Bond Reserve Account and the Airport Capitalized Interest Account. Out of the Revenues and other moneys remaining in the Revenue Fund, after transfers, if required, for deposit into the Operation and Maintenance Fund, there shall be set aside monthly on the first day of the month and transferred to the Bond Fund a sum sufficient to provide for the next payment when due of the principal and interest on the Bonds or in the subaccount in the Airport Capitalized Interest Account for Bonds of a particular Series available to pay capitalized interest for the current OY on such Series of Bonds, and less (i) the sum of any funds, including Other Available Moneys, actually on deposit in the Bond Fund and (ii) payments received from a Swap Provider. In the event of a deficiency in the amount required to be on deposit in the Airport Bond Reserve Account, an amount from Revenues is required to restore the amount on deposit in the Airport Bond Reserve Account to required levels in accordance with the terms of the Master Bond Ordinance.
- **Third: to the Junior Lien Bond and Interest Redemption Fund (Junior Lien Bond Fund).** Except as otherwise provided in the Master Bond Ordinance, moneys on deposit in the Junior Lien Bond Fund are used for the purpose of paying the principal, Redemption Price, and interest on Junior Lien Bonds. Separate accounts created in the Junior Lien Bond Fund include the Airport Junior Lien Bond Reserve Account and the Airport Junior Lien Capitalized Interest Account. Out of the Revenues and other moneys remaining in the Revenue Fund, after transfers, if required, for deposit into the Operation and Maintenance Fund and Bond Fund, there shall be set aside monthly on the first day of the month and transferred to the Junior Lien Bond Fund a sum sufficient to provide for the next payment when due of the principal and interest on the Junior Lien Bonds or in the subaccount in the Airport Capitalized Interest Account for Junior Lien Bonds of a particular Series available to pay capitalized interest for the current OY on such Series of Junior Lien Bonds, and less (i) the sum of any funds, including Other Available Moneys, actually on deposit in the Junior Lien Bond Fund and (ii) payments received from a Swap Provider.
- **Fourth: to the Operation and Maintenance Reserve Fund.** On the last day of each fiscal quarter, from the Revenues and other moneys remaining in the Revenue Fund after satisfying the requirements of the above Funds there shall be transferred to and deposited into the Operation and Maintenance Reserve Fund an amount equal to one forty-eighth of the estimated annual O&M Expenses of the Airport until the estimated annual O&M Expenses for the period of one month as projected in the most recent Authority budget for the Airport (the Operating Reserve Amount) is on deposit in the Operation and Maintenance Reserve Fund. While any of the Bonds remain Outstanding, the Operating Reserve Amount shall be adjusted to reflect changes in O&M Expenses as the same are estimated by the Authority in its budgets for the Airport. Transfers from the Operation and Maintenance Reserve Fund for the payment of O&M Expenses, or for the restoration of the Senior Lien Bond Reserve Account or Junior Lien Bond Reserve Account as provided for in the Ordinance, to be replaced from Revenues first received thereafter in the

Revenue Fund which are not required for O&M Expenses, current debt service requirements, or to restore the Senior Lien Bond Reserve Account or the Junior Lien Bond Reserve Account. In addition, when required by a Swap Agreement, a reserve requirement as established by that agreement, and is held in in the Operation and Maintenance Reserve Fund.

- **Fifth: to the Renewal and Replacement Fund.** Except as otherwise provided in the Master Bond Ordinance, the money credited to the Renewal and Replacement Fund shall be disbursed to the Authority by the Trustee at the request of an Authorized Officer, confirmed in writing, for the purpose of paying (i) cost of completing or replacing capital improvements at the Airport, and (ii) making repairs, replacements or renovations at the Airport. Moneys in the Renewal and Replacement Fund shall also be used to restore the Bond Reserve Account or the Junior Lien Bond Reserve Account to the Reserve Requirement to the extent moneys in the Revenue Fund and the Operation and Maintenance Reserve Fund are insufficient therefor and to restore the Operation and Maintenance Reserve Fund to the Operating Reserve Amount to the extent moneys in the Revenue Fund are insufficient therefor. On the last day of each fiscal quarter, there shall be transferred from the Revenues on deposit in the Revenue Fund after satisfying the funds described above, the sum of $125,000 until the sum of $2,500,000 (the Replacement Requirement) is on deposit in the Renewal and Replacement Fund. Transfers from the Renewal and Replacement Fund are replaced in quarterly installments of $125,000 from moneys in the Revenue Fund not required by the Ordinance to be used for the Operation and Maintenance Fund, the Bond Fund, the Senior Lien Bond Reserve Account, the Junior Lien Bond Reserve Account, or the Operation and Maintenance Reserve Fund.
- **Sixth: to the Airport Discretionary Fund.** After satisfying the requirement of the Ordinance, quarterly, the sum of $87,500 shall be transferred from the Revenue Fund to the Airport Discretionary Fund and applied, in the discretion of the Chief Executive Officer subject to applicable agreements, to the payment of any cost or expense of the Authority incurred for any lawful purpose at the Airports. In the event of a deficiency in any $87,500 quarterly transfer, the amount of such deficiency shall be added to the deposit required to be made by the Authority in the next quarterly transfer.
- **Seventh: to the Airport Development Fund.** In addition to and after satisfying the foregoing requirements of the Ordinance, on the last day of each quarter of each OY, one quarter of the amount calculated in accordance with applicable agreements and included in the budgeted rates and charges for the Airport for the OY for deposit in the Airport Development Fund shall be transferred from the Revenue Fund to the Airport Development Fund and applied, at the written discretion of the Chief Executive Officer, to the payment of any capital cost or expense of the Authority incurred for any lawful related purpose. In the event of any deficiency in the required quarterly transfer, the amount of such deficiency shall be added to the deposit required to be made to the Airport Development Fund in the next quarterly transfer. As later described in this Report, the Airport Development Fund as defined in the Agreement is an amount of $5 million, which such amount has been and shall be escalated each OY beginning in OY 2002 to reflect percentage increases in the Producer Price index. The amount budgeted for OY 2023 for the Airport Development Fund is $11.6 million.

4.4.2.2 Rate Covenant

In Section 604 of the Master Bond Ordinance, the Authority covenants, while any Bonds are Outstanding, to fix, charge and collect rates, fees, rentals and charges for the use and operation of the Airport as may be necessary or appropriate to produce Revenues in each OY which will be at least sufficient to provide for:

- The payment of O&M Expenses for the OY;
- Together with PFC proceeds, including interest thereon, deposited with the Trustee with respect to such OY, the amounts needed to make the deposits required for the Application of Revenues pursuant to the Master Bond Ordinance for such OY to the Bond Fund; and
- Together with Other Available Moneys deposited with the Trustee with respect to such OY, to the extent not needed to make the deposits required under the Master Bond Ordinance for such OY to the Bond Fund, and any unencumbered cash balance held in the Revenue Fund on the last day of the OY preceding the OY for which the calculation is made not then required to be deposited in any Fund or Account.
    - The amounts needed to make the deposits required under the Master Bond Ordinance for such OY to the Junior Lien Bond Fund, the Operation and Maintenance Reserve Fund, the Renewal and Replacement Fund, the Airport Discretionary Fund, and the Airport Development Fund, and
    - An amount not less than 25% of the Debt Service due and payable on Bonds during such OY.

The Authority also covenants that the rates, fees, rentals, and charges shall be revised from time to time as may be necessary to produce the above amounts, provided that any fee, rent, charge, or rate fixed pursuant to a lease or contract shall not be revised except as provided in such lease or contract.

4.4.2.3 Additional Bonds

Pursuant to the Master Bond Ordinance in Section 208, the Authority is permitted to issue a Series of Bonds on a parity basis with Outstanding Bonds or Additional Bonds as long as no Default or Event of Default under the Master Bond Ordinance is known to the Authority at the time of adoption of such Series Ordinance. Prior to issuing any Additional Bonds, the Authority must obtain an opinion of Bond Counsel that the issuance will not impair the tax-exempt status of any prior Series of Bonds or Junior Lien Bonds. For Additional Bonds, either of the following is required, unless the purpose for which a Series of Bonds to be issued is to finance the cost of completing the acquisition, construction and installation of an element of the CIP with respect to which a Series of Bonds proposed to be issued for such purpose are proposed to be issued in principal amount of not to exceed 10% of the face amount of Series of Bonds originally issued to pay for the costs of that element of the CIP.

- A report of an Airport Consultant projecting (i) Revenues and Revenue Fund balances plus (ii) Other Available Moneys and any amounts estimated to be available to pay capitalized interest sufficient for the first three full OYs commencing after completion of construction of the capital projects to be funded from the proceeds of the Series of Bonds proposed to be issued to satisfy the rate covenant described in Section 604 of the Master Bond Ordinance and any other applicable covenants contained in any Series Ordinance taking into account the Series of Bonds proposed to be issued; or

- The Authority may authorize the issuance of a Series of Bonds if it delivers to the Trustee a certificate of the Chief Financial Officer, accompanied by an Accountant's report, certifying that, taking all Outstanding Bonds, other than any Bonds proposed to be refunded by the Series of Bonds proposed to be issued, and the Series of Bonds proposed to be issued into account as if it had been issued at the beginning of the most recent OY for which audited financial statements for the Authority are available, the Net Revenues together with Other Available Moneys actually deposited in the Bond Fund for such OY were not less than 125% of the Debt Service with respect to such Outstanding Bonds and proposed Series of Bonds for such period. In calculating Net Revenues, any unencumbered fund balance in the Revenue Fund on the last day of the OY preceding the OY for which the calculation is made may be taken into account as provided in Section 604 of the Master Bond Ordinance.

4.4.2.4 Additional Junior Lien Bonds

Pursuant to the Master Bond Ordinance in Section 208A, the Authority is permitted to issue one or more additional series of Junior Lien Bonds upon the satisfaction of the following conditions: (1) the Authority is not aware of the existence of any Default or Event of Default under the Master Bond Ordinance at the time the Series Ordinance for such Series of Junior Lien Bonds is adopted; and (2) the issuance of the Junior Lien Bonds will not, in the opinion of Bond Counsel, impair the tax exempt status of any prior Series of Bonds or Junior Lien Bonds.

In addition, prior to issuing a Series of Junior Lien Bonds, other than Junior Lien Bonds proposed to be issued to refund Bonds or Junior Lien Bonds, the Chief Financial Officer shall certify to the Trustee that the sum of the following is not less than 110% of the Debt Service with respect to such Outstanding Bonds and Outstanding Junior Lien Bonds and of the average annual Debt Service with respect to the proposed Series of Junior Lien, in each case for the OY in which the Series of Junior Lien Bonds is proposed to be issued and the four next succeeding OYs.

- The Net Revenues for the most recently completed OY,
- The amount of Other Available Moneys actually deposited in the Bond Fund for the most recently completed OY, and
- The average of (i) the amount of Other Available Moneys actually deposited in the Junior Lien Bond Fund for the most recently completed OY, and (ii) each annual amount of Other Available Moneys which the Airport Consultant certifies to the Authority may reasonably be expected to be received by the Authority and deposited in the Junior Lien Bond Fund over the period that the proposed and outstanding Series of Junior Lien Bonds are projected to be Outstanding.

In calculating Net Revenues, any unencumbered fund balance in the Revenue Fund on the last day of the OY preceding the OY for which the calculation is made may be taken into account as provided in Section 604 of the Master Bond Ordinance. In making the calculations required, the Authority shall also take into account (a) all Outstanding Bonds and Outstanding Junior Lien Bonds, other than Bonds or Junior Lien Bonds proposed to be refunded by the Series of Junior Lien Bonds proposed to be issued, and (b) the Series of Junior Lien Bonds proposed to be issued as if it had been issued at the beginning of the most recent OY for which audited financial statements for the Airport are available. The certificate of the Chief Financial Officer shall also be accompanied by an Accountant's report verifying compliance with the requirements for the Master Bond Ordinance.

4.5 Airport Use and Lease Agreements

The Authority has long-term Airline Agreements with certain airlines operating at the Airport (Signatory Airlines). The Airline Agreements are effective through September 30, 2032. The Agreements establish, among other things, procedures for setting and adjusting Signatory Airline rentals, fees and charges to be collected for the use of Airport facilities. The Signatory Airlines at the Airport include the following: Air France, American, Delta, FedEx, Jet Blue Airways, KLM Royal Dutch Airlines,[100] Lufthansa German Airlines, Southwest, Spirit, United, and United Parcel Service. Together, the Signatory Airlines and their respective regional affiliates accounted for approximately 98% of enplaned passengers and approximately 98% of landed weight at the Airport in OY 2022.

The Airline Agreements govern airline use of certain Airport facilities, including the Airfield, aircraft aprons, both Terminals, including baggage claim, ticket counters and gate areas and permits the Signatory Airlines to lease Preferential Use Premises and Shared Use Premises. Preferential Use Premises generally include holdroom areas and gates, ticket counters, office space, storage areas, airline club lounges, and employee break rooms leased to a Signatory Airline and to which the Signatory Airline has a preferential right over all other air carriers. Shared Use Premises are space and facilities at the Airport used jointly or in common by air carriers and generally include baggage claim areas and baggage makeup equipment, excluding Authority-controlled airline space and FIS facilities.

The airline rate-setting approach and capital projects approval provisions of the Airline Agreements are summarized in the following sections. The airline rate-setting methodology is used as the basis for projecting airline revenues for this Report.

4.5.1 Airline Rate-Setting Methodology

As described earlier in this Chapter, the Airport has been segregated into three cost centers for the purposes of setting rates and charges: the South Terminal Cost Center, the North Terminal Cost Center, and the Airport Cost Center. Overall, the airline rate-setting approach per the Airline Agreements is considered an Airport-wide residual methodology. Per this approach, the Signatory Airlines are obligated to pay the net cost of operating the entire Airport, including O&M Expenses, Debt Service, and other obligations of the Master Bond Ordinance. Therefore, the Signatory Airlines ensure that the Authority will meet its Rate Covenant obligations set forth in the Master Bond Ordinance.

Pursuant to the Agreements, the Terminal Rental Rates for the South Terminal and North Terminal are calculated by dividing the cost for each by the total preferential space and shared use space of each terminal. The cost for each of the terminals is calculated as the sum of the following for each OY:

- O&M Expenses allocated to each terminal cost center; and
- Bond Debt Service allocated to each terminal cost center;
- Minus, for such OY:
- Other Available Moneys, including PFC revenues, allocated to each terminal cost center and used by the Authority in such OY to pay Bond Debt Service allocated to each cost center;
    - The total amount of International Facilities Use Fees allocated to each cost center; and
    - The total amount of Authority-Controlled Airline Space Revenue other Terminal Rental Revenue allocated to each terminal.

[100] KLM Royal Dutch Airlines has not operated at the Airport since 2009.

The remaining costs of the Airport, including O&M Expenses, Debt Service, and other obligations of the Master Bond Ordinance, not paid for through other Revenues, such as South Terminal Rentals, North Terminal Rentals, and other non-airline Revenues, are paid for by the airlines through Activity Fees. The Activity Fee Rate is established through the Airline Agreements, and is a rate charged on the basis of a thousand pounds of aircraft maximum landing weight. As described above, Activity Fees under the Airline Agreements are calculated on an Airport-wide residual basis where the Authority recovers the net Revenue Requirement from the Signatory Airlines. This net Revenue Requirement is calculated per the sum of the following for each OY:

- Total Airport O&M Expenses; plus
- 125% of the amount of principal and interest due, net of any capitalized interest on all then Outstanding Bonds, less (a) any unencumbered amounts on deposit in the Revenue Fund on the last day of the OY preceding such OY that are useable to satisfy the rate covenant requirements of the Master Bond Ordinance and (b) Other Available Moneys used in such OY to pay Bond Debt Service; plus
- Deposits into the Bond Reserve Account, the Junior Lien Bond Reserve Account, the Operation and Maintenance Reserve Fund and the Renewal and Replacement Fund required for such OY pursuant to the provisions of all applicable Ordinances; plus
- An amount equal to the Airport Development Fund transfer for such OY (this amount is escalated each OY to reflect percentage increases in the Producer Price Index and was budgeted at $9.6 million in OY 2021); plus
- The annual Airport Discretionary Fund transfer, which is established as an amount of $350,000 for each OY;
- Minus, for such OY:
    - All Terminal Charges collected by the Authority, taking into account all end-of-year payments by the Signatory Airlines or end-of-year refunds by the Authority pursuant to the Airline Agreements and as described below;
    - All International Use Fees collected by the Authority;
    - All Authority-Controlled Airline Space Revenue, North Terminal Rental Revenue, and South Terminal Rental Revenue;
    - All concession and parking revenue; and
    - All other Revenues received, except (a) up to but not exceeding $2.5 million of Revenues attributable to an automated vehicle identification program for the entire Airport, and (b) all proceeds received by the Authority from the sale of certain parcels of Airport property located on the west side of the Airfield.

The Airline Agreements allow for the annual calculation, adjustment, and settlement of Signatory Airline rentals, fees, and charges for each OY. Per the Airline Agreements, the Authority calculates a “Mid-Year Projection” of Signatory Airline rentals, fees, and charges. If the Mid-Year Projection results in a variation to the budgeted rentals, fees, and charges, the Authority may adjust such accordingly to conform to the Mid-Year Projection. The Airline Agreements also allow for an annual settlement of Signatory Airline rentals, fees, and charges. Any resulting adjustment-to-actual resulting from the settlement calculation is either refunded to the Signatory Airlines or collected by the Authority from the Signatory Airlines as the case may be.

4.5.2 Signatory Airline Approval of Capital Improvement Projects (Weighted Majority Approval)

The Authority and the Signatory Airlines agreed in the Airline Agreements that certain Capital Projects are subject to Signatory Airline approval, referred to as Weighted Majority approval. The Airline Agreements specify that the Authority may issue bonds to finance the costs of capital projects and may include the Bond Debt Service, including among other things, coverage requirements) on such bonds in Signatory Airline rentals, fees, and charges only after receiving approval of a Weighted Majority for such capital projects. A Weighted Majority is defined as either (a) Signatory Airlines which, in the aggregate, landed 85% or more of the landed weight of all Signatory Airlines for the preceding 12-month period for which records are available, or (b) all but one of the Signatory Airlines regardless of landed weight. The Authority has received all required approvals from the Signatory Airlines to undertake the Series 2023 Projects as described in Chapter 3 and on Exhibit A, and to include the Series 2023 Bond Debt Service in the calculation of Signatory Airline rentals, fees, and charges.

The Authority may, at any time, make capital expenditures for any lawful Authority purpose that are not subject to Signatory Airline approval from the Airport Discretionary Fund and the Airport Development Fund with some limitations as outlined in the Airline Agreements.

4.6 Other Agreements

The Authority has agreements with other entities that operate, provide services or occupy space at the Airport, including food court restaurants, cafes, pubs, full-service restaurants, newsstands, retail shops, and display advertising, among other specialties. In addition, several Airport tenants have executed lease agreements with the Authority governing their occupancy and use of space on Airport property. In regard to terminal food and beverage, the Authority has contracts with nine concessionaires at both terminals. For retail, the Authority also has contracts with nine concessionaires at both terminals.

The following rental car brands operate at the Airport: Alamo, Avis, Budget, Dollar, Enterprise, Hertz, National, Payless, and Thrifty. All of these rental car companies pay privilege fees to the Authority. Turo, a peer-to-peer car sharing company, also operates at the Airport and pays fees to the Airport.

The Authority contracts with SP Plus Corporation to manage and operate on-Airport automobile parking facilities.

In addition, the Authority has agreements with cargo facility and fixed base operators and tenants leasing hangars and other buildings.

In general, the business terms of these Airport non-airline agreements are based on industry standards and practices. Additional summaries of key non-airline agreement terms are provided below:

Terminal Food and Beverage Agreements:

- Concession fees average approximately 17% of gross revenues
- Minimum annual guarantee (MAG) equal to 85% of prior year concession fees or prior year MAG, whichever is greater annually
- Total budgeted MAG amounts for OY 2023 are approximately $16 million

Terminal Retail Agreements:

- Percentage rents average approximately 19% of gross revenues
- MAG equal to 85% of prior year concession fees or prior year MAG, whichever is greater annually
- Total budgeted MAG amounts for OY 2023 are approximately $9 million

Parking Management Agreement:

- Includes automobile parking facilities
- Term of agreement with SP Plus, Inc. is from April 2023 through December 2026

Rental Car Concession Agreements:

- Concession fees equal to 10% gross revenues or the MAG, whichever is greater annually
- MAG equal to 85% of prior year concession fees or prior year MAG, whichever is greater annually
- Total budgeted MAG amounts for OY 2023 are approximately $23 million
- Term of agreements is six years with two exercised two-year extension options, expiring June 30, 2024

Transportation Network Company Permits:

- Authority has permits with Uber Technologies, Inc. and Lyft that went into effect in March 2017
- Permittees pay access fee of $5 per Airport pick-up and drop-off
- Term of permit is one year with one-year extension periods at Authority's option. Authority and permittees may terminate at any time.

4.7 Uses of Federal Aid to Offset Operating Costs

The United States government provided assistance to U.S. airports as a result of air traffic impacts at the Airport associated with the COVID-19 pandemic. The following legislative actions were taken.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748, Public Law 116-136) was approved by the U.S. Congress and signed by the President on March 27, 2020. It is one of the legislative actions taken to address the crisis associated with the COVID-19 pandemic and includes among its relief measures direct aid in the form of grants for U.S. airports, as well as direct aid, loans and loan guarantees for passenger and cargo airlines. The CARES Act provides $10 billion of grant assistance to airports.

On December 27, 2020, the Consolidated Appropriations Act, 2021 was signed by the President. Division M of that Act is the Coronavirus Response and Relief Supplemental Appropriation Act, 2021 (CRRSAA). Title IV of CRRSAA provides approximately $2 billion in economic relief to airports to prevent, prepare for, and respond to the COVID-19 public health emergency, including relief from rent and minimum annual guarantees (MAGs) for eligible airport concessions at primary airports.

On March 11, 2021, the President signed the American Rescue Plan Act (ARP) Act of 2021, a $1.9 trillion economic stimulus package designed to help the United States' economy recover from the adverse impacts of the COVID-19 pandemic. In addition to other economic relief, ARP Act includes financial relief for certain eligible airports. For eligible airports, ARP Act appropriates $8 billion to assist such airports to prevent, prepare for, and respond to the COVID-19 pandemic, and such amounts remain available until September 30, 2024.

Table 4-1 summarizes the COVID-19 Federal Relief Funds the Authority has been awarded, the actual funds drawn by the Authority and the remaining funds to be drawn by the Authority through OY 2023. As shown, the Authority has been awarded a total of approximately $300.6 million in relief funds, comprised of $281.2 million in Airport relief and $19.4 million of concessions relief. Of the $281.2 million of Airport relief grants, approximately $181.8 million has been used and $49.0 million is budgeted to be used in FY 2023.

The Authority anticipates drawing down the remaining available relief funds prior to July 30, 2025. For the purposes of the financial analysis herein, it is assumed that the remaining $50.4 million of available Airport relief funds and the $15.4 million of available concessions relief grants will be drawn down in equal amounts in OY 2024 and OY 2025. However, the actual drawdowns of the remaining available relief funds may vary from this assumption.

Table 4-1 COVID-19 Federal Relief Funds for the Airport (Dollars in Millions)

	CARES Act	CRRSAA (Operation)	CRRSAA (Concession Relief)	ARP Act (Operation)	ARP Act (Concession Relief)	Total
Total Awarded	**$141.9**	**$27.6**	**$3.9**	**$111.7**	**$15.4**	**$300.6**
Uses:						
OY 2020						
Operating Expenses	$113.1					$113.1
Debt Service						
OY 2020 Total	**$113.1**					**$113.1**
OY 2021						
Operating Expenses	$28.8	$10.2				$39.0
Debt Service						
OY 2021 Total	**$28.8**	**$10.2**				**$39.0**
OY 2022						
Operating Expenses						
Debt Service		$17.4		$12.3		$29.7
Concessions Relief			$3.9			3.9
OY 2022 Total		**$17.4**	**$3.9**	**$12.3**		**$33.6**
OY 2023 (Budgeted [1])						
Operating Expenses				$49.0		$49.0
Debt Service						
OY 2023 Total				**$49.0**		**$49.0**
Total Uses	**$141.9**	**$27.6**	**$3.9**	**$61.3**	**$0**	**$234.8**
Amount Remaining	**$0**	**$0**	**$0**	**$50.4**	**$15.4**	**$65.8**

Note: Amounts may not add due to rounding.
[1] Reflects Authority's OY 2023 Mid-Year Projection
Source: Wayne County Airport Authority, June 2023

4.8 The Series 2023 Bonds and Future Bonds

The Authority is planning to use the proceeds of the Series 2023 Bonds, together with other available funds, to (1) pay all or a portion of the costs of acquiring, constructing and installing the Series 2023 Projects, (2) make a deposit to the Airport Bond Reserve Account, (3) pay capitalized interest during construction of the Series 2023 Projects, and (4) pay the costs of issuance of the Series 2023 Bonds.

For the purposes of this Report, the financial analysis contained herein includes, in addition to all Outstanding Bonds, the planned issuance of the Series 2023 Bonds and Additional Bonds assumed to be issued to fund certain portions of the Other Approved Capital Projects. The financial analysis in this Report does not take into consideration any savings associated with the refunding of the Refunded Bonds.

Table 4-2 presents a listing of estimated sources and uses of funds for the proposed Series 2023 Bonds and assumed future bonds. The estimated sources and uses of funds and debt service for the proposed Series 2023 Bonds and assumed future bonds were prepared by the Authority's financial advisor, PFM Financial Advisors LLC (PFM).

Table 4-2 Series 2023 Bonds Estimated Sources and Uses (in thousands of dollars)[1]

Sources	Series 2023A (Non-AMT)	Series 2023B (AMT)	Total
Par Amount	$108,360	$82,470	$190,830
Premium	3,672	1,395	5,067
Total Sources	**$112,032**	**$83,865**	**$195,897**

Uses:	Series 2023A (Non-AMT)	Series 2023B (AMT)	Total
Project Fund	$94,508	$70,721	$165,229
Capitalized Interest Fund	5,595	4,188	9,782
Debt Service Reserve Fund	11,152	8,348	19,500
Cost of Issuance	777	609	1,386
Total Uses	**$112,032**	**$83,865**	**$195,897**

Notes: [1] Amounts in this table will not be updated to reflect the final terms of sale on the Series 2023 Bonds.
Amounts may not add because of rounding.
Source: PFM Financial Advisors LLC, September 2023

Exhibit C-1 presents annual Debt Service net of capitalized interest on Outstanding Bonds, by series, for actual OY 2022 and projections for OY 2023 through OY 2029 and **Exhibit C-2** presents a summary of annual Debt Service net of capitalized interest including the proposed Series 2023 Bonds and Additional Bonds assumed to be issued to fund certain portions of some of the Series 2023 Projects and the Other Approved Capital Projects. Series 2023 Bonds debt service is projected to be approximately $4.9 million in OY 2024 and then to increase each year from OY 2025 through OY 2029 to approximately $15.6 million in OY 2029. Debt service on Additional Bonds assumed to be issued to fund certain portions of some of the Series 2023 Projects and the Other Approved

Capital Projects is currently assumed to total approximately $6.3 million in OY 2026 and then to increase throughout the Projection Period to approximately $14.2 million in OY 2029. Total Debt Service on Outstanding Bonds, the Series 2023 Bonds, and assumed Additional Bonds, net of adjustments for bond fund and reserve account interest and other transfers was approximately $177.4 million in OY 2022, and is projected to increase each year from OY 2023 through OY 2027, from approximately $186.5 million to $200.2 million, before decreasing to approximately $196.7 million in OY 2028 and $178.7 million in OY 2029 as certain Outstanding Bonds are paid off. Debt Service estimates for the Series 2023 Bonds and future Bonds were provided by PFM and are based on the assumptions included in **Table 4-3**.

Table 4-3 Assumptions for the Series 2023 Bonds and Future Bonds

Assumption	Series 2023A (Non-AMT)	Series 2023B (AMT)	Future Bonds – 2024
Issuance Date	10/11/2023	10/11/2023	6/1/2024
Estimated Principal Amount	$108,360,000	$82,470,000	$183,115,000
Estimated Project Fund Deposit	$94,508,000	$70,721,000	$147,941,000
Estimated True Interest Cost (TIC)	4.83%	5.31%	5.96%
Final Maturity	12/1/2048	12/1/2048	12/1/2054

Source: PFM Financial Advisors LLC, September 2023

4.9 O&M Expenses

Table 4-4 presents historical O&M Expenses of the Authority by category. The primary categories of O&M Expenses include salaries, wages, and employee benefits; contractual services; repairs and maintenance; hotel management, utilities, supplies and other operating expenses, capital expenses, and insurance/other.

The table presents actual O&M Expenses for OY 2018 through OY 2022. As shown, O&M expenses decreased approximately 18.0% from OY 2019 to OY 2020 as the Authority implemented cost saving measures at the onset of the COVID-19 pandemic. Between OY 2020 and OY 2022, O&M Expenses increased to approximately $260.0 million, which is approximately 96.0% of pre-pandemic levels and is generally in line with the recovery of air traffic during that period, adjusted for the impacts of increased inflation.

Table 4-4 Historical O&M Expenses (in thousands of dollars)[1]

Category	OY 2018	OY 2019	OY 2020	OY 2021	OY 2022	2018-22 CAGR
Salaries, wages, and employee benefits	$94,533	$96,820	$88,592	$85,806	$88,001	(1.8%)
Contractual services	63,735	64,562	53,854	60,142	72,028	3.1%
Repairs and maintenance	33,039	36,445	27,372	33,063	33,761	0.5%
Hotel management	19,702	19,746	10,550	11,780	18,065	(2.1%)
Utilities	23,388	22,870	19,217	20,346	22,551	(0.9%)
Supplies and other operating expenses	14,921	15,345	9,889	9,611	14,854	(0.1%)
Capital expenses	8,816	10,177	8,264	12,075	5,583	(10.8%)
Insurance	1,902	1,878	1,942	1,901	2,122	2.8%
Total O&M Expenses	**$260,036**	**$267,845**	**$219,681**	**$234,724**	**$256,966**	**(0.3%)**

Notes: OY 2018 and OY 2019 reflect the Authority's previous October 1 – September 30.
1 Does not include interest expense and trustee fees. Amounts in this table may vary from those presented in other Authority financial reports because of certain reclassifications consistent with financial reporting standards.
Amounts may not add because of rounding.
Source: Wayne County Airport Authority

Key O&M Expenses categories and assumptions in projecting future growth are summarized below.

- **Salaries, wages, and employee benefits.** This expense category includes salaries, wages, and benefits associated with Authority staff for 660 employees budgeted for OY 2023. Employee benefits includes expenses for active and retired employee health care, pension contributions, Federal Insurance Contributions Act (FICA) taxes, workers' compensation insurance, disability insurance, unemployment insurance, and tuition reimbursements. Salaries, wages, and employee benefits is the largest single category of O&M Expenses as it represents approximately 31.6% of total O&M Expenses budgeted for OY 2023. As presented above, these expenses decreased from approximately $96.8 million in OY 2019 to approximately $88.6 million in OY 2020 and approximately $85.8 million in OY 2021 due to COVID-19-related O&M Expense reductions, reflecting a CAGR of approximately -1.8% for the period OY 2018 through OY 2022. Salaries, wages, and employee benefits are budgeted to increase by approximately 3.8% in OY 2023 to approximately $91.3 million. Salaries, wages, and employee benefits expenses are projected to increase 4.0% annually from OY 2023 through OY 2029.
- **Contractual services.** This expense category includes costs associated with the Authority's outsourcing for parking management, shuttle bus services, janitorial services, security, professional services, and other contractual services. It is the second largest category of O&M Expenses at the Airport as it represents approximately 29.2% of total O&M Expenses budgeted for OY 2023. These expenses decreased approximately 16.6% from OY 2019 through OY 2020, due to COVID-19-related O&M Expense reductions, resulting in a CAGR of approximately 3.1% for the period OY 2018 through OY 2022. Contractual services expenses are projected to increase at a CAGR of 4.0% over the Projection Period.

- **Repairs and maintenance.** This expense category includes corrective and preventative maintenance expenses for facilities, equipment, systems, and non-capital infrastructure repairs and maintenance. Repairs and maintenance expenses comprise approximately 15.8% of total O&M Expenses budgeted for OY 2023. These expenses decreased approximately 24.9% from OY 2019 through OY 2020, due to COVID-19-related O&M Expense reductions, resulting in a CAGR of approximately 0.5% for the period OY 2018 through OY 2022. Future repairs and maintenance expenses are projected to increase to CY 2019 levels by OY 2024, adjusted for inflation, and are then projected to increase at a CAGR of 3.0% over the Projection Period.
- **Hotel management.** Hotel management expenses comprise approximately 6.7% of total O&M Expenses budgeted for OY 2023. These expenses decreased approximately 46.6% from CY 2019 through OY 2020, due to COVID-19-related O&M Expense reductions, resulting in a CAGR of approximately -2.1% for the period OY 2018 through OY 2022. Hotel management expenses are budgeted to total approximately $19.4 million in OY 2023. Future hotel management expenses are projected to increase at a CAGR of 3.0% over the Projection Period.
- **Utilities.** This expense category includes expenses for electricity, gas, water, and heating, ventilation, and air conditioning (HVAC). Utilities expenses comprise approximately 7.8% of total O&M Expenses budgeted for OY 2023. These expenses decreased approximately 16.0% from OY 2019 through OY 2020, due to COVID-19-related O&M Expense reductions, resulting in a CAGR of approximately -0.9% for the period OY 2018 through OY 2022. Utilities expenses are budgeted to total approximately $22.6 million in OY 2023. Utilities expenses are budgeted based on a three-year average for rate and volume. Utilities expenses are projected to increase at a CAGR of 2.0% over the Projection Period.
- **Supplies and other operating expenses.** This expense category includes costs associated with materials and supplies needed for Airport operations and the most significant components of these are bulk chemicals for snow and ice removal, gasoline and diesel fuel, and other supplies for the terminals. Also, included in this category are other miscellaneous expenses such as property taxes, telephone charges, travel, professional development and advertising. This category of O&M Expenses comprises approximately 5.5% of total O&M Expenses budgeted for OY 2023. These expenses decreased approximately 35.6% from OY 2019 through OY 2020, due to COVID-19-related O&M Expense reductions, resulting in a CAGR of approximately -0.1% for the period OY 2018 through OY 2022. Supplies and other operating expenses are projected to increase at a CAGR of 3.0% over the Projection Period.
- **Capital expenses.** This expense category includes expenditures to (1) buy fixed assets with an individual unit value of $5,000 or greater and a useful life beyond one year, or (2) add to the value of an existing fixed asset with a useful life that extends beyond one year. Capital expenses comprise approximately 2.6% of total O&M Expenses budgeted for OY 2023. These expenses have varied from OY 2018 through OY 2022 from approximately $5.6 million to $12.1 million due to COVID-19-related O&M Expense reductions and certain facility improvements that were put on hold. Budgeted capital expenses primarily include the replacement of servers and network equipment, the replacement of water heaters, effluent pumps, safety-related equipment and LED lighting to the South Terminal as well as zero emission electric buses. Future capital O&M Expenses are projected to increase to OY 2019 levels by OY 2026, adjusted for inflation, and are then projected to increase at a CAGR of 5.0% over the remaining Projection Period.
- **Insurance.** This expense category includes both property and liability insurance at the Airport. Insurance expenses comprise 0.8% of total O&M Expenses budgeted for OY 2023. This category of expenses increased at a CAGR of approximately 2.8% from OY 2018 through OY 2022. Future insurance/other O&M Expenses are projected to increase at a CAGR of 3.0% over the Projection Period.

The O&M Expenses budget for OY 2023 is to be approximately $288.9 million, representing an increase of 12.4% over actual OY 2022 O&M Expenses, reflecting on-going inflation as well as infrastructure and facility improvements by the Authority which previously had been put on hold. The Authority's OY 2023 budget serves as the baseline for the projections reflected in this analysis. Overall, the projection of O&M Expenses is based on historical trend reviews, the anticipated impacts of inflation, projected activity levels, and impacts associated with the capital projects, as applicable. **Exhibit D** presents the projection of O&M Expenses by category and cost center for actual OY 2022 and projections for OY 2023 through OY 2029. Total Operating Expenses are projected to increase at a CAGR of 3.8% over the Projection Period.

4.10 Non-Airline Revenues

Table 4-5 below presents historical non-airline revenues for the Airport. The table presents actual non-airline revenues for OY 2018 through OY 2022. As shown, the five primary categories of non-airline revenues (automobile parking, concessions, hotel, rental car, and ground transportation) accounted for approximately 89% of the Airport's total non-airline revenues and are presented along with growth rates during this period. Total non-airline revenues were approximately $207.3 million and $214.2 million in OY 2018 and OY 2019, respectively, and then as a result of the decline in air traffic during the first year of the COVID-19 pandemic, non-airline revenues decreased 51.4% to approximately $104.0 million in OY 2020. As air traffic recovered in OY 2021 and OY 2021, non-airline revenues increased 46.4% and 36.7%, respectively, and totaled approximately $208.2 million in OY 2022. In OY 2022, non-airline revenues were approximately 97.2% of OY 2019 levels, compared to air traffic recovery of approximately 76.5% of OY 2019 levels, indicating an increase in non-airline revenues per enplaned passenger. Non-airline revenues per enplaned passenger averaged $11.72 in OY 2018 and OY 2019 and increased to an average of approximately $14.18 per enplaned passenger since the onset of the COVID-19 pandemic (OY 2020 through OY 2022).

Table 4-5 Historical Airport Non-Airline Revenues (in thousands of dollars)[1]

Category	OY 2018	OY 2019	OY 2020	OY 2021	OY 2022	2018-22 CAGR
Automobile Parking	$80,248	$83,657	$34,905	$61,971	$87,624	2.2%
Concessions	42,298	42,937	21,073	27,839	35,040	(4.6%)
Hotel	31,368	32,735	12,224	18,111	29,728	(1.3%)
Rental Car	26,164	25,867	11,476	21,205	27,137	0.9%
Ground Transportation	10,199	11,375	3,781	4,480	7,434	(7.6%)
Other	17,036	17,636	20,558	18,689	21,230	5.7%
Total Non-Airline Revenues	**$207,315**	**$214,207**	**$104,017**	**$152,295**	**$208,193**	0.1%
Enplaned Passengers (000s)	17,608	18,364	7,027	11,783	14,053	(5.5%)
Non-Airline Revenues per EP	$11.77	$11.66	$14.80	$12.92	$14.81	5.4%

Notes: [1] OY 2018 and OY 2019 reflect the Authority's previous October 1 – September 30 OY. Amounts in this table include non-operating revenues and may vary from those presented in other Authority financial reports because of certain reclassifications consistent with financial reporting standards, including the use of relief funds earmarked for concessions.

Source: Wayne County Airport Authority

Exhibit E presents non-airline revenues at the Airport for actual OY 2022 and projections for OY 2023 through OY 2029. The non-airline revenues budget for OY 2023 is approximately $217.2 million, which assumes non-airline revenues per enplaned passenger of $13.57 based on the Authority's Mid-Year Projection of 16.0 million enplaned passengers, which is 8.4% lower than the $14.81 non-airline revenues per enplaned passenger realized in OY 2022. Non-airline revenues are projected to increase to approximately $275.6 million by OY 2029, reflecting a CAGR of 4.0% over the Projection Period. In general, the projection of non-airline revenues is based on historical trend reviews, projected passenger recovery levels, and impacts associated with the CIP, as applicable. Non-airline revenues are further described in the following sections.

4.10.1 Automobile Parking

As described in section 3.1.3 of this Report, the Authority offers several parking products to Airport parkers including short-term structured parking, long-term structured parking, economy parking at surface lots, and premium valet service at the McNamara Terminal. These parking products are priced based on level of service.

In addition, five off-airport parking companies provide parking services to passengers, in competition with the Authority. These off-airport operators include Qwik Park (and Qwik Park's overflow lot), Valet Connections, Park-N-Go, Fast Lane Parking, and US Park. Combined, these operators have an inventory of approximately 14,000 parking spaces.

Table 4-6 presents public parking rates at the Airport in recent years. As shown in the table, the Authority monitors public parking rates and implements rate changes periodically. The Authority has been able to realize revenue gains resulting from these increases and the differing products as demand has continued to increase.

Table 4-6 Public Parking Rates at the Airport (Daily Maximum Rates)

Parking Facility	Aug. 6, 2018	Sept. 30, 2019	Oct. 28, 2019	Nov. 8, 2021	Current (effective Nov. 14, 2022)
Valet (McNamara parking garage)	$43.00	$45.00	$45.00	$45.00	$47.00
Short-term (both parking structures)	$36.00	$38.00	$38.00	$38.00	$40.00
Long-term (McNamara parking garage)	$24.00	$26.00	$26.00	$26.00	$28.00
Long-term (Big Blue Deck)	$14.00	$16.00	$16.00	$18.00	$20.00
Economy (Green Lots)	$12.00	$12.00	$14.00	$15.00	$17.00

Source: Wayne County Airport Authority

Automobile parking revenues represent the largest component of non-airline revenues at the Airport, accounting for approximately 43% of total non-airline revenues budgeted for OY 2023. As presented on Table 4-6, auto parking revenues, after decreasing to approximately $34.9 million in OY 2020, were approximately $87.6 million in OY 2022, approximately $3.0 million above pre-pandemic levels.

In order to reduce operating costs and enhance customer safety, the economy Green Lots and Valet Parking were temporarily closed during the pandemic but were reopened August 2, 2021, and October 4, 2021, respectively.

Auto parking revenues are budgeted to be $92.9 million in OY 2023 and are projected to increase at a CAGR of 4.1% over the Projection Period. The projection assumes rate increases generally in line with inflationary trends along with the increase in O&D enplaned passengers at the Airport.

4.10.2 Terminal Concessions

Terminal concessions revenues include food and beverage, retail, advertising, inflight catering, and other miscellaneous concession revenues at the Airport. These revenues represent the second largest component of non-airline revenues at the Airport, accounting for approximately 17.3% of total non-airline revenues budgeted for OY 2023. As presented on Table 4-6, concessions revenues decreased approximately 50.9% from $42.9 million in OY 2019 to $21.1 million in OY 2020 as a result of the decrease in air traffic related to the COVID-19 pandemic. Terminal concessions revenues increased to approximately $35.0 million in OY 2022, reflecting approximately 81.6% of pre-pandemic levels which is above the 76.5% recovery of air traffic through OY 2022.

The concessions revenues budget for OY 2023 is approximately $37.5 million and these revenues are projected to increase at a CAGR of 5.2% over the Projection Period. The projection assumes rate increases generally in line with inflationary trends along with the increase in enplaned passengers at the Airport.

4.10.3 Hotel

Revenues generated from the operation of the Airport's Westin Hotel comprise approximately 14.1% of non-airline revenues budgeted for OY 2023. These revenues totaled approximately $32.7 million in OY 2019 and decreased 62.7% to approximately $12.2 million in OY 2020 as a result of the decrease in air traffic related to the COVID-19 pandemic. Hotel revenues increased to approximately $29.7 million in OY 2022, reflecting approximately 90.8% of pre-pandemic levels which is above the 76.5% recovery of air traffic through OY 2022. Hotel revenues are budgeted to be approximately $30.7 million in OY 2023 and are projected to increase at a CAGR of 4.5% over the Projection Period. The projection assumes rate increases generally in line with inflationary trends along with the increase in O&D enplaned passengers at the Airport.

4.10.4 Rental Car

Rental car revenues comprise approximately 13.4% of budgeted OY 2023 non-airline revenues. Rental car revenues totaled approximately $25.9 million in OY 2019 and decreased 55.7% to approximately $11.5 million in OY 2020 as a result of the decrease in air traffic related to the COVID-19 pandemic. These revenues were approximately $27.1 million in OY 2022, approximately $1.2 million above pre-pandemic levels. Rental car revenues are budgeted to be $29.0 million in OY 2023 and are projected to increase at a CAGR of 3.9% over the Projection Period. The projection assumes rate increases generally in line with inflationary trends along with the increase in O&D enplaned passengers at the Airport.

4.10.4.1 Customer Facility Charges

Under the Master Bond Ordinance, the Authority may establish, by ordinance, a separate category or portion of revenue of a type not previously included in Revenues, relating to or arising from a definable service, program or facility that will be treated as Special Purpose Revenues and may be pledged for the payment of bonds (Special Purpose Bonds) payable solely from such Special Purpose Revenues. On July 15, 2015, the Board adopted an ordinance (the CFC Ordinance) providing for the establishment of a car rental customer facility charge (CFC) as a Special Purpose Revenue, starting September 1, 2015. The CFC Ordinance authorizes the Authority to impose a CFC per vehicle per transaction day, on every vehicle rental by a car rental company that uses Airport facilities or operates under a permit or license with the Authority. The Authority currently is charging a CFC of $3.00. As Special Purpose Revenues, the CFCs are not included as Revenues under the Master Bond Ordinance and are not pledged for payment of Bonds, but may instead be used for the payment of debt service on Special Purpose Bonds issued to finance such rental car facilities. The Authority has not issued and does not currently intend to issue Special Purpose Bonds for such purpose. The Authority is applying its CFCs on a pay-as-you-go basis to pay the costs associated with the improvements to the existing rental car facilities at the Airport, including the development of facilities for new car rental companies.

4.10.5 Ground Transportation

Ground transportation revenues consist primarily of transportation network company (TNC) revenues, and also include revenues generated from taxi and other public transportation operations at the Airport. Two TNCs, Uber and Lyft, offer vehicle-for-hire access to the Airport and pay a fee of $5 per passenger drop off or pick-up on Airport property. Ground transportation revenues decreased 66.8% from OY 2019 to OY 2020, from approximately $11.4 million to approximately $3.8 million. Ground transportation revenues increased to approximately $7.4 million in OY 2022, reflecting approximately 65.4% of pre-pandemic levels which is below the 76.5% recovery of air traffic through OY 2022. The slower recovery of ground transportation revenues as compared to air traffic may be indicative of changes in passenger behavior stemming from the COVID-19 pandemic as additional passengers opted to either drive to and from the Airport or be dropped off and picked up instead of using TNCs. Ground transportation revenues are budgeted to be approximately $8.5 million in OY 2023, reflecting budgeted revenues per enplaned passenger of $0.52 which is consistent with the ground transportation revenues per enplaned passenger generated in OY 2022, and are projected to increase at a CAGR of 2.8% over the Projection Period. The projection after the assumed recovery from the pandemic assumes rate increases generally in line with inflationary trends along with the increase in O&D enplaned passengers at the Airport.

4.10.6 Other

Other non-airline revenues primarily include other non-airline tenant leases, cargo building rents, hangar rents, utility service fees, shuttle bus revenue, and other buildings at the Airport leased by the Authority. These revenues increased at a CAGR of approximately 5.7% from OY 2018 through OY 2022 as many of these revenues were not impacted by the decrease in air traffic related to the COVID-19 pandemic. Other non-airline revenues are budgeted to be approximately $19 million for OY 2023. The projection for other non-airline revenues assumes increases generally in line with about half of the assumed 3.0% rate of inflation.

4.11 PFC Revenues

PFC revenues are used to pay for certain FAA-approved, PFC-eligible projects, either by using certain PFC revenues to pay for approved project costs on a pay-as-you-go basis or by applying certain PFC revenues to pay debt service associated with Bonds issued to fund approved projects. Pursuant to the Master Bond Ordinance, PFC revenues are excluded from the definition of Revenues, and therefore, are not pledged to the payment of debt service on the Bonds or Junior Lien Bonds. However, PFC revenues are applied to pay a portion of the debt service on Bonds and Junior Lien Bonds issued to pay for PFC eligible projects and are considered Other Available Moneys as defined in the Master Bond Ordinance. Other Available Moneys for any OY is the amount of money determined by the Chief Financial Officer in concurrence with the Chief Executive Officer to be transferred by the Authority for such OY from PFC revenues or other sources other than Revenues to the Bond Fund or the Junior Lien Bond Fund.

As of January 2023, the Authority is authorized by the FAA to impose and use approximately $3.1 billion of PFC revenues (at the $4.50 level) for various projects. Based on Final Agency Decisions, the FAA estimates the charge-expiration date to be February 1, 2034. As of January 1, 2023, the Authority had collected approximately $1.74 billion of its total approved collection and had spent approximately $1.73 billion on approved projects. The Authority is obligated under the Airline Agreements to use PFCs to pay debt service on airport revenue bonds issued to pay the costs of certain PFC-eligible projects at the Airport. The vast majority of the Authority's PFC eligible projects were funded with Bonds or Junior Lien Bonds and the Authority has dedicated its PFC revenues toward the payment of debt service on Bonds issued to fund these projects, which is assumed to continue at least through the FAA's current charge-expiration date of February 2034. Therefore, at the current PFC rate of $4.50, the Authority is not projected to have additional PFC capacity for additional projects during the Projection Period.

Exhibit F presents the PFC revenues of the Authority for actual OY 2022 and projections for OY 2023 through OY 2029. PFC revenues are driven by enplaned passengers at the Airport as presented on the exhibit. Based on historical trends, the projection assumes that the Authority will collect PFC revenues from 86% of enplaned passengers at a net collection rate of $4.39, which is the $4.50 rate less the $0.11 administrative fee. PFC revenues collected were approximately $58.5 million in OY 2022 and are projected to increase to approximately $74.9 million by OY 2029. Per the Master Bond Ordinance Rate Covenant, these PFC revenues are assumed to be included as Other Available Moneys and are assumed to pay a portion of outstanding Debt Service throughout the Projection Period as presented on Exhibits G, H, and I.

4.12 Aviation Fuel Tax

Starting October 1, 2016, the State of Michigan began earmarking 2% of its sales tax revenue on aviation fuel and use tax revenue to fund the State Aeronautics Fund and a Qualified Airport Fund for the State. These funds are used to support capital improvement projects to air traffic landing areas (i.e., airfield areas) throughout Michigan. The State Aeronautics Fund receives 35% of this amount and the remaining 65% is directed to the Qualified Airport Fund. A Qualified Airport is defined in the State Aeronautics Code as an airport with 10 million or more enplaned passengers within any 12-month period. Currently, the Airport is the only Qualified Airport in the State. The Authority receives approximately $5 million per year of aviation fuel tax revenue and includes this amount as part of Other Available Moneys to pay a portion of debt service associated with airfield capital projects.[101]

4.13 Airline Revenues

Airline revenues at the Airport include Terminal Rentals, Terminal Use Charges for Shared Use Premises, Activity Fees and International Facilities Use Fees. **Table 4-7** presents historical airline revenues for the Airport for OY 2018 through OY 2022.

[101] The State of Michigan, http://www.michigan.gov/documents/aero/Aviation_in_Michigan_482063_7.pdf, accessed January 2021.

Table 4-7 Historical Airport Airline Revenues (in thousands of dollars)[1]

Category	OY 2018	OY 2019	OY 2020	OY 2021	OY 2022	2018-22 CAGR
Activity Fees	$76,739	$79,731	$57,545	$72,659	$45,560	(12.2%)
Airline Rents	84,732	88,897	85,688	101,923	94,040	2.6%
Facility Use Fees	8,876	9,714	2,276	2,446	5,763	(10.2%)
Total Airline Revenues	**$170,348**	**$178,343**	**$145,509**	**$177,029**	**$145,362**	(3.9%)
Enplaned Passengers (000s)	17,559	18,121	7,027	11,783	14,053	(5.5%)
Airline CPE	**$9.70**	**$9.84**	**$20.71**	**$15.02**	**$10.34**	1.7%

Notes: [1] OY 2018 and OY 2019 reflect the Authority's previous October 1 – September 30 OY. Amounts in this table include non-operating revenues and may vary from those presented in other Authority financial reports because of certain reclassifications consistent with financial reporting standards.

Source: Wayne County Airport Authority

As shown in Table 4-7, total Airline revenues for the Airport decreased in OY 2020 from OY 2019 levels, from approximately $178.3 million to approximately $145.5 million, or by 18.4%. Under the Authority's Airport-wide residual rate-making methodology, this decrease is primarily attributed to the reductions in O&M Expenses offset by decreases in non-airline revenues associated with impacts related to the COVID-19 pandemic, with the Signatory Airlines bearing the financial risk of the net expenses of the Airport to ensure that the Authority can comply with its covenants under the Master Bond Ordinance. The 18.4% decrease in total Airline revenues from CY 2019 through OY 2020, compared to a 61.7% decrease in enplaned passengers, resulted in an increase in airline CPE from $9.84 to $20.71 during that period.

The Authority has used, and continues to use, the federal funding assistance opportunities described in section 4.7 herein to pay certain Airport expenses and reduce airline revenue requirements. Total airline revenues increased from approximately $145.5 million in OY 2020 to approximately $177.0 million in OY 2021, generally reflecting increases in O&M Expenses and non-airline revenues and a reduction in the use of federal relief funds from approximately $113.1 million in OY 2020 to $39.0 million in OY 2021. Additionally, enplaned passengers grew faster than airline revenues for this period, resulting in a decrease in airline cost per enplaned passenger (CPE) from $20.71 in OY 2020 to approximately $15.02 per enplaned passenger in OY 2021. Total airline revenues decreased to approximately $145.4 million in OY 2022, reflecting additional increases in non-airline revenues as air traffic continued to recover, and the use of approximately $29.7 million of federal relief funds to pay O&M Expenses, which resulted in an airline CPE of $10.34.

The rate-setting methodologies for Terminal Rentals and Activity Fees are set forth in the Airline Agreements and are described earlier in this Chapter. **Exhibits G, H, and I** further illustrate the rate-setting methodologies for the South Terminal Rentals, North Terminal Rentals, and Activity Fees, respectively. The business terms of the Airline Agreements are used as the basis for projecting airline revenues for the purposes of this Report.

4.13.1 McNamara Terminal Rentals

Exhibit G presents the calculation of South Terminal Rentals for actual OY 2022 and projections for OY 2023 through OY 2029. Per the Airline Agreements' rate-setting methodology, the Authority receives South Terminal Rentals from Signatory Airlines leasing space in the South Terminal, calculated on a modified cost center residual basis, which excludes from the South Terminal rental rate calculation South Terminal concessions revenues which instead are taken into account in the Airport-wide residual Activity Fee calculation. The Signatory Airlines South Terminal Rental Rate per square foot budgeted for OY 2023 is $70.00. The Signatory Airlines South Terminal Rental Rate is projected to increase each year to $81.00 per square foot by OY 2027 and then to decrease to $75.00 per square foot by FY 2029 as debt service allocable to the McNamara Terminal is projected to decrease as certain series of outstanding bonds are paid off. Exhibit G presents the projected South Terminal Rental Rates over the Projection Period. Total South Terminal Rentals are projected to increase from approximately $63.8 million in OY 2023 to approximately $74.4 million by OY 2027 and then decrease to approximately $69.2 million in OY 2029.

4.13.2 Evans Terminal Rentals

Exhibit H presents the calculation of North Terminal Rentals for actual OY 2022 and projections for OY 2023 through OY 2029. Per the Airline Agreements' rate-setting methodology, the Authority receives North Terminal Rentals from Signatory Airlines leasing space in the North Terminal, calculated on a modified cost center residual basis, which excludes from the North Terminal rental rate calculation North Terminal concessions revenues which instead are taken into account in the Airport-wide residual Activity Fee calculation. The Signatory Airlines North Terminal Rental Rate per square foot is budgeted to be $136.00 in OY 2023. The Signatory Airlines North Terminal Rental Rate is projected to decrease each year to $71.00 per square foot by OY 2028, primarily as a result of the increasing availability of PFC revenues as Other Available Moneys to offset the North Terminal airline requirement. The Signatory Airlines North Terminal Rental Rate is then projected to increase slightly to $72.00 per square foot in OY 2029. Total North Terminal Rentals are projected to decrease from approximately $31.2 million in OY 2023 to approximately $18.1 million by OY 2029.

4.13.3 Activity Fees

Exhibit I presents the calculation of Activity Fees for actual OY 2022 and projections for OY 2023 through OY 2029. Per the Airline Agreements' Airport-wide residual rate-setting methodology, the Authority fully recovers the Revenue Requirement of the Airport Cost Center. The Revenue Requirement for any OY is the amount of Revenue required to produce total net Revenue as described in the Activity Fee calculation methodology described in Section 4.5.1 of this Report.

As presented in Exhibit I, the Mid-Year Projection of the Signatory Airline Activity Fee Rate per 1,000-pound units of landed weight for OY 2023 is $2.04. The Signatory Airline Activity Fee Rate is projected to increase to approximately $2.86 in OY 2024 and then increase each year to $4.23 per 1,000-pounds of landed weight in OY 2027 as debt service on the Additional Bonds assumed in this analysis becomes payable and federal relief funds are exhausted. The Signatory Airline Activity Fee Rate is then projected decrease through OY 2029 to $3.65 per 1,000-pounds of landed weight as projected landed weight is assumed to increase faster than the net revenue requirement and the increasing availability of PFC revenues as Other Available Moneys to offset the net revenue requirement. Activity Fees are projected to increase from approximately $41.2 million in OY 2023 to approximately $101.8 million by OY 2028 and then to decrease to approximately $91.2 million by OY 2029.

4.13.4 Airline Cost per Enplaned Passenger

A key performance indicator for airline costs at an airport is the average airline cost per enplaned passenger (CPE). **Exhibit J** presents the projection of CPE for the airlines at the Airport. As shown, the airline CPE includes the Activity Fees and Terminal Rentals, and other facility use fees divided by total enplaned passengers. The airline CPE at the Airport was approximately $10.34 in OY 2022 and, per the Authority's Mid-Year Projection, is projected to decrease to approximately $9.26 per enplaned passenger in OY 2023. Airline CPE is projected to be $10.39 per enplaned passenger in OY 2024 as portions of the debt service on the Series 2023 Bonds is expected to become payable, and then projected to increase to $11.64 per enplaned passenger by OY 2026 and then to decrease each year to $10.19 by the end of the Projection Period. Airline CPE throughout this period is projected to remain within reasonable levels as compared to other U.S. Large Hub airports.

Table 4-8 presents airline rates, airline revenues, and airline CPE from actual OY 2022 projected through OY 2029.

Table 4-8 Airport Airline Rate and Revenue Summary (in thousands, except rates)

Category	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Signatory South Terminal Rental Rate	$64.55	$70.00	$76.00	$78.00	$80.00	$81.00	$81.00	$75.00
Signatory North Terminal Rental Rate	$129.89	$136.00	$107.00	$94.00	$88.00	$85.00	$71.00	$72.00
Signatory Activity Fee	$2.56	$2.04	$2.87	$2.80	$4.20	$4.23	$4.18	$3.66
Facility Use Fee	$6.00	$6.00	$6.00	$6.00	$6.00	$6.00	$6.00	$6.00
Total Airline Revenues	$145,362	$148,111	$176,220	$177,234	$213,540	$218,128	$217,096	$202,135
Enplaned Passengers (000s)	14,053	16,000	16,957	17,696	18,346	18,873	19,367	19,840
Airline CPE	$10.34	$9.26	$10.39	$10.02	$11.64	$11.56	$11.21	$10.19

Note: [1] Amounts in this table include non-operating revenues and may vary from those presented in other Authority financial reports because of certain reclassifications consistent with financial reporting standards. North and South Terminal rental rates per square foot. Activity fee per 1,000-lb units of landed weight. Facility Use fee per enplaned passengers.

Source: Wayne County Airport Authority records (actual OY 2022), Landrum & Brown, Inc. (projected)

4.14 Application of Revenues

Exhibit K presents the application of Revenues for the Airport throughout the Projection Period consistent with the requirements of the Master Bond Ordinance. As presented, the Authority is projected to have sufficient Revenues to make all required deposits per the Master Bond Ordinance.

4.15 Debt Service Coverage

Exhibit L presents the debt service coverage ratios for Senior Lien debt service and Junior Lien debt service for the Projection Period. As presented, the Net Revenues available for Senior Lien debt service are projected to be approximately $274.8 million in OY 2023 and are projected to increase to approximately $291.0 million in OY 2027. Net Revenues are then projected to decrease in OY 2028 and OY 2029 to approximately $268.6 million in OY 2029 as certain series of outstanding bonds are paid off. Per the Master Bond Ordinance, the Authority is able to include unencumbered amounts available in the Revenue Fund on the last business day of the prior OY for the purposes of calculating debt service coverage. Debt service coverage ratios for Senior Lien Bonds are projected to range from 1.48x to 1.55x during the Projection Period. Debt service coverage ratios including Junior Lien Bonds are projected to range between 1.40x and 1.47x during the Projection Period.

As required pursuant to the Rate Covenant in the Master Bond Ordinance, Revenues must be sufficient in each OY to pay the following amounts:

- The payment of O&M Expenses for the OY;
- Together with PFC proceeds, including interest thereon, deposited with the Trustee with respect to such OY, the amounts needed to make the deposits required for the Application of Revenues pursuant to the Master Bond Ordinance for such OY to the Bond Fund; and
- Together with Other Available Moneys deposited with the Trustee with respect to such OY, to the extent not needed to make the deposits required under the Master Bond Ordinance for such OY to the Bond Fund, and any unencumbered cash balance held in the Revenue Fund on the last day of the OY preceding the OY for which the calculation is made not then required to be deposited in any Fund or Account.
    - The amounts needed to make the deposits required under the Master Bond Ordinance for such OY to the Junior Lien Bond Fund, the Operation and Maintenance Reserve Fund, the Renewal and Replacement Fund, the Airport Discretionary Fund, and the Airport Development Fund, and
    - An amount not less than 25% of the Debt Service due and payable on Bonds during such OY.

As presented on Exhibit L, the Authority is projected to satisfy the Rate Covenant requirement in each year of the Projection Period. A summary of debt service coverage and CPE projections is also presented below in **Table 4-9**.

Table 4-9 Debt Service Coverage Projection and Passenger Airline CPE Projection (in thousands of dollars, except CPE)

Operating Year	Net Revenues, Revenue Fund Balances and Other Available Moneys *	Total Senior Lien Debt Service Requirements	Senior Lien Debt Service Coverage Ratio	Total Senior Lien and Junior Lien Debt Service Requirements	Senior Lien and Junior Lien Debt Service Coverage Ratio	Airline CPE
OY 2023	$274,814	$176,798	1.55x	$187,434	1.47x	$9.26
OY 2024	$279,102	$183,530	1.52x	$194,162	1.44x	$10.39
OY 2025	$278,587	$185,016	1.51x	$195,607	1.42x	$10.02
OY 2026	$288,287	$192,535	1.50x	$203,126	1.42x	$11.64
OY 2027	$291,013	$197,271	1.48x	$207,867	1.40x	$11.56
OY 2028	$287,480	$193,563	1.49x	$204,205	1.41x	$11.21
OY 2029	$268,577	$174,473	1.54x	$185,117	1.45x	$10.19

Source: Landrum & Brown, Inc.
Note: For purposes of calculating Net Revenues, O&M Expenses have been reduced by the amount of such expenses paid, or expected to be paid, by federal relief money described in section 4.7 of this Report.

4.16 Financial Analysis of Downside Sensitivity Scenario

As presented in Section 2.4.2 of this Report, L&B also prepared a downside sensitivity projection of enplaned passengers at the Airport. This sensitivity projection is not necessarily a representation of a likely scenario but is intended to represent a downside scenario if certain conditions that would be expected to negatively impact air traffic demand were to occur. Under the downside scenario, it is assumed that domestic O&D passengers would remain in line with the baseline projection presented herein, but that domestic connecting passengers would remain flat at the OY 2023 budgeted level through the Projection Period. It is also assumed in this sensitivity scenario that international passengers would increase at half the rate of the domestic O&D passengers to reflect a flattening of international connecting passengers.

For the purposes of the financial analysis, key assumptions are as follows:

- Current Airline Agreements business terms and conditions remain in effect through the Projection Period.
- Funding and timing of the Series 2023 Projects and the Other Approved Capital Projects remain as assumed in the baseline financial analysis.
- O&M Expenses increase as projected in the baseline financial analysis.
- Non-airline revenues generated by O&D passengers, consisting of parking, car rental, hotel, and ground transportation revenues, are assumed to remain consistent with the baseline financial analysis, however, projected in-Terminal concessions are reduced based on the lower assumed connecting passengers.
- PFC revenues used as Other Available Moneys are lower as compared to the baseline financial analysis based on lower enplaned passengers projected.

Table 4-10 presents projected debt service coverage and airline CPE for each scenario. As shown, under each scenario, the Authority is projected to continue to satisfy its covenant set forth in the Master Bond Ordinance throughout the Projection Period. As shown, due to the Airline Agreements' Airport-wide residual rate-setting methodology, under this downside sensitivity scenario Net Revenues, debt service requirements, and debt service coverage ratios remain unchanged from the baseline projections, however, the airline CPE is projected to be higher in each projected year as higher airline revenues would be required to offset lower non-airline revenues.

Table 4-10 Sensitivity Analysis Results: Debt Service Coverage and Airline CPE

Operating Year	Net Revenues, Revenue Fund Balances and Other Available Moneys*	Total Senior Lien Debt Service Requirements	Senior Lien Debt Service Coverage Ratio	Total Senior Lien and Junior Lien Debt Service Requirements	Senior Lien and Junior Lien Debt Service Coverage Ratio	Airline CPE
OY 2023	$274,814	$176,798	1.55x	$187,434	1.47x	$9.26
OY 2024	$279,102	$183,530	1.52x	$194,162	1.44x	$11.24
OY 2025	$278,587	$185,016	1.51x	$195,607	1.42x	$11.42
OY 2026	$288,287	$192,535	1.50x	$203,126	1.42x	$13.70
OY 2027	$291,013	$197,271	1.48x	$207,867	1.40x	$14.00
OY 2028	$287,480	$193,563	1.49x	$204,205	1.41x	$13.93
OY 2029	$268,577	$174,473	1.54x	$185,117	1.45x	$13.05

Source: Landrum & Brown, Inc.
Note: For purposes of calculating Net Revenues, O&M Expenses have been reduced by the amount of such expenses paid, or expected to be paid, by federal relief money described in section 4.7 of this Report.

As previously indicated, many of the factors affecting air travel demand are not necessarily quantifiable. As a result, all projections are subject to uncertainty. While the global COVID-19 pandemic is currently ongoing, other economic disturbances could occur over the Projection Period. Therefore, these projected sensitivity scenarios and financial results, as with any projection, should be viewed as a general indication of future results as opposed to a precise prediction. Actual future results are likely to vary from this projection, and such variances could be material.

Exhibit A

SERIES 2023 PROJECTS - PLAN OF FINANCE — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands)

		Estimated Project Cost	Federal/State Grants/ Other Funding	Existing Bond Proceeds	Series 2023 Bond Proceeds	Future Bond Proceeds[1]
SERIES 2023 PROJECTS						
Airfield						
McNamara Terminal Apron Rehabilitation - Phase 2: Gates B1 through B21, C1 through C27, A74 through A78		$50,500		$14,792	$35,708	
McNamara Terminal Apron Rehabilitation - Phase 3: Taxilane U9 West of Gates A4 through A60		57,100			30,000	$27,100
Subtotal Airfield Improvements	[A]	$107,600	$0	$14,792	$65,708	$27,100
Power Plants & Electrical Distribution System						
Medium Voltage Transmission Lines for Primary Service to the North Campus & Airfield - Phase 2: Generator Upgrade & Powerhouse Switchgear		$4,000			$4,000	
North Campus Electrical Distribution Loop 3		8,975			8,975	
Medium Voltage Conversion - Direct Feed from Powerhouse		3,300			3,300	
Subtotal Power Plants & Electrical Distribution System	[B]	$16,275	$0	$0	$16,275	$0
Parking Decks, Lots, and GTCs						
Big Blue Parking Deck Concrete Floor Repairs, Guardrails & Waterproofing		$5,600			$5,600	
McNamara Parking Deck Elastomeric Coating		6,600			6,600	
Subtotal Parking Decks, Lots, and GTCs	[C]	$12,200	$0	$0	$12,200	$0
Bridges & Roadways						
Bridges & Roadways Rehabilitation - Dingell Drive from McNamara Terminal to North Tunnel		$12,700	$9,525		$3,175	
Tunnel Rehabilitation - South Tunnel (Phase II)		25,000	18,750		6,250	
Tunnel Rehabilitation - North Tunnel & Middle Tunnel		28,700	21,525		7,175	
Subtotal Bridges & Roadways	[D]	$66,400	$49,800	$0	$16,600	$0
Security & Communications						
Security System & Network Upgrades - Phase 3: Sensitive Security Rooms, Core & Edge Switches		$6,000		$4,620	$1,380	
Subtotal Security & Communications	[E]	$6,000	$0	$4,620	$1,380	$0
Support Facilities						
Roof Replacement Plan		$2,741			$2,741	
Subtotal Support Facilities	[F]	$2,741	$0	$0	$2,741	$0
Terminals						
Evans Terminal - Fire Alarm Systems Improvement		$4,725			$4,725	
Evans Terminal - Terminal Refresh (Phase I)		15,420			2,500	$12,920
McNamara Terminal, Evans Terminal & Hotel Roof Life Cycle Enhancements		3,000			3,000	
McNamara Terminal - Security Camera Upgrades		7,000			7,000	
McNamara Terminal - Jet Bridge Replacement		30,000	$12,800		17,200	
Subtotal Terminals	[G]	$60,145	$12,800	$0	$34,425	$12,920
Water, Sanitary & Stormwater Systems						
Primary Pump & Switchgear Replacements		$3,500			$3,500	
Water Main Replacement - Phase 2		3,400			3,400	
Stormwater Forcemain - East Side Site		27,000	$18,000		9,000	
Subtotal Water, Sanitary & Stormwater Systems	[H]	$33,900	$18,000	$0	$15,900	$0
TOTAL SERIES 2023 PROJECTS	**[I=A+B+C+D+E+F+G+H]**	**$305,261**	**$80,600**	**$19,412**	**$165,229**	**$40,020**

Note: Amounts may not add due to rounding.

Source: Authority management records, September 2023
Compiled by Landrum & Brown, Inc.

Exhibit B

OTHER APPROVED CAPITAL PROJECTS - PLAN OF FINANCE[1] — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands)

		Estimated Project Cost	Federal/State Grants	Existing Bond Proceeds	Series 2023 Bond Proceeds	Future Bond Proceeds[2]
OTHER APPROVED CAPITAL PROJECTS						
Airfield						
Taxiway K Reconstruction		$83,175	11,000			72,175
Taxiway Z (Southern Portion) Relocation and AOA Service Road Modification and Extension		$16,000		$4,904		$11,096
McNamara Terminal Apron Rehabilitation - Phase 4: Gates C2 through C22, B2 through B20, Runway 4R De-ice Pad (Design Only)		$3,000				$3,000
Subtotal Airfield Improvements	[A]	$102,175	$11,000	$4,904	$0	$86,271
Parking Decks, Lots, and GTCs						
McNamara Parking Deck Rehabilitation - Interior Rehabilitation & Drain Piping Replacement (Design & Construction 2022-2024)		$6,800				$6,800
Subtotal Parking Decks, Lots, and GTCs	[B]	$6,800	$0	$0	$0	$6,800
Support Facilities						
Fire Training Facility Restoration and Burn Pit Replacement (construction)		$10,250		$0		$10,250
Ice Control Materials Storage Facilities		3,000				3,000
Subtotal Support Facilities	[C]	$13,250	$0	$0	$0	$13,250
Terminals						
McNamara Terminal - Ground Service Equipment Electification - Ground Pre-Conditioned Air Ground Power Unit Upgrade (VALE Grant)		$6,400	$4,800			$1,600
Subtotal Terminals	[D]	$6,400	$4,800	$0	$0	$1,600
Total Other Approved Projects	**[F=A+B+C+D]**	**$128,625**	**$15,800**	**$4,904**	**$0**	**$107,921**

Note: Amounts may not add due to rounding.

[1] Includes costs for projects with Weighted Majority approval, which costs have not been previously funded in whole and are not being funded with the Series 2023 Bond proceeds.

[2] Reflects Future Bond Proceeds for costs of projects with Weighted Majority approval, which costs have not been previously funded in whole and are not being funded with the Series 2023 Bond Proceeds.

Source: Authority management records, September 2023.
Compiled by Landrum & Brown, Inc.

Exhibit C-1

OUTSTANDING BOND DEBT SERVICE BY SERIES **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED						
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Senior Lien Debt Service by Series (a)								
Series 2010C	$9,514	$0	$0	$0	$0	$0	$0	$0
Series 2011A	39,284	0	0	0	0	0	0	0
Series 2012A	12,338	12,337	12,335	12,336	12,341	12,346	12,344	12,355
Series 2012B	1,946	1,951	1,949	1,945	1,949	1,949	1,948	1,952
Series 2012D	1,487	1,487	1,487	1,487	1,487	3,965	28,625	0
Series 2014B	3,395	3,390	3,387	3,384	3,381	3,377	3,595	6,034
Series 2014C	1,660	1,655	1,652	1,648	1,644	1,640	1,736	2,827
Series 2015B	20,043	20,040	18,365	0	0	0	0	0
Series 2015C	962	962	962	962	962	962	962	1,353
Series 2015D	10,739	10,735	10,731	10,727	10,723	10,719	11,428	19,262
Series 2015E	388	388	388	388	388	388	388	388
Series 2015F	11,208	11,208	12,858	31,010	31,038	31,040	31,076	30,711
Series 2015G	6,049	6,049	6,051	6,050	6,048	6,050	6,050	6,050
Series 2017A	2,621	2,617	2,613	2,608	2,603	2,598	2,721	4,118
Series 2017B	2,125	2,121	2,117	2,113	2,108	2,103	2,199	3,298
Series 2017C	9,489	9,493	9,509	9,518	9,535	9,544	8,764	0
Series 2017E	3,935	15,261	13,907	14,093	14,279	13,522	2,936	0
Series 2017F	5,123	23,559	23,449	23,466	23,483	21,910	4,038	0
Series 2018A	7,464	7,459	7,454	7,449	7,444	7,439	8,088	15,275
Series 2018B	300	300	300	300	300	300	300	300
Series 2018C	6,336	6,097	5,677	3,152	0	0	0	0
Series 2018D	2,151	2,151	2,336	4,660	7,763	7,506	7,247	6,991
Series 2019	963	960	957	954	951	948	1,341	5,677
Series 2020A (b)	1,609	0	0	0	0	0	0	0
Series 2020B (b)	2,157	12,585	13,565	13,010	12,793	12,578	11,575	6,146
Series 2020C (b)	3,443	17,072	17,823	17,101	16,806	16,524	15,212	8,074
Series 2021A	3,145	4,494	6,158	6,153	6,148	6,143	6,487	10,323
Series 2021B	148	1,576	1,571	1,566	1,561	1,556	1,628	2,476
Series 2022 (b)	0	849	1,066	1,066	1,066	1,066	1,066	1,066
Total Senior Lien Debt Service -	$170,022	$176,798	$178,667	$177,147	$176,798	$176,172	$171,752	$144,677
Junior Lien Debt Service by Series (a)								
Series 2017A Jr. Lien	$4,935	$4,937	$4,932	$4,914	$4,915	$4,919	$4,939	$4,941
Series 2017B Jr. Lien	4,469	4,468	4,469	4,446	4,446	4,446	4,473	4,472
Series 2017C Jr. Lien	1,231	1,231	1,231	1,231	1,231	1,231	1,231	1,231
Total Junior Lien Debt Service - Outstanding Bonds	$10,634	$10,636	$10,632	$10,592	$10,591	$10,596	$10,642	$10,644
Total Debt Service on Outstanding Bonds	$180,656	$187,434	$189,299	$187,738	$187,390	$186,768	$182,395	$155,321

Notes:
(a) Debt service is net of capitalized interest.
(b) Variable rate bonds assume a rate of 5.0%.

Source: Airport records for Outstanding Bonds (actual and projected)

Exhibit C-2

OUTSTANDING BOND AND FUTURE BOND DEBT SERVICE | **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED						
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Senior Lien Debt Service (a)								
Outstanding Senior Lien Bonds	$170,022	$176,798	$178,667	$177,147	$176,798	$176,172	$171,752	$144,677
Proposed Series 2023A (Non-AMT) Bonds (b)			2,717	4,466	4,871	5,607	5,865	8,757
Proposed Series 2023B (AMT) Bonds (c)			2,146	3,403	4,519	4,527	4,718	6,873
Future Bonds - Series 2024 (d)					6,346	10,965	11,227	14,166
Total Outstanding and Future Senior Lien Debt Service	$170,022	$176,798	$183,530	$185,016	$192,535	$197,271	$193,563	$174,473
Junior Lien Debt Service (a)								
Outstanding Junior Lien Bonds	$10,634	$10,636	$10,632	$10,592	$10,591	$10,596	$10,642	$10,644
Junior Lien Debt Service	$10,634	$10,636	$10,632	$10,592	$10,591	$10,596	$10,642	$10,644
Total Outstanding and Future Debt Service	$180,656	$187,434	$194,162	$195,607	$203,126	$207,867	$204,205	$185,117
Less: Bond Fund interest, Bond Reserve Account interest and transfers	($3,228)	($5,015)	($7,659)	($7,631)	($7,662)	($7,682)	($7,537)	($6,375)
Total Outstanding and Future Adjusted Debt Service (e)	$177,428	$182,418	$186,503	$187,977	$195,465	$200,185	$196,668	$178,742
Adjusted Debt Service by Cost Center (e)								
Airport	$90,940	$93,932	$94,671	$97,228	$104,240	$108,911	$110,184	$129,500
South Terminal	56,318	56,981	58,037	57,437	57,312	57,065	52,877	19,150
North Terminal	30,170	31,505	33,795	33,311	33,913	34,208	33,607	30,092
Total Outstanding and Future Adjusted Debt Service (e)	$177,428	$182,418	$186,503	$187,977	$195,465	$200,185	$196,668	$178,742

Notes:
(a) Debt service is net of capitalized interest. Does not take into consideration any savings associated with the refunding of the Refunded Bonds.
(b) Debt Service assumes $94.5 million in bond funded project costs.
(c) Debt Service assumes $70.7 million in bond funded project costs.
(d) Debt Service assumes $147.9 million in bond funded project costs.
(e) Debt service is net of capitalized interest, Bond Fund interest, and Bond Reserve Account interest and transfers.

Source: Airport records for Outstanding Bonds (actual and projected); PFM Financial Advisors LLC for Series 2023 Bonds and Future Bonds.

Exhibit D

O&M EXPENSES — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED							OY 23-29
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029	CAGR
Total O&M Expenses									
Salaries, Wages, and Employee Benefits	$88,001	$91,350	$95,004	$98,804	$102,756	$106,867	$111,141	$115,587	4.0%
Contractual Services	72,028	84,473	87,852	91,366	95,020	98,821	102,774	106,885	4.0%
Repairs and Maintenance	33,761	45,604	46,972	48,381	49,833	51,328	52,868	54,454	3.0%
Hotel Management	18,065	19,443	20,026	20,627	21,246	21,883	22,540	23,216	3.0%
Utilities	22,551	22,550	23,001	23,461	23,930	24,409	24,897	25,395	2.0%
Supplies and Other Operating Expenses	14,854	15,779	16,252	16,739	17,242	17,759	18,292	18,840	3.0%
Capital Expenses	5,583	7,476	10,092	12,111	13,322	13,988	14,687	15,422	12.8%
Insurance/Other	2,122	2,240	2,285	2,330	2,377	2,425	2,473	2,523	2.0%
Total O&M Expenses	$256,966	$288,914	$301,484	$313,820	$325,726	$337,479	$349,672	$362,321	3.8%
Total O&M Expenses by Cost Center									
Airport	$188,240	$211,174	$220,735	$230,109	$239,141	$248,048	$257,296	$266,898	4.0%
South Terminal	52,607	57,180	59,453	61,667	63,784	65,856	68,000	70,219	3.5%
North Terminal	16,119	20,560	21,296	22,044	22,802	23,575	24,375	25,205	3.5%
Total O&M Expenses	$256,966	$288,914	$301,484	$313,820	$325,726	$337,479	$349,672	$362,321	3.8%

Note: Amounts shown are those included in airline rates and charges and may vary from the Airport's financial reports for various reasons, including the treatment of non-cash items.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit E

NON-AIRLINE REVENUE **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED							OY 23-29
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029	CAGR
Total Non-Airline Revenue									
Automobile Parking	$87,624	$92,900	$101,828	$104,929	$108,093	$111,324	$114,622	$117,989	4.1%
Concessions	35,040	37,500	40,305	42,665	44,874	46,837	48,764	50,686	5.2%
Hotel	29,728	30,716	34,547	35,599	36,673	37,769	38,888	40,030	4.5%
Rental Car	27,137	29,000	31,536	32,496	33,476	34,477	35,498	36,541	3.9%
Ground Transportation	7,434	8,500	8,639	8,902	9,170	9,444	9,724	10,010	2.8%
Other	21,230	18,581	18,868	19,160	19,455	19,747	20,044	20,344	1.5%
Total Non-Airline Revenue	$208,193	$217,197	$235,723	$243,751	$251,742	$259,598	$267,541	$275,601	4.0%
Total Non-Airline Revenue by Cost Center									
Airport	$205,357	$214,337	$232,811	$240,788	$248,726	$256,536	$264,433	$272,446	4.1%
South Terminal	1,741	1,750	1,786	1,822	1,859	1,887	1,915	1,944	1.8%
North Terminal	1,095	1,110	1,126	1,142	1,158	1,175	1,193	1,211	1.5%
Total Non-Airline Revenue	$208,193	$217,197	$235,723	$243,751	$251,742	$259,598	$267,541	$275,601	4.0%

Note: Amounts shown are those included in airline rates and charges and may vary from the Airport's financial reports for various reasons, including the treatment of non-cash items.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit F

PFC REVENUE APPLIED AS OTHER AVAILABLE MONEYS — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED						
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
PFC Collections (a)								
Enplaned Passengers		16,000	16,957	17,696	18,346	18,873	19,367	19,840
% Enplaned Passengers paying PFCs		86.0%	86.0%	86.0%	86.0%	86.0%	86.0%	86.0%
PFC Enplaned Passengers		13,760	14,583	15,218	15,778	16,231	16,656	17,062
PFC Collection Level		$4.50	$4.50	$4.50	$4.50	$4.50	$4.50	$4.50
Less: Administrative Fee		($0.11)	($0.11)	($0.11)	($0.11)	($0.11)	($0.11)	($0.11)
Adjusted PFC Rate		$4.39	$4.39	$4.39	$4.39	$4.39	$4.39	$4.39
PFC Collections (a)		$60,407	$64,018	$66,808	$69,263	$71,255	$73,118	$74,903
PFC Expenditures - Allocated to Cost Centers as Other Available Moneys								
Airport	$3,899	$3,921	$3,801	$3,779	$3,779	$3,775	$4,900	$35,526
South Terminal	39,338	39,981	40,073	40,590	41,171	41,617	39,464	13,797
North Terminal	15,282	16,505	20,145	22,439	24,314	25,863	28,754	25,581
Total PFC Expenditures	$58,519	$60,407	$64,018	$66,808	$69,263	$71,255	$73,118	$74,903

Note: Amounts may not add because of rounding. Airline rates, charges, and fees may not agree to budget due to minimal differences in activity and other assumptions.

(a) PFC collections reflect the amount assumed to be used as part of Other Available Moneys to pay eligible debt service.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit G

McNAMARA TERMINAL RENTALS — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

		ACTUAL	PROJECTED						
		OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
South Terminal Building Requirement									
South Terminal O&M Expenses		$52,607	$57,180	$59,453	$61,667	$63,784	$65,856	$68,000	$70,219
South Terminal Debt Service (a)		57,893	56,981	58,377	58,499	59,172	58,973	54,863	22,024
Total Terminal Requirement	[A]	$110,500	$114,162	$117,830	$120,167	$122,955	$124,829	$122,863	$92,242
Less:									
Other Available Moneys (b)		$39,338	$39,981	$40,073	$40,590	$41,171	$41,617	$39,464	$13,797
International Facility Use Fees		5,057	6,150	6,335	6,525	6,720	6,922	7,130	7,343
South Terminal Non-Airline Revenue		1,715	1,750	1,786	1,822	1,859	1,887	1,915	1,944
Other Grants and Transfers (c)		5,148	2,500	0	0	0	0	0	0
South Terminal Airline Rent Requirement	[B]	$59,241	$63,781	$69,637	$71,230	$73,206	$74,403	$74,355	$69,158
South Terminal Airline Premises (square feet) (d)	[C]	917,685	917,687	917,687	917,687	917,687	917,687	917,687	917,687
South Terminal Rental Rate	**[D] = [B] / [C]**	**$64.55**	**$70.00**	**$76.00**	**$78.00**	**$80.00**	**$81.00**	**$81.00**	**$75.00**

Notes: Amounts may not add because of rounding. Airline rates, charges, and fees may not agree to OY 2021 budget due to differences in the use of federal funding and other assumptions.
(a) Debt service is net of capitalized interest, Bond Fund interest, and Bond Reserve Account interest and transfers.
(b) PFC funds transferred to the Bond Fund or Junior Lien Bond Fund for the payment of PFC-eligible debt service.
(c) Includes amounts received through CARES Act, CRRSAA, and ARP Act.
(d) Preferential South Terminal Space leased to Signatory Airlines and Shared Use South Terminal Space.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit H

EVANS TERMINAL RENTALS — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

		ACTUAL	PROJECTED						
		OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
North Terminal Building Requirement									
North Terminal O&M Expenses		$16,119	$20,560	$21,296	$22,044	$22,802	$23,575	$24,375	$25,205
North Terminal Debt Service (a)		34,158	31,505	33,795	33,311	33,913	34,208	33,607	30,092
Total North Terminal Requirement	[A]	$50,277	$52,064	$55,090	$55,355	$56,715	$57,783	$57,982	$55,297
Less:									
Other Available Moneys (b)		$15,282	$16,505	$20,145	$22,439	$24,314	$25,863	$28,754	$25,581
International Facility Use Fees		705	750	8,610	9,197	9,824	10,031	10,241	10,452
North Terminal Non-Airline Revenue		1,056	1,110	1,126	1,142	1,158	1,175	1,193	1,211
Other Grants and Transfers (c)		4,232	2,500	0	0	0	0	0	0
North Terminal Shared Use Fees (d)		16,943	18,177	14,657	13,111	12,430	12,015	10,300	10,452
Authority Controlled Space Revenue (e)		3,277	3,760	3,239	3,021	2,937	2,895	2,640	2,687
Net North Terminal Requirement	[B]	$8,782	$9,263	$7,314	$6,446	$6,052	$5,804	$4,855	$4,915
Preferential North Terminal Space leased to Signatory Airlines (square feet)	[C]	67,610	68,498	68,498	68,498	68,498	68,498	68,498	68,498
North Terminal Rental Rate (per square foot)	**[D] = [B] / [C]**	**$129.89**	**$136.00**	**$107.00**	**$94.00**	**$88.00**	**$85.00**	**$71.00**	**$72.00**

Notes: Amounts may not add because of rounding.
(a) Debt service is net of capitalized interest, Bond Fund interest, and Bond Reserve Account interest and transfers.
(b) PFC funds transferred to the Bond Fund or Junior Lien Bond Fund for the payment of PFC-eligible debt service.
(c) Includes amounts received through CARES Act, CRRSAA, and ARP Act.
(d) Collected on a per enplaned passenger basis from all airlines for the use of approximately 125,000 square feet of shared use space, including baggage claim, baggage make-up, and outbound baggage area.
(e) Comprised of revenues received for the use of North Terminal Authority-Controlled Airline Space. Amounts include Common Use Gate Fees, Overnight Common Use Gate Rental, non-signatory airline space rentals, and rental for member-only airline clubs.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit I

ACTIVITY FEES — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

		ACTUAL	PROJECTED						
		OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Revenue Requirement									
O&M Expenses		$256,966	$288,914	$301,484	$313,820	$325,726	$337,479	$349,672	$362,321
Debt Service (a)		179,836	182,418	186,503	187,977	195,465	200,185	196,668	178,742
Less: Other Available Moneys (b)		(72,799)	(79,418)	(70,777)	(73,560)	(76,015)	(78,007)	(79,876)	(81,661)
Fund Requirements (c)		23,562	24,894	22,455	20,494	22,675	20,661	20,789	20,974
Total Revenue Requirement	[A]	$387,565	$416,808	$439,665	$448,731	$467,850	$480,318	$487,252	$480,375
Less:									
Non-Airline Revenues		$208,193	$217,197	$235,723	$243,751	$251,742	$259,598	$267,541	$275,601
International Facility Use Fees (d)		5,763	6,900	14,945	15,721	16,544	16,953	17,370	17,795
Other Grants and Transfers (e)		34,010	51,500	27,723	27,745	2,569	2,592	2,616	2,640
Rentals from South Terminal		59,241	63,781	69,637	71,230	73,206	74,403	74,355	69,158
Rentals from North Terminal		29,002	31,200	25,210	22,578	21,420	20,714	17,794	18,053
Airline hangar & other facilities rentals		5,797	4,999	5,149	5,303	5,463	5,626	5,795	5,969
Net Revenue Requirement	[B]	$45,560	$41,231	$61,279	$62,401	$96,908	$100,431	$101,781	$91,158
Calculated Activity Fee									
Signatory Landed Weight	[C]	17,083	19,350	20,493	21,371	22,147	22,780	23,375	23,946
Non-Signatory Landed Weight	[D]	559	650	674	703	729	750	769	788
Signatory Activity Fee per 1,000 lbs.	**[E] = [B]/([C]+([D]x1.25))**	**$2.56**	**$2.04**	**$2.87**	**$2.80**	**$4.20**	**$4.23**	**$4.18**	**$3.66**
Non-Signatory Activity Fee per 1,000 lbs. (125%)	**[F] = [E] x 1.25**	**$3.20**	**$2.55**	**$3.59**	**$3.51**	**$5.25**	**$5.29**	**$5.23**	**$4.57**

Notes: Amounts may not add because of rounding.

(a) Debt service is net of capitalized interest, Bond Fund interest, and Bond Reserve Account interest and transfers.

(b) Includes PFC funds transferred to the Bond Fund or Junior Lien Bond Fund for the payment of PFC-eligible debt service, and amounts treated as Other Available Moneys from Aviation Fuel Tax, the Airport Development Fund, Hotel Transfer, the Noise Fund, and federal relief funds used to pay debt service in OY 2022.

(c) Includes all fund and reserve requirements, including the hotel.

(d) Includes revenues from both the South and North terminals.

(e) Includes amounts received through CARES Act, CRRSAA, and ARP Act.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit J

AIRLINE COST PER ENPLANEMENT — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED						
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Airline Revenues								
Terminal Rentals and Shared Use Fees:								
Evans Terminal	$29,002	$31,200	$25,210	$22,578	$21,420	$20,714	$17,794	$18,053
McNamara Terminal	59,241	63,781	69,637	71,230	73,206	74,403	74,355	69,158
Activity Fee Revenue	45,560	41,231	61,279	62,401	96,908	100,431	101,781	91,158
International Facility Use Fees	5,763	6,900	14,945	15,721	16,544	16,953	17,370	17,795
Airline Hangar & Other Facilities Rentals	5,797	4,999	5,149	5,303	5,463	5,626	5,795	5,969
Total Airline Revenue	$145,362	$148,111	$176,220	$177,234	$213,540	$218,128	$217,096	$202,135
Enplaned Passengers	14,053	16,000	16,957	17,696	18,346	18,873	19,367	19,840
Airline Cost per Enplanement	**$10.34**	**$9.26**	**$10.39**	**$10.02**	**$11.64**	**$11.56**	**$11.21**	**$10.19**

Note: Amounts may not add because of rounding.

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit K

APPLICATION OF REVENUES | **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	ACTUAL	PROJECTED						
	OY 2022	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Revenues								
Airline Revenues	$145,362	$148,111	$176,220	$177,234	$213,540	$218,128	$217,096	$202,135
Non-Airline Revenues (net of concessions relief funds)	204,293	217,197	235,723	243,751	251,742	259,598	267,541	275,601
Non-Operating Revenues	4,310	2,500	2,523	2,545	2,569	2,592	2,616	2,640
Other Available Moneys (a)	72,799	79,418	70,777	73,560	76,015	78,007	79,876	81,661
Bond Fund interest, Bond Reserve Account interest and transfers	3,228	5,015	7,659	7,631	7,662	7,682	7,537	6,375
Total Revenues and Other Available Moneys	$429,992	$452,242	$492,900	$504,721	$551,527	$566,006	$574,666	$568,412
Application of Revenue								
Operation and Maintenance Fund (b)	$227,266	$239,914	$276,284	$288,620	$325,726	$337,479	$349,672	$362,321
Bond and Interest Redemption Fund (c)	170,022	176,798	183,530	185,016	192,535	197,271	193,563	174,473
Junior Lien Bond and Interest Redemption Fund (c)	10,634	10,636	10,632	10,592	10,591	10,596	10,642	10,644
Operation and Maintenance Reserve Fund	654	1,054	3,000	1,000	3,100	1,000	1,000	1,100
Transfer to Hotel FF&E	585	7,894	7,973	8,053	8,133	8,215	8,297	8,380
Renewal and Replacement Fund	500	500	500	500	500	500	500	500
Airport Discretionary Fund	350	350	350	350	350	350	350	350
Airport Development Fund (d)	19,981	15,096	10,632	10,592	10,591	10,596	10,642	10,644
Total Application of Revenue	$429,992	$452,242	$492,900	$504,721	$551,527	$566,006	$574,666	$568,412

Notes:

(a) Includes PFC funds transferred to the Bond Fund or Junior Lien Bond Fund for the payment of PFC-eligible debt service, and amounts treated as Other Available Moneys from Aviation Fuel Tax, the Airport Development Fund, the Noise Fund, and federal relief funds used to pay debt service in OY 2022.

(b) Includes interest expense and capital acquisition. Excludes federal relief funds used to pay Operating and Maintenance Expenses.

(c) Debt service is net of capitalized interest.

(d) Includes AVI transfer up to $2.5 million

Source: Wayne County Airport Authority records (actual), Landrum & Brown, Inc. (projected)

Exhibit L

DEBT SERVICE COVERAGE — **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT**

(Dollars in Thousands for Operating Years Ending December 31)

	PROJECTED						
	OY 2023	OY 2024	OY 2025	OY 2026	OY 2027	OY 2028	OY 2029
Debt Service Coverage							
Total Revenue and Other Available Moneys	$452,242	$492,900	$504,721	$551,527	$566,006	$574,666	$568,412
Plus: Revenue Fund Balance (a)	62,486	62,486	62,486	62,486	62,486	62,486	62,486
Less: Operation and Maintenance Fund net of federal relief funds (b)	239,914	276,284	288,620	325,726	337,479	349,672	362,321
Net Revenue Available for Senior Lien Debt Service	$274,814	$279,102	$278,587	$288,287	$291,013	$287,480	$268,577
Senior Lien Bonds							
Debt Service (c)	$176,798	$183,530	$185,016	$192,535	$197,271	$193,563	$174,473
Bond debt service coverage	**1.55**	**1.52**	**1.51**	**1.50**	**1.48**	**1.49**	**1.54**
Senior Lien Bonds and Junior Lien Bonds							
Debt Service (c)	$187,434	$194,162	$195,607	$203,126	$207,867	$204,205	$185,117
Bond debt service coverage	**1.47**	**1.44**	**1.42**	**1.42**	**1.40**	**1.41**	**1.45**
Rate Covenant							
Net Revenue Available for Senior Lien Debt Service	$274,814	$279,102	$278,587	$288,287	$291,013	$287,480	$268,577
Less:							
Senior Lien Bond Debt Service	176,798	183,530	185,016	192,535	197,271	193,563	174,473
Net Revenue Available for Junior Lien Debt Service	$98,016	$95,572	$93,572	$95,752	$93,743	$93,918	$94,104
Less:							
Junior Lien Debt Service	$10,636	$10,632	$10,592	$10,591	$10,596	$10,642	$10,644
Operation and Maintenance Reserve Fund	1,054	3,000	1,000	3,100	1,000	1,000	1,100
Transfer to Hotel FF&E	7,894	7,973	8,053	8,133	8,215	8,297	8,380
Renewal and Replacement Fund	500	500	500	500	500	500	500
Authority Discretionary Fund	350	350	350	350	350	350	350
25% Senior Lien Bond Debt Service	44,199	45,882	46,254	48,134	49,318	48,391	43,618
Airport Development Fund	15,096	10,632	10,592	10,591	10,596	10,642	10,644
Subtotal	$79,729	$78,969	$77,340	$81,400	$80,574	$79,822	$75,236
Net Revenues Remaining in Revenue Fund	$18,287	$16,604	$16,232	$14,352	$13,168	$14,095	$18,868

Notes:

(a) Includes certain amounts, generally made up of 25% Senior Lien Bond Debt Service and Net Revenues Remaining in the Revenue Fund, that the Authority has accumulated, which are available for debt service until used for such other purposes.

(b) Includes interest expense and capital acquisition.

(c) Debt Service is net of amounts used to pay capitalized interest resulting in coverage that differs from the results presented in the Authority's Comprehensive Annual Financial Report.

Source: Landrum & Brown, Inc.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE AUTHORITY

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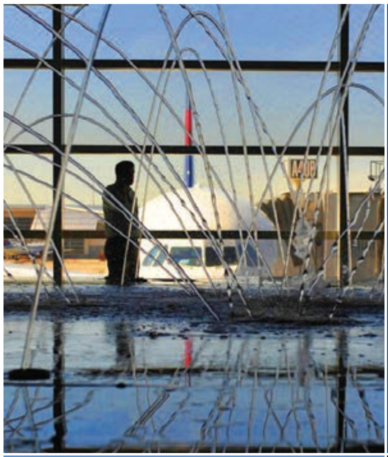
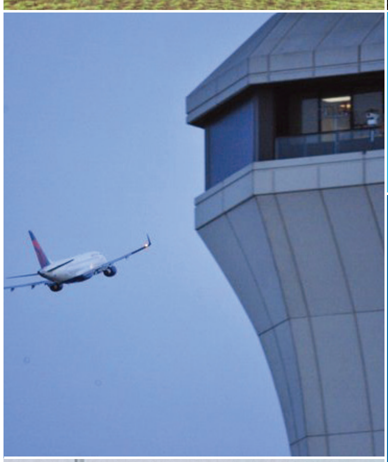
DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY





ANNUAL COMPREHENSIVE FINANCIAL REPORT 2022

FOR THE YEAR ENDED
DECEMBER 31, 2022
DETROIT, MICHIGAN

WAYNE COUNTY AIRPORT AUTHORITY

Detroit, Michigan

Annual Comprehensive Financial Report

Year Ended December 31, 2022

Table of Contents

Table of Contents

Table of Contents

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DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

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Detroit, MI 48242
Ph 734 247-7678
www.metroairport.com

April 25, 2023

To the Wayne County Airport Authority Board:

The Annual Comprehensive Financial Report (ACFR) of the Wayne County Airport Authority (the Authority) as of and for the year ended December 31, 2022 is submitted herewith. Responsibility for both the accuracy of the presented data and completeness and fairness of the presentation, including all disclosures, rests with the Authority. To the best of our knowledge and belief, this report fairly presents and fully discloses the Authority's financial position, results of operations and cash flows in accordance with accounting principles generally accepted in the United States of America (GAAP). It includes disclosures necessary to enable the reader to gain an understanding of the Authority's financial activities included within the ACFR. The report of the independent auditors on the financial statements is included on pages 1 – 3 of the ACFR.

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

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

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

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

The Authority's financial statements for the year ended December 31, 2022 have received an "unmodified opinion" from Plante & Moran, PLLC, the Authority's independent certified public accountants. An unmodified opinion is the best opinion that an organization can receive on its financial statements. It indicates that the auditor's examination has disclosed no conditions that cause them to believe that the financial statements are not fairly stated in all material respects.

An independent audit was also performed by Plante & Moran, PLLC, in accordance with the requirements of the Uniform Grant Guidance (2 CFR Part 200), i.e., Single Audit.

A third audit was performed by Plante & Moran, PLLC, as required under Federal Aviation Regulation, Part 158 (Passenger Facility Charges).

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

Introductory Section – In addition to serving as a transmittal letter, this section provides the reader an introduction to the ACFR and the Authority. The introductory section includes background information on the reporting entity, its operations and services, accounting systems and budgetary controls, overview of the local economic conditions, its long-term financial planning and certain other pertinent information. It is complementary to financial and analytical data offered in the Management Discussion and Analysis (MD&A) and the Statistical Section of the ACFR discussed below.

Financial Section – The independent auditor's report, MD&A, financial statements, notes to the financial statements and required supplementary information are included here. These are the Authority's basic financial statements and provide an overview of the Authority's financial position. The MD&A immediately follows the independent auditor's report and complements this letter of transmittal and should be read in conjunction with it.

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

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

REPORTING ENTITY BACKGROUND

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

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

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

AUTHORITY OPERATIONS AND SERVICES

The Authority is self-supporting, using aircraft landing fees, fees from terminal and other rentals and revenue from parking, concessions and various additional sources to fund operating expenses. The Authority is not taxpayer-funded. The Capital Improvement Program is funded by bonds issued by the Authority, federal and state grants, passenger facility charges (PFCs) and other discretionary funds.

Airline Use and Lease Agreement

Leases. Revenues received by the Authority in accordance with the Master Airport Revenue Bond Ordinance (Master Bond Ordinance) are derived from rentals, fees and charges imposed upon airlines operating at the Airport under Airline Use and Lease Agreements relating to their use of the Airport. The following airlines are parties to such agreements: Air France, American Airlines, Delta Air Lines, FedEx, JetBlue Airways, Lufthansa German Airlines, Southwest Airlines, Spirit Airlines, United Airlines and United Parcel Service (collectively, the "Signatory Airlines").

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

Amendment to End of Year True-Up of Fees and Charges. In order to enable the Authority to issue airport revenue bonds for airfield-related capital projects without the bonds being subject to the federal alternative minimum tax, in 2012 all of the Signatory Airlines agreed to an amendment of the Airline Use and Lease Agreements that revised the end of year true-up provision so that the amount to be refunded/charged would include the Signatory and Non-Signatory Airlines. Prior to 2012, Non-Signatory Airlines did not participate in year-end refunds/charges.

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

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

The Airline Industry

While the airline industry was acutely impacted in recent years by the impacts of COVID-19, the industry has recovered significantly. In the U.S., passenger traffic for January and February 2023 was higher than during the same period in 2019. International recovery is lagging that of the U.S., but passenger traffic versus 2019 hit a new high in December 2022. Overall, The International Air Transport Association (IATA) expects industry-wide passenger traffic to recover to 2019 levels in 2024.

With expectations for a continued recovery the IATA predicted that airlines would turn a profit of $4.7 billion in 2023; the first profit since the COVID-19 pandemic. The IATA estimates that globally, airlines will lose $6.9 billion in 2022, down from a loss of $137.7 billion inf 2020.

As demand for travel grows, the industry is faced with a number of challenges. Labor shortages are among the main concerns and the shortage of pilots in particular has impacted the industry. In 2022, service to certain destinations was impacted by to a lack of pilots. The industry is combatting this shortfall by offering greater financial incentives and updating pilot training programs. There is not just a shortage of pilots. The effects of the “Great Resignation”, the economic trend in which employees voluntarily resigned from their jobs in the wake of COVID-19, has acutely hit all areas of the aviation industry including mechanics, flight crew and service workers.

This overall lack of workers is also resulting in multiple supply chain issues. Boeing and Airbus, the two largest aircraft manufacturers, have experienced repeated delays in production leading to them being months behind schedule. Their inability to produce planes at their forecasted levels has contributed to the reduction in air service as demand cannot keep pace with supply. One of the ways that airlines are combatting this issue is by equipment “up-gauging”. This is where air carriers increase capacity by either adding seats to existing planes or by replacing smaller planes with larger planes.

While staffing and equipment shortages impact the airline industry's ability to grow, inflation continues to challenge the airlines' ability to grow profitably. OPEC reports significant uncertainties in the outlook for the liquid fuels markets, relating to the impact of monetary tightening in advanced economies, ongoing geopolitical developments and the growth of US oil output. In January 2023, jet fuel prices rose 12.7% over the prior month reaching $146 per barrel. This increase in operational costs is being passed on to passengers via higher air fares. Data released by the U.S. Bureau of Labor Statistics' Consumer Price Index shows a 25.6% increase in airfares from January 2022 to January 2023.

Despite these headwinds, the outlook for the aviation industry remains positive. At the start of 2023, passenger levels, at least domestically, are back up to 2019 levels. Internationally, travel restrictions continue to ease and most countries, including China, are open again to visitors. IATA is forecasting over 4 billion travelers in 2023, the first-time global travelers will surpass the 4 billion milestone since 2019.

Airport Activity

DTW ended calendar year 2022 with a 19.3 percent increase in enplaned passengers and a 6.9 percent increase in landed weight as compared to calendar year 2021. During the same period, operations decreased by 0.8 percent while cargo activity increased by 4.7 percent. DTW's activities for the years ended December 31, 2022 and 2021 were as follows:

	2022	2021	% Change
Enplanements	14,052,931	11,782,602	19.3%
Landed Weights (in thousand, lbs)	17,645,129	16,509,814	6.9%
Operations	284,606	286,909	-0.8%
Cargo (in metric tons)	185,629	177,312	4.7%

Aviation activity continues to lag 2019 levels with enplanements and landed weight down 23.4 percent and 20.9 percent respectively. A 10.2 percent decrease in enplanements from 2019 levels is forecasted for fiscal year 2023 and enplanements through February 2023 are consistent with this forecast. The outlook for 2023 remains positive with Icelandair, WestJet and Sun Country all commencing operations at DTW in May 2023.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The Authority's Budget

Prior to the commencement of each fiscal year, the Authority is required by the Master Bond Ordinance and Public Act 90 to prepare and adopt a budget.

The budget contains an itemized statement of the estimated current operational expenses and the expenses for capital, including funds for the operation and development of the Airports under the jurisdiction of the Authority and the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing fiscal year. The budget also contains an estimate of the revenues of the Authority from all sources for the next fiscal year.

Budgeting serves as an important management tool to plan, control and evaluate the operations of the Authority. DTW (including the Westin Hotel) and YIP Operation & Maintenance funds budgets are the

Authority's annual financial plan for operating and maintaining the airports and hotel. These budgets must be sufficient to cover the operation and maintenance expenses of the Airports, the debt service payable on bonds and other known financial requirements for the ensuing fiscal year. The Capital Improvement Program budget is the Authority's plan for the design and construction of major improvements and new facilities at the Airports with a five-year horizon.

The Authority's basis of budgeting is in accordance to the terms of the Airline Use & Lease Agreements with the Airlines, which differs from Accounting Principles Generally Accepted in the United States of America – the Authority's accounting basis.

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

AUTHORITY'S ECONOMIC CONDITION

Population and Air Trade Area

DTW resides in a region which the United States Office of Management and Budget (OMB) defines as the Detroit-Warren-Ann Arbor Combined Statistical Area (CSA) and includes the ten Michigan counties of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne. These counties represent the primary geographical area served by DTW and is referred to as its "Air Trade Area". The Air Trade Area was the 12th most populous CSA in the nation in 2020 with approximately 5.4 million people and accounted for approximately 54% of the entire population of Michigan.

DTW serves as the primary commercial service airport for the CSA and is by far the largest airport in the region. Within a 100-mile driving radius from DTW there are four commercial service airports that offer limited scheduled airline service. These airports are Windsor International Airport (YQG), Toledo Express Airport (TOL), Bishop International Airport (FNT) in Flint, Michigan and Capital Regional Airport (LAN) in Lansing, Michigan.

Chicago Midway International Airport (MDW) and Chicago O'Hare International Airport (ORD) are the nearest large U.S. hub airports at approximately 270 and 290 driving miles from DTW. Toronto Pearson International Airport (YYZ) in Ontario, Canada is the nearest large airport somewhat comparable in size to DTW, however, it is across the U.S. boarder and is approximately 240 driving miles from DTW. The nearest medium hub airport is Cleveland-Hopkins International Airport, which is approximately 145 driving miles from DTW.

Economy

Historically, air travel demand for origin-destination (O&D) traffic, passengers beginning or ending their trip at the Airport, is largely correlated with a region’s demographic and economic characteristics. The economic strength of the Air Trade Area has a major impact on the aviation activity at the Airport since approximately 64% of the Airport's domestic passenger traffic is O&D.

The Air Trade Area is home to 11 Fortune 500 Company Headquarters, six of which are part of the automotive industry. Three of the five largest employers in the Air Trade Area, as of June 2022, are automobile manufacturers; Ford Motor (approx. 48,000 employees), Stellantis NV (approx. 42,000 employees) and General Motors (approx. 39,000 employees). The University of Michigan (approx. 35,000 employees) and Beaumont Health (approx. 22,000 employees) complete the top five employers.

Per capita personal income is a measure of the relative affluence of a region’s residents and, consequently, of their ability to afford air travel. Prior to the pandemic, the Air Trade Area had seen steady improvement in employment rates and a high percentage of households in the uppermost income categories when compared to Michigan and the nation. For the ten-year period of 2012-2022, per capita personal income for the Air Trade Area increased at a compounded annual growth rate (CAGR) of 1.8 percent. In the same time period, the CAGR for Michigan was 1.7 percent and the CAGR for the United States was 1.9 percent.

As a result of the impacts associated with the COVID-19 pandemic and the shutdown of most sectors of the U.S. economy, the unemployment rate in the Air Trade Area peaked at 23.5 percent in April of 2020. With the reopening of the economy, unemployment declined to pre-pandemic levels. The unemployment rate in the Air Trade Area was 4.4 percent in January of 2023.

LONG-TERM FINANCIAL PLANNING

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

The Authority covenants in the Master Bond Ordinance state that DTW’s net revenues plus other available monies as defined by the Master Bond Ordinance are sufficient to provide debt service coverage of 125 percent of the average annual debt service requirement on senior lien bonds. This coverage ratio for the year ended December 31, 2022 was in excess of the requirements at 141 percent of senior lien debt service and 132 percent of total debt service.

Capital Improvement Program

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

The Authority’s CIP represents current expectations of future capital needs. The current five-year plan for 2023-2027 includes planned funding of approximately $1.3 billion and $120.8 million for Detroit Metropolitan and Willow Run Airports, respectively.

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

Airport Improvement Program

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

Passenger Facility Charges

In 1990, Congress approved the Aviation Safety and Capacity Expansion Act, which authorized domestic airports to impose a PFC on enplaning passengers. In May 1991, the FAA issued the regulations for the use and reporting of PFCs. PFCs may be used for projects which meet at least one of the following criteria: preserve or enhance safety, security, or capacity of the national air transportation system; reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among carriers.

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

As of December 31, 2022, the Authority received approximately $1.67 billion of PFC revenue and approximately $73.8 million of interest earnings. The Authority expended approximately $1.74 billion on approved projects. The current PFC expiration date is estimated at February 1, 2034.

OTHER INFORMATION

Awards and Achievement

The GFOA awarded the Authority a "Certificate of Achievement" for Excellence in Financial Reporting for its ACFR for the year ended December 31, 2021. This was the nineteenth consecutive year that the Authority has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. The ACFR must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements and are submitting this 2022 ACFR to the GFOA for consideration.

Acknowledgments

The preparation of this report could not have been accomplished without the dedicated services of the entire staff of the Finance Division. We would like to express our appreciation to all members of this Division.

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

Respectfully submitted,

Chad Newton	Amber Hunt
Chief Executive Officer	*Chief Financial Officer*

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Wayne County Airport Authority
Michigan

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

Wayne County Airport Authority – Functional Org Chart

- Chad Newton
  CEO
  - Internal Audit
  - June Lee
    COO
    - Communications & External Affairs
    - Compliance, Procurement & Safety
    - Facilities & Terminal Operations
    - Human Resources
    - Operations and Maintenance
    - Public Safety
    - Business Development
  - Amber Hunt
    CFO
    - Treasury
    - CIP Planning
    - Controller's Office
    - Financial Planning and Analysis
    - Technology Services
  - Harnetha Jarrett
    General Counsel
    - Authority Governance
    - Diversity
    - Legal
  - Michael O'Sullivan
    Planning Design & Construction
    - Planning, Design & Construction

LIST OF PRINCIPAL OFFICIALS

Authority Board	Position	Term Expires
Athina Papas	Chairperson	October 2026
Dr. Curtis L. Ivery	Vice-Chairperson	October 2024
Dennis W. Archer Jr., Esq.	Secretary	October 2026
Michael Ajami	Board Member	October 2026
Marvin W. Beatty	Board Member	October 2023
Lisa Canada	Board Member	October 2028
Al Hadious	Board Member	October 2024

Airport Management	Position
Chad Newton	Chief Executive Officer
Amber Hunt	Chief Financial Officer
June Lee	Chief Operating Officer
Harnetha Jarrett	General Counsel
Angela Frakes	Vice President – Facilities and Terminal Operations
Erica Donerson	Vice President – Communications and External Affairs
James Montgomery	Vice President – Operations and Maintenance
Lynda Racey	Vice President – Human Resources
Michael Jackson	Vice President – Business Development
Mike O'Sullivan	Vice President – Planning, Design and Construction
Shannon Ozga	Vice President – Procurement, Compliance and Safety
Tadarial Sturdivant	Vice President – Public Safety

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Independent Auditor's Report

To the Wayne County Airport Authority Board
Wayne County Airport Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining funds of the Wayne County Airport Authority (the "Authority") as of and for the year ended December 31, 2022 and the related notes to the financial statements, which collectively comprise the Wayne County Airport Authority's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining funds of the Authority as of December 31, 2022 and the respective changes in its financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 13 to the financial statements, the Authority implemented the provisions of GASB Statement No. 87, *Leases*, for the year ended December 31, 2022. This statement requires recognition of lease assets and liabilities for leases that meet certain criteria based on the provisions of the contract. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

To the Wayne County Airport Authority Board
Wayne County Airport Authority

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section, statistical section, and continuing disclosure section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

To the Wayne County Airport Authority Board
Wayne County Airport Authority

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or whether the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Plante & Moran, PLLC

April 25, 2023

The following discussion and analysis provide an overview of the financial performance and activities of the Wayne County Airport Authority (the Authority) as of and for the year ended December 31, 2022, with selected comparative information for the year ended December 31, 2021. This discussion and analysis has been prepared by the Authority's management and should be read in conjunction with the basic financial statements and notes thereto, which follow this section.

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

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

The financial statements include the operations of Detroit Metropolitan Wayne County Airport, including the Airport Hotel (the Airport), and Willow Run Airport.

The Airport Funding Methodology

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

The Airport operates under a residual methodology. The methodology places additional risk on the Airlines as these Airlines guarantee the net cost of operating the entire Airport. This obligation includes operating expenses and all debt service requirements of the Airport. If the Airport incurs a deficit in a particular year, it has the ability to increase rates to all Airlines up to the amount of the deficit. Conversely, if the Airport realizes a surplus, the Airport must refund the surplus to all of the Airlines. The total amount to be charged or refunded is based on a pro rata allocation between the Signatory Airlines and the Non-Signatory Airlines, which reflects the same ratio as the ratio of total activity fees paid by each group.

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

Financial Highlights

For the year ended December 31, 2022, operating revenues, which are comprised of airline and non-airline revenues, were $351.9 million. This is a $15.5 million (4.6 percent) increase from operating revenues of $336.4 million for the year ended December 31, 2021. Operating revenues continue to recover from a low of $258.2 million in 2020, when the Airport was first impacted by the outbreak of COVID-19. The outbreak caused disruptions in both domestic and international air travel, which significantly impacted operating revenues. Air travel activity continued to recover in 2022, with total passenger volumes at the Airport increasing by 19.3% from 2021 and total landed weight increasing by 6.8% from 2021, driving increases in operating revenues. While air travel activity levels continue to recover, total passenger volume and landed weights at the airport remain 22.2% and 23.4% below 2019 levels.

Operating expenses are $13.5 million (3.7 percent) higher than in the prior year. This increase is primarily attributed to increases in salaries, wages and fringe benefits ($2.2 million), hotel management ($6.5 million) and building, ground and equipment maintenance ($2.3 million). These increases were realized as the Airport experienced increased passenger activity and landed weights.

Nonoperating revenues, net of nonoperating expenses, increased by $1.6 million (9.3 percent) over the prior year. The increase was primarily a result of increases in passenger facility charge revenue ($7.1 million) and customer facility charge revenue ($4.6 million), offset by a $7.8 million loss on the disposal of assets and a $2.4 million loss on investments. Passenger facility charges increased due to increased passenger activity, and customer facility charges increased due to the reinstatement of these charges as of August 1, 2022.

Statement of Net Position

The Statement of Net Position includes all assets, liabilities, deferred inflows and outflows of resources and the resulting net position. Assets and liabilities are generally measured using current values. One exception is capital assets, which are stated at historical cost less an allowance for depreciation. The condensed summary of the Authority's net position as of December 31, 2022 and December 31, 2021 is as follows:

	Dec. 31, 2022 (000's)	Dec. 31, 2021 (000's)
Assets:		
Current unrestricted assets	$ 313,686	$ 276,418
Restricted assets	250,428	328,595
Capital assets (net)	1,909,784	1,946,865
Other assets	11,218	1,077
Total assets	2,485,116	2,552,955
Deferred Outflows:	43,290	24,048
Liabilities:		
Current liabilities	79,519	83,412
Liabilities payable from restricted assets	114,962	109,575
Long-term liabilities	2,048,291	2,121,249
Total liabilities	2,242,772	2,314,236
Deferred Inflows:	36,907	41,991
Net Position:		
Net investment in capital assets	(45,989)	(53,950)
Restricted	270,521	275,667
Unrestricted	24,195	(941)
Total Net Position	$ 248,727	$ 220,776

Restricted assets, which primarily consists of cash and investments and accounts receivable, decreased $78.2 million year-over-year. The decrease can be attributed primarily to reductions in cash and investment holdings resulting from capital expenditures made from airport revenue bond proceeds. Airport revenue bonds were issued in 2021 to fund various capital projects at the Airport. Current unrestricted assets, which consist primarily of cash and investments, account receivable and amounts due from other governmental units increased by $37.2 year-over-year. The most significant components of the increase are lease receivables of $12.7 million recorded in the current year upon the implementation of GASB Statement No. 87, *Leases* (GASB 87), an increase in amounts due from other governmental units of $14.5 million resulting primarily from grant revenue due to the Authority for the reconstruction of Taxiway Y, and increases in unrestricted cash and investments of $13 million.

All cash and investments of the Authority are invested according to legal requirements established by the legislature of the State of Michigan. In accordance with State law, investments are restricted to various U.S. government securities, certificates of deposit, commercial paper and repurchase agreements. Other assets consist primarily of prepaid bond insurance premiums, net of related amortization. Deferred outflows of resources represent the consumption of net position in one period that is applicable to future periods. They are reported separately from assets and consist of the deferred amount on debt refunding and deferred outflows related to pensions and other post-employment benefits (OPEB).

In accordance with the terms of applicable ordinances, the Authority is required to restrict assets for various purposes. The components of net position have been restricted related to certain restrictions on the use of those assets. Net position has been restricted for operations and maintenance, replacement and improvements, construction, bond and interest redemption, passenger facility charges, customer facility charges and drug enforcement.

Current liabilities consist mainly of accounts payable, payroll-related liabilities, self-insurance liabilities, accrued vacation and sick time, amounts due to other governmental units, activity fees payable to airlines and security/performance deposits. Long-term liabilities consist primarily of long-term debt, net pension liability, net OPEB liability, other accrued liabilities and amounts due to other governmental units. Current liabilities decreased by $3.9 million in the year ended December 31, 2022.

Long-term liabilities decreased approximately $73 million from December 31, 2021 to December 31, 2022. The decrease was primarily a result of a $117 million decrease in bonds payable and other debt, offset by increases in net pension liability of $25.1 million and net other post-employment benefit liability of $67.6 million. The net pension liability and the net other post-employment benefit liability primarily increased due to decreases in the value of pension investments, while bonds payable and other debt decreased as a result of normal debt service and the amortization of bond premiums.

Deferred inflows of resources represent an acquisition of net position that is applicable to future periods and decreased $5.1 million. The change was a result of a $22.7 million increase in deferred inflows from leases being recognized upon the implementation of GASB 87, offset by a $14.0 million decrease in deferred inflows from pension and a $13.8 million decrease in deferred inflows from other post-employment benefits. That decrease in deferred inflows from pension resulted from differences between projected and actual earnings on pension plan investments changing from a deferred inflow of $14.9 million to a deferred outflow of $13.3 million. The decrease in deferred inflow from other poste-employment benefits resulted from differences between projected and actual earnings changing from a deferred inflow of $6.3 million to a deferred outflow of $9.4, and the difference between expected and actual experience being reduced from a $16.5 million inflow to a $9 million dollar inflow.

Total net position at December 31, 2022 was $248.7 million, which is an increase in net position of $28 million from December 31, 2021. The increase is the result of net non-operating revenues of $18.5 million and capital contributions of $41.6 million offsetting the total operating loss of $32.2 million. A total of $270.5 million of the Airport's December 31, 2022 net position is restricted for future debt service, capital construction and replacement, bond and interest redemption and passenger facility charges, subject to federal regulations. Net investment in capital assets was a negative $46 million and represents land, intangible assets, buildings, improvements and equipment, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition of, construction or improvement of those assets. The Authority reported an unrestricted net deficit of $24.2 million.

Capital Assets and Long-Term Debt Activity

The Authority is authorized to issue airport revenue bonds to finance the cost of capital projects and include the debt service on such bonds in the fees and charges of the Signatory Airlines only after receiving approval of a Weighted Majority for such capital projects. As of December 31, 2022, the Authority had approximately $2.1 billion in outstanding bonds and other debt, both senior and subordinate, paying fixed and variable rates. The total debt service (principal and interest) for the year ending December 31, 2022 was approximately $177.6 million and long-term debt amounting to $89.8 million was paid off. Debt totaling $21 million was issued to refund outstanding balances on existing debt during the year. More detailed information on capital assets and long-term debt activity can be found in Notes 7 and 8 included in the Notes to Basic Financial Statements section of this report.

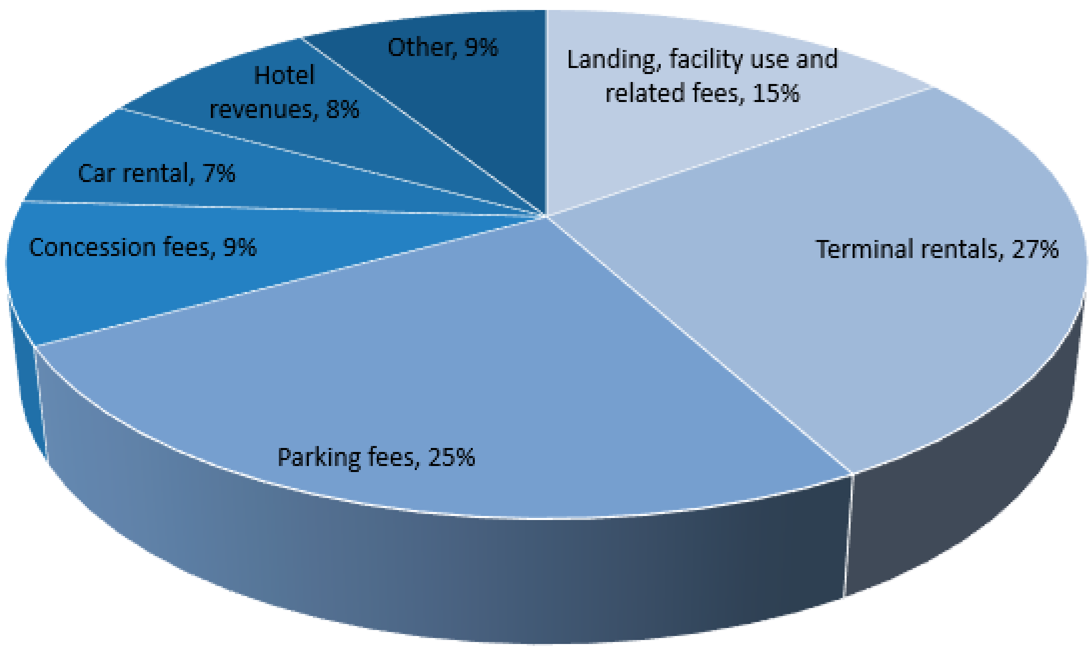
Statement of Revenues, Expenses and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the operating results of the Authority, as well as the nonoperating revenues and expenses. Operating revenues include both airline and non-airline revenues and consist primarily of landing and related fees, terminal building rental and fees, parking fees, concession fees, car rental and hotel revenues. Nonoperating revenues consist primarily of passenger facility charges, federal and state sources and interest income. Interest expense is the most significant nonoperating expense. A summarized comparison of the Authority's revenues, expenses, and changes in net position for the years ended December 31, 2022 and December 31, 2021 follows:

	Year Ended Dec. 31, 2022 (000's)	Year Ended Dec. 31, 2021 (000's)
Operating revenues:		
Airline revenues:		
Airport landing and related fees	$ 46,697	$ 73,458
Terminal building rentals and fees	94,216	102,093
Facility use fees	6,415	2,731
Non-airline revenues:		
Parking fees	87,624	61,971
Concession fees	32,721	28,140
Car rental	25,401	21,205
Hotel	29,728	18,111
Other	29,131	28,704
Total operating revenues	351,933	336,412
Operating expenses:		
Salaries, wages, and fringe benefits	84,749	82,590
Parking management	6,994	5,495
Hotel management	18,358	11,883
Depreciation	130,309	139,302
Professional and contractual services	28,880	27,285
Utilities	23,200	20,857
Building, ground, equipment maintenance	37,326	42,020
Other	54,331	41,177
Total operating expenses	384,147	370,609
Operating loss	(32,214)	(34,197)
Nonoperating revenues (expenses):		
Passenger facility charges	55,380	48,233
Customer facility charges	4,639	-
Other nonoperating revenues	45,483	46,574
Interest expense	(76,779)	(77,815)
Other nonoperating expenses	(10,195)	(42)
Net nonoperating revenues	18,528	16,949
Net loss before capital contribution	(13,686)	(17,247)
Capital Contribution	41,637	13,147
Changes in net position	27,951	(4,100)
Net position, beginning of the year	220,776	224,877
Net position, end of the year	$ 248,727	$ 220,776

Operating Revenues

The chart below illustrates the sources of total operating revenue for the year ended December 31, 2022:



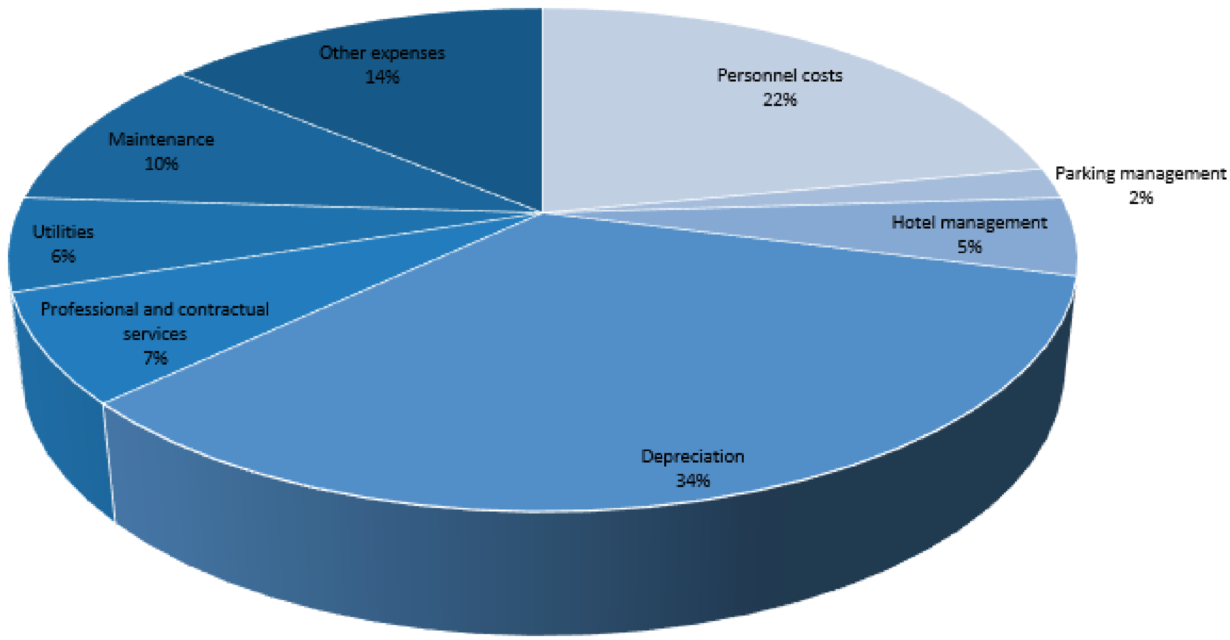
Operating revenues, which can be further sub-categorized as airline and non-airline revenues, increased by 4.6 percent or $15.5 million, from $336.4 million to $351.9 million.

As previously noted, 2020 revenues were significantly impacted by COVID-19. Actions taken at the state and national levels to halt its spread had an adverse effect on both airline and non-airline revenue. Air travel activity has steadily recovered from the impacts of COVID-19. Passenger volumes and flight activity at the Airport and across the United States improved in 2021 and continued to improve in 2022. In 2022, overall landed weights at the Airport increased by 6.8% and total passenger volume increased by 19.3%. As a result of increasing activity levels, the Authority reduced landing fees from $4.37 for Signatory Airlines in 2021 to $2.56 for Signatory Airlines in 2022 (rates are per 1,000 pounds of landed weight). The rate change led to a reduction in landing and related fee revenue of $26.8 million, but higher activity levels drove an increase in non-airline revenue of $46.5 million.

Non-airline revenues include revenue collected for activities that are not specifically aviation related. For the year ended December 31, 2022, the $46.5 million increase in non-airline operating revenues (from $158.1 million in 2021 to $204.6 million in 2022) was driven by increases in passenger volume. Increases in revenue were experienced for all major categories of non-airline revenue, with parking revenue increasing by $25.7 million, hotel revenue increasing by $11.6 million, concession revenue increasing by $4.6 million and car rental revenue increasing by $4.2 million.

Operating Expenses

The chart below illustrates the sources of total operating expenses for the year ended December 31, 2022:



Operating expenses increased by $13.5 million or 3.7 percent to $384.1 million. The expense categories which had the largest increases were salaries, wages and fringe benefits ($2.2 million), hotel management ($6.5 million) and other ($13.1 million).

Salaries, wages and fringe benefits totaled $84.7 million for the year December 31, 2022, as compared to $82.6 million for the year ended December 31, 2021. The increase is primarily attributable to an increase in expenses associated with the change in other post-employment benefits. Hotel management expenses increased from $11.8 million to $18.3 year-over-year, as increasing occupancy rates resulted in higher overall operating costs. Increases in other operating expense of $13.1 million are the result of increases in a number of operational areas, including a $2.3 million increase in shuttle bus service costs, a $3.6 million increase in janitorial costs and a $3.2 million increase in materials and supplies costs.

Nonoperating Revenues, Expenses and Contributed Capital

Nonoperating revenues increased from $94.8 million in 2021 to $105.5 million in 2022. The increase is primarily attributable to customer facility charges, which resumed on August 1, 2022, and resulted in $4.6 million in revenue in 2022. Nonoperating expenses also increased, from $77.9 million in 2021 to $87.0 million in 2022. The increase was the result of a $7.8 million loss on the disposal of assets, and a $2.4 million unrealized loss on the value of investments.

Capital contributions increased by $28.5 million, from $13.1 million in 2021 to $41.6 million 2022. Capital contributions in 2022 were primarily for grant revenue obtained through the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) for the reconstruction of Taxiway Y at DTW and the reconstruction of runway 9-27 and associated taxiway connectors at Willow Run Airport.

Economic Conditions

The Authority utilizes a mix of airline and non-airline revenue to off-set the cost of operating the Airport. Airline and non-airline revenue are either derived from or are significantly impacted by demand for air transportation and the operations of the Airlines meeting this demand at the Airport. Changes in economic conditions which impact passenger traffic and aviation activity may be reflected in the airline and non-airline revenue realized by the Authority. As a residual Airport, should economic conditions create a reduction in revenue resulting in a deficit between revenues and expenses, the Authority has the ability to increase rates charged to all Airlines up to the amount of the deficit. Conversely, should revenues exceed expenses, the excess is returned to the Airlines.

As previously noted, in calendar year 2020 economic conditions in the State of Michigan, the United States, and countries throughout the world were impacted by the spread of COVID-19. As the impact of the pandemic has subsided, airline activity has steadily improved, and the overall economy has largely recovered. In addition, the Airport continues to have access to certain financial support initiated through legislative measures which were put into place to help mitigate the financial impact on industries effected by COVID-19. In 2022, the Authority recognized $17.4 million in grant revenues received through the Airport Coronavirus Response Grant (CRRSA), $3.9 million through the concessions portion of CRRSA, and $12.3 million through the American Rescue Plan Act (ARPA). The Authority has approximately $99.4 in ARPA funds available as of year-end, with an additional $15.5 million in ARPA funds designated for concessions relief.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Position

December 31, 2022

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Assets:			
Current assets:			
Cash and investments (note 4)	$ 231,823,571	$ 2,607,886	$ 234,431,457
Accounts receivable, less allowance (note 2)	21,639,515	318,463	21,957,978
Lease receivable (note 13)	12,617,243	52,728	12,669,971
Due from other governmental units	32,878,424	6,989,629	39,868,053
Due from other funds	548,041	—	548,041
Prepaids and deposits	4,180,962	29,930	4,210,892
Total current assets	303,687,756	9,998,636	313,686,392
Restricted assets (notes 4 and 6):			
Cash and investments	250,175,204	—	250,175,204
Accounts receivable	253,288	—	253,288
Capital assets (note 7):			
Capital assets not being depreciated	293,402,151	20,559,676	313,961,827
Capital assets being depreciated	4,063,181,740	216,317,147	4,279,498,887
Total capital assets	4,356,583,891	236,876,823	4,593,460,714
Less accumulated depreciation	2,559,399,831	124,277,184	2,683,677,015
Net capital assets	1,797,184,060	112,599,639	1,909,783,699
Other assets:			
Lease receivable (note 13)	9,386,863	800,739	10,187,602
Prepaids and deposits	492,498	—	492,498
Prepaid bond insurance premiums (note 2)	537,433	—	537,433
Total noncurrent assets	2,058,029,346	113,400,378	2,171,429,724
Total assets	$ 2,361,717,102	$ 123,399,014	$ 2,485,116,116
Deferred outflows of resources:			
Deferred amount on refunding (note 2)	$ 9,438,239	$ —	$ 9,438,239
Deferred outflows from pensions (note 10)	19,171,742	245,553	19,417,295
Deferred outflows from other postemploy. benefits (note 11)	14,253,002	181,880	14,434,882
Total deferred outflows of resources	$ 42,862,983	$ 427,433	$ 43,290,416

See accompanying notes to basic financial statements.

(continued)

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Net Position

December 31, 2022

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Liabilities:			
Current liabilities:			
Accounts payable	$ 40,581,782	$ 2,097,238	$ 42,679,020
Accrued wages and benefits	4,154,069	30,823	4,184,892
Due to other governmental units	1,978,591	—	1,978,591
Due to other funds	—	548,041	548,041
Payments received in advance	2,738,893	17,375	2,756,268
Bonds payable and other debt (note 8)	815,567	60,000	875,567
Other accrued liabilities	26,224,668	271,530	26,496,198
Total current liabilities	76,493,570	3,025,007	79,518,577
Payable from restricted assets:			
Accrued interest and other payables	13,736,587	—	13,736,587
Bonds payable and other debt (note 8)	101,225,000	—	101,225,000
Other accrued liabilities	130,575	940,200	1,070,775
Payments received in advance	64,321	—	64,321
Due to other governmental units (note 12)	3,793,000	—	3,793,000
Net pension liability (note 10)	56,748,810	639,287	57,388,097
Net other postemployment benefit liability (note 11)	36,903,340	470,916	37,374,256
Bonds payable and other debt, net (note 8)	1,948,396,251	205,000	1,948,601,251
Total noncurrent liabilities	2,160,997,884	2,255,403	2,163,253,287
Total liabilities	$ 2,237,491,454	$ 5,280,410	$ 2,242,771,864
Deferred inflows of resources:			
Deferred inflow from pension (note 10)	$ 4,993,305	$ 63,955	$ 5,057,260
Deferred outflows from other postemploy. benefits (note 11)	8,998,084	114,823	9,112,907
Deferred inflows from leases (note 13)	21,886,972	849,863	22,736,835
Total deferred inflows of resources	$ 35,878,361	$ 1,028,641	$ 36,907,002
Net position:			
Net investment in capital assets	$ (158,588,213)	$ 112,599,639	$ (45,988,574)
Restricted for:			
Capital assets	47,632,639	—	47,632,639
Debt service	168,249,194	—	168,249,194
Operations	47,063,700	—	47,063,700
Drug enforcement	7,575,235	—	7,575,235
Unrestricted	19,277,715	4,917,757	24,195,472
Total net position	$ 131,210,270	$ 117,517,396	$ 248,727,666

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Revenues, Expenses, and Changes in Net Position

Year Ended December 31, 2022

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Operating revenues:			
Airline revenues:			
Airport landing and related fees	$ 45,559,513	$ 1,137,206	$ 46,696,719
Terminal building rentals and related fees	94,040,125	176,007	94,216,132
Facility use fees	5,762,669	651,777	6,414,446
Nonairline revenues:			
Parking fees	87,624,321	—	87,624,321
Concession fees	32,720,958	—	32,720,958
Car rental	25,401,242	—	25,401,242
Hotel	29,728,369	—	29,728,369
Employee shuttle bus	2,938,256	—	2,938,256
Ground transportation	7,433,827	—	7,433,827
Utility service fees	4,443,780	106,364	4,550,144
Rental facilities	4,202,343	584,473	4,786,816
Other	8,285,961	1,135,635	9,421,596
Total operating revenues	348,141,364	3,791,462	351,932,826
Operating expenses:			
Salaries, wages, and fringe benefits	83,594,353	1,154,678	84,749,031
Parking management	6,993,617	—	6,993,617
Hotel management	18,358,005	—	18,358,005
Shuttle bus services	9,534,090	—	9,534,090
Janitorial services	20,052,344	31,414	20,083,758
Security	7,364,335	—	7,364,335
Professional and other contractual services	27,078,544	1,801,229	28,879,773
Utilities	22,507,569	692,623	23,200,192
Buildings and grounds maintenance	15,681,411	771,975	16,453,386
Equipment repair and maintenance	20,736,144	136,613	20,872,757
Materials and supplies	10,131,954	206,887	10,338,841
Insurance	2,122,372	34,969	2,157,341
Other	4,749,985	103,021	4,853,006
Depreciation	123,806,401	6,502,279	130,308,680
Total operating expenses	372,711,124	11,435,688	384,146,812
Operating loss	(24,569,760)	(7,644,226)	(32,213,986)
Nonoperating revenues (expenses):			
Passenger facility charges	55,380,403	—	55,380,403
Customer facility charges	4,639,302	—	4,639,302
Federal and state sources	44,715,979	576,874	45,292,853
Net insurance recovery	189,460	—	189,460
Investment loss	(2,372,439)	31,945	(2,340,494)
Interest expense	(76,778,843)	—	(76,778,843)
Loss on disposal of assets	(7,803,649)	(9,767)	(7,813,416)
Amortization of bond insurance premiums	(40,967)	—	(40,967)
Net nonoperating revenues	17,929,246	599,052	18,528,298
Net loss before capital contributions	(6,640,514)	(7,045,174)	(13,685,688)
Capital contributions	27,312,479	14,324,428	41,636,907
Transfers (out) in	(12,002,537)	12,002,537	—
Changes in net position	8,669,428	19,281,791	27,951,219
Net position – Beginning of year	122,540,842	98,235,605	220,776,447
Net position – End of year	$ 131,210,270	$ 117,517,396	$ 248,727,666

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year Ended December 31, 2022

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	$ 357,933,214	$ 3,779,590	$ 361,712,804
Payments to suppliers	(162,337,795)	(2,855,858)	(165,193,653)
Payments to employees	(88,734,369)	(669,089)	(89,403,458)
Payments (to) from other funds for services provided	(35,961)	35,961	—
Return of customer deposits	(1,794,848)	(10,685)	(1,805,533)
Collection of customer deposits	2,172,089	9,454	2,181,543
Net cash provided by operating activities	107,202,330	289,373	107,491,703
Cash flows from noncapital financing activities:			
Passenger facility charges received	481,388	—	481,388
Customer facility charges received	5,781	—	5,781
Insurance proceeds	189,460	—	189,460
Grants from federal/state government	36,959,702	576,874	37,536,576
Net cash provided by noncapital financing activities	37,636,331	576,874	38,213,205
Cash flows from capital and related financing activities:			
Capital contributions received	15,500,679	12,731,749	28,232,428
Grants from federal/state government	6,697,517	—	6,697,517
Passenger facility charges received	54,539,140	—	54,539,140
Customer facility charges received	3,659,727	—	3,659,727
Proceeds for the sale of capital assets	226,982	—	226,982
Payments (to) from other funds for capital activities	(14,477,623)	14,477,623	—
Principal paid on capital debt	(98,346,825)	(55,000)	(98,401,825)
Acquisition and construction of capital assets	(89,553,550)	(25,798,980)	(115,352,530)
Interest paid on capital debt	(87,713,770)	—	(87,713,770)
Net cash (used in)/provided by capital and related financing activities	(209,467,723)	1,355,392	(208,112,331)
Cash flows from investing activities:			
Interest and dividends received	7,381,364	31,945	7,413,309
Purchases of investments	(456,883,381)	—	(456,883,381)
Maturities of investments	530,759,368	—	530,759,368
Net cash provided by investing activities	81,257,351	31,945	81,289,296
Net increase in cash and cash equivalents	16,628,289	2,253,584	18,881,873
Cash and cash equivalents – Beginning of year	301,846,448	354,302	302,200,750
Cash and cash equivalents – End of year	$ 318,474,737	$ 2,607,886	$ 321,082,623

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Cash Flows

Year Ended December 31, 2022

	Detroit Metropolitan Airport Fund	Willow Run Airport Fund	Total
Reconciliation of operating loss to net cash provided by operating activities:			
Operating loss	$ (24,569,760)	$ (7,644,226)	$ (32,213,986)
Adjustments to reconcile operating loss to net cash provided by operating activities:			
Depreciation expense	123,806,401	6,502,279	130,308,680
Decrease (increase) in accounts receivable	509,181	(16,781)	492,400
(Decrease) increase in due from/to other funds	(583,982)	583,982	—
(Increase) decrease in prepaids/deposits	(1,605,896)	156,538	(1,449,358)
Increase (decrease) in accounts payable	4,275,322	(59,263)	4,216,059
Increase in accrued wages and benefits	688,768	1,382	690,150
Increase in unearned revenue	960,715	4,909	965,624
Increase in due to other governmental units	259,336	—	259,336
Increase in other accrued liabilities	8,747,561	825,773	9,573,334
(Decrease)/Increase in net OPEB liability	(5,335,865)	120,627	(5,215,238)
Increase (decrease) in net pension liability	50,548	(185,847)	(135,299)
Total adjustments	131,772,089	7,933,599	139,705,688
Net cash provided by operating activities	$ 107,202,329	$ 289,373	$ 107,491,702
Cash and investments at December 31, 2022 consist of:			
Cash and cash equivalents	$ 318,474,737	$ 2,607,886	$ 321,082,623
Investments	163,524,038	—	163,524,038
Total cash and investments	$ 481,998,775	$ 2,607,886	$ 484,606,661

Noncash investing activities:

- Detroit Metropolitan Airport Fund had a noncash change in the fair value of investments of approximately $10.3 million in the year ended December 31, 2022.
- The issuance of refunding bonds resulted in several non-cash activities. The major components are as follows: $22.3 million of principal additions offset by $21 million of principal reductions.

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Fiduciary Net Position

December 31, 2022

		Postemployment Health Benefits Trust Fund
Assets:		
Interest in pooled investments (note 4):		
Bonds	$	16,462,773
Stocks		48,218,831
Private markets		25,278,901
Total interest in pooled investments	$	89,960,505
Net position:		
Net position restricted for OPEB	$	89,960,505

See accompanying notes to basic financial statements.

WAYNE COUNTY AIRPORT AUTHORITY

Statement of Changes in Fiduciary Net Position

Year Ended December 31, 2022

	Postemployment Health Benefits Trust Fund
Additions	
Investment income (loss):	
Net decrease in fair value	$ (10,476,101)
Investment expenses	(165,336)
Net investment income (loss)	(10,641,437)
Health benefit contributions:	
Employer	5,280,830
Employee	659,485
Total health benefit contributions	5,940,315
Total additions	(4,701,122)
Deductions	
Health insurance payments	5,940,315
Changes in net position	(10,641,437)
Net position – restricted for other post-employment benefits - Beginning of year	100,601,942
Net position – restricted for other post-employment benefits - End of year	$ 89,960,505

See accompanying notes to basic financial statements.

(1) The Reporting Entity

The Wayne County Airport Authority (the Authority) is an independent public benefit agency and considered an agency of the Charter County of Wayne, Michigan (the County) for the purposes of federal and state laws but is not subject to any County charter requirements or the direction or control of either the Wayne County Executive or Commission. Pursuant to Public Act 90 (the Authority Act), Michigan Public Acts of 2002 (effective March 26, 2002), the Authority has operational jurisdiction of the Detroit Metropolitan Wayne County Airport (Metro Airport), the Willow Run Airport, and the Airport Hotel, with the exclusive right, responsibility, and authority to occupy, operate, control, and use them. The financial statements of the Authority include the operations of Metro Airport (which includes the Airport Hotel) and Willow Run Airport. The Authority is not deemed a component unit of the County.

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

Metro Airport has airport use agreements with 10 airlines. These airlines, along with their affiliates, constitute approximately 97 percent of total landed weight in the year ended December 31, 2022. Metro Airport has agreements with various concessionaires (parking, food service, rental car agencies, etc.) for which Metro Airport pays a management fee or receives revenue.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The Authority reports the following major funds:

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

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

The Authority also reports the following fiduciary fund:

Postemployment Health Benefits Trust Fund – This fund accounts for the activities of the employee benefit plan that accumulates resources for other postemployment benefit (OPEB) payments to qualified employees.

(b) Basis of Accounting and Measurement Focus

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

(c) Cash and Investments

Cash resources of the individual funds of the Authority, except as specifically stated by ordinance, are pooled and invested. Interest on pooled investments is allocated monthly among the respective funds based on average investment balances. Interest earned but not received at year end is accrued. Investments are stated at fair value or estimated fair value, and investments with a maturity of three-months or less are considered cash and cash equivalents.

(d) Cash Flows

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

(e) Passenger Facility Charges

The Authority assesses passenger facility charges of $4.50 per passenger enplanement. The passenger facility charges are recorded as nonoperating revenues and may only be expended on capital and noncapital projects approved by the federal government. Passenger facility charges from airlines are recorded on an accrual basis. Unspent PFC cash and accounts receivable are classified as restricted net position for eligible debt service.

(f) Customer Facility Charges

The Authority may impose a customer facility charge (CFC) which must be collected by rental car concessionaires operating at Detroit Metropolitan Airport. Beginning August 1, 2022, $3.00 was charged to each airport rental car concessionaire customer on a per transaction day basis. CFC revenues are classified as nonoperating on the statement of revenue, expenses, and changes in net position. Such amounts are classified as restricted net position for capital improvements related to the rental car operations at Detroit Metropolitan Airport.

(g) Revenue Recognition

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

(h) Net Position

Equity is displayed in three components, as follows:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, plus unspent bond process, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

Unrestricted – This consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

(i) Classification of Revenues and Expenses

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

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

Nonoperating – Nonoperating revenues and expenses include activities that have the characteristics of nonexchange transactions that are defined as nonoperating by GASB No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting*, such as revenue from federal and state grants and contributions and investment income.

(j) Use of Estimates

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

(k) Capital Assets

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

Buildings and improvements	10 - 50 years
Equipment	3 - 12 years
Infrastructure	10 - 40 years

Purchases 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. At the time capital assets are sold, retired, or disposed of, the costs of such assets and related accumulated depreciation are removed from the accounts, and any gain or loss is reflected in the results of operations.

(l) Compensated Absences

The Authority's employees earn vacation and sick leave benefits based, in part, on length of service. Vacation pay is fully vested when earned, and sick pay vests upon completion of two years of service. Upon separation from service, employees are paid accumulated vacation and sick pay based upon the nature of separation (death, retirement, or termination). Certain limitations have been placed on the hours of vacation and sick leave that employees may accumulate and carry over for payment at termination, retirement, or death. Unused hours exceeding these limitations are forfeited. A liability for accumulated unpaid vacation and sick pay has been recorded in the financial statements as a current "other accrued liability" and will be paid with resources from both the Detroit Metropolitan Airport Fund and the Willow Run Airport Fund. Activity for the year ended December 31, 2022 was as follows:

Beginning Balance	$	3,850,946
Increases		5,056,510
Decreases		(5,148,551)
Ending Balance	$	3,758,905

(m) Retirement Contributions and Other Postemployment Benefit Costs

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

In addition, the Authority has entered into an arrangement with WCERS and Wayne County which the Authority has concluded represents a special funding situation under GASB 68. Under the arrangement, which was entered into in 2016, the Authority has provided $22 million in funding for Pre-2002 Retiree Liabilities. The Authority has recorded an estimated liability of $6.8 million for this obligation at December 31, 2022.

The Authority offers healthcare benefits to retirees. For purposes of measuring the net retiree healthcare benefit liability, deferred outflows of resources, deferred inflows of resources, and retiree healthcare benefit plan expense, information about the fiduciary net position of the retiree healthcare benefit plan and additions to/deductions from the retiree healthcare benefit plans fiduciary net position have been determined on the same basis as they are reported by the Authority. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In addition, the Authority has agreed to contribute 11.25 percent for its estimated share of stipend payments made to participants in the Wayne County Health and Welfare Plan that retired before September 1, 2002. Members of the Wayne County Health and Welfare Plan are required to file annual certifications related to the use of this stipend for healthcare benefits. The Authority's obligation for its share of stipend payments is estimated to be $3,793,000 at December 31, 2022.

(n) Accounts Receivable

Net receivables at December 31, 2022 consist of trade receivables incurred by customers during the normal course of business. The total allowance for uncollectible accounts at December 31, 2022 was $389,580, of which $350,000 was for the Detroit Metropolitan Airport Fund, $25,000 was for the Willow Run Airport Fund and $14,580 was for the Airport Hotel.

(o) Accounts Payable

Total payables at December 31, 2022 consist of payables due to vendors incurred during the normal course of business.

(p) Restricted Assets and Liabilities

Restricted assets consist of cash, investments, and accounts receivable that are legally required to be trusteed or maintained in separate depository accounts. Capital program funds are restricted to pay the costs of certain capital projects as defined in various bond agreements. Debt service funds are restricted to make payments for principal and interest as required by the specific bond agreements. Liabilities payable from restricted assets are the accrued interest and current portion of long-term debt associated with the purchase and construction of the capital projects funded by the restricted assets.

(q) Interfund Balances, Advances, and Transfers

The interfund balances resulted from (1) the time lag between the dates interfund goods and services are provided or reimbursable expenses occur, (2) the time lag between the dates payment between funds is made, and (3) overdrafts by individual funds of its share of pooled cash. Noncurrent balances arising in connection with interfund loans are reported as advances. *Due from other funds* is an asset account used to record current portions of loans from one reporting fund to another reporting fund. Similarly, *due to other funds* is a liability account used to record current portions of debt owed by one reporting fund to another reporting fund. On December 31, 2022, the following interfund balances existed between the Detroit Metropolitan Airport Fund and the Willow Run Airport Fund:

Fund Name	Due From	Due To
Detroit Metropolitan Airport Fund	$ 548,041	$ -
Willow Run Airport Fund	$ -	$ (548,041)

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

(r) Prepaid Bond Insurance Premiums

Total remaining unamortized bond insurance premiums were $537,433 as of December 31, 2022, net of accumulated amortization of $351,765.

(s) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Authority has three items that qualify for reporting in this category. One is the deferred charge on refunding reported on the statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second and third items are the deferred outflows for pension and OPEB. See the detailed categories of the deferred outflows for pension in Note 10 and OPEB in Note 11.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has three items that qualify for reporting in this category, deferred inflows for pension, OPEB and leases. See the detailed categories of the deferred inflows for pension in Note 10, OPEB in Note 11 and leases in Note 13.

(t) Environmental Matters

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

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

(u) Self-Insurance

During the year ended September 30, 2004, the Authority became self-insured for disability, unemployment, and liability insurance. The Authority charges its departments a specified percentage of the department's regular biweekly payroll for these liabilities. Claims related to unemployment, disability, claim administration, deductibles, self-insured retentions, and legal bills are paid out of these funds. Additionally, the Authority maintains insurance coverage in several areas, including property, auto and cyber.

During the year ended September 30, 2005, the Authority became self-insured for health insurance and workers' compensation. The Authority charges its departments a specified percentage of the department's regular biweekly payroll for these liabilities. The funds collected for workers' compensation are used to pay claims (wages and medical), third-party administration services, and loss control services. The Authority purchases workers' compensation insurance for claims that exceed $1 million. There has been one claim (two claimants) that has exceeded the $1 million deductible wherein the insurer has been responsible for settlement of all future wages, medical, and legal costs. The funds collected for health insurance are used to pay self-insured claims to Blue Cross Blue Shield, the primary healthcare provider, fully-insured healthcare premiums for Health Alliance Plan, dental, vision and life insurance. The Authority purchases stop/loss coverage from Blue Cross Blue Shield for healthcare claims that exceed $1 million. There have been no claims in the past three years that have exceeded this threshold.

The liability for self-insurance claims has been recorded in the financial statements as a current "other accrued liability". The Detroit Metropolitan Airport Fund resources are used to liquidate this liability. A reconciliation of the Authority's self-insured claims liability at December 31, 2022 follows:

	Health Insurance	Workers' Compensation	Other Claims	Total
Claims liability, December 31, 2020	$ 692,000	$ 243,000	$ 356,000	$ 1,291,000
Claims incurred during fiscal year 2021	14,141,064	605,125	557,365	15,303,554
Payments on claims	(14,124,064)	(572,340)	(559,301)	(15,255,705)
Change in the reserve	-	215	34,936	35,151
Claims liability, December 31, 2021	$ 709,000	$ 276,000	$ 389,000	$ 1,374,000
Claims incurred during fiscal year 2022	15,915,223	409,328	527,943	16,852,494
Payments on claims	(15,859,223)	(365,222)	(383,205)	(16,607,650)
Change in the reserve	-	(106)	262	156
Claims liability, December 31, 2022	$ 765,000	$ 320,000	$ 534,000	$ 1,619,000

(v) Long-term leases

Regulated leases – The Authority leases certain assets to various third parties as regulated leases. These leases are for assets related directly and substantially to the movement of passengers, baggage, mail and cargo at the airport. Regulated lease revenue is recorded as operating revenue as it is earned over the life of the regulated leases.

Non-regulated leases – The Authority leases certain assets to various third parties as non-regulated leases. As a lessor, the Authority is required to recognize a lease receivable and a deferred inflow of resources. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is equal to the lease receivable, less prepayments received from lessees, or lease incentives paid to lessees. As lease payments are received, the Authority recognizes interest revenue and a reduction to the lease receivable. The Authority also recognizes operating lease revenue calculated as the amortization of the deferred inflow of resources over the lease term.

Additional information regarding lease accounting is provided in Note 13.

(3) Major Customer

Delta Air Lines (Delta) and its affiliates account for approximately 29 percent of total Authority operating revenues for the year ended December 31, 2022, including 69 percent of landing and related fees, 68 percent of airline rental and related fees, and 71 percent of facility use fees. Approximately 74 percent of total enplanements during the period are attributable to Delta's (and affiliates) operations. In the event that Delta discontinues its operations, there are no assurances that another airline would replace its hub activities. Existing operating agreements with all Signatory Airlines servicing the Authority require that all remaining airlines would continue to pay the net operating costs and debt service requirements of the Authority. The Authority had approximately $4.8 million in receivables from Delta at December 31, 2022.

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

(4) Deposits and Investments

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

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

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

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

Investments of the Primary Gov.		Fair value	Rating	Rating Organization
Money market funds	$	57,080,028	AAA	S&P
Commercial paper		164,603,399	A1, P1	S&P, Moody

Custodial credit risk of bank deposits - Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Authority’s investment policy requires that deposits over the $250,000 insured limit in a commercial bank shall not equal more than 25 percent of the combined capital and surplus of that bank, and that bank must meet the minimum standards of at least one standard rating service. At year-end, the Authority had $102,770,085 of bank deposits (certificates of deposit, checking, and savings accounts) that were uninsured and uncollateralized. The Authority believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Authority evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution. Only those institutions with an acceptable estimated risk level are used as depositories.

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

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

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

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

Note: All Commercial Paper is limited by state statute to 270 days maximum

At year end, the deposits and investments of the primary government and the fiduciary fund totaled $574,567,166. The average maturities of investments subject to interest rate risk at year end are as follows:

Primary Government		Fair Value	Average Maturity
Investments subject to risk:			
Bond reserves:			
U.S. Treasuries	$	5,339,781	9.6 months
U.S. Agencies		120,208,243	2.4 years
Commercial paper		7,545,128	2.0 months
Bond payment funds:			
U.S. Treasuries		14,831,371	4.9 months
2021A Capitalized Interest:			
Commercial paper		1,484,853	2.7 months
Construction funds:			
2021A Construction:			
Commercial paper		66,178,061	1.0 months
2021B Construction:			
Commercial paper		14,352,802	1.0 months
FF&E Construction:			
Commercial paper		6,871,464	1.2 months
Operating funds:			
Commercial paper		68,171,091	2.0 months
U.S. Agencies		19,993,447	8.7 months
Total of investments subject to risk	$	324,976,241	
Deposits/investments not subject to risk:			
Deposits	$	102,550,392	
Money market funds		57,080,028	
Total Primary Government	$	484,606,661	

Fiduciary Fund		Fair Value
Deposits/investments not subject to risk:		
Investment Pool	$	89,960,505
Total Fiduciary Fund	$	89,960,505

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

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

Limits based upon use of specific instruments:

Investment type	Limit	Actual at Year-End
Bankers' acceptances	50%	- %
Repurchase agreements	25	-
Certificates of deposit (bank)	50	-
Money market funds	50	25.6
Commercial paper	60	28.7
U.S. Government	100	27.9

Limits based upon use of a single issuer:

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

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

Issuer	Investment type	Fair value	Percentage of Portfolio	Rating
Anglesea Funding, LLC	Commercial paper	$ 31,623,172	5.50%	A1, P1
Mountcliff Funding, LLC	Commercial paper	$ 67,468,634	11.74%	A1, P1

(5) Fair Market Measurement

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

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

The Authority has the following recurring fair value measurements as of December 31, 2022:

- U.S. Treasury securities of $20,171,152 - are valued using quoted market prices (Level 1 inputs).

- Commercial paper of $164,603,399 - are valued using a matrix pricing model and par value (Level 2 inputs).
- U.S. Government Agency securities of $140,201,690 - are valued using quoted market prices and various market and industry inputs (Level 2 inputs).

A total of $57,080,028 of bank pools are recorded at amortized cost in accordance with GASB Statement No. 79 and are not included in the fair value disclosures above.

Investments in Entities that Calculate Net Asset Value Per Share - The Authority holds an interest in the MERS Total Market Portfolio whereby the fair value of the investments are measured on a recurring basis using net asset value per share (or its equivalent) of the investment as a practical expedient. As of December 31, 2022, the fair value was $89,960,505. There were no unfunded commitments or redemption rules.

The MERS Total Market Portfolio is a fully diversified portfolio combining traditional stocks and bonds with alternative asset classes, including real estate, private equity, and commodities. The objective is to provide current income and capital appreciation while minimizing the volatility of the capital markets. The Municipal Employees' Retirement System (MERS) manages the asset allocation and monitors the underlying investment managers of the MERS Total Market Portfolio.

(6) Restricted Assets

In accordance with the terms of applicable ordinances and federal and state laws, the Authority is required to restrict assets for various purposes. Net position has been restricted related to certain restricted assets. A summary of the restricted assets at December 31, 2022 is as follows:

Construction:	
Cash and investments	88,243,914
Accounts receivable	7,428
Total	88,251,342
Bond and interest redemption:	
Cash and investments	161,931,290
Accounts receivable	245,860
Total	162,177,150
Total restricted assets	$ 250,428,492

(7) Capital Assets

Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning balance	Increases	Decreases	Ending balance
Detroit Metropolitan Airport Fund:				
Capital assets not being depreciated:				
Land and nondepreciable assets	$ 224,367,511	$ -	$ -	$ 224,367,511
Construction in progress	64,510,222	77,707,216	(73,182,798)	69,034,640
Total capital assets not being depreciated	288,877,733	77,707,216	(73,182,798)	293,402,151
Capital assets being depreciated:				
Buildings and improvements	2,166,757,454	1,178,061	-	2,167,935,515
Equipment	126,923,870	2,895,140	(1,731,533)	128,087,477
Infrastructure	1,714,672,068	72,014,660	(19,527,980.00)	1,767,158,748
Total capital assets being depreciated	4,008,353,392	76,087,861	(21,259,513)	4,063,181,740
Less accumulated depreciation for:				
Buildings and improvements	1,407,494,994	53,637,044	-	1,461,132,038
Equipment	85,900,884	8,477,624	(1,589,181)	92,789,327
Infrastructure	955,439,968	61,698,584	(11,660,086)	1,005,478,466
Total accumulated depreciation	2,448,835,846	123,813,252	(13,249,267)	2,559,399,831
Total capital assets being depreciated, net	1,559,517,546	(47,725,391)	(8,010,246)	1,503,781,909
Total Detroit Metropolitan Airport Fund capital assets, net	$ 1,848,395,279	$ 29,981,825	$ (81,193,044)	$ 1,797,184,060

	Beginning balance	Increases	Decreases	Ending balance
Willow Run Airport Fund:				
Capital assets not being depreciated:				
Land and nondepreciable assets	$ 17,476,885	$ -	$ -	$ 17,476,885
Construction in progress	2,958,396	20,638,537	(20,514,142)	3,082,791
Total capital assets not being depreciated	20,435,281	20,638,537	(20,514,142)	20,559,676
Capital assets being depreciated:				
Buildings and improvements	15,345,407	1,952,686	-	17,298,093
Equipment	7,408,739	-	-	7,408,739
Infrastructure	175,188,661	18,635,457	(2,213,803)	191,610,315
Total capital assets being depreciated	197,942,807	20,588,143	(2,213,803)	216,317,147
Less accumulated depreciation for:				
Buildings and improvements	8,146,078	665,318	-	8,811,396
Equipment	6,027,240	228,085	-	6,255,325
Infrastructure	105,734,813	5,679,686	(2,204,036)	109,210,463
Total accumulated depreciation	119,908,131	6,573,089	(2,204,036)	124,277,184
Total capital assets being depreciated, net	78,034,676	14,015,054	(9,767)	92,039,963
Total Willow Run Airport Fund capital assets, net	98,469,957	34,653,591	(20,523,909)	112,599,639
Total Authority capital assets, net	$ 1,946,865,236	$ 64,635,416	$ (101,716,953)	$ 1,909,783,699

(8) Long-term Debt

The detail of long-term debt at December 31, 2022 is as follows:

Detroit Metropolitan Airport Fund:	
Airport Revenue Bonds - Direct Placement:	
Series 2015B, 2.716%, due 12/1/2024	$ 38,500,000
Series 2015C, 3.75%, due 12/1/2034	25,640,000
Series 2017C, Jr. Lien, 5.00%, due 12/1/2037	24,615,000
Series 2017E, 4.00%, due 12/1/2028	66,760,000
Series 2017F, 2.6835%, due 12/1/2028	112,330,000
Series 2019, 2.92%, due 12/1/2034	29,440,000
Series 2020B, Variable, Crnt. Yield at 12/31/21, 3.56733% due 12/1/2033	85,320,000
Series 2020C, Variable, Crnt. Yield at 12/31/21, 4.14% due 12/1/2033	112,090,000
Series 2022, Variable, Crnt. Yield at 12/31/21, 3.940752% due 12/1/2039	21,035,000
Total Direct Placement Airport Revenue Bonds	515,730,000
Airport Revenue Bonds - Other:	
Series 2012A, 3.00% to 5.00%, due 12/1/2042	153,840,000
Series 2012B, 5.00%, due 12/1/2037	20,225,000
Series 2012D, 3.00% to 5.00%, due 12/1/2028	29,740,000
Series 2014B, 3.00% to 5.00%, due 12/1/2044	65,995,000
Series 2014C, 3.00% to 5.00%, due 12/1/2044	31,245,000
Series 2015D, 3.00% to 5.00%, due 12/1/2045	212,830,000
Series 2015E, 5.00%, due 12/1/2038	7,755,000
Series 2015F, 5.00%, due 12/1/2034	224,155,000
Series 2015G, 2.00% to 5.00%, due 12/1/2036	59,880,000
Series 2017A, 4.00% to 5.00%, due 12/1/2047	50,370,000
Series 2017B, 4.00% to 5.00%, due 12/1/2047	40,470,000
Series 2017C, 5.00%, due 12/1/2028	48,340,000
Series 2017A, Jr. Lien, 4.00% to 5.00%, due 12/1/2037	52,760,000
Series 2017B, Jr. Lien, 5.00%, due 12/1/2032	34,460,000
Series 2018A, 5.00%, due 12/1/2043	147,190,000
Series 2018B, 5.00%, due 12/1/2048	6,005,000
Series 2018C, 4.00% to 5.00%, due 12/1/2025	14,130,000
Series 2018D, 5.00%, due 12/1/2032	43,020,000
Series 2021A, 5.00%, due 12/1/2046	121,260,000
Series 2021B, 5.00%, due 12/1/2046	29,520,000
Total Other Airport Revenue Bonds	1,393,190,000
Shuttle lease - Direct Placement	1,713,443
Total Detroit Metropolitan Airport Fund	1,910,633,443

Willow Run Airport Fund:	
Direct Placement – Downriver Community Conference, 0%, due 5/1/2027	265,000
Total Authority bonds payable and other debt	1,910,898,443
Add (less):	
Certain bond discounts	(320,874)
Certain bond premiums	140,124,249
Total Authority bonds payable and other debt, net	2,050,701,818
Less current portion	102,100,567
Total Authority bonds payable and other debt, noncurrent	$ 1,948,601,251

The annual requirements to pay principal and interest on the Authority's debt outstanding at December 31, 2022 are summarized as follows:

	Principal				
	Direct Placement Airport Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Shuttle Lease	Direct Placement Willow Run Debt	Total
2023	$ 74,085,000	$ 27,140,000	$ 815,567	$ 60,000	$ 102,100,567
2024	74,915,000	28,235,000	638,138	60,000	103,848,138
2025	56,445,000	49,150,000	220,675	60,000	105,875,675
2026	58,335,000	51,590,000	39,064	60,000	110,024,064
2027	60,410,000	53,890,000	-	25,000	114,325,000
2028 to 2032	112,270,000	403,745,000	-	-	516,015,000
2033 to 2037	65,505,000	362,420,000	-	-	427,925,000
2038 to 2042	13,765,000	261,525,000	-	-	275,290,000
2043 to 2047	-	149,890,000	-	-	149,890,000
2048 to 2052	-	5,605,000	-	-	5,605,000
Total	$ 515,730,000	$ 1,393,190,000	$ 1,713,444	$ 265,000	$ 1,910,898,444

	Interest			
	Direct Placement Airport Revenue Bonds	Other Airport Revenue Bonds	Direct Placement Shuttle Lease	Total
2023	$ 13,105,150	$ 69,463,675	$ 91,177	$ 82,660,002
2024	11,259,210	68,113,300	45,506	79,418,016
2025	9,399,493	66,706,800	16,769	76,123,062
2026	8,038,650	64,253,175	511	72,292,336
2027	6,626,847	61,677,050	-	68,303,897
2028 to 2032	21,855,695	253,992,125	-	275,847,820
2033 to 2037	9,131,114	156,045,400	-	165,176,514
2038 to 2042	771,744	77,574,250	-	78,345,994
2043 to 2047	-	18,985,250	-	18,985,250
2048 to 2052	-	280,250	-	280,250
Total	$ 80,187,903	$ 837,091,275	$ 153,963	$ 917,433,141

Pursuant to the Authority Act, the Authority is liable for all of the obligations with respect to the Authority and is obligated to perform all of the duties, and is bound by all of the covenants, with respect to the Authority under any ordinances (including Ordinance 319), agreements or other instruments and under law. Under the Authority Act, all airport revenue bonds issued by the Authority may be issued on a parity basis with the Outstanding Senior Lien Bonds and Additional Bonds issued by the Authority under the Master Bond Ordinance and secured by net revenues.

Net revenues (as defined in the various bond ordinances) of Metro Airport have been pledged toward the repayment of the Airport Revenue Bonds. Net revenues consist of operating revenues, beginning revenue fund cash balance, interest income and other, federal and state sources, passenger facility charges, and customer facility charges reduced by operating expenses not including depreciation. For the year ended December 31, 2022, the net revenue was approximately $238,635,000 compared to the net debt service (senior lien and junior lien principal and interest) of approximately $180,391,000.

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

During the year, the Authority reestablished a $25 million line of credit facility with a bank to provide liquidity for funding of operation and maintenance expenses. The line of credit represents a direct borrowing and carries a variable interest rate based on BSBY (Bloomberg Short-Term Bank Yield Index) plus a spread ranging from 40 – 80 basis points. At December 31, 2022, the outstanding balance on the line of credit was $0.

Direct Placement Debt – Detroit Metropolitan Airport Fund

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

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

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

The Authority defeased the Series 2005A Bonds by placing the proceeds of the Series 2015C Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds were subsequently called and paid in full in September 2015. The difference between the cash flows required to service the new debt and complete the refunding was approximately $4.4 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $3.5 million.

In October 2017, the Authority issued a $24.6 million Direct Placement Bond with Citibank, N.A., Series 2017C Jr. Lien Bonds. The Series 2017C Jr. Lien Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2017C Jr. Lien Refunding Bonds were issued to refund a portion of the Series 2007A Jr. Lien Bonds. The Series 2017C Jr. Lien Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport and available after net revenues have first been set aside as required to pay the principal and interest and redemption price, if any, of Senior Lien Bonds as provided in the Ordinance. The Series 2017C Jr. Lien Bonds are "Junior Lien Bonds" under the Ordinance, and a statutory lien subordinate to the prior lien in respect of Senior Lien Bonds has been established under the Ordinance upon and against the net revenues to secure the payment of the Series 2017C Jr. Lien Bonds.

The Authority defeased the Series 2007A Jr. Lien Bonds by placing the proceeds of the Series 2017C Jr. Lien Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2007A Jr. Lien Bonds were subsequently called and paid in full in December 2018. The difference between the cash flows required to service the new debt and complete the refunding was approximately $6.8 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $4.3 million.

In December 2017, the Authority issued a $67.8 million Direct Placement Bond with Citibank, N.A., Series 2017E Bonds. The Series 2017E Refunding Bonds were issued to refund the Series 2013B Direct Placement Bonds which were initially issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2017E Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2013B Direct Placement Bond by placing the proceeds of the Series 2017E Bonds in the 2013B Bond Fund to be immediately paid to the Direct Placement Bondholder. The Series 2013B Direct Placement Bond was paid in full on December 21, 2017.

In December 2017, the Authority issued a $114.3 million Direct Placement Bond with Bank of America, N.A., Series 2017F Bonds. The Series 2017F Refunding Bonds were issued to refund the Series 2013C Direct Placement Bonds which were initially issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro

Airport. The Series 2017F Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the Series 2013C Direct Placement Bond by placing the proceeds of the Series 2017F Bonds in the 2013C Bond Fund to be immediately paid to the Direct Placement Bondholder. The Series 2013C Direct Placement Bond was paid in full on December 21, 2017.

In April 2019, the Authority issued a $29.8 million Direct Placement Bond with DNT Asset Trust, Series 2019 Bonds. The Series 2019 Refunding Bonds were issued to refund the Series 2014A Direct Placement Bond which was initially issued to finance the cost of various capital projects at Metro Airport. The Series 2019 Bonds are revenue obligations of the Authority payable solely from the operations of Metro Airport.

The Authority defeased the Series 2014A Direct Placement Bond by placing the proceeds of the Series 2019 Bonds in the 2014A Bond Fund to be immediately paid to the Direct Placement Bondholder. The Series 2014A Direct Placement Bond was paid in full on April 18, 2019. An estimate of the minimum economic gain (the difference between the present value of the debt service payments on the old and new debt) has not been calculated due to the uncertainty of future debt service payments for the 2014A Direct Placement Bond, which was a variable interest obligation.

In December 2020, the Authority issued $198.1 million in direct placement bonds. An $85.6 million Direct Placement Bond with Bank of America, N.A., Series 2020B Bonds, and a $112.5 million Direct Placement Bond with JPMorgan Chase Bank, N.A., Series 2020C Bonds. The Series 2020B and 2020C Refunding Bonds were issued to refund the Series 2017D Direct Placement Bond which was initially issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2020B and 2020C Bonds are revenue obligations of the Authority payable solely from the operations of Metro Airport.

The Authority defeased the Series 2017D Direct Placement Bond by placing the proceeds of the Series 2020B and 2020C Bonds in the 2017D Bond Fund to be immediately paid to each respective Direct Placement Bondholder. The Series 2017D Direct Placement Bond was paid in full on December 1, 2020. An estimate of the minimum economic gain (the difference between the present value of the debt service payments on the old and new debt) has not been calculated due to the uncertainty of future debt service payments for the 2017D Direct Placement Bond and the 2020B and 2020C Direct Placement Bonds, all of which are variable interest obligations.

The Series 2020B and 2020C Bonds are variable-rate bonds. The Series 2020B Bonds bear interest at a rate of 80% of BSBY (Bloomberg Short-Term Bank Yield Index) plus a margin ranging from 40-100 basis points, depending on the Authority's credit rating. The Series 2020C Bonds bear interest at a rate of 80% of LIBOR plus a margin ranging from 84-104 basis points, depending on the Authority's credit rating. Each bondholder is responsible under their respective agreements with the Authority to calculate the interest rate monthly.

In December 2022, the Authority issued a $21 million Direct Placement Bond with The Huntington National Bank, Series 2022 Bonds. The Series 2022 Refunding Bonds were issued to refund the Series 2020A Direct Placement Bond which was initially issued to refund certain outstanding indebtedness previously issued to refinance the cost of the Westin Hotel located in the McNamara Terminal. The Series 2022 Bonds are revenue obligations of the Authority payable solely from the operations of Metro Airport.

The Authority defeased the Series 2020A Direct Placement Bond by placing the proceeds of the Series 2022 Bonds in the 2020A Bond Fund to be immediately paid to the Direct Placement Bondholder. The Series 2020A Direct Placement Bond was paid in full on December 1, 2022. An estimate of the minimum economic gain (the difference between the present value of the debt service payments on the old and new debt) has not been calculated due to the uncertainty of the future debt service payments for the 2020A Direct Placement Bond and the 2022 Direct Placement Bond, both of which are variable interest obligations.

The Series 2022 Bonds are variable-rate bonds which bear interest at 80% of adjusted SOFR (Secured Overnight Financing Rate) plus a margin ranging from 55-80 basis points, depending on the Authority's credit rating. The Huntington National Bank is responsible under an agreement with the Authority to calculate the interest rate monthly.

<u>Direct Placement Debt – Detroit Metropolitan Airport Fund- Additional Information</u>

The Authority's Series 2020B Bonds, 2020C Bonds, and 2022 Bonds are subject to continuing covenant agreements. Significant events of default under each continuing covenant agreement include: (1) the failure to pay when due the principal, premium, or interest on the applicable series of bonds, or to pay any other obligation (other than the obligation to pay the principal of or interest on the applicable series of bonds) and the failure to pay the obligation shall continue for three business days; (2) any representation, warranty, or statement made by the Authority in the applicable continuing covenant agreement proves to have been untrue in any material respect and is not corrected within the applicable cure period; (3) any document furnished to the applicable purchaser by the Authority in connection with the transactions contemplated by the applicable continuing covenant agreement, taken as a whole, proves to be materially inaccurate; (4) the failure of the Authority to perform or observe any of the affirmative or negative covenants specified in the applicable continuing covenant agreement (certain of which contain limited or no notice or cure rights, and others of which constitute events of default only after the passage of thirty days during which default is not remedied); (5) the occurrence of certain bankruptcy or insolvency events; (6) the long-term unenhanced ratings assigned to any of the Authority's outstanding debt secured by Net Revenues are reduced below "BBB" by Fitch, "Baa2" by Moody's, or "BBB" by S&P, or such ratings are withdrawn or suspended; (7) the entry of a final and non-appealable judgment against the Authority for the payment of money equaling or exceeding $5,000,000, to be paid out of Net Revenues, that remains unsatisfied for a period of sixty days; (8) the Authority shall default in any payment of any outstanding parity debt or debt secured by Net Revenues, beyond the applicable grace period, or shall default in the observance or performance of any agreement or condition relating to any outstanding parity debt or debt secured by Net Revenues, beyond the applicable grace period.

Upon occurrence of an event of default under the applicable continuing covenant agreement, the bondholder may exercise certain rights and remedies, including the right to require the Authority to cause a mandatory tender of the Bonds governed by the continuing covenant agreement and/or declare the unpaid principal amount and interest accrued on all such Bonds due and payable.

The Authority's Series 2015B, 2015C, 2017E, 2017F and 2019 Bonds, and its Series 2017C Junior Lien Bonds, are all subject to bond purchase agreements which provide no significant events of default with finance-related consequences, termination events with finance-related consequences or subjective acceleration clauses.

Other Debt – Detroit Metropolitan Airport Fund

In September 2012, the Authority issued $202.7 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include the reconstruction and rehabilitation of airfield pavement and parking decks/lots, the replacement and construction of support facilities, acquisition of fleet and heavy equipment, design of powerhouse control room, watermain replacements, security network upgrades and roof replacements. The Series 2012A Bonds and Series 2012B Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In September 2012, the Authority issued $75.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2012C and 2012D. The Series 2012C and 2012D Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2012C Refunding Bonds were issued to refund a portion of the Series 2002C Bonds. The Series 2012D Refunding Bonds were issued to refund a portion of the Series 1998A Bonds and the Series 2002D Bonds. The Series 2012C Bonds and Series 2012D Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport. The 2012C Bonds were paid in full on December 1, 2020.

The Authority defeased the refunded portions of the Series 1998A Bonds, the refunded portions of the Series 2002C Bonds and the refunded Series 2002D Bonds by placing the proceeds of the Series 2012C Bonds and Series 2012D Bonds in an irrevocable trust to provide for all future debt service payments. The Series 1998A Bonds, Series 2002C Bonds and Series 2002D Bonds were subsequently called and paid in full in October 2012 and December 2012. The difference between the cash flows required to service the new debt and complete the refunding was approximately $10.0 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $7.8 million.

In August 2014, the Authority issued $98.4 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include taxiway rehabilitation and reconstruction, road reconstruction, bridges and roadway rehabilitation, fleet and heavy equipment acquisitions, various electrical projects, power plant equipment replacements and demolition of various buildings. The Series 2014B Bonds and Series 2014C Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In October 2015, the Authority issued $221.1 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include reconstruction and rehabilitation of airfield pavement, acquisition of fleet and heavy equipment, roadway rehabilitation and lighting, GTC heating system reconfiguration, retaining wall reconstruction, construction of an administration building, power plant building rehabilitation and security system upgrades. The series 2015D Bonds and Series 2015E Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In October 2015, the Authority issued $299 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2015F and 2015G. The Series 2015F and 2015G Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2015F Refunding Bonds were issued to refund a portion of the Series 2005A Bonds. The Series 2015G Refunding Bonds were issued to refund a portion of the Series 2001A Airport Hotel Revenue Bonds. The Series 2015F Bonds and the Series 2015G Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the refunded portion of the Series 2005A Bonds and the refunded portion of the Series 2001A Bonds by placing the proceeds of the Series 2015F Bonds and Series 2015G Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2005A Bonds and the Series 2001A Bonds were subsequently called and paid in full in December 2015. The difference between the cash flows required to service the new debt and complete the refunding was approximately $27.1 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $29.6 million.

In October 2017, the Authority issued $91.4 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include reconstruction and rehabilitation of airfield pavement, acquisition of fleet and heavy equipment, roadway rehabilitation, improvements to the baggage handling system at the McNamara Terminal and improvements to the passenger tram control system at the McNamara Terminal. The series 2017A Bonds and Series 2017B Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In October 2017, the Authority issued $78.4 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2017C. The Series 2017C Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2017C Refunding Bonds were issued to refund the Series 2007B Bonds. The Series 2017C Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the refunded portion of the Series 2007B Bonds by placing the proceeds of the Series 2017C Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2007B Bonds were subsequently called and paid in full in December 2017. The difference between the cash flows required to service the new debt and complete the refunding was approximately $15.2 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $12.8 million.

In October 2017, the Authority issued $109.1 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2017A Jr. Lien and 2017B Jr. Lien. The Series 2017A Jr. Lien and 2017B Jr. Lien Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2017A Jr. Lien and Series 2017B Jr. Lien Refunding Bonds were issued to refund a portion of the Series 2007A Jr. Lien Bonds. The Series 2017A Jr. Lien Bonds and the Series 2017B Jr. Lien Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport and available after net revenues have first been set aside as required to pay the principal and interest and redemption price, if any, of Senior Lien Bonds as provided in the Ordinance. The Series 2017A Jr. Lien Bonds and Series 2017B Jr. Lien Bonds are "Junior Lien Bonds" under the Ordinance, and a statutory lien subordinate to the prior lien in respect of Senior Lien Bonds has been established under the Ordinance upon and against the net revenues to secure the payment of the Series 2017A Jr. Lien Bonds and Series 2017B Jr. Lien Bonds.

The Authority defeased the refunded portion of the Series 2007A Jr. Lien Bonds by placing the proceeds of the Series 2017A Jr. Lien Bonds and Series 2017B Jr. Lien Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2007A Jr. Lien Bonds were subsequently called and paid in full in December 2017. The difference between the cash flows required to service the new debt and complete the refunding was approximately $26 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $18.8 million.

In November 2018, the Authority issued $153.4 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include reconstruction and rehabilitation of airfield pavement, site demolitions and North Terminal Gate Expansion. The Series 2018A Bonds and Series 2018B Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from the operations of Metro Airport.

In November 2018, the Authority issued $78.5 million in Wayne County Airport Authority Airport Revenue Refunding Bonds, Series 2018C and 2018D. The Series 2018C and 2018D Bonds were issued to refund certain outstanding indebtedness previously issued to finance or refinance the cost of various capital projects at Metro Airport. The Series 2018C and 2018D Refunding Bonds were issued to refund the Series 2008A Bonds. The Series 2018C and 2018D Bonds are revenue obligations of the Authority payable solely from the revenues derived by the Authority from the operations of Metro Airport.

The Authority defeased the refunded portion of the Series 2008A Bonds by placing the proceeds of the Series 2018C Bonds and the Series 2018D Bonds in an irrevocable trust to provide for all future debt service payments. The Series 2008A Bonds were subsequently called and paid in full in December 2018. The difference between the cash flows required to service the new debt and complete the refunding was approximately $16.4 million. The Authority estimates its minimum economic gain (difference between the present value of the debt service payments on the old and new debt) was approximately $11.7 million.

In June 2021, the Authority issued $150.8 million in Wayne County Airport Authority Airport Revenue Bonds to provide funds to pay a portion of the costs of certain capital improvements at Metro Airport. These projects include reconstruction and rehabilitation of airfield pavement, power plant lines, parking deck/parking lot rehabilitations and repairs and other airport facility projects. The Series 2021A Bonds and Series 2021B Bonds are revenue obligations of the Authority payable solely from the net revenues derived by the Authority from operations of Metro Airport.

Other Debt – Detroit Metropolitan Airport Fund – Additional Information

The Authority's Series 2012A, 2012B, 2012D, 2014B, 2014C, 2015D, 2015E, 2015F, 2015G, 2017A, 2017B, 2017C, 2017A Jr. Lien, 2017B Jr. Lien, 2018A, 2018B, 2018C, 2018D, 2021A and 2021B Bonds are each subject to the provisions of specific Series Ordinances as well as the Authority's Master Bond Ordinance. Neither the Series Ordinances nor the Master Bond Ordinance provides significant events of default with finance-related consequences, termination events with finance-related consequences or subjective acceleration clauses.

Other Debt – Willow Run Airport

In May 2014, the Authority entered into a loan agreement with Downriver Community Conference (DCC) to assist Willow Run Airport with remediation activities at Hangar 2. The loan agreement with the DCC defines certain events of default with finance-related consequences. The events of default as defined in the agreement are summarized as follows: (a) default in any payment (b) any representation or warranty made by the Authority that proves at the time made were false or misleading in any material respect; (c) use of the proceeds of the loan for purposes other than those stated in section 3 of the loan agreement or approved in writing by the DCC; (d) default in the performance of any other term, covenant or agreement contained herein, or in the loan documents, which by default is not cured within 30 days of receipt of a notice of default or such longer period as shall be reasonably necessary to cure such default provided the Authority promptly commences such cure and thereafter diligently pursues such cure to completion; (e) the Authority defaults under the terms of article 4 of the agreement. Article 4 provides that: (1) the Authority will not pledge its Airport Development Fund ("ADF") to secure any debt of the Borrower without the written consent of the DCC; (2) the Authority will maintain available funds in the ADF in an amount not less than the then outstanding balance due under the loan.

Upon the occurrence of an event of default, any indebtedness under the loan agreement shall, at the DCC's option and without notice, become immediately due and payable without presentment, notice or demand.

Long-term debt activity for the year ended December 31, 2022 was as follows:

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Detroit Metropolitan Airport Fund:					
Direct Placement - airport revenue bonds	$ 536,575,000	$ 21,035,000	$ (41,880,000)	$ 515,730,000	$ 74,085,000
Other - airport revenue bonds	1,469,895,000	—	(76,705,000)	1,393,190,000	27,140,000
Direct Placement - shuttle lease	2,485,223	—	(771,780)	1,713,443	815,567
Add (less):					
Other - bond discounts	(352,687)	31,813	—	(320,874)	—
Direct Placement- bond premiums	6,021,558	—	(978,387)	5,043,171	—
Other - bond premiums	147,811,512	—	(12,730,434)	135,081,078	—
Total Detroit Metropolitan Airport Fund	2,162,435,606	21,066,813	(133,065,601)	2,050,436,818	102,040,567
Willow Run Airport Fund:					
Direct Placement - DCC Note	320,000	—	(55,000)	265,000	60,000
Total Willow Run Airport Fund	320,000	—	(55,000)	265,000	60,000
Total Long-Term Debt	$ 2,162,755,606	$ 21,066,813	$ (133,120,601)	$ 2,050,701,818	$ 102,100,567

(9) Commitments and Contingencies

(a) Litigation

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

(b) Construction

The estimated costs to complete Metro Airport's current capital improvement program totaled $986.3 million at December 31, 2022, which will be funded by previously issued and anticipated debt, federal grants, and passenger facility charges. Unexpended commitments on construction and professional services contracts in connection with Metro Airport's program totaled $37.4 million at December 31, 2022.

The estimated costs to complete Willow Run Airport's current capital improvement program totaled $94.9 million at December 31, 2022, which will be funded with federal and state grants. Unexpended commitments on construction and professional services contracts in connection with Willow Run Airport's program totaled $76 million at December 31, 2022.

(c) Environmental Matters

Environmental accruals are calculated and recorded using an expected cash flow technique applied to probabilities, ranges, and assumptions developed in response to a potential remediation liability as based on current law and existing technologies. At December 31, 2022, the Authority had accrued obligations of $1.2 million for environmental remediation and restoration costs. This is management's best estimate of the costs with respect to environmental matters; however, these estimates contain inherent uncertainties primarily due to unknown conditions, changing regulations, and developing technologies. In accordance with GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, the liability has been recorded at the current value estimated using the expected cash flow technique, a probability-weighted approach. Nineteen percent of the recorded environmental liabilities are related to a Consent Decree and judgment issued during 1994 that identifies the Airport as one of the fourteen responsible parties to the improvements to the Wayne County Downriver Sewage Disposal System (the System). The remainder is for asbestos remediation estimates. See additional discussion on asbestos and other remediation matters below.

Asbestos Remediation

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

WCAA personnel, with the assistance of WCAA contractors, have performed preliminary assessments of the nature and extent of the material. Based upon the information gathered and provided the Authority has recorded asbestos-related liabilities of $940,000 at Willow Run Airport as of December 31, 2022.

Additional Remediation Matters

In the mid-1990's, it was discovered that soils near the Willow Run airport were adversely impacted. Various public and private entities (including the County of Wayne, the predecessor entity to WCAA) were tasked by the Environmental Protection Agency (EPA) to remediate the areas. The soils were dredged from Tyler Pond, Edison Pond, and the Willow Run Sludge Lagoon. Subsequently, the materials were encapsulated and placed in an approved landfill. Pursuant to the various documents and orders governing the remediation, title to the real property where the controlled facility is located was to be transferred to General Motors because General Motors was documented as the main Partial Responsible Party (PRP). In June of 2009, before taking title to the real property, where the controlled facility is located, General Motors filed for bankruptcy protection. As such, Ford

Motor Company became the foremost PRP by default. While Ford Motor Company has continued to operate the controlled facility, to date, and despite the WCAA's attempts, Ford Motor Company has not taken title to the real property where the controlled facility is located. WCAA is in negotiation to facilitate the transfer of real property to the Ford Motor Company.

(10) Employee Benefits

(a) Plan Description

The Authority provides retirement benefits to its employees through the Wayne County Employees' Retirement System (WCERS), an agent multi-employer public employee retirement system that is governed by the Wayne County Retirement Ordinance as amended. The Retirement System provides both defined benefit plan and defined contribution plan retirement options. The Defined Benefit Plan consists of Plan Option 1, Plan Option 2, Plan Option 3, Plan Option 5 and Plan Option 5A (collectively, the Plan). Three of the Plan options require employee contributions (Plan Option 1, Plan Option 3 and Plan Option 5A) and two do not require employee contributions (Plan Option 2 and Plan Option 5). Two of the Plan options are hybrid plans (Plan Option 5 and Plan Option 5A) which consist of both a defined benefit component and a defined contribution component. The Defined Contribution Plan consists of Plan Option 4, Plan Option 4A, Plan Option 5 and Plan Option 5A.

The Retirement System provides retirement, survivor, and disability benefits to substantially all County and Authority employees. The Retirement Board issues separate financial statements for the Defined Benefit Plan and the Defined Contribution Plan annually. Copies of these financial statements can be obtained at 28 W. Adams, Suite 1900, Detroit, Michigan 48226. The statements are also available on WCERS website at www.wcers.org.

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

At the September 30, 2022 measurement date, the following employees were covered by the Plan:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	298
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	11
Active Plan Members	240
Total Plan Members	549

(b) Pension Benefits

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

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

Plan Option 2 – 1.00 percent for each year up to 20 years and 1.25 percent for each year over 20 years. Maximum Authority-financed portion is 75 percent of average final compensation (less worker's compensation payments).

Plan Option 3 – 1.50 percent for each year up to 20 years, 2 percent for each year between 20 and 25 years, and 2.5 percent for each year over 25 years. Maximum Authority-financed portion is 75 percent of average final compensation (less workers' compensation payments).

Plan Option 5 – 1.25 percent for each year up to 20 years and 1.5 percent for each year over 20 years. Maximum pension is 75 percent of average final compensation (less workers' compensation payments). For members of International Association of Fire Fighters Local 741, 2.0 percent for each year of service credited after July 24, 2019.

Plan Option 5A – 1.50 percent for each year up to 20 years and 1.75 percent for each year over 20 years. Maximum pension is 75 percent of average final compensation (less workers' compensation payments). For members of International Association of Fire Fighters Local 741, 2.0 percent for each year of service credited after July 24, 2019.

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

(c) Contributions

Participants in Plan Option 1 contribute 2.00 percent to 6.58 percent of annual compensation, depending on years of credited service. Participants in Plan Option 2 do not make plan contributions, but receive a lower final benefit. Plan Option 3 participants make contributions of 3.0 percent of covered compensation and receive a lower final benefit.

Participants in Plan Option 5 with a 1.25/1.5 percent multiplier contribute 0 percent of covered compensation depending on the collective bargaining agreement. Participants in Plan 5 who are members of International Association of Fire Fighters Local 741 contribute 6.0 percent.

Participants in Plan 5A contribute 2.00 percent of annual compensation, unless the Annual Actuarial Valuation Report of the Wayne County Employees' Retirement System show the Authority's funding level less than 100 percent, then the participant's contribution level will increase to 3.00 percent until the funding level is at 100 percent. Participants in Plan 5A who are members of International Association of Fire Fighters Local 741 contribute 6.00 percent.

The obligation to contribute and to maintain the Plan for these employees was established by negotiations with the County's and subsequently the Authority's collective bargaining units. For the year ended December 31, 2022, the Authority's contribution was $6,254,064.

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

The Retirement Commission is vested with a fiduciary responsibility for administration, management, and proper operation of WCERS. The Plan's assets are held and invested in accordance with the Michigan Public Pension Investment Act 314 of 1965, as amended (Act 55, P.A. 1982). Act 314 incorporates the prudent person rule and requires investment fiduciaries to act solely in the interest of the Plan's participants and beneficiaries.

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

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

The adopted asset allocation policy as of September 30, 2022, was as follows:

Asset Class	Target Allocation	Allocation Range Minimum	Allocation Range Maximum
Equity	50%	40%	70%
Domestic fixed income	20%	5%	50%
International fixed income	0%	0%	20%
Real estate	15%	5%	20%
Alternative investments	15%	10%	20%
Michigan-based private equity	0%	0%	2%
Short-term or cash	0%	0%	5%
	100%		

Rate of Return. For the year ended September 30, 2022, the annual money-weighted rate of return on plan investments, net of investment expenses, was negative 12.85 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(e) Net Pension Liability

The Authority has chosen to use September 30, 2022 as its measurement date for the net pension liability. The December 31, 2022 reported net pension liability was determined using a measure of the total pension liability and the pension net position as of September 30, 2022. The September 30, 2022 total pension liability was determined by an actuarial valuation performed as of September 30, 2021.

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

	Total Pension Liability	Plan Net Position	Net Pension Liability
Balance at September 30, 2020	$ 190,594,400	$ 165,113,711	$ 25,480,689
Changes for the year:			
Service cost	1,632,034	—	1,632,034
Interest	12,531,150	—	12,531,150
Changes to benefit terms	—	—	—
Experience differences	(3,351,015)	—	(3,351,015)
Changes in actuarial assumptions	—		
Contributions - employer	—	6,494,867	(6,494,867)
Contributions - employee	—	434,529	(434,529)
Net investment income	—	(20,743,013)	20,743,013
Benefit payments, including refunds	(11,531,238)	(11,531,238)	—
Administrative expenses	—	(441,867)	441,867
Other	3,740	—	3,740
Balance at September 30, 2021	$ 189,879,071	$ 139,326,989	$ 50,552,082

For the year ended December 31, 2022, the Authority recognized pension expense of $6,518,765. At fiscal year end, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 13,316,795	$
Changes in actuarial assumptions	4,311,381	—
Difference between projected and actual experience	—	(5,057,260)
Employer contributions to the plan subsequent to the measurement date	1,789,119	—
Total	$ 19,417,295	$ (5,057,260)

Deferred outflows of pension resources related to contributions after the measurement date will be a reduction of the net pension liability at September 30, 2023. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	Ouflow
2022	$ 2,858,616
2023	2,530,153
2024	838,555
2025	6,343,592
2026	—
Thereafter	—
Total	$ 12,570,916

Actuarial Assumptions. The total pension liability in the September 30, 2021 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Inflation	3.0%
Salary increases	3.0% to 13.15% including inflation
Investment rate of return	6.75%

The mortality tables used to measure post-retirement mortality was 105% of the PubG-2010 Retiree Mortality tables for males and females. Mortality rates for a particular calendar year are determined by applying the MP-2020 Mortality Improvement scale to the above described tables. The corresponding disabled and employee tables were used for disability and pre-retirement mortality, respectively.

The actuarial assumptions used to calculate contribution rates in the September 30, 2021 valuation were determined using an experience-based table of rates specific to the type of eligibility condition. The experience-based table of rates was last updated for the 2021 valuation pursuant to an experience study of the period beginning October 1, 2015 and ending September 30, 2020.

Discount Rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine this rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate.

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

The assumed rate of investment return was adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary. Additional information about the assumed rate of investment return is included in the September 30, 2021 actuarial valuation report.
The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rate of returns (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class, and in conjunction with a formal study of experience during the period October 1, 2015 through September 30, 2020. These real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. For each major asset class that is included in the pension plan's target asset allocation as of September 30, 2022, these best estimates of the arithmetic real rates of return are as follows:

Asset Class	Long Term Real Return
Domestic Equity	4.82%
International Equity	4.91%
Domestic Bonds	1.05%
Domestic High Yield	2.51%
Real Estate	6.37%
Alternatives	5.08%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the Authority, calculated using the discounted rate of 6.75 percent, as well as what the Authority's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75 percent) or one percentage point higher (7.75 percent) than the current rate.

		1% Decrease 5.75%		Current Rate 6.75%		1% Increase 7.75%
Net Pension Liability	$	71,592,770	$	50,552,082	$	32,775,209

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued financial report. For purposes of measuring the net pension liability, deferred outflows of resources or deferred inflow of resources related to pension and pension expense, information about the Plan's fiduciary net position and addition to/deduction from fiduciary net position have been determined on the same basis as they are reported by the Plan. The Plan uses the economic resources measurement focus and the full accrual basis of accounting, and investments are stated at fair value. Member contributions are recognized in the period in which contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with benefit terms.

(f) Pre-2002 Retirees

The Authority participates in the Wayne County Employees' Retirement System with the County, an agent multiple employer defined benefit plan. Pursuant to Public Act 90 and Michigan Public Act of 2002, the Authority was granted operational jurisdiction of the Detroit Metropolitan Wayne County Airport, the Willow Run Airport, and the Airport Hotel, with the exclusive right, responsibility, and authority to occupy, operate, control, and use them. Prior to the Act, the Authority and its employees were employees of the County. In connection with the Authority's assumption of control and operation of the Airports pursuant to Act 90, the Authority was responsible for funding any retirement obligations for those employees that were previously County employees. During fiscal year 2016, the Authority committed to a five-year payment schedule of $1.1 million per quarter for its estimated share (10.25 percent) of the Combined Pre-2002 Retiree Liability of $20,948,822 as of September 30, 2015. The terms of this commitment were memorialized in a memorandum of understanding between the Authority, Wayne County and WCERS in fiscal year 2017. The Authority has concluded that this arrangement represents a special funding situation under GASB 68. The Authority has made all payments as required by the memorandum of understanding. The Authority has recorded an estimated liability for further obligations related to pre-2002 retirees of approximately $6.8 million at December 31, 2022.

		Net Pension Liability
Pre-2002 Retirees	$	50,552,082
Post-2002 Retirees		6,836,015
Total	$	57,388,097

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

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

Under Plan Option 4, the Authority contributes $4.00 for every $1.00 contributed by each member or, for eligible executives, $5.00 for every $1.00 contributed by each member, with the member contributions ranging from 1.0 percent to 2.5 percent (3 percent for employees with 20 or more years of service and 3 percent for eligible executives with 10 or more years of service) of base compensation. Employees hired prior to July 1, 1984 were eligible to transfer from the WCERS Defined Benefit Plan to the Plan through September 30, 2002. Effective September 30, 2012, the Authority closed the Plan Option 4 to new hires.

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

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

Participants in Plan Option 4A must contribute 4 percent and can elect to contribute an additional 7.5 percent of their compensation. The Authority makes matching contribution of 8 percent of an employee's compensation. Employees are vested after three years.

Participants in Plan Option 5 and Plan Option 5A contribute 3 percent of gross pay. The Authority makes matching contributions at a rate equal to the amount contributed by each employee. Employees are vested at 50 percent after one year of service, 75 percent after two years of service, and 100 percent after three years of service.

The obligation to contribute and to maintain the Plan for these employees was established by negotiations with the Authority's collective bargaining units. Total Authority employer and employee contributions to the Plan during the year ended December 31, 2022 were $3,955,439 and $2,634,316, respectively.

(h) Assumption Changes

There were no new assumption changes in effect during the measurement period.

(11) Other Post-Employment Benefits

Wayne County Airport Authority Retiree Health Care Plan

(a) Plan Description

As provided for in the Authority Act, the Authority provides hospitalization and other health insurance benefits for retirees, pursuant to agreements with various collective bargaining units or other actions of the Authority Board. Benefits are provided through the Wayne County Airport Authority Retiree Health Care Plan, a single employer defined benefit plan administered by the Municipal Employees' Retirement System (MERS). The plan does not issue a separate stand-alone financial statement.

At the September 30, 2021 valuation date, the following members were covered by the plan:

Retirees and Beneficiaries Currently Receiving Benefits	338
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	290
Total Plan Members	628

(b) Benefits Provided

Benefits are provided after normal retirement or non-duty disability subject to age and service requirements established in respective collective bargaining agreements. Benefits are provided after duty disability with no age or service requirement. Medical and prescription drug coverage is provided to retirees under the age of 65 and their eligible dependents, and the cost of federal Medicare premiums and supplemental hospitalization is paid for retirees over 65 and their eligible dependents, as these costs are incurred by the retirees.

(c) Contributions

In September 2008, the Authority created and began funding an Act 149 Health Care Trust (Trust). The Trust provides a funding mechanism for the Wayne County Airport Authority Retiree Healthcare Plan. In September 2012, the Authority transferred the assets of the Trust into a MERS of Michigan Retiree Health Funding Vehicle, which is held in a separate reserve, but invested on a pooled basis by MERS with other governmental units. The balance as of December 31, 2022 in this restricted plan is $89,960,505.

Retiree healthcare costs are generally paid by the Authority on a "pay-as-you-go" basis, and funds are accumulated in the Trust for the payment of future benefits. The Authority is under no obligation to make contributions to the Trust in advance of when costs are incurred; however, the Authority's financial plan is to fund these obligations annually based upon the actuarial recommended contribution. Non-Medicare retirees are required to contribute either 10 percent of the Blue Cross Blue Shield illustrative rate or 10 percent of the lesser of HAP active and HAP retiree premium. For the fiscal year ended December 31, 2021 the Authority paid postemployment healthcare benefits of $5,280,830 while retiree contributions totaled $659,485. No contributions to the Trust were made in 2022.

(d) Net OPEB Liability

The Authority has chosen to use December 31, 2022 as its measurement date for the net OPEB liability. The December 31, 2022 fiscal year end reported net OPEB liability was determined using a measure of the total OPEB liability and the OPEB net position as of the December 31, 2022 measurement date. The December 31, 2022 total OPEB liability was determined by an actuarial valuation performed as of September 30, 2021. Update procedures were performed to roll forward the estimated liability to December 31, 2022.

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

Changes in Net OPEB Liability	Total OPEB Liability	Plan Net Position	Net OPEB Liability
Balance at December 31, 2021	$ 118,996,082	$ 100,601,942	$ 18,394,140
Changes for the year:			
Service cost	1,011,983	-	1,011,983
Interest	8,180,316	-	8,180,316
Differences between expected and		-	-
actual experience	3,592,762	-	3,592,762
Changes in actuarial assumptions	834,448	-	834,448
Contributions - Employer	-	5,280,830	(5,280,830)
Contributions - Employee	-	659,485	(659,485)
Net investment income	-	(10,641,437)	10,641,437
Benefit payments, including refunds	(5,280,830)	(5,940,315)	659,485
Net changes	8,338,679	(10,641,437)	18,980,116
Balance at December 31, 2022	$ 127,334,761	$ 89,960,505	$ 37,374,256

The Plan's fiduciary net position represents 70.65 percent of the total OPEB liability.

For the year ended December 31, 2022, the Authority recognized OPEB expense of $65,591. At year end, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,497,141	$ (9,042,424)
Changes in actuarial assumptions	2,577,389	(70,483)
Net difference between projected and actual earnings on OPEB plan investments	9,360,352	-
Total	$ 14,434,882	$ (9,112,907)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Amount
2022	$ (1,522,964)
2023	326,232
2024	2,981,998
2025	3,536,709
2026	-
Thereafter	-
Total	$ 5,321,975

Actuarial Assumptions. The total OPEB liability in the September 30, 2021 actuarial valuation was determined using a wage inflation assumption of 3.0 percent; assumed salary increases (including inflation) ranging from 3.0 percent to 13.15 percent; an investment rate of return (net of investment expenses) of 7.0 percent; an initial healthcare cost trend rate of 7.50/6.25 percent (non-Medicare, Medicare) for 2022, gradually decreasing to an ultimate rate of 3.5 percent for 2033 and later years; and using the PubG-2010 Retiree Mortality table with the MP-2020 mortality improvement scale. These assumptions were applied to all periods included in the measurement.

The actuarial assumptions used to calculate contribution rates in the September 30, 2021 valuation were determined using an experience-based table of rates specific to the type of eligibility condition. The experience-based table of rates was last updated pursuant to an experience study of the period beginning October 1, 2015 and ending September 30, 2020.

Discount Rate. The discount rate used to measure the total OPEB liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at rates equal to the actuarially determined contribution rate. The discount rate reflects 1) the long-term expected rate of return on OPEB plan investments of 7.0 percent and 2) a municipal bond rate of 4.05 percent (based on fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year GO AA Index" as of December 31, 2022).

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

Investment Rate of Return. The long-term expected rate of return on OPEB plan investments was determined using a forward-looking estimate of capital market returns model for each investment major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and investment percentages. The target allocation and best estimate of arithmetic real rates of return for each asset class are summarized in the following table:

Asset Class	Target Allocation	Long Term Real Return
Global Equity	60%	4.50%
Global Fixed Income	20%	2.00%
Private Investments	20%	7.00%

Sensitivity of Net OPEB Liability to Changes in the Discount Rate. The following presents the net OPEB liability of the Authority, calculated using the discount rate of 7.0 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 6.0%	Current Rate Assumption 7.0%	1% Increase 8.0%
Net OPEB Liability	$ 53,633,750	$ 37,374,256	$ 23,889,176

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the Authority, calculated using the healthcare cost trend rate of 8.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease 7.25%	Current Healthcare Cost Trend Rate Assumption 8.25%	1% Increase 9.25%
Net OPEB Liability	$ 22,145,327	$ 37,374,256	$ 55,824,522

Assumption Changes. Based upon an experience study performed by the pension actuary, assumptions were updated beginning with the September 30, 2021 valuation, which develops the contribution rate for the fiscal year ending December 31, 2023. The assumption updates include the use of a version of the Pub-2010 Mortality Tables with generational mortality improvement using scale MP 2020. The new assumptions were also reflected in development of the Total OPEB Liability as of December 31, 2022.

(12) Due to Other Governmental Units - Wayne County Health and Welfare Plan (Pre-2002)

As provided for in the Authority Act, the Authority, through the County, provides hospitalization and other health insurance for retirees pursuant to agreements with various collective bargaining units or other actions of the Wayne County Board of Commissioners, the Wayne County Retirement Board, or the Authority Board. Benefits are provided to retirees under the age of 65 and their eligible dependents, and the cost of federal Medicare premiums and supplemental hospitalization is paid for retirees over 65 and their eligible dependents as these costs are incurred by the retirees. Currently, the plan's members include retirees for the County and the Authority that retired before September 1, 2002. The plan is closed to new members.

During the year ended September 30, 2016, the County Commission adopted an ordinance amending the 1990 Wayne County Health and Welfare Plan. The ordinance provided for stipend payments in lieu of healthcare benefits for Plan members that meet certain eligibility requirements. Plan members that receive the stipend benefit are required to file annual certifications related to the use of this stipend for health care benefits. Plan members may become ineligible for this stipend benefit upon eligibility for another health care plan.

The Authority's liability under this arrangement as of December 31, 2022 is $3,793,000. To date, the Authority has made $1,727,205 in payments related to these stipend benefits.

(13) Leases

Lessor

For the year ended December 31, 2022, the Authority's financial statements include the adoption of GASB Statement No. 87, Leases ("GASB No. 87"). The primary objective of GASB No. 87 is to enhance the relevance and consistency of information about the leasing activities of governmental entities. GASB No. 87 establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under GASB No. 87, a lessee is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

The Authority leases certain assets to various third parties. The assets leased include space and land leases on the Airport premises and within the terminal buildings. Payments are generally fixed monthly. Certain variable payments, such as excess amounts due over fixed payments, are not included in the measurement of the lease receivable.

During the year ended December 31, 2022 the Authority recognized the following related to its lessor agreements:

	DTW	YIP	Total
Lease Revenue	$ 12,176,978	$ 36,790	$ 12,213,768
Interest income related to leases	309,104	6,650	315,754
Revenue from variable payments not previously included in the measurement of the lease receivables	15,247,883	5,436	15,253,319
	$ 27,733,965	$ 48,876	$ 27,782,841

Summary of lease activities as of December 31, 2022:

Space	DTW	YIP
Term	60 to 263 months	NA
Lease receivable	$ 3,497,083	NA
Lease revenue	$ 419,812	NA
Termination options	None	NA
Number of leases	6	0

Premises	DTW	YIP
Term	120 months	240 to 360 months
Lease receivable	$ 18,507,023	$ 853,467
Lease revenue	$ 11,757,166	$ 36,790
Termination options	None	None
Number of leases	7	3

The balance of the lease receivables for DTW at December 31, 2022 is pledged to secure certain debt obligations. Pursuant to the Master Bond Ordinance, the Authority has irrevocably pledged net revenues on a senior lien basis for the payment of outstanding senior lien bonds, and on a junior lien basis for the payment of outstanding junior lien bonds.

	Airport		Willow Run Airport		
	Principle	Interest	Principle	Interest	Total
2023	12,617,243	174,404	52,728	8,910	12,853,285
2024	6,667,368	51,775	53,298	8,341	6,780,782
2025	596,158	26,215	53,873	7,766	684,012
2026	437,148	20,665	54,455	7,184	519,452
2027	297,546	16,585	43,637	6,627	364,395
2028 to 2032	1,388,643	36,358	183,508	27,187	1,635,696
2033 to 2037	-	-	193,631	17,064	210,695
2038 to 2042	-	-	117,911	7,767	125,678
2043 to 2047	-	-	69,247	3,583	72,830
2048 to 2052	-	-	31,179	377	31,556
Total	$ 22,004,106	$ 326,002	$ 853,467	$ 94,806	$ 23,278,381

Regulated Leases

The Authority leases certain assets to various third parties as regulated leases, as defined by GASB Statement No. 87. The leased assets include passenger gates, ticket counters, airline ticket offices, gate hold rooms, and operational space and are regulated under the FAA Rates and Charges Policy and Grant Assurance 22. Certain assets are subject to preferential or exclusive use by the counterparties to these agreements, as follows:

For the Evans Terminal:

- Passenger Gates – 23 of the 29 passenger gates are designated preferential use
- Ticket Counters – 63% of available space is designated preferential use
- Airline Ticket Offices – 68% of available space is designated preferential use
- Gate Hold Rooms – 72% of available space is designated preferential use
- Operational Space - 47% of available space is designated preferential use

For the McNamara Terminal:

- Passenger Gates – 93 of the 104 passenger gates are designated preferential use
- Ticket Counters – 100% of available space is designated preferential use
- Gate Hold Rooms – 67% of available space is designated preferential use
- Operational Space - 97% of available space is designated preferential use

During the year ended June 30, 2022, the Authority recognized the following from regulated leases:

	Airport	Willow Run Aiport	Total
Regulated Lease Revenue	$ 5,916,132	$ 509,603	$ 6,425,735
Revenue from variable payments excluded from the schedule of expected future minimum payments	$ 79,517,674	$ -	$ 79,517,674

Future expected minimum payments related to the Authority's regulated leases at December 31, 2022 are as follows:

	Future Minimum Expected Receipts		
Fiscal Year	Airport	Willow Run	Total
2023	$ 5,720,951	$ 514,334	$ 6,235,285
2024	5,338,496	513,513	5,852,009
2025	5,270,210	500,295	5,770,505
2026	4,723,085	500,295	5,223,380
2027	3,833,366	500,295	4,333,661
2028 - 2032	8,442,440	2,373,711	10,816,151
2033 - 2037	6,004,476	2,231,395	8,235,871
2038 - 2042	6,004,476	1,888,229	7,892,705
2043 - 2047	1,687,697	678,303	2,366,000
2048 - 2052	$ -	$ 243,387	$ 243,387
Total	$ 47,025,197	$ 9,943,757	$ 56,968,954

(14) Upcoming Reporting Changes

In March, 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which improves accounting and financial reporting for arrangements where a governmental entity contracts with an operator to provide public services by conveying control of the right to operate or use nonfinancial assets, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. It establishes the definitions of public-private and public-public partnerships (PPP's) and availability payment arrangements (APA's) and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. It requires governments to report assets and liabilities related to PPP's consistently and disclose important information about PPP transactions. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2023.

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs), which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2023.

In April 2022, the Governmental Accounting Standards Board issued GASB Statement No. 99, Omnibus 2022, which establishes or amends accounting and financial reporting requirements for specific issues related to financial guarantees, derivative instruments, leases, public-public and public-private partnerships (PPPs), subscription-based information technology arrangements (SBITAs), the transition from the London Interbank Offered Rate (LIBOR), the Supplemental Nutrition Assistance Program (SNAP), nonmonetary transactions, pledges of future revenues, the focus of government-wide financial statements, and terminology. The standard has various effective dates. The Authority does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In June 2022, the Governmental Accounting Standards Board issued GASB Statement No. 100, Accounting Changes and Error Corrections, which enhances the accounting and financial reporting requirements for accounting changes and error corrections. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2024.

In June 2022, the Governmental Accounting Standards Board issued GASB Statement No. 101, Compensated Absences, which updates the recognition and measurement guidance for compensated absences under a unified model. This statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means and establishes guidance for measuring a liability for leave that has not been used. It also updates disclosure requirements for compensated absences. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2024.

REQUIRED SUPPLEMENTARY INFORMATION

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

Reporting Period End:	**12/31/2022**	**12/31/2021**	**12/31/2020**	**12/31/2019**	**9/30/2019**	**9/30/2018**	**9/30/2017**	**9/30/2016**	**9/30/2015**
Measurement Period End:	**9/30/2022**	**9/30/2021**	**9/30/2020**	**9/30/2019**	**9/30/2018**	**9/30/2017**	**9/30/2016**	**9/30/2016**	**9/30/2015**
Total Pension Liability									
Service cost	$ 1,632,034	$ 1,831,741	$ 1,915,559	$ 1,980,987	$ 1,980,134	$ 2,078,813	$ 2,035,141	$ 1,910,254	$ 1,784,942
Interest	12,531,150	12,734,203	12,688,440	12,340,373	11,886,244	11,459,580	10,943,315	10,408,880	10,007,566
Changes in benefits	-	1,067,339	930,598	-	-	-	-	-	1,083,361
Difference between expected and actual experience	(3,351,015)	(2,401,859)	(4,324,462)	-	1,299,631	913,793	3,004,584	2,360,317	-
Changes in actuarial assumptions	-	8,245,841	-	-	-	-	8,982,156	-	-
Benefit payments, including refunds	(11,531,238)	(11,093,891)	(9,855,674)	(9,166,646)	(8,682,126)	(8,359,546)	(7,901,621)	(7,790,299)	(7,621,347)
Other	3,740	(128,462)	4,000	42,898	697	5,315	-	-	-
Net Change in Total Pension Liability	(715,329)	10,254,912	1,358,461	5,197,612	6,484,580	6,097,955	17,063,575	6,889,152	5,254,522
Total Pension Liability - Beginning of Period	190,594,400	180,339,488	178,981,027	173,783,415	167,298,835	161,200,880	144,137,305	137,248,153	131,993,631
Total Pension Liability - End of Period	**$ 189,879,071**	**$ 190,594,400**	**$ 180,339,488**	**$ 178,981,027**	**$ 173,783,415**	**$ 167,298,835**	**$ 161,200,880**	**$ 144,137,305**	**$ 137,248,153**
Plan Fiduciary Net Position									
Contributions - Employer	$ 6,494,867	$ 6,694,156	$ 7,554,761	$ 9,342,133	$ 7,265,285	$ 6,345,861	$ 11,021,191	$ 13,105,600	$ 8,475,718
Contributions - Member	434,529	315,567	517,092	401,266	345,445	367,168	334,437	2,168,732	1,359,927
Net investment income	(20,743,013)	35,168,148	3,729,737	4,482,538	8,118,259	13,119,125	10,247,311	786,957	8,502,195
Administrative expenses	(11,531,238)	(11,093,891)	(365,369)	(327,917)	(326,599)	(344,164)	(318,694)	(919,758)	(319,237)
Benefit payments, including refunds	(441,867)	(408,872)	(9,855,674)	(9,166,646)	(8,682,126)	(8,359,546)	(7,901,621)	(7,790,299)	(7,621,347)
Net Change in Plan Fiduciary Net Position	(25,786,722)	30,675,108	1,580,547	4,731,374	6,720,264	11,128,444	13,382,624	7,351,232	10,397,256
Plan Fiduciary Net Position - Beginning of Period	165,113,711	134,438,603	132,858,056	128,126,682	121,406,418	110,277,974	96,895,350	89,544,118	79,146,862
Plan Fiduciary Net Position - End of Period	**$ 139,326,989**	**$ 165,113,711**	**$ 134,438,603**	**$ 132,858,056**	**$ 128,126,682**	**$ 121,406,418**	**$ 110,277,974**	**$ 96,895,350**	**$ 89,544,118**
Authority's Net Pension Liability - Ending	**$ 50,552,082**	**$ 25,480,689**	**$ 45,900,885**	**$ 46,122,971**	**$ 45,656,733**	**$ 45,892,417**	**$ 50,922,906**	**$ 47,241,955**	**$ 47,704,035**
Plan Fiduciary Net Position as a % of Total Pension Liability	73.38%	86.63%	74.55%	74.23%	73.73%	72.57%	68.41%	67.22%	65.24%
Covered Payroll	**$ 21,904,539**	**$ 25,618,945**	**$ 28,178,030**	**$ 29,101,990**	**$ 29,101,990**	**$ 29,022,520**	**$ 30,105,635**	**$ 28,300,056**	**$ 27,197,880**
Authority's Net Pension Liability as a % of Covered Payroll	230.78%	99.46%	162.90%	158.49%	156.89%	158.13%	169.15%	166.93%	175.40%

Schedule of Contributions

Period End:	**12/31/2022**	**12/31/2021**	**12/31/2020**	**12/31/2019**	**9/30/2019**	**9/30/2018**	**9/30/2017**	**9/30/2016**	**9/30/2015**
Actuarially determined contribution	$ 6,185,898	$ 5,300,280	$ 6,575,468	$ 1,829,472	$ 7,059,410	$ 7,167,820	$ 5,958,323	$ 6,924,296	$ 7,001,434
Contributions in relation to the actuarially determined contr.	6,254,064	6,760,054	6,642,195	2,476,590	7,342,133	7,265,285	6,345,861	11,021,191	13,105,600
Contribution Deficiency (Excess)	$ (68,166)	$ (1,459,774)	$ (66,727)	$ (647,118)	$ (282,723)	$ (97,465)	$ (387,538)	$ (4,096,895)	$ (6,104,166)
Covered Payroll	$ 22,141,918	$ 21,241,480	$ 25,101,995	$ 6,960,405	$ 28,829,452	$ 29,101,990	$ 29,022,520	$ 30,105,635	$ 28,300,056
Contributions as a Percentage of Covered Payroll	28.25%	31.82%	26.46%	35.58%	25.47%	24.96%	21.87%	36.61%	46.31%

[1] –A three-month stub period (October 1, 2019 through December 31, 2020) was completed to facilitate a change in the fiscal year end from September 30 to December 31. All other periods are one-year periods.

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

Notes to Schedule of Authority Contributions

Valuation date	Actuarially determined contribution rates are calculated as of September 30 each year, which is one period prior to the beginning of the fiscal year in which contributions are reported.
Methods and assumptions used to determine contribution rates	
Actuarial cost method	Entry Age Normal
Amortization method	Layered Level Dollar, Closed
Remaining amortization period	15 years
Asset valuation method	4-year smoothed market; 20% corridor
Wage inflation	3.00%
Salary increases	3.00% to 13.15% including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2016 valuation pursuant to an experience study of the period October 1, 2010 - September 30, 2015.
Mortality	**As of September 30, 2020:** RP-2014 Healthy Annuitant Mortality table for males and females, adjusted for mortality improvement back to the base year of 2006. Mortality rates for particular calendar year are determined by applying the MP-2016 Mortality Improvement scale to the above described tables. The corresponding Disabled and Employee tables were used for diability and pre-retirement, respectively.
Cost of living adjustment	None

Other Information

Changes in assumptions	Although the report for measurement period ending September 30, 2021 was a roll forward of the September 30, 2020 funding valuation, the report included demographic and economic assumption changes in the liabilities (includnig an interest rate of 6.75%) as adopted by the WCERS Board pursuant to the 5-year Experience Study dated August 24, 2021, since the effectivedate of the assumption changes were as of the measurement date of September 30, 2021.
Changes in assumptions	For the valuation dated September 30, 2016, the report included demographic and economic assumption changes in the liabilities as adopted by the WCERS Board pursuant to the 5-year Experience Study dated October 26, 2016

Schedule of Changes in the Authority's Net OPEB Liability and Related Ratio

Period End:	12/31/2022	12/31/2021	12/31/2020	[1] 12/31/2019	9/30/2019	9/30/2018
Total OPEB Liability						
Service cost	$ 1,011,983	$ 1,145,823	$ 1,282,887	$ 334,581	$ 1,403,556	$ 1,644,712
Interest	8,180,316	8,511,132	8,941,588	2,206,606	8,504,400	8,092,952
Changes in benefits	-	-	(7,789,535)	-	-	-
Difference between expected and actual experience	3,592,762	(9,374,370)	(11,045,310)	(1,005,326)	(8,533,132)	(2,346,793)
Changes in actuarial assumptions	834,448	(151,059)	4,926,317	-	4,332,630	-
Benefit payments, including refunds	(5,280,830)	(4,300,273)	(493,287)	(236,315)	(908,974)	(1,875,930)
Other	-	-	-	-	-	-
Net Change in Total OPEB Liability	8,338,679	(4,168,747)	(4,177,340)	1,299,546	4,798,480	5,514,941
Total OPEB Liability - Beginning of Period	118,996,082	123,164,829	127,342,169	126,042,623	121,244,143	115,729,202
Total OPEB Liability - End of Period	**$ 127,334,761**	**$ 118,996,082**	**$ 123,164,829**	**$ 127,342,169**	**$ 126,042,623**	**$ 121,244,143**
Plan Fiduciary Net Position						
Contributions - Employer	$ 5,280,830	$ 5,006,670	$ 2,476,067	$ 1,736,315	$ 6,908,974	$ 9,573,821
Contributions - Employee	659,485	609,991	313,107	16,813	-	-
Net investment income	(10,641,437)	10,911,889	9,453,109	3,682,051	1,846,127	3,264,931
Administrative expenses	-	-	-	-	-	-
Benefit payments, including refunds	(5,940,315)	(4,910,264)	(789,172)	(253,128)	(908,974)	(1,875,930)
Net Change in Plan Fiduciary Net Position	(10,641,437)	11,618,286	11,453,111	5,182,051	7,846,127	10,962,822
Plan Fiduciary Net Position - Beginning of Period	100,601,943	88,983,657	77,530,546	72,348,495	64,502,368	53,539,546
Plan Fiduciary Net Position - End of Period	**$ 89,960,506**	**$ 100,601,943**	**$ 88,983,657**	**$ 77,530,546**	**$ 72,348,495**	**$ 64,502,368**
Authority's Net OPEB Liability - Ending	**$ 37,374,255**	**$ 18,394,139**	**$ 34,181,172**	**$ 49,811,623**	**$ 53,694,128**	**$ 56,741,775**
Plan Fiduciary Net Position as a % of Total OPEB Liability	70.65%	84.54%	72.25%	60.88%	57.40%	53.20%
Covered Employee Payroll	**$ 27,096,755**	**$ 30,691,514**	**$ 35,818,558**	**$ 6,963,888**	**$ 39,597,109**	**$ 41,144,209**
Net OPEB Liability as a % of Covered Payroll	137.93%	59.93%	95.43%	[2]	135.60%	137.91%

Schedule of OPEB Contributions

Period End:	12/31/2022	12/31/2021	12/31/2020	[1] 12/31/2019	9/30/2019	9/30/2018
Actuarially determined contribution	$ 4,579,488	$ 5,799,903	$ 6,911,646	$ 1,727,912	$ 6,738,758	$ 6,885,604
Contributions in relation to the actuarially determined contribution	5,280,380	5,006,669	2,493,288	1,736,315	6,908,974	9,573,821
Contribution Deficiency (Excess)	$ (700,892)	$ 793,234	$ 4,418,358	$ (8,403)	$ (170,216)	$ (2,688,217)
Covered Employee Payroll	$ 27,096,755	$ 30,691,514	$ 35,818,558	$ 6,963,888	$ 39,597,109	$ 41,144,209
Contributions as a Percentage of Covered Employee Payroll	19.49%	16.31%	6.96%	24.93%	17.45%	23.27%

Schedule of Returns

Period End:	12/31/2022	12/31/2021	12/31/2020	[1] 12/31/2019	9/30/2019	9/30/2018
Return on OPEB plan investments	-11.35%	11.68%	12.51%	5.05%	2.95%	5.78%

[1] –A three-month stub period (October 1, 2019 through December 31, 2020) was completed to facilitate a change in the fiscal year end from September 30 to December 31. All other periods are one-year periods.

[2] - Calculation not reported for the stub period as covered payroll presented includes only three months of activity.

GASB Statement No. 75 was implemented September 30, 2018 and does not require retroactive implementation. Data will be added as information is available until 10 years of such information is available.

Notes to Schedule of Authority Contributions

Valuation date	Actuarially determined contribution amounts for the year ended December 31, 2022 were based on the September 30, 2021 actuarial valuation.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Entry-Age Normal
Amortization method	Level Dollar
Remaining amortization period	20 years, Closed
Asset valuation method	Market Value of Assets
Price inflation	2.50%
Wage inflation	3.00%
Salary increases	3.00% to 13.15%
Investment rate of return	7.00%, net of OPEB plan investment expense
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	RP-2014 Healthy Annuitant Mortality table, adjusted back to the base year of 2006. Mortality rates are determined by applying the MP-2016 Mortality Improvement scale.
Healthcare trend rates	Non-Medicare: Initial rate of 7.50% decreasing to 3.50% long-term in year 12 Medicare: Initial rate of 6.25% decreasing to a 3.50% long-term rate in year 12
Excise Tax	No load was applied in connection with the "Cadillac" tax
Aging Factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"

Other Information

Notes	
Changes in assumptions	Based on an experience study performed by the pension actuary, assumptions were updated beginning with the December 31, 2021 valuation, which develops the contribution rate for the fiscal year ending December 31, 2023. These assumption updates include the use of a version of the Pub-2010 Mortality Tables with generational mortality improvement using scale MP 2020. The new assumptions were also reflected in the development of the Total OPEB Liability as of December 31, 2022.
Changes in assumptions - 2020	The total OPEB liability reflects a benefit change which instituted a 10% cost share for all current and future retirees post-65. Additionally, the total OPEB liability reflects reported benefit corrections applicable to the benefit eligibility conditions.
Changes in assumptions - 2019	The initial health care trend assumption was reduced from 8.5% to 8.25%

STATISTICAL SECTION

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

CONTENTS

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

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

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

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

Debt Capacity – *Exhibits S-6 to S-8*

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

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

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

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

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

Sources: Unless otherwise noted, the information in these exhibits is derived from the Annual Comprehensive Financial Reports of the relevant year.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-1

Annual Revenues, Expenses, and Changes in Net Position

(Unaudited)

	2022	2021	2020	2019 Stub [4]	2019	2018	2017	2016	2015	2014	2013
Operating revenues:											
Airport landing and related fees	46,696,719	73,458,196	58,106,427	20,430,971	80,563,419	77,550,626	80,160,100	78,661,781	73,888,139	76,406,397	65,493,268
Concession fees	58,122,200	49,344,870	32,747,512	16,790,198	69,304,639	68,950,984	64,702,113	61,820,000	57,615,102	54,161,908	51,696,676
Parking fees	87,624,321	61,970,968	34,905,184	21,833,720	83,657,331	80,248,186	76,706,962	74,497,683	68,017,761	61,187,198	57,828,811
Hotel	29,728,369	18,110,502	12,224,405	8,816,337	32,734,957	31,368,028	29,928,448	33,889,957	33,345,294	32,922,844	29,301,463
Rental facilities	115,789,477	118,272,330	100,804,284	28,776,649	118,441,203	112,099,910	106,121,745	104,913,627	107,356,129	105,234,040	103,155,137
Expense recoveries	4,550,144	3,999,144	3,842,231	1,191,196	4,854,869	5,096,397	5,026,053	4,812,705	4,722,477	5,027,074	5,282,902
Other	9,421,596	11,256,064	15,577,115	1,845,824	7,167,681	7,332,061	5,486,987	4,473,948	4,790,511	4,784,310	6,007,508
Total operating revenues	351,932,826	336,412,074	258,207,158	99,684,895	396,724,099	382,646,192	368,132,408	363,069,701	349,735,413	339,723,771	318,765,765
Nonoperating revenues:											
Passenger facility charges	55,380,403	48,232,677	28,407,906	16,415,341	72,760,924	69,774,131	68,128,397	66,764,363	63,840,589	62,016,364	61,705,013
Customer facility charges	4,639,302	—	4,950,594	5,726,133	22,130,671	4,548,815	4,442,148	4,260,370	304,510	—	—
Federal and state sources	45,292,853	44,481,954	118,326,432	1,783,827	8,507,741	6,650,317	6,655,554	5,568,130	1,339,342	1,029,619	1,353,122
Interest income and other	189,460	2,091,687	5,010,656	2,529,138	16,589,419	7,617,673	3,681,738	3,956,859	2,209,999	2,808,958	2,048,283
Total nonoperating revenues	105,502,018	94,806,318	156,695,588	26,454,439	119,988,755	88,590,936	82,907,837	80,549,722	67,694,440	65,854,941	65,106,418
Total revenues	457,434,844	431,218,392	414,902,746	126,139,334	516,712,854	471,237,128	451,040,245	443,619,423	417,429,853	405,578,712	383,872,183
Operating expenses:											
Salaries, wages, and fringe benefits	84,749,031	82,589,939	79,425,508	31,450,044	93,147,440	96,282,328	110,655,997	85,906,812	77,278,115	80,339,925	72,891,273
Parking management	6,993,617	5,495,284	5,487,982	1,822,857	7,607,497	8,404,763	7,986,688	7,908,549	7,882,292	6,630,160	6,280,332
Hotel management	18,358,005	11,882,581	11,128,419	5,534,138	20,702,876	19,775,235	18,049,328	22,357,224	18,793,497	23,063,942	21,064,105
Janitorial services	20,083,758	16,482,795	14,065,708	4,128,379	16,949,290	14,427,918	13,537,224	12,014,456	11,967,572	11,809,916	11,400,627
Security	7,364,335	5,497,999	4,881,470	1,553,162	5,999,972	6,031,481	5,149,362	3,745,339	2,557,818	2,511,402	2,260,167
Utilities	23,200,192	20,857,379	19,727,108	5,362,169	23,043,039	23,876,461	23,258,507	22,220,804	24,499,913	28,939,467	27,035,597
Repairs, professional services, and other	93,089,194	88,501,158	81,886,187	24,699,872	103,815,331	96,041,405	88,001,189	98,458,024	94,162,429	82,616,234	75,658,752
Depreciation	130,308,680	139,301,864	135,414,157	31,625,118	125,028,606	124,774,415	134,753,534	173,101,695	167,105,516	141,539,710	140,526,973
Total operating expenses	384,146,812	370,608,999	352,016,539	106,175,739	396,294,051	389,614,006	401,391,829	425,712,903	404,247,152	377,450,756	357,117,826
Nonoperating expenses:											
Interest expense	76,778,843	77,814,663	78,129,584	20,710,928	85,182,866	82,468,769	72,739,426	71,351,499	80,334,978	82,352,146	82,825,198
Loss on disposal of assets	7,813,416	—	—	5,849	2,805,881	2,399,305	8,209,718	9,513,323	1,564,607	1,016,927	5,488,973
Amortization of bond insurance premiums	40,967	42,223	42,223	10,556	42,223	101,414	175,438	175,438	371,068	371,068	—
Amortization of bond issuance costs	2,340,494	—	—	—	—	—	—	—	—	—	1,968,924
Total nonoperating expenses	86,973,720	77,856,886	78,171,807	20,727,333	88,030,970	84,969,488	81,124,582	81,040,260	82,270,653	83,740,141	90,283,095
Total expenses	471,120,532	448,465,885	430,188,346	126,903,072	484,325,021	474,583,494	482,516,411	506,753,163	486,517,805	461,190,897	447,400,921
Capital contributions	41,636,907	13,147,279	27,384,172	1,124,530	33,636,386	389,653	7,278,160	32,953,269	8,560,699	32,679,821	41,637,536
Change in net position	27,951,219	(4,100,214)	12,098,572	360,792	66,024,219	(2,956,713)	(24,198,006)	(30,180,471)	(60,527,253)	(22,932,364)	(21,891,202)
Net position at year end composed of:											
Net investment in capital assets	(46,058,574)	(53,949,729)	(41,822,294)	(58,876,996)	(83,043,017)	(118,242,129)	(90,041,234)	(97,448,351)	(6,890,342)	39,760,424	27,234,267
Restricted	270,520,768	275,666,867	257,068,757	276,648,919	347,444,439	296,207,385	295,809,085	319,728,265	287,087,714	314,707,433	323,698,561
Unrestricted	19,050,234	(940,691)	9,630,198	(4,993,834)	(51,984,125)	(31,572,178)	(56,418,060)	19,224,185	(8,512,802)	(22,256,034)	48,582,410
Total net position	248,727,666	220,776,447	224,876,661	212,778,089	212,417,297	146,393,078 [3]	149,349,791	241,504,099	271,684,570 [2]	332,211,823 [1]	399,515,238

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

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

[3] In 2018, the Authority restated beginning net position by $67,956,302. This amount less the increase/decrease in net position is used to arrive at ending net position.

[4] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-2

Principal Revenue Sources and Revenues per Enplaned Passenger

(Unaudited)

	2022	2021	2020	2019 Stub [1]	2019	2018	2017	2016	2015	2014	2013
Airline revenues:											
Airport landing and related fees	$ 46,696,719	$ 73,458,196	58,106,427	$ 20,430,971	$ 80,563,419	$ 77,550,626	$ 80,160,100	$ 78,661,781	$ 73,888,139	$ 76,406,397	$ 65,493,268
Terminal building rentals and fees	94,216,132	102,092,942	85,861,167	21,394,396	89,089,734	84,929,354	82,231,045	84,580,455	86,816,124	85,169,050	84,354,836
Facility use fees	6,414,446	2,730,932	2,466,042	2,207,153	10,156,940	9,378,232	8,829,376	8,288,005	8,367,454	8,608,737	7,552,051
Total airline revenues	147,327,297	178,282,070	146,433,636	44,032,520	179,810,093	171,858,212	171,220,521	171,530,241	169,071,717	170,184,184	157,400,155
Percentage of total revenues	32.2%	41.3%	35.3%	34.9%	34.8%	36.5%	38.0%	38.7%	40.5%	42.0%	41.0%
Non-Airline revenues:											
Parking fees	87,624,321	61,970,968	34,905,184	21,833,720	83,657,331	80,248,186	76,706,962	74,497,683	68,017,761	61,187,198	57,828,811
Concession fees	32,720,958	28,139,897	21,271,464	10,686,331	43,437,381	42,786,536	39,752,574	37,947,768	35,185,895	32,253,029	31,536,249
Car rental	25,401,242	21,204,973	11,476,048	6,103,867	25,867,258	26,164,448	24,949,539	23,872,232	22,429,207	21,908,879	20,160,427
Hotel	29,728,369	18,110,502	12,224,405	8,816,337	32,734,957	31,368,028	29,928,448	33,889,957	33,345,294	32,922,844	29,301,463
Employee shuttle bus	2,938,256	3,918,240	3,741,727	773,732	3,048,721	2,891,239	2,833,329	2,316,970	2,100,820	2,032,346	2,502,311
Ground transportation	7,433,827	4,480,410	3,781,150	3,132,819	11,375,371	10,199,443	7,813,795	5,125,120	5,428,501	5,452,612	5,094,540
Utility service fees	4,550,144	3,999,144	3,842,231	1,191,196	4,854,869	5,096,397	5,026,053	4,812,705	4,722,477	5,027,074	5,282,902
Rental facilities	4,786,816	5,049,806	4,954,198	1,268,549	4,770,437	4,701,642	4,414,200	4,603,077	4,643,230	3,971,295	3,651,399
Other	9,421,596	11,256,064	15,577,115	1,845,824	7,167,681	7,332,061	5,486,987	4,473,948	4,790,511	4,784,310	6,007,508
Total non-airline revenues	204,605,529	158,130,004	111,773,522	55,652,375	216,914,006	210,787,980	196,911,887	191,539,460	180,663,696	169,539,587	161,365,610
Percentage of total revenues	44.7%	36.7%	26.9%	44.1%	42.0%	44.7%	43.7%	43.2%	43.3%	41.8%	42.0%
Nonoperating revenues:											
Passenger facility charges	55,380,403	48,232,677	28,407,906	16,415,341	72,760,924	69,774,131	68,128,397	66,764,363	63,840,589	62,016,364	61,705,013
Customer facility charges	4,639,302	—	4,950,594	5,726,133	22,130,671	4,548,815	4,442,148	4,260,370	304,510	—	—
Federal and state grants	45,292,853	44,481,954	118,326,432	1,783,827	8,507,741	6,650,317	6,655,554	5,568,130	1,339,342	1,029,619	1,353,122
Interest	189,460	1,871,512	4,551,928	2,312,274	16,519,284	7,617,673	3,567,954	3,856,859	1,454,197	1,388,246	1,616,192
Other	—	220,175	458,728	216,864	70,135	—	113,784	100,000	755,802	1,420,712	432,091
Total nonoperating revenues	105,502,018	94,806,318	156,695,588	26,454,439	119,988,755	88,590,936	82,907,837	80,549,722	67,694,440	65,854,941	65,106,418
Percentage of total revenues	23.1%	22.0%	37.8%	21.0%	23.2%	18.7%	18.3%	18.1%	16.2%	16.2%	17.0%
Total revenues	$ 457,434,844	$ 431,218,392	414,902,746	$ 126,139,334	$ 516,712,854	$ 471,237,128	$ 451,040,245	$ 443,619,423	$ 417,429,853	$ 405,578,712	$ 383,872,183
Enplaned passengers	14,052,931	11,782,602	7,026,591	4,608,208	18,121,193	17,558,618	17,281,219	17,130,687	16,443,778	16,216,673	16,077,652
Total revenue per enplaned passenger	$ 32.55	$ 36.60	59.05	$ 27.37	$ 28.51	$ 26.84	26.10	25.90	25.39	25.01	23.88
Airline revenue per enplaned passenger	$ 10.48	$ 15.13	20.84	$ 9.56	$ 9.92	$ 9.79	9.91	10.01	10.28	10.49	9.79

[1] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-3

Airlines Rates and Charges **

(Unaudited)

	2022	2021	2020	2019 Stub [4]	2019	2018	2017	2016	2015	2014	2013
Landing Fees:											
Signatory Airlines [1,2]	$ 2.56	$ 4.37	$ 4.26	$ 3.55	$ 3.52	$ 3.48	$ 3.65	$ 3.62	$ 3.54	$ 3.71	$ 3.14
Non-Signatory Airlines [2]	3.20	5.47	5.33	4.44	4.40	4.35	4.56	4.52	4.43	4.64	3.93
General Aviation [3]	3.00	2.75	2.50	See Note [5]	2.32	2.32	2.32	2.25	2.00	2.00	1.75
Facility Use Fees:											
South Terminal	$ 6.00	$ 6.00	$ 6.00	$ 6.00	$ 6.00	$ 5.50	$ 5.50	$ 5.50	$ 5.50	$ 5.50	$ 5.00
North Terminal	6.00	6.00	6.00	6.00	6.00	5.50	5.50	5.50	5.50	5.50	5.00
Terminal Rental Rates (per SF per year):											
South Terminal - Signatory Airlines [1]	$ 64.55	$ 65.14	$ 57.78	$ 60.44	$ 62.08	$ 60.32	$ 56.81	$ 56.90	$ 58.74	$ 60.00	$ 57.71
South Terminal - Non-Signatory Airlines	74.24	74.92	66.45	69.51	71.39	69.37	65.33	65.44	67.55	69.00	66.36
North Terminal - Signatory Airlines [1]	129.89	166.60	129.03	109.88	117.35	98.89	109.26	119.35	124.12	117.00	118.95
North Terminal - Non-Signatory Airlines	149.37	191.59	148.38	126.36	134.95	113.73	125.65	137.25	142.74	134.00	136.79

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

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

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

[3] Billing rate at Willow Run Airport for aircraft weighing 150,000 lbs. and over, charged per 1,000 lbs. MGLW. A tiered rate structure exists for smaller aircraft.

[4] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

[5] During the stub period, the rate was $2.32 until October 31, 2019. Thereafter the rate was $2.50

Source: WCAA Finance Department Records

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-4

Airline Landed Weights

(in thousands of pounds)

Detroit Metropolitan Airport

Airline [1]	2022 Landed weights	2022 Share	2021 Landed weights	2021 Share	2020 Landed weights	2020 Share	2019 Stub [3] Landed weights	2019 Stub [3] Share	2019 Landed weights	2019 Share	2018 Landed weights	2018 Share
Delta	9,763,325	55.3%	8,032,255	48.7%	6,096,548	45.3%	2,851,469	50.4%	11,051,357	49.2%	10,584,280	48.2%
Delta (Endeavor)	1,172,653	6.6	2,218,634	13.4	1,846,538	13.7	300,065	5.3	1,269,995	5.7	1,315,655	6.0
Delta (Sky West)	1,526,608	8.7	1,034,732	6.3	1,295,227	9.6	702,962	12.4	2,386,789	10.6	2,069,010	9.4
Spirit Airlines	1,398,387	7.9	1,407,217	8.5	1,107,975	8.3	417,647	7.4	1,730,349	7.7	1,601,875	7.3
Federal Express	539,280	3.1	545,105	3.3	513,341	3.8	131,799	2.3	488,855	2.2	496,174	2.3
Southwest	496,182	2.8	451,846	2.7	455,280	3.4	180,464	3.2	797,062	3.6	903,968	4.1
American/US Airways [6]	533,823	3.0	461,763	2.8	421,003	3.1	170,845	3.0	722,725	3.2	785,679	3.6
Delta (Republic)	95,779	0.5	714,920	4.3	322,682	2.4	49,807	0.9	242,409	1.1	226,916	1.0
United Parcel Service	286,268	1.6	300,511	1.8	285,213	2.1	76,748	1.4	244,804	1.1	221,034	1.0
Frontier	168,969	1.0	143,411	0.9	99,951	0.7	46,770	0.8	136,903	0.6	150,280	0.7
Delta (GoJet)	—	—	—	—	98,198	0.7	209,028	3.7	1,194,965	5.3	1,253,053	5.7
United (Republic)	98,026	0.6	63,362	0.4	87,953	0.7	52,911	0.9	230,252	1.0	217,724	1.0
United (SkyWest)	162,613	0.9	166,630	1.0	78,366	0.6	22,265	0.4	66,929	0.3	77,164	0.4
American/US Airways (Republic) [6]	153,164	0.9	115,796	0.7	72,776	0.5	59,136	1.0	148,217	0.7	131,669	0.6
United (Mesa)	35,625	0.2	66,706	0.4	71,255	0.5	40,231	0.7	173,846	0.8	165,922	0.8
American/US Airways (PSA) [6]	106,291	0.6	100,701	0.7	63,580	0.5	17,491	0.3	96,018	0.4	128,353	0.6
United	169,503	1.0	57,306	0.3	58,525	0.4	20,515	0.9	234,668	1.0	244,621	1.1
American/US Airways (SkyWest) [6]	42,527	0.2	45,438	0.3	52,327	0.4	23,785	0.4	136,722	0.6	123,201	0.5
JetBlue Airways	157,713	0.9	59,934	0.4	48,566	0.4	29,754	0.5	120,070	0.5	167,276	0.8
Air France	146,683	0.8	102,729	0.6	47,486	0.4	38,779	0.7	144,745	0.7	137,656	0.6
Alaska Airlines	69,360	0.4	50,514	0.3	45,965	0.3	14,369	0.3	69,143	0.3	117,327	0.5
DHL (Kalitta)	18,247	0.1	6,578	—	41,454	0.5	34,240	0.8	135,952	0.6	71,360	0.3
Lufthansa	100,697	0.6	52,985	0.3	30,516	0.2	39,894	0.7	193,610	0.9	194,131	0.9
United (GoJet)	31,232	0.2	57,950	0.4	29,334	0.2	2,412	—	25,996	0.1	24,522	0.1
Aeromexico Connect	—	—	—	—	21,244	0.2	23,281	0.4	84,050	0.4	27,353	0.1
American/US Airways (Envoy) [5, 6]	45,128	0.3	58,248	0.4	17,320	0.1	13,771	0.2	48,758	0.2	47,843	0.2
DHL (Atlas)	—	—	1,088	—	16,864	0.1	1,952	—	5,440	—	61,808	0.3
American/US Airways (Piedmont) [6]	4,059	—	5,893	—	15,670	0.1	5,718	0.1	21,083	0.1	26,015	0.1
United (ExpressJet) [2]	—	—	—	—	9,133	0.1	11,648	0.2	6,313	—	—	—
Royal Jordanian	50,540	0.3	36,860	0.1	9,120	0.1	9,880	0.2	45,220	0.2	39,520	0.2
Air Canada (Air Georgian)	—	—	—	—	—	—	15,134	0.3	68,244	0.3	61,180	0.3
Aeromexico	—	—	—	—	—	—	—	—	38,416	0.2	41,408	0.2
Delta (ExpressJet) [2]	—	—	—	—	—	—	—	—	—	—	168,179	0.8
Delta (Compass)	—	—	—	—	—	—	—	—	—	—	—	—
Virgin Atlantic Airways	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Shuttle America)	—	—	—	—	—	—	—	—	—	—	—	—
American/US Airways (Air Wisconsin) [7]	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Chatauqua)	—	—	—	—	—	—	—	—	—	—	—	—
Lufthansa Cargo	—	—	—	—	—	—	—	—	—	—	—	—
Other [4]	268,774	1.5	150,703	1.0	64,098	0.5	13,301	0.2	85,712	0.4	77,313	0.3
Total	17,641,457	100.0%	16,509,814	100.0%	13,423,510	100.0%	5,628,069	100.0%	22,445,617	100.0%	21,959,469	100.0%

[1] Signatory Affiliate Airlines are associated based on 2022 affiliations and shown in parentheses to major carrier name.
All historical landed weights for these affiliates are shown on one line regardless of prior affiliations.

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

[3] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

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

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

Source: WCAA Finance Department Records

Detroit Metropolitan Airport

2017		2016		2015		2014		2013	
Landed weights	Share	Landed weights	Share	Landed weights	Share	Landed weights	Share	Landed weights	Share
10,505,297	48.6%	10,616,006	49.5%	10,615,528	51.5%	10,273,955	50.4%	10,051,320	48.7%
1,439,231	6.7	1,960,734	9.1	1,824,960	8.8	2,523,978	12.4	3,661,163	17.7
1,643,645	7.6	864,151	4.0	465,842	2.3	294,404	1.4	—	—
1,405,062	6.5	1,293,177	6.0	1,129,323	5.5	886,234	4.3	765,188	3.7
470,760	2.2	483,114	2.3	479,295	2.3	493,528	2.4	446,450	2.2
931,658	4.3	898,636	4.2	854,196	4.1	904,127	4.4	969,194	4.7
855,276	4.0	861,963	4.0	843,916	4.1	842,150	4.1	785,631	3.8
130,371	0.6	—	—	—	—	—	—	—	—
189,156	0.9	179,533	0.8	175,421	0.9	170,445	0.8	167,762	0.8
189,950	0.9	140,122	0.7	100,624	0.5	105,448	0.5	84,124	0.4
888,262	4.1	271,737	1.3	128,707	0.6	190,615	0.9	—	—
169,454	0.8	114,619	0.5	—	—	—	—	—	—
53,126	0.2	73,679	0.4	69,752	0.3	33,738	0.2	65,129	0.3
149,076	0.7	194,949	0.9	225,467	1.1	107,669	0.5	—	—
183,080	0.8	157,475	0.7	91,642	0.4	—	—	—	—
102,934	0.5	68,183	0.3	40,838	0.2	—	—	—	—
275,721	1.3	209,604	1.0	136,885	0.7	100,958	0.5	95,890	0.5
76,389	0.4	—	—	—	—	—	—	—	—
162,534	0.8	168,108	0.8	129,654	0.6	—	—	—	—
134,507	0.6	134,644	0.6	138,530	0.7	136,291	0.7	142,397	0.7
76,993	0.4	65,210	0.3	55,208	0.3	—	—	—	—
—	—	—	—	—	—	—	—	—	—
170,089	0.8	165,418	0.8	162,237	0.8	180,296	0.9	153,106	0.7
7,705	—	36,917	0.2	46,297	0.2	45,091	0.2	51,389	0.2
—	—	—	—	—	—	—	—	—	—
52,670	0.2	77,245	0.4	176,287	0.9	209,816	1.0	207,170	1.0
118,096	0.5	119,608	0.6	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	78,571	0.4	147,800	0.7	—	—
38,380	0.2	39,520	0.2	38,257	0.2	40,645	0.2	42,452	0.2
61,194	0.3	43,749	0.2	18,548	0.1	16,600	0.1	—	—
30,883	0.1	—	—	—	—	—	—	—	—
680,318	3.2	1,423,967	6.6	1,544,732	7.5	1,351,443	6.6	1,260,107	6.1
149,528	0.7	154,667	0.7	165,734	0.8	252,328	1.2	225,942	1.1
61,014	0.3	135,699	0.6	49,683	0.2	—	—	—	—
58,320	0.3	276,165	1.3	480,607	2.3	97,562	0.5	139,035	0.7
53,580	0.2	72,615	0.4	48,927	0.2	69,466	0.3	77,597	0.4
—	—	—	—	141,015	0.7	564,145	2.8	467,713	2.3
—	—	—	—	—	—	17,657	0.1	52,480	0.3
87,553	0.3	165,380	0.6	168,969	0.8	326,312	1.9	717,622	3.5
21,601,812	100.0%	21,466,594	100.0%	20,625,652	100.0%	20,382,701	100.0%	20,628,861	100.0%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-5

Enplaned Passengers

(Unaudited)

Detroit Metropolitan Airport

Airline [1]	2022 Passenger enplanements	2022 Share	2021 Passenger enplanements	2021 Share	2020 Passenger enplanements	2020 Share	2019 Stub [3] Passenger enplanements	2019 Stub [3] Share	2019 Passenger enplanements	2019 Share	2018 Passenger enplanements	2018 Share
Domestic:												
Alaska Airlines	68,851	0.49	45,491	0.39	26,173	0.37	12,560	0.27	66,494	0.37	103,328	0.59
American/US Airways (Air Wisconsin) [7]	—	—	—	—	—	—	—	—	—	—	2,541	0.01
American/US Airways (Envoy) [6, 7]	40,485	0.29	49,672	0.42	13,834	0.20	11,923	0.26	42,858	0.24	44,557	0.25
American/US Airways (Mesa) [7]	—	—	—	—	—	—	—	—	—	—	—	—
American/US Airways (Piedmont) [7]	4,042	—	5,731	0.05	12,325	0.18	5,794	0.13	22,024	0.12	25,553	0.14
American/US Airways (PSA) [7]	88,138	0.63	81,343	0.69	45,923	0.65	14,599	0.32	77,446	0.43	101,289	0.58
American/US Airways (Republic) [7]	110,277	0.78	91,155	0.77	41,195	0.59	42,222	0.92	110,491	0.61	99,408	0.57
American/US Airways (SkyWest) [7]	35,741	0.25	34,228	0.29	34,092	0.49	19,324	0.42	107,275	0.59	101,370	0.58
American/US Airways [7]	533,479	3.80	446,845	3.79	305,637	4.35	149,269	3.24	616,536	3.40	672,190	3.83
Delta (Chautauqua)	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Compass)	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Endeavor) [4]	956,695	6.81	1,605,262	13.62	857,422	12.20	258,062	5.60	1,078,599	5.95	1,117,394	6.36
Delta (ExpressJet) [5]	—	—	—	—	—	—	—	—	—	—	137,411	0.78
Delta (GoJet)	—	—	—	—	72,599	1.03	180,630	3.92	1,020,755	5.63	1,056,632	6.02
Delta (Republic)	73,454	0.52	474,821	4.03	144,056	2.05	41,827	0.91	202,409	1.12	193,050	1.10
Delta (Shuttle America)	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Sky West)	1,128,326	8.03	621,912	5.28	555,566	7.91	484,418	10.51	1,607,625	8.87	1,351,867	7.70
Delta Air Lines	7,447,361	53.00	5,644,899	47.90	3,030,599	43.30	2,153,405	46.73	8,100,030	44.70	7,534,271	42.91
Frontier	183,473	1.31	146,868	1.25	89,045	1.27	53,179	1.15	156,073	0.86	162,764	0.93
JetBlue Airways	126,775	0.90	47,936	0.41	24,106	0.34	24,963	0.54	97,800	0.54	141,241	0.80
Southwest/Airtran Airlines [5]	457,489	3.26	416,792	3.54	271,066	3.86	168,250	3.65	739,895	4.08	836,627	4.76
Spirit Airlines	1,342,322	9.55	1,304,646	11.07	912,833	12.99	441,980	9.59	1,755,071	9.69	1,607,113	9.15
United (ExpressJet)	—	—	—	—	6,030	0.09	10,111	0.22	5,374	0.03	1,637	0.01
United (GoJet)	22,036	0.16	40,373	0.34	18,381	0.26	2,101	0.05	23,516	0.13	22,350	0.13
United (Mesa)	29,558	0.21	54,020	0.46	48,704	0.69	35,272	0.77	151,636	0.84	148,448	0.85
United (Republic)	78,420	0.56	51,610	0.44	50,526	0.72	41,509	0.90	182,677	1.01	183,134	1.04
United (Skywest)	147,381	1.05	141,546	1.20	53,867	0.77	20,437	0.44	60,884	0.34	67,976	0.39
United	147,582	1.05	40,646	0.34	37,750	0.54	45,219	0.98	202,935	1.12	203,974	1.16
Other [2]	30,887	0.22	16,086	0.14	4,828	0.07	2,118	0.05	10,805	0.06	1,412	0.01
Total Domestic	13,052,772	92.87	11,361,882	96.42	6,656,557	94.92	4,219,172	91.57	16,439,208	90.73	15,917,537	90.65
International:												
Aeromexico	—	—	—	—	—	—	—	—	30,230	0.17	29,317	0.17
Aeromexico Connect	—	—	—	—	10,784	0.15	16,815	0.36	48,690	0.27	16,771	0.10
Air Canada	41,010	0.29	8,845	0.08	6,960	0.10	11,875	0.26	51,414	0.28	45,462	0.26
Air France	79,806	0.57	38,792	0.33	16,121	0.23	21,368	0.46	76,999	0.42	75,679	0.43
American/US Airways [7]	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Comair)	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Compass)	—	—	—	—	—	—	—	—	—	—	—	—
Delta (Endeavor) [4]	—	—	—	—	—	—	—	—	—	—	—	—
Delta Air Lines	755,561	5.38	306,290	2.60	300,425	4.28	305,622	6.63	1,324,833	7.31	1,315,807	7.49
Frontier	4,111	0.03	1,004	0.01								
Lufthansa	51,647	0.37	19,824	0.17	10,969	0.16	19,410	0.42	80,019	0.44	89,688	0.51
Royal Jordanian Airlines	26,142	0.19	16,225	0.14	3,217	0.05	3,633	0.08	20,725	0.11	16,163	0.09
Southwest/Airtran Airlines [5]	—	—	—	—	—	—	—	—	—	—	—	—
Spirit Airlines	37,755	0.27	29,740	0.25	21,432	0.31	10,313	0.22	34,953	0.19	36,024	0.21
Virgin Atlantic Airways	—	—	—	—	—	—	—	—	—	—	—	—
WOW air	—	—	—	—	—	—	—	—	14,122	0.08	16,170	0.09
Other [2]	4,127	0.03	—	—	126	—	—	—	—	—	—	—
Total International	1,000,159	7.13	420,720	3.58	370,034	5.28	389,036	8.43	1,681,985	9.27	1,641,081	9.35
Grand Total	14,052,931	100.00%	11,782,602	100.00%	7,026,591	100.20%	4,608,208	100.00%	18,121,193	100.00%	17,558,618	100.00%

[1] Signatory Affiliate Airlines are associated based on 2020 affiliations and shown in parentheses to major carrier name.

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

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

[3] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

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

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

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

Source: V

Detoit Metropolitan Airport

2017		2016		2015		2014		2013	
Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share	Passenger enplanements	Share
72,380	0.42	66,040	0.39	57,636	0.35	—	—	—	—
45,400	0.26	63,898	0.37	34,465	0.21	57,178	0.35	63,752	0.40
44,914	0.26	67,414	0.39	136,328	0.83	169,854	1.05	169,407	1.05
—	—	—	—	13,713	0.08	29,246	0.18	26,173	0.16
8,985	0.05	3,621	0.02	—	—	—	—	—	—
81,867	0.47	58,585	0.34	39,344	0.24	5,492	0.03	6,519	0.04
118,354	0.68	156,144	0.91	178,734	1.09	92,224	0.57	96,509	0.60
63,056	0.36	—	—	—	—	—	—	—	—
725,334	4.20	761,214	4.44	732,616	4.46	725,183	4.47	662,355	4.12
—	—	—	—	140,318	0.85	560,376	3.46	448,754	2.79
117,490	0.68	111,614	0.65	120,847	0.73	207,036	1.28	175,829	1.09
1,223,918	7.08	1,677,874	9.79	1,556,601	9.46	2,159,842	13.32	3,080,866	19.16
547,541	3.17	1,150,700	6.72	1,276,020	7.76	1,098,157	6.77	978,390	6.09
745,286	4.31	230,733	1.35	107,108	0.65	160,650	0.99	—	—
111,888	0.65	—	—	—	—	—	—	—	—
48,860	0.28	264,188	1.54	475,505	2.89	86,319	0.53	121,712	0.76
1,114,479	6.45	570,927	3.33	353,817	2.15	251,177	1.55	—	—
7,456,453	43.15	7,486,766	43.70	7,249,879	44.09	6,856,076	42.28	6,568,924	40.86
208,426	1.21	149,124	0.87	92,038	0.56	98,958	0.61	80,496	0.50
142,117	0.82	146,799	0.86	105,591	0.64	—	—	—	—
848,036	4.91	845,604	4.94	784,365	4.77	828,595	5.11	832,772	5.18
1,424,905	8.25	1,289,024	7.52	1,096,225	6.67	875,463	5.40	755,169	4.70
5,268	0.03	9,002	0.05	76,704	0.47	143,587	0.89	130,342	0.81
7,011	0.04	31,741	0.19	42,751	0.26	40,249	0.25	44,311	0.28
153,771	0.89	140,502	0.82	80,084	0.49	18,478	0.11	42,346	0.26
124,655	0.72	92,302	0.54	—	—	—	—	—	—
46,470	0.27	69,388	0.41	65,860	0.40	31,384	0.19	58,464	0.36
218,781	1.27	171,058	1.00	105,188	0.64	78,956	0.49	70,789	0.44
19,868	0.11	65,294	0.38	86,562	0.53	177,393	1.09	251,438	1.56
15,725,513	90.99	15,679,556	91.52	15,008,299	91.27	14,751,873	90.97	14,665,317	91.21
19,954	0.12	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
40,781	0.24	32,392	0.19	23,980	0.15	21,253	0.13	17,156	0.11
71,462	0.41	71,642	0.42	75,576	0.46	73,512	0.45	77,751	0.48
—	—	566	—	520	—	1,256	0.01	1,302	0.01
—	—	—	—	—	—	—	—	—	—
5,841	0.03	18,703	0.11	17,102	0.10	8,691	0.05	—	—
—	—	—	—	—	—	—	—	2,175	0.01
1,275,473	7.38	1,161,607	6.78	1,178,621	7.17	1,226,121	7.56	1,180,193	7.34
77,521	0.45	71,472	0.42	76,694	0.47	77,650	0.48	66,977	0.42
14,937	0.09	13,403	0.08	12,225	0.07	14,755	0.09	14,334	0.09
—	—	—	—	—	—	12,255	0.08	11,120	0.07
28,806	0.17	22,575	0.13	22,457	0.14	22,986	0.14	22,669	0.14
19,417	0.11	47,380	0.28	20,442	0.12	—	—	—	—
—	—	—	—	—	—	—	—	—	—
1,514	0.01	11,391	0.07	7,862	0.05	6,321	0.04	18,658	0.12
1,555,706	9.01	1,451,131	8.48	1,435,479	8.73	1,464,800	9.03	1,412,335	8.79
17,281,219	100.00%	17,130,687	100.00%	16,443,778	100.00%	16,216,673	100.00%	16,077,652	100.00%

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-6

Debt Service Detail

(Unaudited)

Detroit Metropolitan and Willow Run Airports (a)

	2022		2021		2020		2019 Stub [3]		2019		2018	
	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
Airport Revenue Bonds:												
Series 1998A	—	—	—	—	—	—	—	—	—	—	—	—
Series 2002C	—	—	—	—	—	—	—	—	—	—	—	—
Series 2002D	—	—	—	—	—	—	—	—	—	—	—	—
Series 2005	—	—	—	—	—	—	—	—	—	—	—	—
Series 2007A Jr. Lien	—	—	—	—	—	—	—	—	—	—	157,970,000	—
Series 2007B	—	—	—	—	—	—	—	—	—	—	97,830,000	—
Series 2008A	—	—	—	—	—	—	—	—	93,190,000	861,231	5,470,000	5,215,250
Series 2010A	—	—	—	—	—	—	—	—	32,170,000	268,083	30,615,000	1,863,625
Series 2010B	—	—	—	—	—	—	—	—	—	—	—	—
Series 2010C	9,885,000	453,063	14,190,000	1,144,625	13,405,000	1,879,586	12,645,000	590,631	11,785,000	2,671,483	11,290,000	3,256,608
Series 2010D	—	—	3,295,000	151,021	3,115,000	321,798	2,920,000	110,785	2,745,000	519,550	2,630,000	655,841
Series 2010E-1	—	—	—	—	—	—	—	—	—	—	—	—
Series 2010E-2	—	—	—	—	—	—	—	—	—	—	—	—
Series 2010F	—	—	—	—	—	—	—	—	—	—	—	—
Series 2010G	—	—	—	—	—	—	—	—	—	—	—	—
Series 2011A	40,915,000	1,779,021	38,915,000	3,724,354	37,225,000	5,388,917	35,410,000	1,676,458	—	7,296,000	—	7,296,000
Series 2011B	—	—	—	—	2,745,000	125,813	2,615,000	56,105	2,540,000	280,700	2,420,000	364,366
Series 2012A	4,425,000	7,894,813	4,235,000	8,107,355	4,020,000	8,309,250	3,820,000	2,113,333	3,645,000	8,547,375	3,480,000	8,728,250
Series 2012B	890,000	1,052,042	850,000	1,094,708	810,000	1,135,375	780,000	291,188	735,000	1,183,875	700,000	1,220,333
Series 2012C	—	—	—	—	260,000	9,533	255,000	4,300	245,000	22,234	235,000	31,966
Series 2012D	—	1,487,000	—	1,487,000	—	1,487,000	5,560,000	418,084	5,490,000	1,810,750	5,240,000	2,083,166
Series 2013A	—	—	—	—	—	—	—	—	—	—	199,070,000	693,963
Series 2013B	—	—	—	—	—	—	—	—	—	—	74,375,000	260,566
Series 2013C	—	—	—	—	—	—	—	—	—	—	114,610,000	411,754
Series 2014A	—	—	—	—	—	—	—	—	29,800,000	367,605	100,000	538,723
Series 2014B	100,000	3,295,208	100,000	3,299,292	100,000	3,302,376	100,000	826,490	100,000	3,308,292	100,000	3,312,125
Series 2014C	100,000	1,559,833	100,000	1,563,667	100,000	1,567,250	100,000	392,646	100,000	1,572,916	100,000	1,576,750
Series 2015A	—	—	—	—	17,625,000	269,810	17,335,000	121,833	17,050,000	631,288	16,770,000	915,244
Series 2015B	18,495,000	1,506,124	18,005,000	1,996,249	—	2,037,000	—	509,250	—	2,037,000	—	2,037,000
Series 2015C	—	961,500	—	961,500	—	961,500	—	240,375	—	961,500	—	961,500
Series 2015D	100,000	10,639,167	100,000	10,643,167	100,000	10,647,166	100,000	2,662,375	100,000	10,651,000	—	10,653,500
Series 2015E	—	387,750	—	387,751	—	387,751	—	96,938	—	387,750	—	387,750
Series 2015F	—	11,207,750	—	11,207,750	—	11,207,750	—	2,801,937	—	11,207,750	—	11,207,750
Series 2015G	2,910,000	3,127,375	2,770,000	3,266,458	2,640,000	3,399,000	2,515,000	873,459	2,000,000	3,552,416	1,600,000	3,649,084
Series 2015H	—	—	—	—	23,125,000	218,194	—	122,539	—	587,225	—	483,042
Series 2017A Sr	100,000	2,521,167	100,000	2,525,167	100,000	2,529,166	—	632,375	—	2,529,500	—	2,452,210
Series 2017B Sr	100,000	2,025,166	100,000	2,029,167	100,000	2,033,167	—	508,375	—	2,033,500	—	1,971,365
Series 2017C Sr	6,735,000	2,725,688	6,400,000	3,047,083	6,090,000	3,352,875	5,785,000	892,771	5,010,000	3,709,250	—	3,798,283
Series 2017A Jr	2,350,000	2,575,008	2,240,000	2,687,467	2,130,000	2,794,425	2,030,000	717,741	1,545,000	2,917,675	—	2,890,932
Series 2017B Jr	2,615,000	1,842,854	2,485,000	1,967,646	2,370,000	2,086,625	2,260,000	542,958	1,850,000	2,224,917	—	2,231,661
Series 2017C Jr	—	1,230,750	—	1,230,751	—	1,230,751	—	307,688	—	1,230,750	—	1,193,144
Series 2017D	—	—	—	—	198,285,000	2,206,433	350,000	1,004,201	320,000	4,747,118	—	3,113,046
Series 2017E	215,000	2,678,283	210,000	2,686,700	200,000	2,694,733	200,000	675,184	180,000	2,704,600	—	2,108,244
Series 2017F	420,000	3,024,707	415,000	3,035,854	405,000	3,046,745	400,000	763,702	375,000	3,060,062	—	2,386,571
Series 2018A	100,000	7,364,084	100,000	7,369,083	—	7,369,500	—	1,842,375	—	6,489,254	—	—
Series 2018B	—	300,250	—	300,250	—	300,250	—	75,063	—	264,386	—	—
Series 2018C	5,380,000	953,083	5,350,000	1,220,709	5,365,000	1,439,716	5,290,000	399,667	—	1,469,823	—	—
Series 2018D	—	2,151,000	—	2,151,000	—	2,151,000	—	537,750	—	1,894,075	—	—
Series 2019	100,000	862,568	100,000	865,488	100,000	796,041	100,000	217,588	—	394,518	—	—
Series 2020A	22,285,000	346,830	1,000,000	193,978	—	71,407	—	—	—	—	—	—
Series 2020B	160,000	1,457,093	160,000	866,475	—	87,315	—	—	—	—	—	—
Series 2020C	205,000	2,536,356	205,000	1,076,631	—	93,484	—	—	—	—	—	—
Series 2021A	—	6,063,000	—	3,166,233	—	—	—	—	—	—	—	—
Series 2021B	—	1,476,000	—	770,800	—	—	—	—	—	—	—	—
Series 2022	—	71,381	—	—	—	—	—	—	—	—	—	—
Airport Hotel Bonds:												
Series 2001A	—	—	—	—	—	—	—	—	—	—	—	—
Installment Purchase Contracts	—	—	—	—	—	—	—	—	1,814,983	37,414	337,782	86,345
Shuttle Payable	771,780	134,964	1,833,585	192,227	513,596	99,929	45,721	10,054	—	—	—	—
Willow Run Notes Payable:												
Washtenaw County	—	—	—	—	—	—	—	—	19,473	—	19,476	—
Downriver Comm. Conf.	55,000	—	60,000	—	60,000	—	19,869	—	25,000			
University of Michigan	—	—	—	—	—	—	—	—	—	—	—	—
Less: Bond Refundings [2]	(22,285,000)	—	—	—	(220,950,000)	—	—	—	(117,355,000)	—	(632,310,000)	—
Totals	$ 97,126,780	87,690,877	103,318,585	86,417,606	100,038,596	87,038,630	100,635,590	23,036,218	95,479,456	94,432,865	92,652,258	90,035,957

Airport Hotel (a)

	2022		2021		2020		2019 Stub [3]		2019		2018	
	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
Airport Hotel Bonds:												
Series 2001A	$ —	—	—	—	—	—	—	—	—	—	—	—
Series 2001B	—	—	—	—	—	—	—	—	—	—	—	—
Less: Bond Refundings [2]	—	—	—	—	—	—	—	—	—	—	—	—
Other Hotel Debt:												
Capital/FF&E Reserve Loan	—	—	—	—	—	—	—	—	—	—	—	—
Working Capital Loan	—	—	—	—	—	—	—	—	—	—	—	—
Totals	$ —	—	—	—	—	—	—	—	—	—	—	—

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

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

[3] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

(Continued)

Detroit Metropolitan and Willow Run Airports (a)

2017		2016		2015		2014		2013	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	2,105,000	17,542
—	—	—	—	—	—	—	—	6,920,000	59,508
—	—	257,075,000	539,025	196,950,000	22,271,263	11,720,000	23,153,925	11,130,000	23,759,217
4,230,000	7,870,983	3,985,000	8,080,440	3,795,000	8,278,108	3,615,000	8,466,358	3,480,000	8,645,983
5,870,000	4,695,100	5,580,000	5,004,850	5,305,000	5,281,558	—	5,502,600	4,805,000	5,542,642
5,390,000	5,501,725	5,305,000	5,783,957	5,225,000	6,061,768	5,155,000	6,335,469	5,100,000	6,603,500
29,115,000	3,381,875	27,680,000	4,825,667	26,310,000	6,198,250	27,560,000	7,478,233	26,185,000	8,527,825
—	—	—	—	—	—	4,800,000	40,000	—	240,000
22,700,000	3,916,192	21,275,000	5,039,317	20,305,000	6,094,983	18,675,000	7,096,650	16,990,000	8,016,358
2,490,000	786,175	2,380,000	909,759	2,310,000	1,028,175	2,165,000	1,135,250	2,055,000	1,196,225
—	—	—	—	—	—	75,275,000	17,663	85,000	104,432
—	—	—	—	—	—	74,895,000	21,997	105,000	97,698
—	—	—	—	—	—	124,640,000	28,980	—	171,296
—	—	—	—	—	—	115,760,000	106,848	240,000	1,279,419
—	7,296,000	—	7,296,000	—	7,296,000	—	7,296,000	—	7,296,000
2,310,000	484,450	2,200,000	599,034	2,135,000	701,375	—	754,750	—	754,750
100,000	8,873,750	—	8,876,250	—	8,876,250	—	8,876,250	—	8,900,906
100,000	1,250,333	—	1,254,500	—	1,254,500	—	1,254,500	—	1,257,985
225,000	40,925	220,000	47,650	215,000	54,225	2,230,000	70,750	—	126,852
4,960,000	2,342,834	7,065,000	2,608,375	7,000,000	2,961,083	6,470,000	3,285,100	—	3,456,425
330,000	2,619,794	330,000	1,953,055	280,000	1,654,399	—	1,494,922	—	—
185,000	976,469	180,000	716,561	120,000	600,329	—	541,947	—	—
370,000	1,551,374	365,000	1,151,923	270,000	973,334	—	880,323	—	—
100,000	404,728	—	300,414	—	253,070	—	104,169	—	—
—	3,314,625	—	3,314,625	—	3,072,166	—	619,958	—	—
—	1,579,250	—	1,579,250	—	1,463,732	—	295,378	—	—
16,220,000	1,193,771	—	1,458,931	—	—	—	—	—	—
—	2,037,000	—	2,093,583	—	—	—	—	—	—
—	961,500	—	988,208	—	—	—	—	—	—
—	12,996,670	—	7,896,028	—	—	—	—	—	—
—	452,375	—	308,046	—	—	—	—	—	—
—	11,207,750	—	10,771,893	—	—	—	—	—	—
500,000	3,717,416	—	3,580,860	—	—	—	—	—	—
—	312,880	—	223,981	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
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—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	—	—
—	—	99,630,000	212,057	—	—	—	—	—	—
779,704	108,657	747,395	129,884	774,760	150,941	818,958	173,405	846,437	198,465
—	—	—	—						
19,474	—	19,476	—	19,476	—	19,476	—	19,476	—
—	—	—	—	—	—	—	—	401,148	24,251
—	—	(343,700,000)	—	(184,605,000)	—	(390,570,000)	—	—	—
95,994,178	89,874,600	90,336,871	87,544,123	86,409,236	84,525,509	83,228,434	85,031,425	80,467,061	86,277,279

Airport Hotel (a)

2017		2016		2015		2014		2013	
Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]	Principal	Interest [1]
—	—	—	—	—	5,089,375	—	5,089,375	—	5,089,375
—	—	—	—	4,185,000	194,535	1,645,000	294,305	1,480,000	401,060
—	—	—	—	—	—	—	—	—	—
—	—	—	—	—	—	—	—	2,922,147	93,522
—	—	—	—	—	—	1,500,000	80,000	—	120,000
—	—	—	—	4,185,000	5,283,910	3,145,000	5,463,680	4,402,147	5,703,957

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-7

Revenue Coverage

(Unaudited)

	2022	2021	2020	2019 Stub [4]	2019	2018	2017	2016	2015	2014	2013
Detroit Metro and Willow Run Airports (a)											
Net revenues:											
Operating revenues	$ 351,932,826	$ 336,412,074	$ 258,207,158	$ 99,684,895	$ 396,724,099	$ 382,646,192	$ 368,132,408	$ 363,069,701	$ 316,390,119	$ 306,800,927	$ 289,464,302
Interest income and other	189,460	2,091,687	5,010,656	2,529,138	16,589,419	7,617,673	3,681,738	3,956,859	2,157,671	2,789,211	2,026,745
Federal and state sources	45,292,853	44,481,954	118,326,432	1,783,827	8,507,741	6,650,317	6,655,554	5,568,130	1,339,342	1,029,619	1,353,122
Passenger facility charges	55,380,403	48,232,677	28,407,906	16,415,341	72,760,924	69,774,131	68,128,397	66,764,363	63,840,589	62,016,364	61,705,013
Customer facility charges	4,639,302	—	4,950,594	5,726,133	22,130,671	4,548,815	4,442,148	4,260,370	304,510	—	—
Total revenues	457,434,844	431,218,392	414,902,746	126,139,334	516,712,854	471,237,128	451,040,245	443,619,423	384,032,231	372,636,121	354,549,182
Less operating expenses, not including depreciation	(253,838,132)	(231,307,135)	(216,602,382)	(74,550,621)	(271,265,445)	(264,839,591)	(266,638,295)	(252,611,208)	(218,348,139)	(212,847,104)	(195,526,748)
Net revenues	203,596,712	199,911,257	198,300,364	51,588,713	245,447,409	206,397,537	184,401,950	191,008,215	165,684,092	159,789,017	159,022,434
Net debt service:											
Principal [3]	119,411,780	103,318,585	100,038,596	100,635,590	95,479,456	92,652,258	95,994,178	90,336,871	86,409,236	83,228,434	80,467,061
Interest [1]	87,690,877	86,417,606	87,038,630	23,036,218	94,432,865	90,035,957	89,874,600	87,544,123	84,525,509	85,031,425	86,277,279
Net debt service	207,102,657	189,736,191	187,077,225	124,036,164	189,912,321	182,688,215	185,868,778	177,880,994	170,934,745	168,259,859	166,744,340
Debt Service Coverage [2]	0.98	1.05	1.06	0.42	1.29	1.13	0.99	1.07	0.97	0.95	0.95
Pledged Revenue Coverage – Airport Hotel (a)											
Net revenues:											
Operating revenues	—	—	—	—	—	—	—	—	33,345,294	32,922,844	29,301,463
Interest income and other	—	—	—	—	—	—	—	—	52,328	19,747	21,538
Total revenues	—	—	—	—	—	—	—	—	33,397,622	32,942,591	29,323,001
Less operating expenses, not including depreciation	—	—	—	—	—	—	—	—	(18,793,497)	(23,063,942)	(21,064,105)
Net revenues	—	—	—	—	—	—	—	—	14,604,125	9,878,649	8,258,896
Net debt service:											
Principal	—	—	—	—	—	—	—	—	4,185,000	3,145,000	4,402,147
Interest [1]	—	—	—	—	—	—	—	—	5,283,910	5,463,680	5,703,957
Net debt service	—	—	—	—	—	—	—	—	9,468,910	8,608,680	10,106,104
Debt Service Coverage [2]	—	—	—	—	—	—	—	—	1.54	1.15	0.82
Combined net debt service:											
Principal	119,411,780	103,318,585	100,038,596	101,010,000	95,479,456	92,652,258	95,994,178	90,336,871	90,594,236	86,373,434	84,869,208
Interest [1]	87,690,877	86,417,606	87,038,630	23,026,164	94,432,865	90,035,957	89,874,600	87,544,123	89,809,419	90,495,105	91,981,236
Total combined net debt service	$ 207,102,657	$ 189,736,191	$ 187,077,225	$ 124,036,164	$ 189,912,321	$ 182,688,215	$ 185,868,778	$ 177,880,994	$ 180,403,655	$ 176,868,539	$ 176,850,444

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

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

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

[3] Principal payments do not include bond refunding payoffs.

[4] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

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

Source: WCAA Finance Department Records

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-8

Ratios of Outstanding Debt

(Unaudited)

Outstanding Debt per Enplaned Passenger	**2022**	**2021**	**2020**	**2019 Stub [2]**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Outstanding debt by type:											
Airport revenue bonds	$ 1,908,920,000	$ 2,006,470,000	$ 1,957,115,000	$ 2,056,105,000	$ 2,156,675,000	$ 2,105,880,000	$ 2,145,910,000	$ 2,241,105,000	$ 2,031,565,000	$ 2,116,145,000	$ 2,070,180,000
Installment purchase contracts	—	—	—	—	—	1,814,983	2,152,765	2,932,469	3,679,864	4,454,624	5,273,582
Shuttle Lease Agreement - Other	1,713,443	2,485,223	2,318,808	2,832,404	—	—	—	—	—	—	—
Willow Run notes payable	265,000	330,000	380,000	440,000	459,869	504,342	523,820	543,294	562,770	102,246	102,246
Airport hotel bonds	—	—	—	—	—	—	—	—	99,630,000	103,815,000	105,460,000
Other hotel debt	—	—	—	—	—	—	—	—	—	—	1,500,000
Bond discounts	(320,874)	(352,687)	(384,498)	(421,914)	(429,538)	(460,034)	(490,528)	(521,022)	(1,766,475)	(1,336,251)	(1,459,143)
Bond premiums	140,124,249	153,833,070	116,639,031	129,055,864	132,163,640	119,320,631	74,855,937	89,758,579	51,018,768	59,941,546	60,323,458
Total outstanding debt	$ 2,050,701,818	$ 2,162,765,606	$ 2,076,068,341	$ 2,187,626,354	$ 2,288,868,971	$ 2,227,059,922	$ 2,222,951,994	$ 2,333,818,320	$ 2,184,689,927	$ 2,283,122,165	$ 2,241,380,143
Enplaned passengers	14,052,931	11,782,602	7,026,591	4,608,208	18,121,193	17,558,618	17,281,219	17,130,687	16,443,778	16,216,673	16,077,652
Outstanding debt per enplaned passenger	$ 145.93	$ 183.56	$ 295.46	$ 474.72	$ 126.31	$ 126.84	$ 128.63	$ 136.24	$ 132.86	$ 140.79	$ 139.41
Combined net debt service per enplaned passenger											
Combined net debt service [1]	$ 184,817,657	$ 189,736,191	$ 187,077,225	$ 123,671,808	$ 189,912,321	$ 182,688,215	$ 185,868,778	$ 177,880,994	$ 180,403,655	$ 176,868,539	$ 176,850,444
Enplaned passengers	14,052,931	11,782,602	7,026,591	4,608,208	18,121,193	17,558,618	17,281,219	17,130,687	16,443,778	16,216,673	16,077,652
Net debt service per enplaned passenger	$ 13.15	$ 16.10	$ 26.62	$ 26.92	$ 10.48	$ 10.40	$ 10.76	$ 10.38	$ 10.97	$ 10.91	$ 11.00

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

[2] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

Source: WCAA Finance Department Records

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-9

Authority Employees

(Unaudited)

	Authority Full-Time Positions *										
	2022	**2021**	**2020**	**2019 Stub [1]**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Administration	11	12	12	16	16	15	12	10	11	9	8
Internal Audit	2	1	1	2	2	3	3	3	3	3	3
Legal	4	4	4	3	2	5	5	5	5	5	5
Finance	23	21	21	23	23	28	33	33	32	33	32
Information Technology	11	13	14	18	18	20	20	17	18	15	14
Procurement/Business Diversity	11	16	16	18	18	16	16	19	16	15	14
Human Resources	11	11	11	14	14	12	12	13	13	11	11
Maintenance/Facilities	216	229	230	249	249	245	235	216	196	199	194
Airfield Operations	36	39	36	44	45	47	47	47	42	40	39
Public Safety	209	211	208	237	240	231	224	223	205	204	203
Planning & Development	30	33	33	33	32	30	29	32	31	25	28
Business Development	32	37	36	46	45	45	46	41	37	37	32
Willow Run	4	4	3	13	13	14	13	13	11	11	11
Pooled Positions	—	—	—	3	3	—	—	—	—	—	—
Totals	600	631	625	719	720	711	695	672	620	607	594

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

[1] The Authority converted from a September 30 fiscal year end to a December 31 fiscal year end. To facilitate the fiscal year end conversion a "stub" reporting period encompassing the three month period from October 1, 2019 through December 31, 2019 was completed.

Source: WCAA Finance Department Records

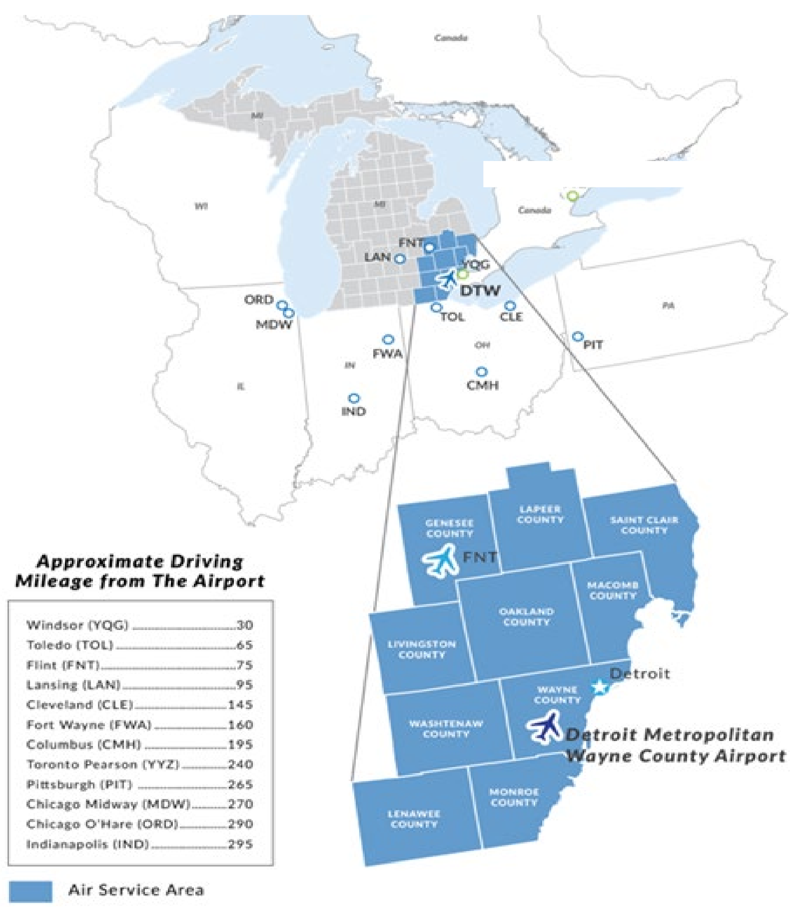
Exhibit S-10: Demographic and Economic Information

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

Detroit Metropolitan Wayne County Airport is a major commercial airport located in Romulus, Michigan classified a large hub by the FAA with 1 percent or more of total U.S. passengers enplaned. As of 2021, Detroit Metro Airport is the eighteenth busiest airport in the United States and the twenty-eighth busiest airport in the world (by operations). Nearby to DTW is the smaller non-commercial airport Willow Run that serves freight, corporate, and general aviation clients. Together, these airports serve a Primary Air Trade Area commonly referred to as Metropolitan Detroit (Metro Detroit).

The United States Office of Management and Budget (OMB) defines the ten-county region in which DTW is located the *Detroit-Warren-Ann Arbor Combined Statistical Area (CSA).* The region is comprised of the ten Michigan counties of Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw and Wayne. This area is defined based on commuting patterns and constitutes the labor market region of Metro Detroit with a population of approximately 5.3 million.

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



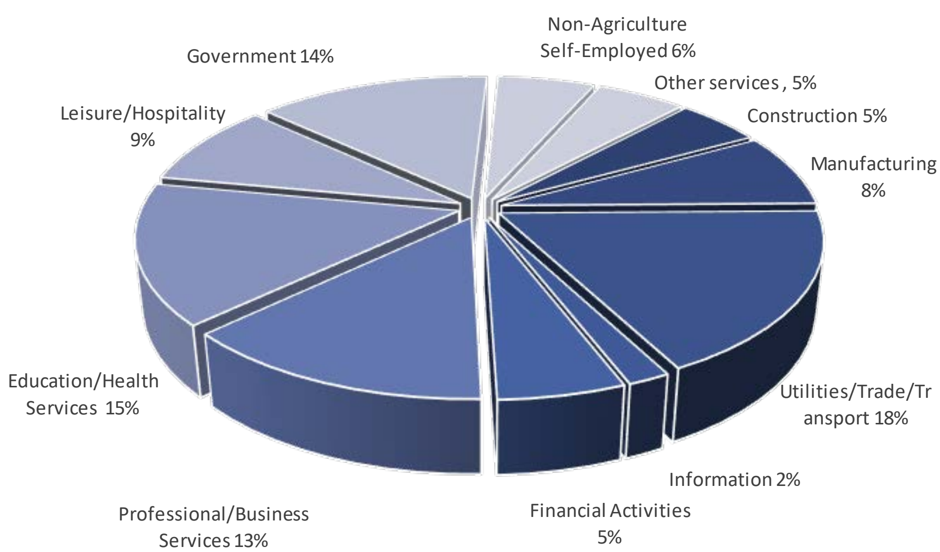
WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-10 A

Selected Demographic and Economic Information for the Primary Air Trade Area

(Unaudited)

Population (2021)	5,393,033
Population (2020)	5,340,849
Population (2010)	5,218,852
Population (2000)	5,357,538
Percentage Increase in Population - 2020 to 2021	1.0%
Percentage Female	50.9%
Percentage Male	49.1%
Personal Income (millions) (2021)	$324,416,320
Percent of U.S. Total	1.5%
Per Capita Personal Income (2021)	$60,155
Per Capita Personal Income (2021) - U.S.	$64,143
Unemployment Rate (2021 December)	7.9%
Unemployment Rate (2020 December)	6.5%
Unemployment Rate (2019 December)	5.3%
Total Households (millions)	2.2
Average Household Size (people)	2.4



Note: Civilian, non-agricultural employment only. Construction includes mining and forestry

SOURCE: Bureau of Labor Statistics, U.S. Department of Labor, data are not seasonally-adjusted.

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-10 B

Principal Employers in Primary Air Trade Area

(Unaudited)

Employer	City	Metro Employees 2022*	Metro Employees 2021 **	Percentage (%) Change	Type of Business
Ford Motor Co.	Dearborn	47,750	47,750	0.0%	Automobile Manufacturer
Stellantis NV	Auburn Hills	42,444	37,761	12.4%	Automobile Manufacturer
General Motors Corp.	Detroit	38,600	33,935	13.7%	Automobile Manufacturer
University of Michigan	Ann Arbor	35,620	35,185	1.2%	Public University/Health System
BHSH System	Not Listed	21,674	N/A	N/A	Hospital System
U.S. Government	Detroit	19,953	19,953	0.0%	Federal Government
Henry Ford Health System	Detroit	17,469	17,875	-2.3%	Health Care System
Rocket Companies Inc.	Detroit	14,109	18,000	-21.6%	Holding company (tech, finance, etc)
Trinity Health Michigan	Detroit	13,186	12,991	1.5%	Health Care System
Ascension Michigan	Warren	12,085	12,452	-2.9%	Health Care System

* Data as of July 2022, except for "U.S. Government" - data is still as of July 2021
** Data as of July 2021

Source: Crain's Detroit Business, July 2022

See accompanying independent auditor's report.

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-11

Airport Information

(Unaudited)

Detroit Metropolitan Airport

Location:	20 miles southwest of Detroit in the city of Romulus		
Area:	7,342 acres		
Airport Code:	DTW		
		Length (ft)	
Runways:	3R/21L	10,001	
	3L/21R	8,501	
	9R/27L	8,500	
	9L/27R	8,708	
	4R/22L	12,003	
	4L/22R	10,000	
Terminals:	McNamara Terminal		
	In-Service Passenger Gates		104
	Operating Concessions		69
	North Terminal		
	In-Service Passenger Gates		29
	Operating Concessions		24
Parking:	Spaces Available:		
	McNamara Parking Structure		10,117
	Big Blue Deck and Short-Term		6,530
	Green Lot 1		1,517
	Green Lot 2		900
	Total Spaces		19,064
International:	Customs/Immigration F.I.S. Facility		
Tower(s):	Air Traffic Control Tower 24/7/365		
	Delta Air Lines Ramp Control Tower 24/7/365		
	North Terminal Ramp Control Tower 24/7/365		
FBO(s):	Signature Flight Support		

Source: WCAA Finance Department Records

WAYNE COUNTY AIRPORT AUTHORITY

Exhibit S-12

Airport Information

(Unaudited)

Willow Run Airport

Location:	7 miles west of Detroit Metropolitan Airport bordering on Wayne and Washtenaw Counties	
Area:	2,360 acres	
Airport Code:	YIP	
		Length (ft)
Runways:	5R/23L	7,543
	9/27	5,001
Corporate/Private Space:	Three General Aviation Terminals T-Hangars (qty. 110) Yankee Air Museum	
International:	U.S. Customs (user fee airport)	
Tower:	FAA 24/7	
FBOs:	Avflight Odyssey Aviation	

Source: WCAA Finance Department Records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Documents Incorporated By Reference

Operating Year Ended December 31, 2022

Portions of the following documents are incorporated herein by reference into sections of the Financial Report as indicated:

Document	Part of Financial Report into which incorporated
None[(a)]	Not applicable

(a) There was no public debt issued during the operating year ended December 31, 2022

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #1

Debt Service Requirements and Coverage

Operating Year 2022

(Unaudited)

	Net revenues available - [1] (thousands)	Total debt service requirements (thousands)	Debt service coverage	Airline cost per enplaned passenger
Senior Lien	$ 238,635	$ 169,757	1.41	$ 10.34
Total Senior Lien and Junior Lien	$ 238,635	$ 180,391	1.32	$ 10.34

[1] - Includes net revenues, revenue fund balance, and other available monies

Source: Wayne County Airport Authority

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #2

Operation and Maintenance Expenses

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(In thousands of dollars, except as noted)

(Unaudited)

Description	OY 2022	OY 2021	OY 2020	Three-month Period Ended Dec. 31, 2019	OY 2019	OY 2018
Salaries and wages	$ 58,375	$ 56,787	57,696	$ 15,635	$ 60,996	$ 58,693
Employee benefits	29,626	29,019	30,897	10,514	35,825	35,840
	88,001	85,806	88,593	26,149	96,821	94,533
Contractual services:						
Parking management	6,994	5,495	5,488	1,823	7,607	8,405
Hotel management (a)	18,065	11,780	10,550	5,399	19,746	19,702
Security expenses	7,365	5,499	4,882	1,553	6,000	6,031
Janitorial services	20,052	16,450	14,038	4,120	16,917	14,406
Shuttle bus	10,871	9,978	7,316	2,002	7,779	6,849
Other services	26,668	22,654	22,064	7,226	26,135	27,920
Total contractual services	90,015	71,856	64,338	22,123	84,184	83,313
Wayne County administrative services	79	67	67	18	123	123
Repairs and maintenance	33,761	33,063	27,372	8,740	36,445	33,039
Supplies and other operating expenses	14,756	9,512	9,863	3,550	15,677	14,740
Insurance	2,122	1,901	1,942	460	1,878	1,902
Utilities	22,551	20,346	19,217	5,195	22,870	23,388
Rentals	97	98	70	36	284	182
Interest expense and paying agent fees	426	426	373	—	95	109
Capital expenses	5,583	12,075	8,264	2,470	10,177	8,816
	79,375	77,488	67,168	20,469	87,549	82,299
Total O&M expenses	$ 257,391	$ 235,150	220,099	$ 68,741	$ 268,554	$ 260,145

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

Source: Wayne County Airport Authority

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #3

Operating Revenues

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(In thousands of dollars, except as noted)

(Unaudited)

Description	OY 2022	OY 2021	OY 2020	Three-month Period Ended Dec. 31, 2019	OY 2019	OY 2018
Airline revenues:						
Rental and use fees:						
Terminal building rentals and fees	$ 67,259	$ 65,876	$ 65,867	$ 16,374	$ 66,670	$ 63,641
Common-use/shared-use area rentals	26,171	30,890	15,227	6,306	24,556	23,770
Debt service recapture	905	988	988	247	988	988
Facilities use fees	5,763	2,446	2,276	2,116	9,714	8,877
Add/(Subtract) rental fee adjustment	(296)	4,169	3,606	(1,580)	(3,317)	(3,666)
Total rental and use fees	99,802	104,369	87,964	23,463	98,611	93,610
Activity fees:						
Signatory airlines	55,454	78,481	47,573	19,931	78,071	77,092
Nonsignatory airlines	2,248	2,463	1,508	771	5,941	3,151
Add/(Subtract) landing fee adjustment	(12,142)	(8,285)	8,464	(489)	(4,281)	(3,505)
Total activity fees	45,560	72,659	57,545	20,213	79,731	76,738
Total airline revenues	145,362	177,028	145,509	43,676	178,342	170,348
Nonairline revenues:						
Concessions:						
Automobile parking	87,624	61,971	34,905	21,834	83,657	80,248
Hotel (b)	29,728	18,111	12,224	8,816	32,735	31,368
Rental car	25,401	21,205	11,476	6,104	25,867	26,164
Food and beverage	17,231	14,784	2,116	5,396	21,178	20,703
Retail	10,544	9,200	13,850	3,665	14,815	14,734
Marketing and communications	1,605	1,148	1,123	463	1,671	1,721
Other concessions	3,510	2,707	3,983	1,038	5,273	5,141
Total concessions	175,643	129,126	79,677	47,316	185,196	180,079
Rentals	4,226	4,229	4,009	1,014	3,756	3,673
Utility fees	4,444	3,923	3,759	1,165	4,739	4,970
Interest income	1,004	5	631	328	1,502	792
Ground transportation	7,434	4,480	3,781	3,133	11,375	10,199
Airport Rescue Grant (ARPA)	12,279	28,760	113,126	-	-	-
Airport Cor. Response Grant Conc.	3,886	-	-	-	-	-
Airport Cor. Response Grant (CRRSA)	17,404	10,261	-	-	-	-
Other (a)	15,884	13,158	14,131	2,907	10,939	9,437
Total nonairline revenues	242,204	193,942	219,114	55,863	217,507	209,150
Total operating revenues	$ 387,566	$ 370,970	$ 364,623	$ 99,539	$ 395,849	$ 379,498

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

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

Source: Wayne County Airport Authority

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #4

Application of Revenues

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(In thousands of dollars, except as noted)

(Unaudited)

Priority		OY 2022	OY 2021	OY 2020	Three-month Period Ended Dec. 31, 2019	OY 2019	OY 2018
	Revenues:						
	Airline revenues	$ 145,362	$ 177,028	145,509	43,676	$ 178,342	$ 170,348
	Nonairline revenues	242,204	193,942	219,114	55,863	217,507	209,150
	Interest income generated in bond funds and reserves	3,958	8,222	6,032	628	2,817	5,415
	Other available monies:						
	PFC contributions	55,084	42,224	38,795	18,850	70,941	73,174
	Capitalized interest contribution	4,528	8,324	5,140	1,499	6,517	3,078
	Other	7,960	5,872	6,401	2,039	8,696	4,550
	Total revenues	$ 459,096	$ 435,612	420,991	122,555	$ 484,820	$ 465,715
	Application of revenues:						
1	Operation and Maintenance Fund (a)	$ 261,644	$ 237,650	223,183	71,822	$ 279,746	$ 271,452
2	Bond Fund	174,285	176,775	176,039	45,454	183,299	174,462
3	Junior Lien Bond Fund	10,634	10,631	10,631	2,658	10,514	11,190
4	Operation and Maintenance Reserve Fund	—	—	654	—	777	100
5	Renewal and Replacement Fund	500	500	500	125	500	500
6	County Discretionary Fund	350	350	350	88	350	350
7	Airport Development Fund	11,683	9,706	9,634	2,408	9,634	7,661
	Total application of revenues	$ 459,096	$ 435,612	420,991	122,555	$ 484,820	$ 465,715

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

Source: Wayne County Airport Authority

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #5

Net Revenues and Debt Service Coverage

Year Ended December 31, 2022

(In thousands of dollars, except as noted)

(Unaudited)

Revenues:			
Revenues		$	387,566
Revenue fund balance at beginning of year			45,711
Other available monies:			
PFC contributions			55,084
Other			7,960
Interest income generated in bond funds and reserves			3,958
Total revenues	[A]		500,279
Operation and maintenance expenses	[B]		261,644
Net revenues available for Sr. Lien debt service	[A - B] = [C]		238,635
Bond debt service - Senior Lien	[D]		169,757
Net revenues available for Jr. Lien debt service	[C - D] = [E]		68,878
Bond debt service - Junior Lien	[F]		10,634
Net revenues remaining in revenue fund	[E - F] = [G]		58,244
Debt service coverage:			
Senior Lien bonds	[C]/[D]		1.41
Senior Lien and Junior Lien bonds	[C]/[D + F]		1.32
Rate covenant elements:			
Operation and maintenance expenses	[B]	$	261,644
125% debt service – Bonds	[(1.25 x D) + F]		222,830
Other fund requirements			10,556
Total rate covenant elements		$	495,030

Source: Wayne County Airport Authority

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #6

Historical Airline Passenger Enplanements

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

Operating Period	Domestic	International	Total	Percent Increase, (decrease) [1], [2]
Operating Year 2022	13,052,772	1,000,159	14,052,931	19.3%
Operating Year 2021	11,361,882	420,720	11,782,602	67.7
Operating Year 2020	6,656,557	370,034	7,026,591	(61.7)
Three-month period ended Dec. 31, 2019	4,219,172	389,036	4,608,208	1.7
Operating Year 2019	16,439,208	1,681,985	18,121,193	3.2
Operating Year 2018	15,917,537	1,641,081	17,558,618	1.6

[1] - Percent decrease for operating year 2020 has been calculated by annualizing the total reported enplanements for the three-month period ended December 31, 2019 and comparing the annualized totals to the 2020 operating year.

[2] - Percent increase for the three-month period ended Dec. 31, 2019 has been calculated by annualizing the total reported enplanements and comparing the annualized totals to the prior operating year.

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #7

Historical Comparative Total Enplanements

Calendar years ending December 31

(Unaudited)

Calendar year	Detroit Metro: Number of passengers	Detroit Metro: Percent increase	United States: Number of passengers	United States: Percent increase	Detroit as a percentage of U.S. total
2022	13,649,237	19.4%	807,580,239	26.4%	1.7%
2021	11,433,273	68.8	638,881,754	80.4	1.8
2020	6,774,244	(62.0)	354,190,515	(59.4)	1.9
2019	17,832,792	4.1	872,149,301	4.3	2.0
2018	17,126,910	2.0	836,503,477	4.8	2.0

Note: 2022 estimate based on nine months of actual data; 2021 updated with final data

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #8

Historical Airline Departures

Calendar years ending December 31

(Unaudited)

Calendar year	Departures by carrier type			Total departures	
	Majors	Nationals	Regionals	Total [1]	Percent increase (decrease)
2022	100,573	34,173	327	135,074	(1.8)%
2021	98,447	38,980	66	137,493	19.9
2020	83,404	30,861	433	114,698	(39.2)
2019	149,111	38,934	569	188,614	0.7
2018	135,132	51,323	940	187,395	(0.7)

[1] - Total does not include departures by commuters or charters
Note: 2022 estimate based on nine months of data; 2021 updated with final data

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #9

Historical Domestic Originations and Connections

Calendar years ending December 31

(Unaudited)

Calendar year	Domestic originations		Domestic connections	
	Number	Percent of total	Number	Percent of total
2022	8,089,800	63.4%	4,676,015	36.6%
2021	6,919,984	63.1	4,041,694	36.9
2020	3,811,119	59.0	2,647,469	41.0
2019	9,182,134	54.8	7,581,287	45.2
2018	8,859,449	55.4	7,119,271	44.6

Note: 2022 estimate based on nine months of data; 2021 updated with final data

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ended September 30 (2018 through 2019)

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	OY 2022		OY 2021		OY 2020	
Airline	Enplaned passengers	Percent of market	Enplaned passengers	Percent of market	Enplaned passengers	Percent of market
Domestic:						
Alaska Airlines	68,851	0.5%	45,491	0.4%	26,173	0.4%
American (Air Wisconsin)	—	—	—	—	—	—
American (Envoy)	40,485	0.3	49,672	0.4	13,834	0.2
American (Piedmont)	4,042	—	5,731	0.1	12,325	0.2
American (PSA)	88,138	0.7	81,343	0.7	45,923	0.7
American (Republic)	110,277	0.8	91,155	0.8	41,195	0.6
American (Skywest)	35,741	0.3	34,228	0.3	34,092	0.5
American Airlines	533,479	4.1	446,845	3.9	305,637	4.6
Delta (Endeavor)	956,695	7.3	1,605,262	14.1	857,422	12.9
Delta (ExpressJet)	—	—	—	—	—	—
Delta (GoJet)	—	—	—	—	72,599	1.1
Delta (Republic)	73,454	0.6	474,821	4.2	144,056	2.2
Delta (SkyWest)	1,128,326	8.6	621,912	5.5	555,566	8.3
Delta Airlines	7,447,361	57.1	5,644,899	49.6	3,030,599	45.4
Frontier Airlines	183,473	1.4	146,868	1.3	89,045	1.3
JetBlue Airways	126,775	1.0	47,936	0.4	24,106	0.4
Southwest Airlines	457,489	3.5	416,792	3.7	271,066	4.1
Spirit Airlines	1,342,322	10.3	1,304,646	11.5	912,833	13.6
United Airlines (Air Wisconsin)	5,486	—	7,274	0.1	—	—
United Airlines (CommutAir)	14,990	0.1	—	—	—	—
United Airlines (ExpressJet)	—	—	—	—	6,030	0.1
United Airlines (GoJet)	22,036	0.2	40,373	0.4	18,381	0.3
United Airlines (Mesa)	29,558	0.2	54,020	0.5	48,704	0.7
United Airlines (Republic)	78,420	0.6	51,610	0.4	50,526	0.8
United Airlines (SkyWest)	147,381	1.1	141,546	1.2	53,867	0.8
United Airlines (Trans States)	—	—	—	—	406	—
United Airlines	147,582	1.1	40,646	0.4	37,750	0.6
Other [(1)]	10,411	0.1	8,812	0.1	4,422	0.1
Subtotal – Domestic	13,052,772	100.0%	11,361,882	100.0%	6,656,557	100.0%
International:						
Aeromexico	—	—	—	—	—	—
Aeromexico Connect	3,945	0.4	—	—	10,784	2.9
Air Canada (Jazz)	41,010	4.1	8,845	2.1	6,960	1.9
Air Canada (Air Georgian)	—	—	—	—	—	—
Air France	79,806	8.0	38,792	9.2	16,121	4.4
Delta Airlines	755,561	75.5	306,290	72.8	300,425	81.2
Frontier	4,111	0.4	1,004	0.2	—	—
Lufthansa	51,647	5.2	19,824	4.7	10,969	3.0
Royal Jordanian	26,142	2.6	16,225	3.9	3,217	0.9
Spirit	37,755	3.8	29,740	7.1	21,432	5.8
WOW air	—	—	—	—	—	—
Other [(1)]	182	—	—	—	126	—
Subtotal – International	1,000,159	100.0%	420,720	100.0%	370,034	100.0%
Total – All Markets	14,052,931		11,782,602		7,026,591	

[(1)] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2022.

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #10

Historical Airline Market Shares

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	Three-month period ended Dec. 31, 2019		OY 2019		OY 2018	
Airline	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**	**Enplaned passengers**	**Percent of market**
Domestic:						
Alaska Airlines	12,560	0.4%	66,494	0.5%	103,328	0.7%
American (Air Wisconsin)	—	—	—	—	2,541	—
American (Envoy)	11,923	0.3	42,858	0.3	44,557	0.3
American (Piedmont)	5,794	0.1	22,024	0.1	25,553	0.2
American (PSA)	14,599	0.3	77,446	0.5	101,289	0.6
American (Republic)	42,222	1.0	110,491	0.7	99,408	0.6
American (Skywest)	19,324	0.5	107,275	0.7	101,370	0.6
American Airlines	149,269	3.5	616,536	3.8	672,190	4.2
Delta (Endeavor)	258,062	6.1	1,078,599	6.5	1,117,394	7.0
Delta (ExpressJet)	—	—	—	—	137,411	0.9
Delta (GoJet)	180,630	4.3	1,020,755	6.2	1,056,632	6.7
Delta (Republic)	41,827	1.0	202,409	1.2	193,050	1.2
Delta (SkyWest)	484,418	11.5	1,607,625	9.7	1,351,867	8.5
Delta Airlines	2,153,405	51.0	8,100,030	49.3	7,534,271	47.3
Frontier Airlines	53,179	1.3	156,073	0.9	162,764	1.0
JetBlue Airways	24,963	0.6	97,800	0.6	141,241	0.9
Southwest Airlines	168,250	4.0	739,895	4.5	836,627	5.3
Spirit Airlines	441,980	10.5	1,755,071	10.7	1,607,113	10.1
United Airlines (Air Wisconsin)	75	—	—	—	—	—
United Airlines (CommutAir)	—	—	—	—	—	—
United Airlines (ExpressJet)	10,111	0.2	5,374	—	1,637	—
United Airlines (GoJet)	2,101	—	23,516	0.1	22,350	0.1
United Airlines (Mesa)	35,272	0.8	151,636	0.9	148,448	0.9
United Airlines (Republic)	41,509	1.0	182,677	1.1	183,134	1.2
United Airlines (SkyWest)	20,437	0.5	60,884	0.4	67,976	0.4
United Airlines (Trans States)	662	—	553	—	579	—
United Airlines	45,219	1.1	202,935	1.2	203,974	1.3
Other [1]	1,381	—	10,252	0.1	833	—
Subtotal – Domestic	4,219,172	100.0%	16,439,208	100.0%	15,917,537	100.0%
International:						
Aeromexico	—	—	30,230	1.8	29,317	1.8
Aeromexico Connect	16,815	4.3	48,690	2.9	16,771	1.0
Air Canada (Jazz)	—	—	—	—	—	—
Air Canada (Air Georgian)	11,875	3.0	51,414	3.0	45,462	2.8
Air France	21,368	5.5	76,999	4.6	75,679	4.6
Delta Airlines	305,622	78.6	1,324,833	78.8	1,315,807	80.2
Frontier	—	—	—	—	—	—
Lufthansa	19,410	5.0	80,019	4.8	89,688	5.4
Royal Jordanian	3,633	0.9	20,725	1.2	16,163	1.0
Spirit	10,313	2.7	34,953	2.1	36,024	2.2
WOW air	—	—	14,122	0.8	16,170	1.0
Other [1]	—	—	—	—	—	—
Subtotal – International	389,036	100.0%	1,681,985	100.0%	1,641,081	100.0%
Total – All Markets	4,608,208		18,121,193		17,558,618	

[1] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2022.

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #11

Historical Airline Cargo

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	Cargo by type (metric tons)				Total Cargo	
Operating	Freight and Express [1]		Mail		Total	Percent increase
Period	Enplaned	Deplaned	Enplaned	Deplaned	Cargo	(decrease) [2], [3
Operating Year 2022	73,064	90,058	11,628	10,111	185,211	4.3%
Operating Year 2021	66,004	89,339	11,328	10,642	177,312	3.6
Operating Year 2020	61,884	91,575	7,819	9,893	171,171	(19.3)
Three-month period ended Dec. 31, 2019	19,868	27,689	2,600	2,881	53,038	(2.9)
Operating Year 2019	80,607	116,849	11,439	9,624	218,520	(4.1)
Opreating Year 2018	84,459	121,248	11,815	10,441	227,963	6.5

[1] - Includes small packages

[2] - Percent decrease for operating year 2020 has been calculated by annualizing the total reported enplanements for the three-month period ended December 31, 2019 and comparing the annualized totals to the 2020 operating year.

[3] - Percent decrease for the three-month period ended Dec. 31, 2019 has been calculated by annualizing the total reported cargo and comparing the annualized totals to the prior operating year

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #12
Historical Aircraft Landed Weight
Operating years ended September 30 (2018 through 2019),
Three-month period ended December 31, 2019 and
Operating years ended December 31 (2020 through 2022)
(Unaudited)

	OY 2022		OY 2021		OY 2020	
Airline	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**	**Landed Weight (per 1,000 lbs.)**	**Percent of Market**
Aeromexico	—	—%	—	—%	—	—%
Aeromexico Connect	4,850	—	—	—	21,244	0.2
Air Canada (Jazz)	59,764	0.3	13,977	0.1	12,161	0.1
Air Canada (Air Georgian)	—	—	—	—	—	—
Air France	146,683	0.8	102,729	0.6	47,486	0.4
Alaska Airlines	69,360	0.4	50,514	0.3	45,965	0.3
American (Air Wisconsin)	—	—	—	—	—	—
American (Envoy)	45,128	0.3	58,248	0.4	17,320	0.1
American (Piedmont)	4,059	—	5,893	—	15,670	0.1
American (PSA)	106,291	0.6	100,701	0.7	63,580	0.5
American (Republic)	153,164	0.9	115,796	0.7	72,777	0.5
American (Skywest)	42,527	0.2	45,438	0.3	52,327	0.4
American Airlines	533,823	3.0	461,763	2.8	421,003	3.1
Delta (Endeavor)	1,172,653	6.6	2,218,634	13.4	1,846,538	13.8
Delta (ExpressJet)	—	—	—	—	—	—
Delta (GoJet)	—	—	—	—	98,198	0.7
Delta (Republic)	95,779	0.5	714,920	4.3	322,682	2.4
Delta (SkyWest)	1,526,608	8.7	1,034,732	6.3	1,295,227	9.6
Delta Airlines	9,763,325	55.3	8,032,255	48.6	6,096,548	45.4
DHL (ABX)	5,528	—	816	—	1,441	—
DHL (Atlas)	—	—	1,088	—	16,864	0.1
DHL (ATI)	—	—	8,910	0.1	18,414	0.1
DHL (Kalitta)	18,247	0.1	6,578	—	41,454	0.3
DHL (Swift)	20,002	0.1	9,651	0.1	—	—
Kalitta	652	—	—	—	320	—
Federal Express	539,280	3.1	545,105	3.3	513,341	3.8
Frontier Airlines	168,969	1.0	143,411	0.9	99,951	0.7
JetBlue Airways	157,713	0.9	59,934	0.4	48,566	0.4
Lufthansa German Airlines	100,697	0.6	52,985	0.3	30,516	0.2
Royal Jordanian Airlines	50,540	0.3	36,860	0.2	9,120	0.1
Southwest Airlines	496,182	2.8	451,846	2.7	455,280	3.4
Spirit Airlines	1,398,387	7.9	1,407,217	8.5	1,107,975	8.3
United Airlines (Air Wisconsin)	5,781	—	7,943	—	—	—
United Airlines (CommutAir)	14,771	0.1	—	—	—	—
United Airlines (ExpressJet)	—	—	—	—	9,133	0.1
United Airlines (GoJet)	31,232	0.2	57,950	0.4	29,334	0.2
United Airlines (Mesa)	35,625	0.2	66,706	0.4	71,255	0.5
United Airlines (Republic)	98,026	0.6	63,362	0.4	87,953	0.7
United Airlines (Skywest)	162,613	0.9	166,630	1.0	78,366	0.6
United Airlines (Trans States)	—	—	—	—	438	—
United Airlines	169,503	1.0	57,306	0.3	58,525	0.4
United Parcel Service	286,268	1.6	300,511	1.8	285,213	2.1
WOW air	—	—	—	—	—	—
Other [(1)]	157,425	0.9	119,056	0.7	31,325	0.2
Total	17,641,457	100.0%	16,519,465	100.0%	13,423,510	100.0%

[(1)] Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2022

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #12
Historical Aircraft Landed Weight
Operating years ended September 30 (2018 through 2019),
Three-month period ended December 31, 2019 and
Operating years ended December 31 (2020 through 2022)
(Unaudited)

	Three- month period ended December 31, 2019		OY 2019		OY 2018	
Airline	Landed Weight (per 1,000 lbs.)	Percent of Market	Landed Weight (per 1,000 lbs.)	Percent of Market	Landed Weight (per 1,000 lbs.)	Percent of Market
Aeromexico	—	—%	38,416	0.2%	41,408	0.2%
Aeromexico Connect	23,281	0.4	84,050	0.4	27,353	0.1
Air Canada (Jazz)	—	—	—	—	—	—
Air Canada (Air Georgian)	15,134	0.3	68,244	0.3	61,180	0.3
Air France	38,779	0.7	144,745	0.6	137,656	0.6
Alaska Airlines	14,369	0.3	69,143	0.3	117,327	0.5
American (Air Wisconsin)	—	—	—	—	2,679	—
American (Envoy)	13,771	0.2	48,758	0.2	47,843	0.2
American (Piedmont)	5,718	0.1	21,083	0.1	26,015	0.1
American (PSA)	17,491	0.3	96,018	0.4	128,353	0.6
American (Republic)	59,136	1.0	148,217	0.7	131,669	0.6
American (Skywest)	23,785	0.4	136,722	0.6	123,201	0.5
American Airlines	170,845	3.0	722,725	3.2	785,679	3.6
Delta (Endeavor)	300,065	5.3	1,269,995	5.7	1,315,655	6.0
Delta (ExpressJet)	—	—	—	—	168,179	0.8
Delta (GoJet)	209,028	3.7	1,194,965	5.3	1,253,053	5.7
Delta (Republic)	49,807	0.9	242,409	1.1	226,916	1.0
Delta (SkyWest)	702,962	12.4	2,386,789	10.6	2,069,010	9.4
Delta Airlines	2,851,469	50.4	11,051,357	49.2	10,584,280	48.2
DHL (ABX)	603	—	2,910	—	—	—
DHL (Atlas)	1,952	—	5,440	—	61,808	0.3
DHL (ATI)	—	—	—	—	—	—
DHL (Kalitta)	34,240	0.8	136,272	0.6	71,360	0.3
DHL (Swift)	—	—	—	—	—	—
Kalitta	—	—	—	—	—	—
Federal Express	131,799	2.3	488,855	2.2	496,174	2.3
Frontier Airlines	46,770	0.8	136,903	0.6	150,280	0.7
JetBlue Airways	29,754	0.5	120,070	0.5	167,276	0.8
Lufthansa German Airlines	39,894	0.7	193,610	0.9	194,131	0.9
Royal Jordanian Airlines	9,880	0.2	45,220	0.2	39,520	0.2
Southwest Airlines	180,464	3.2	797,062	3.6	903,968	4.1
Spirit Airlines	417,647	7.4	1,730,349	7.7	1,601,875	7.3
United Airlines (Air Wisconsin)	94	—	94	—	—	—
United Airlines (CommutAir)	—	—	—	—	—	—
United Airlines (ExpressJet)	11,648	0.2	6,313	—	1,794	—
United Airlines (GoJet)	2,412	—	25,996	0.1	24,522	0.1
United Airlines (Mesa)	40,231	0.7	173,846	0.8	165,922	0.8
United Airlines (Republic)	52,911	0.9	230,253	1.0	217,724	1.0
United Airlines (SkyWest)	22,265	0.4	66,929	0.3	77,164	0.4
United Airlines (Trans States)	701	—	611	—	614	—
United Airlines	50,215	0.9	234,574	1.0	244,621	1.1
United Parcel Service	76,748	1.4	244,804	1.1	221,034	1.0
WOW air	—	—	17,345	0.1	15,618	0.1
Other (1)	11,903	0.2	64,846	0.4	56,608	0.2
Total	5,657,768	100.0%	22,445,938	100.0%	21,959,469	100.0%

(1) Includes airlines with minimal market share or that may not operate at the Airport as of Operating Year 2022

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #13

Historical Aircraft Operations

Operating years ended September 30 (2018 through 2020),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	Operations by class of carrier				Total operations	
Operating Period	**Air carrier**	**Air taxi and commuter**	**General aviation**	**Military**	**Total**	**Percent increase (decrease) [1], [2]**
Operating Year 2022	248,170	31,613	4,693	130	284,606	(0.8)%
Operating Year 2021	239,953	42,240	4,616	100	286,909	20.3
Operating Year 2020	197,719	36,918	3,815	122	238,574	(39.5)
Three-month period ended Dec. 31, 2019	81,565	15,630	1,362	28	98,585	—
Operating Year 2019	325,989	62,974	5,865	79	394,907	—
Operating Year 2018	312,540	75,991	6,194	82	394,807	0.3
2004	327,682	171,268	15,526	184	514,660	5.5

[1] - Percent decrease for operating year 2020 has been calculated by annualizing the total reported enplanements for the three-month period ended December 31, 2019 and comparing the annualized totals to the 2020 operating year.

[2] - Percent increase for the three-month period ended Dec. 31, 2019 has been calculated by annualizing the total reported operations and comparing the annualized totals to the prior operating year.

Source: Wayne County Airport Authority records

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #14

Historical Aviation Demand Statistics

Operating years ended September 30 (2018 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	OY 2022	OY 2021	OY 2020	Three-month Period Ended Dec. 31, 2019 [1]	OY 2019	OY 2018
Enplaned passengers:						
Domestic:						
Scheduled:						
Originating [2]	8,268,857	7,167,065	4,044,498	2,378,834	9,068,784	8,855,356
Connecting [2]	4,773,504	4,186,005	2,607,637	1,838,957	7,360,172	7,061,348
Subtotal – scheduled	13,042,361	11,353,070	6,652,135	4,217,791	16,428,956	15,916,704
Percentage connecting	36.6%	36.9%	41.0%	43.6%	44.8%	44.4%
Charter	10,411	8,812	4,422	1,381	4,470	833
Subtotal – domestic	13,052,772	11,361,882	6,656,557	4,219,172	16,433,426	15,917,537
International:						
Scheduled:						
U.S. airlines	797,427	337,034	321,857	315,935	1,359,786	1,351,831
Foreign flag	202,550	83,686	48,051	73,101	322,199	289,250
Subtotal – scheduled	999,977	420,720	369,908	389,036	1,681,985	1,641,081
Charter	182	—	126	—	5,782	—
Subtotal – international	1,000,159	420,720	370,034	389,036	1,687,767	1,641,081
Total enplaned passengers	14,052,931	11,782,602	7,026,591	4,608,208	18,121,193	17,558,618
Enplaned cargo (tons):						
Freight	73,064	66,004	61,884	19,868	80,607	84,459
Mail	11,628	11,328	7,819	2,600	11,439	11,815
Total cargo	84,693	77,332	69,703	22,467	92,046	96,274
Aircraft departures [3]:						
Domestic	127,471	132,876	110,358	44,590	177,232	177,541
International	8,405	5,518	5,122	3,177	13,900	13,184
Total aircraft departures	135,876	138,394	115,480	47,767	191,132	190,725
Aircraft operations:						
Air carrier	248,170	239,953	197,719	81,565	325,989	312,540
Air taxi and commuter	31,613	42,240	36,918	15,630	62,974	75,991
General aviation	4,693	4,616	3,815	1,362	5,865	6,194
Military	130	100	122	28	79	82
Total aircraft operations	284,606	286,909	238,574	98,585	394,907	394,807
Landed weight (1,000-pound units):						
Passenger:						
U.S. carriers:						
Major/national	12,757,263	10,664,246	8,333,813	3,761,532	14,862,183	14,555,307
Commuter/regional	3,651,682	4,776,009	4,092,123	1,523,927	6,113,517	5,980,312
Subtotal – U.S. carriers	16,408,945	15,440,255	12,425,936	5,285,459	20,975,701	20,535,619
Foreign flag	362,535	206,552	120,527	126,968	591,630	515,824
Subtotal – passenger	16,771,479	15,646,807	12,546,463	5,412,426	21,567,331	21,051,443
All cargo	869,978	872,658	877,047	245,342	878,607	903,343
Total landed weight	17,641,457	16,519,465	13,423,510	5,657,768	22,445,938	21,954,787

[1] - Three-month period ended Dec. 31, 2019 represents the three-month Stub Period of October 1, 2019 to December 31, 2019

[2] - 2022 originating and connecting activity statistics are estimated based on calendar-year percentages

[3] - Departures for operating year 2022 are estimated based on both actual and scheduled data

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #15

Nonstop International Destinations Added and Dropped

Calendar years ending December 31

(Unaudited)

Year	Cities added	Cities dropped	Net change
2022	Monterrey, Mexico		2
	Munich, Germany		
2021	Puerto Vallarta, Mexico		1
2020		Beijing, China	(11)
		Cozumel, Mexico	
		Grand Cayman, Cayman Islands	
		Leon/Guanajuato, Mexico	
		Nassau, Bahamas	
		Ottawa, Canada	
		Puerto Vallarta, Mexico	
		Queretaro, Mexico	
		Rome, Italy	
		Tokyo-Narita, Japan	
		Vancouver, Canada	
2019	Tokyo-Haneda, Japan	Reykjavik, Iceland	(1)
		Sao Paulo-Guarulhos, Brazil	
2018	León, Mexico		3
	Querétaro, Mexico		
	Reykjavik, Iceland		
		Shanghai (Pu Dong), China	
		Shannon, Ireland	
		Taipei, Taiwan	

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

Source: Diio MI Database

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #16

Historical Operating Results

Operating years ended September 30 (2017 through 2019),

Three-month period ended December 31, 2019 and

Operating years ended December 31 (2020 through 2022)

(Unaudited)

	OY 2022	OY 2021	OY 2020	Three-month Period Ended Dec. 31, 2019	OY 2019	OY 2018
Operating revenues:						
Airport landing and related fees	$ 45,560	$ 72,659	$ 57,545	$ 20,213	$ 79,731	$ 76,739
Concession fees	58,122	49,345	32,748	16,790	69,305	68,951
Parking fees	87,624	61,971	34,905	21,834	83,657	80,248
Hotel - [1]	29,728	18,111	12,224	8,816	32,735	31,368
Rental facilities/ground transportation	114,377	116,998	99,496	28,385	116,792	110,372
Utility service fees	4,444	3,923	3,759	1,165	4,739	4,970
Other	8,286	8,551	14,799	1,614	6,312	6,430
Total operating revenues	348,141	331,558	255,476	98,817	393,271	379,078
Operating expenses:						
Salaries, wages, and fringe benefits	83,594	82,447	78,159	30,992	91,435	94,558
Parking management	6,994	5,495	5,488	1,823	7,607	8,405
Hotel management - [1]	18,358	11,883	11,128	5,534	20,703	19,775
Janitorial services	20,052	16,450	14,038	4,120	16,917	14,406
Security	7,364	5,498	4,882	1,553	6,000	6,031
Utilities	22,508	20,302	19,153	5,196	22,403	23,253
Repairs, professional services, and other	90,035	85,016	77,929	23,790	100,266	93,537
Depreciation	123,806	134,187	131,066	30,530	120,674	120,446
Total operating expenses	372,711	361,278	341,843	103,538	386,005	380,411
Operating gain (loss)	(24,570)	(29,720)	(86,367)	(4,721)	7,266	(1,333)
Nonoperating revenues (expenses):						
Passenger facility charges	55,380	48,233	28,408	16,415	72,761	69,774
Customer facility charges	4,639	0	4,951	5,726	22,131	4,549
Federal and state sources	44,716	44,333	118,169	1,784	8,497	6,650
Interest income and other	(2,183)	1,865	5,007	2,528	16,576	7,612
Interest expense and other	(84,582)	(77,586)	(78,131)	(20,716)	(88,023)	(84,868)
Amortization of bond insurance premiums	(41)	(42)	(42)	(11)	(42)	(101)
Amortization of bond issuance costs						
Total nonoperating revenues	17,929	16,803	78,362	5,726	31,900	3,616
Net gain (loss) before capital contributions and transfers	(6,641)	(12,917)	(8,005)	1,005	39,166	2,283
Capital contributions	27,312	106	26,909	1,125	33,136	389
Transfers out	(12,003)	(15,905)	(11,503)	(1,384)	(3,524)	(2,467)
Changes in net position	8,669	(28,716)	7,401	746	68,778	205
Net position – beginning of year	122,541	151,257	143,856	143,110	74,332	74,127
Net position – end of year	$ 131,210	$ 122,541	$ 151,257	$ 143,856	$ 143,110	$ 74,332

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

[2] - In 2018, Detroit Metro Airport restated beginning net position to $74,127 (see Note 2 of 2018 financial statements for additional discussion). This amount less the 2018 decrease in net position is used to arrive at ending net position.

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #17

Top 20 Domestic Origin and Destination Markets

Calendar year ending December 31, 2021

(Unaudited)

Rank	Market	Total O&D Passengers (thousands)	Percentage of O&D Passengers	Primary Carrier	Market Share	Secondary Carrier	Market Share	Non-Stop Service
1	Orlando	1,088	7.9%	Delta	50.5%	Spirit	35.4%	●
2	South Florida	1,078	7.8%	Delta	53.8%	Spirit	33.3%	●
3	Las Vegas	846	6.1%	Delta	49.8%	Spirit	34.3%	●
4	New York	696	5.0%	Delta	64.3%	Spirit	13.9%	●
5	Atlanta	670	4.8%	Delta	62.2%	Spirit	32.5%	●
6	Fort Myers	622	4.5%	Delta	60.5%	Spirit	35.7%	●
7	Tampa	616	4.4%	Delta	61.2%	Spirit	32.1%	●
8	Los Angeles	596	4.3%	Delta	63.4%	Spirit	25.4%	●
9	Denver	484	3.5%	Delta	53.5%	Southwest	14.5%	●
10	Dallas	484	3.5%	Delta	42.8%	American	37.4%	●
11	Phoenix	466	3.4%	Delta	65.2%	American	16.8%	●
12	Washington DC	426	3.1%	Delta	66.2%	Southwest	17.1%	●
13	Houston	372	2.7%	Delta	33.9%	Spirit	25.5%	●
14	San Francisco	308	2.2%	Delta	74.1%	Spirit	8.9%	●
15	Boston	280	2.0%	Delta	78.8%	JetBlue	16.2%	●
16	Nashville	228	1.7%	Delta	68.0%	Southwest	30.1%	●
17	Seattle	212	1.5%	Delta	64.2%	Alaska	26.1%	●
18	Chicago	202	1.5%	Delta	55.4%	United	15.9%	●
19	San Diego	198	1.4%	Delta	71.6%	Spirit	12.9%	●
20	Charlotte	182	1.3%	Delta	59.0%	American	38.7%	●
Other O&D Markets		3,782	27.3%					
Domestic O&D Passengers		13,840						
O&D % of Domestic Passengers		63.1%						

Note: Figures may not add due to rounding

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

DETROIT METROPOLITAN WAYNE COUNTY AIRPORT

Continuing Disclosure Table #18

Top 20 International Origin and Destination Markets

Calendar year ended December 31, 2021

(Unaudited)

Rank	Market	Total O&D Passengers	Non-Stop Service
1	Cancun	117,879	●
2	Montego Bay	20,331	●
3	Mexico City	19,039	●
4	Punta Cana	16,567	●
5	San Jose del Cabo	13,839	●
6	Shanghai	12,571	●
7	Aruba	9,011	●
8	Beirut	8,932	●
9	Monterrey	8,409	●
10	Seoul	7,606	●
11	Puerto Vallarta	7,240	●
12	London (Heathrow)	7,034	●
13	Guadalajara	6,793	●
14	Nassau	6,168	●
15	Paris	5,797	●
16	San Jose	5,492	
17	Frankfurt	4,527	
18	Dhaka	4,499	●
19	Providenciales	4,247	●
20	Istanbul	4,235	●

Source: US DOT Origin & Destination Survey of Airline Passenger Traffic

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APPENDIX C

SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE

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SUMMARY OF CERTAIN PROVISIONS OF THE MASTER BOND ORDINANCE AND THE SERIES 2023 ORDINANCE

The following is a summary of certain provisions of the Master Bond Ordinance and the Series 2023 Ordinance. This summary does not purport to be comprehensive or definitive and is qualified in its entirety by reference to and subject to the provisions of the complete Master Bond Ordinance and the Series 2023 Ordinance. Capitalized terms used herein have the meanings established in the Master Bond Ordinance and the Series 2023 Ordinance, as more particularly described herein; see "Selected Definitions" from the "Master Bond Ordinance" and "Selected Definitions" from the "Series 2023 Ordinance" subheadings below. This summary should be read in conjunction with the description of the Series 2023 Bonds and the Master Bond Ordinance in the Official Statement, particularly the headings entitled "DESCRIPTION OF THE SERIES 2023 BONDS" and "SECURITY FOR THE SERIES 2023 BONDS."

MASTER BOND ORDINANCE

The Wayne County Airport Authority, State of Michigan (the "Authority") has adopted the Master Bond Ordinance to provide for the acquisition and construction of capital improvements (the "Capital Improvement Program") at the Detroit Metropolitan Wayne County Airport (the "Airport").

The Master Bond Ordinance contemplates and authorizes the issuance of several Series of Bonds or Junior Lien Bonds through adoption of a Series Ordinance, authorizing the issuance and sale of each such Series of Bonds or Junior Lien Bonds in accordance with the provisions of the Master Bond Ordinance and amending and supplementing the Master Bond Ordinance. In addition, the Master Bond Ordinance contains certain requirements which must be met prior to the issuance of such additional Series of Bonds. See "SECURITY FOR THE SERIES 2023 BONDS — Additional Senior Lien Bonds" and " — Junior Lien Bonds."

Selected Definitions

The following are definitions of certain of the terms used in the Master Bond Ordinance. The words and terms used in the Master Bond Ordinance shall have the following meanings, unless some other meaning is plainly intended and shall be either singular or plural, as the context may require.

"Accountant" means an independent certified public accountant or a firm of independent certified public accountants having a favorable reputation for skill in performing similar duties to the duties imposed on the Accountant under the Master Bond Ordinance selected by the Authority Board from recommendations made by the Audit Committee as provided in Act 90.

"Act 90" means Act 90, Public Acts of Michigan, 2002.

"Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.

"Act 34" means Act 34, Public Acts of Michigan, 2001, as amended.

"Act 327" or *"Aeronautics Code"* means Act 327, Public Acts of Michigan, 1945, as amended.

"Additional Bonds" means airport revenue bonds of equal standing with the Bonds, issued under and in accordance with the Master Bond Ordinance for the purposes set forth in Section 208 of the Master Bond Ordinance.

"Airport" means the entire Detroit Metropolitan Wayne County Airport, including all of its properties, real, personal or mixed, all buildings and all other improvements, additions or extensions thereto located thereon or appurtenant thereto, now existing or hereafter acquired.

"Airport Consultant" means any professionally qualified person, firm or corporation recognized in the air transportation industry and of favorable reputation for skill and experience in performing the duties of providing consulting services to airport operators at airports comparable in size and function to the Airport.

"Airport Development Fund" means the fund created pursuant to Section 501G of the Master Bond Ordinance.

"*Airport Discretionary Fund*" means the fund created by Section 501F of the Master Bond Ordinance.

"*Authority*" means the Wayne County Airport Authority created by Act 90.

"*Authority Board*" means the governing body of the Authority.

"*Authorized Officer*" means the Chief Executive Officer, the Chief Financial Officer, or officer designated by the Authority Board for the Authority or the designee of any of them.

"*Bonds*" means any bond or Series of bonds, established and created by the Authority under Section 202A of the Master Bond Ordinance and issued pursuant to a Series Ordinance, and Reimbursement Obligations of equal standing with the Bonds established and created by a Series Ordinance.

"*Bond Counsel*" means any nationally recognized bond counsel acceptable to the Trustee and the Authority.

"*Bond Fund*" means the fund created pursuant to Section 501B of the Master Bond Ordinance.

"*Bond Payment Date*" means any of the dates specified in a Series Ordinance for payment of interest, or interest and principal on the Bonds or Junior Lien Bonds.

"*Bond Reserve Account*" means the account in the Bond Fund created pursuant to Section 501B of the Master Bond Ordinance.

"*Bondholder*" or any similar term means any person or party who shall be the registered owner of any Bond or Junior Lien Bond.

"*Capital Improvement Program*" means the ongoing program of capital improvements at the Airports, as approved by the County prior to August 9, 2002, or since that date by the Authority as the successor to the County, as the same may be modified from time to time by the Authority.

"*Chief Executive Officer*" means the Chief Executive Officer of the Authority.

"*Chief Financial Officer*" means the Chief Financial Officer of the Authority.

"*Code*" means the Internal Revenue Code of 1986, as amended, and the regulations, rulings and court decisions thereunder, as the context may require.

"*Completion Date*" means the date on which the acquisition, construction and installation of the portion of the Capital Improvement Program to be financed with the proceeds of a particular Series of Bonds or Junior Lien Bonds is complete, as evidenced by the filing of a Completion Certificate with the Trustee.

"*Construction Fund*" means the fund created pursuant to Section 401 of the Master Bond Ordinance.

"*Consulting Architect or Engineer*" means an independent architect or engineer or firm of professional architects or engineers, registered pursuant to the laws of the State of Michigan, from time to time selected by the Authority in accordance with its procurement policy and Act 90 to design or supervise the design and oversee the construction and installation of the Capital Improvement Program or components of the Capital Improvement Program.

"*County*" means the Charter County of Wayne, State of Michigan.

"*Credit Entity*" means with respect to a Series of Bonds or Junior Lien Bonds or a maturity of such Series a commercial bank, a bond insurance company, any other financial institution or combination of such financial institutions or governmental entity which issues a Credit Facility for such Series of Bonds or Junior Lien Bonds or maturities but only while such Credit Facility is outstanding or Reimbursement Obligations or Junior Lien Reimbursement Obligations or other amounts are outstanding under any written agreement with a Credit Entity pursuant to which a Credit Facility is issued.

"Credit Facility" means one or more credit facilities with respect to a Series of Bonds or Junior Lien Bonds or maturity of such Series consisting of an irrevocable and unconditional letter of credit, line of credit, bond purchase agreement, municipal bond insurance policy, surety bond or other credit enhancement facility issued by a Credit Entity as described in Section 213 of the Master Bond Ordinance to provide moneys for the purpose of paying the principal (whether upon tender or upon maturity or redemption) of and the interest on such Series of Bonds or Junior Lien Bonds but only while such Credit Facility is outstanding.

"Debt Service" means the amount scheduled to become due and payable annually on all Outstanding Bonds and Junior Lien Bonds as (i) interest, exclusive of interest capitalized on such Outstanding Bonds and Junior Lien Bonds and paid from the proceeds of a Series of Bonds or Junior Lien Bonds or investment earnings on such capitalized interest, plus (ii) principal, plus (iii) Mandatory Redemption Requirements. For purposes of calculating Debt Service:

(i) All principal payments shall be made as and when the same shall become due or upon mandatory redemption;

(ii) Outstanding Variable Rate Bonds shall be deemed to bear interest during any period after the date of calculation at a fixed annual rate equal to the weighted average of the actual rates on such Variable Rate Bonds for each day during the 365 consecutive days (or any lesser period such Variable Rate Bonds have been Outstanding) ending on the last day of the month next preceding the date of computation, or at the effective fixed annual rate thereon as a result of a Swap Agreement with respect thereto; provided, that such effective fixed annual rate for Variable Rate Bonds subject to a Swap Agreement must be utilized as long as such Swap Agreement is contracted to remain in full force and effect, and provided, further, that for purposes of establishing compliance with the requirements of Section 208 of the Master Bond Ordinance, Outstanding Variable Rate Bonds shall be deemed to bear interest as provided for Variable Rate Bonds proposed to be issued in clause (iii) below;

(iii) Variable Rate Bonds proposed to be issued shall be deemed to bear interest at a fixed annual rate equal to the average of the interest rates published in The Bond Buyer Revenue Bond Index during the twelve (12) months preceding the date of issuance of such Variable Rate Bonds, or at the effective fixed annual rate thereon as a result of a Swap Agreement with respect to such Variable Rate Bonds; and provided, that such effective fixed annual rate must be utilized only so long as such Swap Agreement is contracted to remain in full force and effect;

(iv) Any computation of Debt Service shall recognize and give effect to the alternative, rather than the cumulative, nature of obligations on Bonds or Junior Lien Bonds, including any related Reimbursement Obligations or Junior Lien Reimbursement Obligations to a provider of credit enhancement or a liquidity facility securing payment of such Bonds or Junior Lien Bonds. A termination payment which becomes payable pursuant to the terms of a Swap Agreement entered into after 1996 shall constitute interest as provided in Act 34.

"Default" means a default or event of default as such terms are defined in Section 701 of the Master Bond Ordinance.

"Government Obligations" means any of the following which at the time of investment are legal investments under Michigan law for the moneys proposed to be invested therein: investments described in Section 506(i) or (ii) of the Master Bond Ordinance.

"Insurance Consultant" means an independent person or a firm of persons having skill and experience in dealing with the insurance requirements of enterprises similar to the Airport and in performing the duties to be imposed upon it by the Master Bond Ordinance.

"Issuance Costs" means items of expense payable or reimbursable directly or indirectly by or to the Authority and related to the authorization, sale and issuance of Bonds or Junior Lien Bonds and authorization of the Master Bond Ordinance, which items of expense shall include, but not be limited to, application fees and expenses, publication costs, printing costs, costs of reproducing documents, filing and recording fees, Bond Counsel, financial

and other consultants' fees, initial Trustee's fees, underwriters' fees and discount, costs of credit ratings, costs of Credit Facilities and charges for execution, transportation and safekeeping of the Bonds or Junior Lien Bonds and related documents, and other costs, charges and fees in connection with the foregoing.

"*Junior Lien Bond Fund*" means the fund created pursuant to Section 501C of the Master Bond Ordinance.

"*Junior Lien Bonds*" means any bonds or Series of bonds issued by the Authority under Section 202B of the Master Bond Ordinance, issued pursuant to a Series Ordinance and payable from Net Revenues deposited in the Junior Lien Bond Fund after satisfaction of requirements for funding the Bond Fund, and Junior Lien Reimbursement Obligations established and created by a Series Ordinance.

"*Junior Lien Reimbursement Obligations*" means any obligations to repay a Credit Entity for payments of Debt Service made with respect to a Series of Bonds or Junior Lien Bonds, as provided in any written agreement between the Authority and a Credit Entity pursuant to which a Credit Facility is issued, which Junior Lien Reimbursement Obligations may be evidenced by Refunding Bonds or Junior Lien Bonds or contractual undertakings with the Credit Entity.

"*Mandatory Redemption Requirement*" means as to each Series of Bonds or Junior Lien Bonds for any year, the principal amount of Bonds or Junior Lien Bonds of such series subject to mandatory sinking fund redemption in such year, as provided in the Series Ordinance or Sale Resolution for each Series of Bonds or Junior Lien Bonds.

"*Master Bond Ordinance*" means the Master Bond Ordinance as from time to time restated, amended or supplemented by supplemental ordinances in accordance with the terms and provisions hereof, and shall include the Series Ordinance and Sale Resolution (if any) or Order (if any) of the Chief Executive Officer, for each Series of Bonds or Junior Lien Bonds.

"*Net Proceeds*" means the gross proceeds derived by the Authority from insurance or as an award arising from condemnation of all or part of either of the Airports, less payment of attorneys fees and other expenses properly incurred in the collection thereof.

"*Net Revenues*" means Revenues less Operation and Maintenance Expenses.

"*Operating Reserve Amount*" means the amount required in Section 501D of the Master Bond Ordinance to be on deposit in the Operation and Maintenance Reserve Fund.

"*Operating Year*" means the fiscal year of the Authority.

"*Operation and Maintenance Expenses*" means the reasonable expenses of administration, operation and maintenance of the Airport.

"*Operation and Maintenance Fund*" means the fund created pursuant to Section 501A of the Master Bond Ordinance.

"*Operation and Maintenance Reserve Fund*" means the fund created pursuant to Section 501D of the Master Bond Ordinance.

"*Other Available Moneys*" means, for any Operating Year, the amount of money determined by the Chief Financial Officer in concurrence with the Chief Executive Officer to be transferred by the Authority for such Operating Year from PFCs or other sources other than Revenues to the Bond Fund or the Junior Lien Bond Fund.

"*Outstanding*" means, as of any date, all Bonds or Junior Lien Bonds which have been authenticated and delivered by the Trustee (including Bonds or Junior Lien Bonds tendered which may be owned by the Authority, from time to time prior to the remarketing thereof), except:

(i) Bonds or Junior Lien Bonds (or portions of Bonds or Junior Lien Bonds) for the payment or redemption of which there shall be held in trust by the Trustee under the Master Bond Ordinance (whether at or prior to maturity or redemption) (a) moneys equal to the principal amount or

Redemption Price thereof, as the case may be, with interest to the date of maturity or redemption or (b) Sufficient Government Obligations in such principal amounts, having such maturities and bearing such interest, as together with the moneys described in clause (a), if any, shall be sufficient without reinvestment to pay when due the principal amount or Redemption Price, as the case may be, with interest due to the date of maturity or redemption; provided, that if such Bonds or Junior Lien Bonds are to be redeemed, notice of such redemption shall have been given as provided in Article III of the Master Bond Ordinance or provisions satisfactory to the Trustee shall have been made for giving of such notice, (ii) Bonds or Junior Lien Bonds in lieu of or substitution for which other Bonds or Junior Lien Bonds shall have been delivered pursuant to the Master Bond Ordinance, (iii) Bonds or Junior Lien Bonds deemed to have been paid or defeased as provided under the Master Bond Ordinance and (iv) Bonds or Junior Lien Bonds subject to a mandatory tender which have not been tendered prior to the related tender date which are deemed to have been redeemed.

"*Passenger Facility Charge*" or "*PFC*" means the passenger facility charge as authorized under 49 U.S.C. § 40117, or any predecessor or successor law, and as approved by the Federal Aviation Administration (or successor agency) from time to time, or such other similar charge imposed by the Authority on passengers enplaned at the Airport.

"*Person*" means any natural person, firm, partnership, entity or public body.

"*Plans and Specifications*" means the drawings, plans, blueprints and technical specifications approved by the Authority and relating to the design, installation and construction of various components of the Capital Improvement Program, as amended from time to time.

"*Program Costs*" shall be deemed to include the costs of design, acquisition, construction, installation, and financing of the Capital Improvement Program, including, but not limited to obligations of the Authority incurred for: (a) machinery, furnishings and equipment and for labor and to contractors, builders and materialmen in connection with the planning, design, acquisition, construction and installation of capital projects which comprise part of the Capital Improvement Program or any portion thereof; (b) the cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of construction of capital projects which comprise part of the Capital Improvement Program or any portion thereof which is not paid by the contractor or contractors or otherwise provided for; (c) architectural and engineering expenses for test borings, surveys, estimates, Plans and Specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required for the proper construction of capital projects which comprise part of the Capital Improvement Program or any portion thereof; (d) Issuance Costs; (e) all other costs which the Authority shall be required to pay, under the terms of any contract or contracts approved by the County or the Authority as the successor of the County, for the planning, design, acquisition, construction and installation of capital projects which comprise part of the Capital Improvement Program or any portion thereof including any legal costs and master planning, environmental and economic impact studies undertaken in connection therewith; (f) any sums required to reimburse the County, the Authority or any air carrier (pursuant to an agreement with the Authority) for advances made by it for any of the above items, or for any other costs incurred and for work done by any of them which are properly chargeable to the Capital Improvement Program; and (g) any other costs properly chargeable to the Construction Fund under Act 94.

"*Rating Agency*" means any nationally recognized rating service then rating the Bonds or Junior Lien Bonds.

"*Rebate Fund*" means the fund created pursuant to Section 503 of the Master Bond Ordinance.

"*Redemption Price*" means the principal of any Bond or Junior Lien Bonds which has been called for redemption, together with any premium thereon.

"*Refunding Bonds*" means any Bonds or Junior Lien Bonds issued pursuant to Section 209 of the Master Bond Ordinance.

"*Reimbursement Obligations*" means any obligations to repay a Credit Entity for payments of Debt Service made with respect to a Series of Bonds as provided in any written agreement between the Authority (as successor to the County or otherwise) and a Credit Entity pursuant to which a Credit Facility is issued, which Reimbursement Obligations may be evidenced by the Bonds of such Series, Refunding Bonds or contractual undertakings with the Credit Entity.

"*Renewal and Replacement Fund*" means the fund created pursuant to Section 501E of the Master Bond Ordinance.

"*Replacement Requirement*" means the amount required in Section 501E of the Master Bond Ordinance to be on deposit in the Renewal and Replacement Fund.

"*Reserve Requirement*" means an amount equal to the maximum annual Debt Service requirements for each Series of Outstanding Bonds which amount is required to be on deposit or, if permitted by law, otherwise provided for (including, but not limited to, through provision of a letter of credit, surety bond or insurance policy in the same amount) in the Bond Reserve Account; provided, however, that such requirement may be satisfied by a deposit at the time of issuance of a Series of Bonds or by an accumulation on a scheduled basis of Bond proceeds, investment earnings or other deposits which will result in an amount equal to the Reserve Requirement for such Series of Bonds being on deposit no later than the date of the last scheduled application of all capitalized interest for such Series; provided, further, that with respect to a Series of Bonds which are proposed to be issued as Variable Rate Bonds, the Reserve Requirement shall be calculated utilizing the assumptions set forth under subparagraph (iii) of the definition of Debt Service; and provided that in no event shall the Reserve Requirement exceed the maximum permitted by the Code. Any Reserve Requirement with respect to one or more Series of Junior Lien Bonds shall be established by the related Series Ordinance.

"*Revenue Fund*" means the fund created pursuant to Section 501 of the Master Bond Ordinance.

"*Revenues*" means the general revenues derived from the operation of the Airport, which shall include all moneys deposited in the Revenue Fund, from whatever source, and all income derived from the charges, fees, rentals and rates charged for services, facilities and commodities furnished by the Airport, whether such income shall be derived from its function as an Airport or not, and including, but not by way of limitation, concessions, rentals, auto parking fees, service charges derived from the operation of the terminal complex buildings and facilities, airplane landing fees, non-airline gasoline fees and miscellaneous charges and rentals from other facilities and services and investment earnings or general revenues derived from the operation of the Airport accumulated by the Authority prior to deposit in the Revenue Fund; provided, however, that the term "Revenues" shall not be construed to include (i) rentals or other amounts to be paid in the future by any Person pursuant to a lease or other agreement with the County or the Authority, which rentals or other amounts are pledged for the payment of bonds issued to provide funds to construct Special Facilities, (ii) the proceeds of federal grants or Passenger Facility Charges, or the proceeds of any other grant, charge or tax intended as a replacement therefor or other capital contributions from any source, (iii) the Net Proceeds of insurance or condemnation proceeds resulting from the damage or destruction or taking of any portion of the Airport or (iv) Special Purpose Revenues.

"*Sale Resolution*" or "*Sale Order*" means a resolution or resolutions of the Authority adopted by the Authority Board in accordance with Article II of the Master Bond Ordinance or an Order of the Chief Executive Officer of the Authority authorizing the sale of a Series of Bonds or Junior Lien Bonds in accordance with the terms and provisions of the Master Bond Ordinance and a Series Ordinance.

"*Series*" means a Series of Bonds or Junior Lien Bonds issued and sold pursuant to a Series Ordinance and the Master Bond Ordinance.

"*Series Ordinance*" means an ordinance or ordinances, including, if necessary, a Sale Resolution or Order, of the County prior to the Approval Date or the Authority as successor to the County authorizing the issuance and sale of a Series of Bonds or Junior Lien Bonds in accordance with the provisions hereof, adopted by the County (prior to the Approval Date) or the Authority as successor to the County or executed by the County Executive or the County (prior to the Approval Date) or the Authority's Chief Executive Officer in accordance with Article X of the Master Bond Ordinance.

"*Special Facilities*" means a building or buildings or facilities constructed at the Airport for the use of any Person including both terminal and non-terminal improvements for the use of such Person, either exclusively or in common with others, or for public use as agreed upon by the Authority and such Person, for which rentals or other amounts are to be paid by such Person pursuant to a lease or other agreement assumed by or with the Authority, which rentals or other amounts are pledged for the payment of bonds issued by the County or the Authority to construct such facilities.

"*Special Purpose Revenues*" means specific categories of revenues, income, receipts or money of a type not previously included in Revenues, relating to or arising from a definable service, facility or program of the Authority or at either of the Airports, which (1)(i) are designated as Special Purpose Revenues by the Authority before the first receipt by the Authority of such category or portion of revenues, income, receipts or money or (ii) are statutorily designated for restricted purposes under state law; and (2) are restricted as to use by the Authority.

"*Sufficient Government Obligations*" means (a) direct obligations of the United States of America or (b) obligations the principal of and interest on which are fully guaranteed by the United States of America, and which (i) are not redeemable at the option of the issuer and (ii) without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the principal or Redemption Price and interest, respectively, as each becomes due on the Bonds or Junior Lien Bonds.

"*Swap Agreement*" means any interest rate exchange or swap, hedge or other similar agreement or agreements entered into in connection with the issuance of obligations or other evidences of indebtedness or in connection with the Authority's then Outstanding Bonds or Junior Lien Bonds within the limitations provided by Act 34 or its predecessor statute.

"*Swap Provider*" means any party with whom the Authority (as successor to the County or otherwise) has or shall enter into a Swap Agreement.

"*Trustee*" means an independent bank or trust company qualified and appointed pursuant to Article IX of the Master Bond Ordinance to act as Trustee under the Master Bond Ordinance and any company into which the Trustee may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a trust company or bank which is qualified to be a successor Trustee under Section 907 of the Master Bond Ordinance, or any other bank or trust company at any time substituted in its place pursuant to the Master Bond Ordinance.

"*Variable Rate Bonds*" means any Bonds or Junior Lien Bonds the interest rate on which is not fixed to maturity as of the date of the calculation being performed.

Defeasance

The statutory lien upon the Net Revenues established by the Master Bond Ordinance shall continue until payment in full of the principal or Redemption Price and interest on the Bonds and Junior Lien Bonds or until sufficient cash or Sufficient Government Obligations shall have been deposited in trust for payment in full of all Bonds and Junior Lien Bonds to be defeased and sufficient funds shall have also been provided for paying all other obligations payable under the Master Bond Ordinance by the Authority with respect to the Bonds and Junior Lien Bonds to be defeased. If any of the Bonds or Junior Lien Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds or Junior Lien Bonds for redemption shall be given to the Trustee after such deposit has been made.

Upon deposit of sufficient cash or Sufficient Government Obligations, as provided above, the statutory lien shall be terminated with respect to the Bonds or Junior Lien Bonds to be paid or defeased, the holders of such Bonds or Junior Lien Bonds shall have no further rights under the Master Bond Ordinance except for payment from the deposited funds and the replacement or transfer of registration of Bonds or Junior Lien Bonds, and such Bonds or Junior Lien Bonds shall no longer be considered to be Outstanding. The Authority shall not defease Variable Rate Bonds without having first obtained a confirmation of the rating on such Variable Rate Bonds from each nationally recognized rating agency then rating the Variable Rate Bonds indicating that the rating on such Variable Rate Bonds will not be reduced or withdrawn due to the defeasance.

Proceeds; Construction Fund; Surplus Bond Proceeds

The proceeds of the sale of each Series of Bonds or Junior Lien Bonds shall be immediately deposited with the Trustee in the Funds and Accounts as specified in the Series Ordinance for such Series, provided, that (i) an amount equal to the accrued interest and premiums, if any, received on the delivery of such Series of Bonds or Junior Lien Bonds and an amount equal to any capitalized interest on such Series of Bonds or Junior Lien Bonds to be paid from Bond or Junior Lien Bond proceeds shall be deposited in the Bond Fund or Junior Lien Bond Fund, as appropriate and (ii) any Bond or Junior Lien Bond proceeds required to satisfy a Reserve Requirement shall be deposited in the Bond Reserve Account in the Bond Fund or the Junior Lien Bond Reserve Account in the Junior Lien Bond Fund, as appropriate and (iii) Bond or Junior Lien Bond proceeds to be used to pay Program Costs shall be deposited in a separate account established for such Series in the Construction Fund.

The Issuance Costs for a Series of Bonds or Junior Lien Bonds shall be paid or reimbursed by the Trustee out of the Construction Fund upon presentation of a requisition certificate by the Authority. The Trustee shall make disbursements from the Construction Fund to pay or reimburse other Program Costs in accordance with requisition certificates submitted by the Authority from time to time, executed by an Authorized Officer supported by an itemization of the Program Costs being financed with the proceeds of the particular Series of Bonds or Junior Lien Bonds for which payment or reimbursement is requisitioned thereby in sufficient detail to evidence the purpose for which such costs were incurred.

The Authority shall proceed with reasonable dispatch to acquire, construct, install and complete capital projects or to cause the same to occur substantially in accordance with the Plans and Specifications. Completion of construction and installation of capital improvements shall be signified by the prompt filing with the Trustee of a completion certificate ("Completion Certificate") executed by an Authorized Officer.

All proceeds of a Series of Bonds or Junior Lien Bonds and investment earnings thereon deposited in the related account in the Construction Fund in excess of the amount actually used for construction or required for completion of construction (other than sums for construction for which payment is not yet due) of the capital improvements in anticipation of which such Series of Bonds or Junior Lien Bonds was issued and capitalized interest remaining on deposit in the related subaccount in the Capitalized Interest Account ("Surplus Bond Proceeds") shall, if permitted by law, and subject to the Master Bond Ordinance, be used to satisfy any rebate obligations with respect to such Series of Bonds or Junior Lien Bonds or for such other capital projects (and capitalized interest related thereto) in the Capital Improvement Program or, upon receipt of a Completion Certificate, be immediately transferred by the Trustee to the general account in the Bond Fund or Junior Lien Bond Fund as appropriate, designated the "Surplus Bond Proceeds Account" to be applied as follows. Surplus Bond Proceeds may be applied, in certain instances, to (i) make principal payments next coming due on the Bonds or Junior Lien Bonds and (ii) redeem Bonds or Junior Lien Bonds. In no event shall Surplus Bond Proceeds so transferred to the Bond Fund or Junior Lien Bond Fund or the investment income thereon be used to pay interest on the Bonds or Junior Lien Bonds unless in the opinion of Bond Counsel such use would not impair the tax exempt status of the Bonds or Junior Lien Bonds.

Investments

Except as otherwise provided in the Master Bond Ordinance, or as further limited by agreement with a Credit Entity, moneys in the Funds and Accounts established in the Master Bond Ordinance and moneys derived from the proceeds of sale of the Bonds or Junior Lien Bonds may be invested at the oral direction of the Chief Financial Officer, confirmed in writing, to the extent consistent with Act 94 as then in effect, by the Trustee or by the Chief Financial Officer, as the case may be, in investments permitted by Act 20, Michigan Public Acts of 1943, as amended.

Investment of moneys in the Bond Fund or Junior Lien Bond Fund being accumulated for payment of the next maturing principal or interest payment of the Bonds or Junior Lien Bonds shall be limited to (i) direct obligations of the United States of America or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America; and (ii) bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by any of the following federal agencies and provided such obligations are backed by the full faith and credit of the United States of America (stripped securities are only permitted if they have been stripped by the agency itself); U.S. Export-Import Bank (Eximbank) direct obligations or fully guaranteed certificates of beneficial ownership; Farmers Housing Administration (FmHA) certificates of beneficial ownership; Federal Financing Bank; Federal Housing Administration Debentures (FHA); General Services Administration Participation Certificates; Government National Mortgage Association (GNMA or "Ginnie Mae") GNMA-guaranteed mortgage-backed bonds; GNMA-guaranteed pass-through obligations; U.S. Maritime Administration Guaranteed Title XI financing; U.S. Department of Housing and Urban Development (HUD) Project Notes, Local Authority Bonds, New Communities Debentures – U. S. government guaranteed debentures, U.S. Public Housing Notes and Bond – U.S. government guaranteed public housing notes and bonds; bearing maturity dates not later than one (1) business day prior to the date of the next maturing principal or interest payment on the Bonds or Junior Lien Bonds and any securities representing investment of the same shall be kept on deposit with the Trustee. Investment of moneys in the Bond Reserve Account or the Junior Lien Bond Reserve Account shall be limited to obligations bearing maturity dates or subject to redemption at the option of the owner thereof, not later than five years from the date of the investment or such lesser period of time until final maturity of the related Bonds or Junior Lien Bonds.

The Authority shall cause investments credited to the Bond Reserve Account and the Junior Lien Bond Reserve Account to be valued at least semiannually by the Accountant on the first day of each Operating Year and semiannually thereafter, at the then market value thereof, and, in the event such investments are valued at less than ninety percent (90%) of the related Reserve Requirement, budget such additional deposits at the beginning of the next quarter in an amount necessary to restore the Bond Reserve Account or the Junior Lien Reserve Account, as the case may be, to the full amount of the related Reserve Requirement within 18 months.

Covenants and Representations of the Authority

Management

The operation, maintenance and management of the Airport shall continue to be under the supervision and control of the Authority. The Chief Executive Officer shall establish and enforce reasonable rules and regulations governing the operation and use of the Airport, operate the Airport in an efficient and economical manner, maintain the properties constituting the Airport in good repair and in sound operating condition for so long as the same are necessary to the operation of the Airport on a Revenue-producing basis. Powers conferred on the Authority shall, unless otherwise specifically provided, be exercised or performed by the Chief Executive Officer.

Operating Year

The Airport shall continue to be operated on the basis of an Operating Year which currently begins on January 1 of each year.

No Free Service or Use

No free service or use of the Airport, or service or use of the Airport at less than cost, shall be furnished by the Airport to any person, firm or corporation, public or private, or to any public agency or instrumentality.

Insurance

Generally

While any Bonds or Junior Lien Bonds remain Outstanding under the Master Bond Ordinance the Authority shall maintain or cause to be maintained insurance (which may include self-insurance) on all physical properties belonging to the Airport and/or operations of the Airport, or the kinds and in the amounts normally carried by agencies engaged in the operation of airports and reasonably available to the Authority. The Authority shall retain an Insurance Consultant for the Airport for the purpose of determining compliance with this requirement.

The Authority shall, and the Trustee may, demand, collect and sue for the insurance money that may become due and payable under any policies payable to it. Any appraisal or adjustment of any loss of damages and any settlement or payment of indemnity therefor that may be agreed upon between the Authority and any insurer shall be evidenced to the Trustee by a certificate signed by the Authorized Officer.

The Authority shall require the Insurance Consultant to report to it annually on December 1 on the adequacy of the Authority's insurance coverage under the Master Bond Ordinance. A signed copy of any reports of any Insurance Consultant required hereby shall be filed with the Chief Financial Officer and copies thereof shall be sent to the Trustee.

Notice of Taking; Cooperation of Parties

If any public authority or entity attempts to take or damage all or any part of the Airport through eminent domain proceedings, the Authority shall take prompt and appropriate measures to protect and enforce its rights and interests and those of the Trustee in connection with such proceedings. Upon receiving notice of the institution of eminent domain proceedings by any public instrumentality, body, agency or officer, the Authority shall deliver written notice thereof to the Trustee.

Insurance and Eminent Domain Proceeds

All Net Proceeds of all hazard insurance and all Net Proceeds resulting from eminent domain proceedings (excluding proceeds of insurance or condemnation awards which relate to Special Facilities and which are required under the terms of the related Series Ordinance to be otherwise directed) shall be paid to the Trustee and shall be deposited and applied at the election of the Authority as follows:

(1) deposited in the Construction Fund which shall be reactivated as necessary and used to promptly replace, repair, rebuild or restore the Airport to substantially the same condition as that which existed prior to such damage, destruction or taking, with such alterations and additions as the Authority may determine and as will not impair or otherwise adversely affect the revenue-producing capability of the Airport, provided that prior to the commencement of such replacement, repair, rebuilding or restoration, the Authority shall deliver to the Trustee a report of an Airport Consultant setting forth (A) an estimate of the total cost of the replacement, repair, rebuilding or restoration, (B) the estimated date upon which such replacement, repair, rebuilding or restoration will be substantially complete, and (C) a statement to the effect that Net Proceeds, together with other funds made available or to be made available or caused to be made available by the Authority, are projected to be sufficient to pay the costs of the replacement, repair, rebuilding or restoration of the Airport; or

(2) deposited in the Bond Fund or the Junior Lien Bond Fund, as the case may be and applied to the redemption of first the Bonds and then the Junior Lien Bonds, provided that Bonds or Junior Lien Bonds may be redeemed only if (A) the Airport has been restored to substantially the same condition as prior to such damage, destruction or taking or (B) the Authority has determined that the portion of the Airport damaged, destroyed or taken is not necessary to the operation of the Airport and that the failure of the Authority to repair and restore the same will not impair or otherwise adversely affect the revenue-producing capability of the Airport; or (C) the Airport Consultant has been unable to make the statement required by subparagraph (1)(C) of this paragraph.

If the Authority does not apply Net Proceeds or cause them to be applied, to replace, repair, rebuild, or restore the Airport, the Authority shall first redeem or purchase the Bonds and after redemption or purchase of all of the Bonds the Authority shall redeem or purchase the Junior Lien Bonds, in each case in accordance with Article III of the Master Bond Ordinance and the relevant Series Ordinance and transfer from the Construction Fund to the Bond Fund and the Junior Lien Bond Fund amounts sufficient to pay the Redemption Price or purchase price of the Bonds and the Junior Lien Bonds to be redeemed or purchased.

If the Authority elects to apply Net Proceeds, or cause them to be applied, to replace, repair, rebuild, or restore the Airport, the Authority shall retain such Net Proceeds in the Construction Fund and shall make disbursements therefrom, to the extent practicable, in accordance with the procedures and requirements set forth in Section 402 of the Master Bond Ordinance for requisitions from the Construction Fund.

Payment of Charges and Covenant Against Encumbrances

Except as permitted in the Master Bond Ordinance, the Authority shall not create or suffer to be created any lien or charge upon the Airport or any part thereof, or on the Net Revenues. The Authority shall pay or cause to be discharged, or shall make adequate provision to satisfy and discharge, within sixty (60) days after the same become due and payable, all lawful costs, expenses, liabilities and charges relating to the maintenance, repair, replacement or improvement of the properties constituting the Airport and the operation of the Airport if unpaid. The Authority shall not be required to pay or cause to be discharged, or make provision for the payment, satisfaction and discharge of, any lien, charge, cost, liability, claim or demand so long as the validity thereof is contested in good faith and by appropriate legal proceedings and so long as such contest will not cause an imminent sale or foreclosure of the Airport or any significant part thereof.

Sale of Airport

The Master Bond Ordinance generally prohibits the Authority from selling, transferring, assigning or otherwise disposing of all or any part of the properties constituting the Airport, with the following exceptions:

(i) the right to sell or dispose of any real property or any machinery, fixtures, apparatus or other personal property which is part of the Airport if the Authority determines that such property is not or is no longer needed or useful and that such sale will not impair the operating efficiency of the Airport or reduce the Authority's ability to satisfy the rate covenant as projected by the Airport Consultant;

(ii) the right, without notice to the Trustee, to demolish or remove

(a) all or any part of the passenger terminal facilities, including concourses, existing at the Airport on November 1, 1997, which are to be replaced through the construction of passenger terminal facilities, including concourses, as part of the Capital Improvement Program; or

(b) any other structures now or hereafter existing as part of the Airport, without obligation to make any replacement thereof or substitution therefor, provided that the Airport Director determines that the fair market value of the structures demolished or removed does not exceed $3,000,000.

(iii) notwithstanding the provisions of (ii) (a) above, the right to demolish or remove any structure if the Airport Director determines that such structure has become inadequate, unsuitable or unnecessary, if:

(a) prior to such removal or demolition the Authority gives written notice thereof to the Trustee, and

(b) (1) structures having a utility value at the Airport at least equal to that of the property demolished or removed are constructed, acquired, or substituted, or (2) there shall be filed with the Trustee prior to such demolition or removal a certificate signed by the Authorized Officer and approved by the Airport Consultant stating that Net Revenues for the Operating Year next succeeding that in which such demolition or removal occurs are projected to be sufficient to enable the Authority to meet the rate covenant, and in such case no substitution or replacement shall be required.

Proceeds resulting from any abandonment, sale or disposition of properties constituting the Airport shall be deposited, in the Authority's sole discretion, in the Construction Fund if the amount then on deposit therein is insufficient to pay Program Costs, or otherwise to the Renewal and Replacement Fund unless some other disposition is required by law or by contract.

Other Authority Covenants

So long as any Bond or Junior Lien Bond is Outstanding, the Authority covenants to comply or cause compliance with all applicable laws, orders, rules or regulations of any municipal or other governmental authority relating to the construction, use and operation of the Airport, and further covenants that it shall not create a lien upon the Airport.

Events of Default

Each of the following events is an "Event of Default" under the Master Bond Ordinance:

(a) the Authority shall default in the payment of the principal or Redemption Price of any Bond or Bonds or Junior Lien Bonds when and as the same shall become due, whether at maturity or upon redemption or otherwise;

(b) payment of any installment of interest on any Bond or Bonds or Junior Lien Bonds shall not be made, when and as the same shall become due;

(c) the Authority shall fail or refuse to comply with the provisions of the Master Bond Ordinance or shall default in the performance or observance of any other of the covenants, agreements or conditions contained in the Master Bond Ordinance, any supplemental ordinance, any resolution, or in the Bonds or Junior Lien Bonds and such failure, refusal or default shall continue for a period of 45 days after written notice specifying such default and requesting that it be corrected, to the Authority by the Trustee or to the Authority and the Trustee by the Holders of not less than twenty percent (20%) in principal amount of the outstanding Bonds and Junior Lien Bonds, provided that if prior to the expiration of such 45-day period the Authority institutes action reasonably designed to cure such default, no such "Event of Default" shall be deemed to have occurred upon the expiration of such 45-day period for so long as the Authority pursues such curative action with reasonable diligence;

(d) any proceeding shall be instituted by or against the Authority seeking to adjudicate it a bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors, or seeking the entry of an order for relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it), either such proceeding shall remain undismissed or unstayed for a period of thirty (30) days or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against it or the appointment of a receiver, trustee or other similar official for it or for any substantial part of its property) shall occur; or the Authority shall take any action to authorize any of the actions set forth above in this subsection (d).

No default in the payment of the principal of, interest on or Redemption Price of any Junior Lien Bond shall be considered a default for any Bond.

Remedies

Upon the happening and continuance of any Event of Default specified in the Master Bond Ordinance, the Trustee may, or upon the request of the holders of not less than twenty percent (20%) in principal amount of the Outstanding Bonds and Junior Lien Bonds shall proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders, by suit, action, or other proceedings, and to protect and enforce the statutory lien on the Net Revenues and enforce and compel the performance of all duties of the officials of the Authority. The Trustee shall on behalf of the Bondholders be entitled as a matter of right, upon application to a court of competent jurisdiction, to have appointed a receiver of the Authority for the business and property of the Airport, or any part thereof, including all Revenues, issues, income, receipts and profits derived, received or had by the Authority thereof or therefrom, with such power as the Authority may have to operate and maintain such business and property, collect, receive and apply all Revenues, income, receipts and profits arising therefrom, and prescribe fees and other charges in the same way and manner as the Authority might do. The Trustee is entitled to indemnification against fees, costs, expenses and liabilities for its enforcing any of the remedies permitted by the Master Bond Ordinance on the terms provided by the Master Bond Ordinance in connection with its exercise of any of the foregoing remedies.

Limitation on Rights of Bondholders

No individual Bondholders may initiate legal proceedings to enforce rights under the Master Bond Ordinance unless such holder shall have given to the Trustee written notice of the Event of Default or breach of duty on account of which such proceeding is to be taken, and unless the holders of not less than twenty percent (20%) in principal amount of the Bonds or Junior Lien Bonds then Outstanding have made written request of the Trustee after the right to exercise such right of action has occurred, and have afforded the Trustee a reasonable opportunity either to exercise the powers granted to it under the Master Bond Ordinance or to institute such proceedings in its name and unless, also, there has been offered to the Trustee reasonable security and indemnity against fees, costs, expenses and liabilities, and the Trustee has refused or neglected to comply with such request within a reasonable time. No provision in the Master Bond Ordinance on defaults and remedies shall affect or impair the right of any Bondholder to enforce the payment of the principal of and interest on his or her Bonds or Junior Lien Bonds, or the obligation of the Authority to pay the same.

Application of Revenues and Other Moneys After Default

During the continuance of an Event of Default, the Trustee, except as otherwise provided in the provisions of the Master Bond Ordinance relating to remedies, shall apply moneys, securities, funds and Revenues and the investment income thereon in the Funds and Accounts as follows and in the following order:

(i) to the payment of the reasonable fees, charges, costs, expenses and liabilities of the Trustee and the Airport Consultant or any Consulting Architect or Engineer selected by the Authority pursuant to the Master Bond Ordinance;

(ii) to the payment of the amounts required for reasonable and necessary Operation and Maintenance Expenses; and for the reasonable renewals, repairs and replacements of the Airport necessary to prevent loss of Revenues, as certified to the Trustee by the Airport Consultant. For this purpose the books of records and accounts of the Authority relating to the Airport shall at all times be subject to the inspection of the Airport Consultant during the continuance of such Event of Default;

(iii) to the payment of the interest and principal or Redemption Price then due on the Bonds or Junior Lien Bonds, as follows:

FIRST: To the payment to the persons entitled thereto of all installments of interest on Bonds then due in order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

SECOND: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference;

THIRD: To the payment to the persons entitled thereto of all installments of interest on Junior Lien Bonds, including payments in the nature of interest payable to a Swap Provider under a Swap Agreement, then due in order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment, then to the payment thereof ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference;

FOURTH: To the payment to the persons entitled thereto of the unpaid principal or Redemption Price of any Junior Lien Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates and, if the amounts available shall not be sufficient to pay in full all the Junior Lien Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference; and

FIFTH: To the payment to any Swap Provider of any termination payment due and payable under a Swap Agreement, and if the amounts available shall not be sufficient to pay in full all termination payments due under the Swap Agreements then to the payment thereof ratably according to the amounts of termination payments due on such date to the persons entitled thereto without any discrimination or preference.

If and whenever all overdue installments of interest on all Bonds and Junior Lien Bonds, together with the reasonable fees, charges, costs, expenses and liabilities of the Trustee, and all other sums payable by the Authority to the Trustee under the Master Bond Ordinance, including the principal and Redemption Price of and accrued unpaid interest on the Bonds and Junior Lien Bonds which shall then be payable, shall either be paid by or for the account of the Authority, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Master Bond Ordinance or the Bonds or Junior Lien Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the Authority all moneys, securities, funds and Revenues then remaining unexpended in the hands of the Trustee (except moneys, securities, funds or Revenues deposited or pledged, or required by the terms of the Master Bond Ordinance to be deposited or pledged, with the Trustee), and thereupon the Authority and the Trustee shall be restored, respectively to their former positions and rights under the Master Bond Ordinance, and all Revenues shall thereafter be applied as provided in the provisions of the Master Bond Ordinance governing the establishment and use of Funds and Accounts. No such payment over to the Authority by the Trustee or resumption of the application of Revenues as so provided shall extend to or affect any subsequent default under the Master Bond Ordinance or impair any right consequent thereon.

No Waiver of Default

No delay or omission of the Trustee or of any Holder of the Bonds and Junior Lien Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by the Master Bond Ordinance to the Trustee and the Holders of the Bonds and Junior Lien Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

Notice of Event of Default

The Trustee shall promptly give to the holders of Bonds and Junior Lien Bonds notice (i) of each Event of Default of which it has actual notice under Section 902(h) of the Master Bond Ordinance, unless such Event of Default shall have been remedied or cured before the giving of such notice; provided that, except in the case of an Event of Default specified in clause (a), (b) or (d) of the definition thereof, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee of the board of directors, or a trust committee of directors or responsible officers of the Trustee in good faith determines that the withholding of such notice is in the best interests of the holders of Bonds and Junior Lien Bonds, and (ii) of any failure of the Authority to comply with its covenant under the Master Bond Ordinance to charge sufficient rates and charges of which the Trustee has actual notice as set forth in Section 902(h) of the Master Bond Ordinance. Each such notice required shall be given by the Trustee by mailing written notice thereof to all owners of Bonds and Junior Lien Bonds, at the registered addresses of such Holders shown upon the registration books of the Authority held by the Trustee.

Tax-Exempt Status; Non-Arbitrage Covenant

The Authority covenants not to take or to permit to be taken by its agents or assigns any action which, or fail to take any reasonable action the omission of which, would (i) impair the exemption of interest on the Bonds or Junior Lien Bonds from federal income taxation, or (ii) affect the validity of the Bonds or Junior Lien Bonds.

The Authority shall use the proceeds of all Series of Bonds and Junior Lien Bonds in a manner that will comply with the requirements of Section 103 of the Code. The Authority shall not make any use, and the Trustee is directed to make no use, of the proceeds of the Bonds and Junior Lien Bonds which could cause the Bonds or Junior

Lien Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and applicable regulations thereunder. The Authority shall further comply with the requirements and regulations of such section throughout the term of the Bonds and the Junior Lien Bonds, including the rebate requirements of the Master Bond Ordinance.

Supplemental Ordinances

The Authority may, without the consent of the Bondholders, but with the consent of the Trustee and where required by a Credit Entity, the Credit Entity, adopt at any time or from time to time Series Ordinances or Supplemental Ordinances for any one or more of following purposes, and any Supplemental Ordinance shall become effective in accordance with its terms upon the filing with the Trustee of a copy thereof certified by the Authorized Officer:

(1) To provide for the issuance of a Series of Bonds or Junior Lien Bonds and to prescribe the terms and conditions pursuant to which such Bonds or Junior Lien Bonds may be issued, paid or redeemed;

(2) To add additional covenants and agreements of the Authority for the purpose of further securing the payment of the Bonds or Junior Lien Bonds, provided such additional covenants and agreements are not contrary to or inconsistent with the covenants and agreements of the Authority contained in the Master Bond Ordinance;

(3) To prescribe further limitations and restrictions upon the issuance of Bonds or Junior Lien Bonds and the incurring of indebtedness by the Authority which are not contrary to or inconsistent with the limitations and restrictions thereon theretofore in effect;

(4) To surrender any right, power or privilege reserved to or conferred upon the Authority by terms of the Master Bond Ordinance;

(5) To confirm as further assurance any security created under and subject to any lien or claim created or to be created by the provisions of the Master Bond Ordinance;

(6) To modify the provisions of the Master Bond Ordinance or any previously adopted Series Ordinance to permit compliance with changes in federal tax law which is required to maintain the tax exempt status of the Bonds or Junior Lien Bonds;

(7) With the consent of the Trustee in reliance upon an opinion of Bond Counsel, to cure any ambiguity or defect or inconsistent provision in the Master Bond Ordinance or to insert such provisions clarifying matters or questions arising under the Master Bond Ordinance as are necessary or desirable in the event any such modifications are not contrary to or inconsistent with the Master Bond Ordinance as theretofore in effect; or

(8) To comply with the Trust Indenture Act of 1939.

Notice of the adoption and delivery of any Supplemental Ordinance or resolution and a copy thereof shall be filed by the Trustee with the Rating Agency at the time of such adoption and delivery.

Supplemental Ordinances Requiring Consent of Bondholders

Exclusive of Supplemental Ordinances covered by Section 1002 of the Master Bond Ordinance, the Holders of at least fifty percent (50%) of the principal amount of outstanding Bonds and Junior Lien Bonds affected by the proposed Supplemental Ordinance and when required by the provider of a Credit Facility, the related Credit Entity, shall have the right to consent to and approve the adoption by the Authority of other Supplemental Ordinances; provided, however, that nothing in the Master Bond Ordinance shall permit (i) an extension of the maturity of the principal of or the interest on any Bond or Junior Lien Bond issued under the Master Bond Ordinance, (ii) a reduction in the principal amount of any Bond or Junior Lien Bond, (iii) modification of the privilege or priority of any Bond or Bonds over any other Bonds, except upon the written consent of the Holders of 100% of the principal amount of Bonds Outstanding or (iv) modification of the privilege or priority of any Junior Lien Bond or Junior Lien Bonds over any other Junior Lien Bonds. For the purposes of consents pursuant to Section

1003 of the Master Bond Ordinance a Credit Entity shall be deemed to be the Holder of Bonds or Junior Lien Bonds pledged by the Authority to the Credit Entity or owned by the Credit Entity or Bonds or Junior Lien Bonds secured by a Credit Facility except to the extent the Credit Entity has not honored a draw on its Credit Facility which draw complies with the requirements of the Credit Facility.

The Trustee shall give written notice of the proposed adoption of a Supplemental Ordinance by mail to the registered addresses of Holders of the Outstanding Bonds and Junior Lien Bonds and to the Credit Entity. Such notice shall briefly set forth the nature of the proposed Supplemental Ordinance and shall state that copies thereof are on file at the designated trust office of the Trustee for inspection by holders of Bonds and Junior Lien Bonds. If, within sixty (60) days or such longer period as shall be prescribed by the Trustee following the mailing of such notice, the Holders of not less than the required percent of the principal amount of the Bonds and Junior Lien Bonds Outstanding by instruments filed with the Trustee shall have consented to the adoption thereof and any other prerequisites such as the approval of any Credit Entity having such right, such Supplemental Ordinance may be adopted and the Master Bond Ordinance shall be deemed to be modified and amended in accordance therewith.

Anything in the Master Bond Ordinance to the contrary notwithstanding, a Supplemental Ordinance under Article X of the Master Bond Ordinance which affects the rights, duties and obligations of the Trustee shall not become effective unless and until the Trustee shall have consented in writing in the case of the Trustee, to the adoption of such Supplemental Ordinance and unless the Authority has first obtained the approval of the Michigan Department of Treasury if such approval is required.

If a Series of Bonds or Junior Lien Bonds will be unaffected by the terms of the Supplemental Ordinance, such Bonds or Junior Lien Bonds shall not be deemed to be Outstanding for purposes of any required consent.

A Series shall be deemed to be affected by a modification or amendment of the Master Bond Ordinance if the same adversely affects or diminishes the rights of the Holders of Bonds or Junior Lien Bonds of such Series. The Trustee may in its discretion determine whether or not in accordance with the foregoing provisions Bonds or Junior Lien Bonds of any particular Series or maturity would be affected by any modification or amendment of the Master Bond Ordinance and any such determination shall be binding and conclusive on the Authority and all Holders of Bonds or Junior Lien Bonds. The Trustee may receive an opinion of Bond Counsel as conclusive evidence as to whether Bonds or Junior Lien Bonds of any particular Series or maturity would be so affected by any such modification or amendment of the Master Bond Ordinance.

Notwithstanding anything in Section 1003 of the Master Bond Ordinance to the contrary, so long as any Bonds or Junior Lien Bonds are Outstanding as Variable Rate Bonds, the payment of principal of and interest upon which Variable Rate Bonds is secured by a Credit Facility, the Holders of such Variable Rate Bonds so secured shall not have any right to consent to any Supplemental Ordinance with respect to which the consent of Holders of such Variable Rate Bonds would otherwise have to be obtained, the automatic and irrevocable consent of such Holders of such Variable Rate Bonds to be conclusively presumed by virtue of such Holder's acceptance thereof; and the Trustee shall not be required to seek such Holders' consent as set forth in Section 1003 of the Master Bond Ordinance, provided that all such Holders shall be entitled to receive notice of the proposed Supplemental Ordinance from the Trustee or from the remarketing agent with respect to such Variable Rate Bonds and shall have the opportunity to tender such Variable Rate Bonds for repurchase prior to the effectiveness of any such Supplemental Ordinance. So long any Bonds or Junior Lien Bonds are Outstanding as Variable Rate Bonds, the payment of principal of and interest upon which Variable Rate Bonds is secured by a Credit Facility, the Credit Entity which issued such Credit Facility shall be deemed the Holder of such Variable Rate Bonds so secured and shall have the right to consent to any Supplemental Ordinance with respect to which the consent of Holders of such Variable Rate Bonds would otherwise have to be obtained; provided, however, that the right of such Credit Entity to provide such consent shall be suspended if such Credit Entity shall have wrongfully dishonored a payment obligation under such Credit Facility or if the Credit Facility is for any reason unavailable to the Trustee for the benefit of the Holders of such Variable Rate Bonds other than by expiration in accordance with its terms.

SERIES 2023 ORDINANCE

The Authority has adopted the Series 2023 Ordinance which together with the Series 2023 Sale Order authorizes the issuance and sale of the Series 2023 Bonds, and which amends and supplements the Master Bond Ordinance.

Selected Definitions

"*Authorized Denominations*" means the denominations of $5,000 or any integral multiple thereof.

"*Debt Service Payments*" means the payments required to be made by the Authority to amortize as Series of the Series 2023 Bonds, as provided for in the Series 2023 Ordinance, including the payments of principal of, premium, if any, and interest on the related Series of Series 2023 Bonds when due (whether at stated maturity or upon redemption prior to stated maturity).

"*Fixed Rate*" means the fixed rate or fixed rates at which the Series 2023 Bonds bear interest through the Stated Maturity Date, as established in the Series 2023 Ordinance.

"*Interest Payment Date*" means each date upon which interest on any Series of the Series 2023 Bonds shall be due and payable, as provided in the Sale Order for the related Series of Series 2023 Bonds.

"*Record Date*" means the 15th day of the month preceding an Interest Payment Date.

"*Registered Owner" or "Bondholder*" or "owner" means the person or entity in whose name any Series 2023 Bond is registered.

"*Sale Order*" means, with respect to a Series of the Series 2023 Bonds, the written order of an Authorized Officer of the Authority approving the sale of such Series of the Series 2023 Bonds and making certain determinations regarding the final terms thereof within the parameters of the Series 2023 Ordinance and the Master Bond Ordinance.

"*Series 2023 Bonds*" means the Series 2023 Revenue Bonds, authorized by Article II of the Series 2023 Ordinance.

"*Stated Maturity Date*" means, with respect to any Series of the Series 2023 Bonds, the Stated Maturity Date set forth in the applicable Sale Order.

Application of Series 2023 Bond Proceeds

The net proceeds of each Series of the Series 2023 Bonds shall be applied as follows, as finally determined in the Series 2023 Sale Order:

(a) An amount equal to the accrued interest, if any, on such Series 2023 Bonds to the date of delivery thereof shall be deposited in the Airport Debt Service Account of the Bond Fund.

(b) An amount equal to the amount of interest estimated to be capitalized on such Series 2023 Bonds, after giving effect to the estimated schedule on which various components of the related Series 2023 Projects will become available for use at the Airport and net of anticipated investment earnings on the amount of proceeds deposited in the Series 2023 Capitalized Interest Account for such Series established in the Capitalized Interest Account, shall be deposited in such subaccount.

(c) An amount sufficient to pay the Issuance Costs of such Series of the Series 2023 Bonds (to the extent permitted by law) shall be deposited with the Trustee in the 2023 Bond Costs of Issuance Account and used to pay Issuance Costs of such Series of the Series 2023 Bonds.

(d) An amount or other provision necessary to satisfy the Series 2023 Reserve Requirement for such Series shall be deposited in or credited to the 2023 Bond Reserve Subaccount for such Series.

(e) The balance of the proceeds of such Series 2023 Bonds shall be deposited into one or more separate accounts within the Series 2023 Airport Capital Improvement Program Construction Account (the "Series 2023 Construction Account") which is established under the Series 2023 Ordinance in the Airport Capital Improvement Program Construction Fund that was created pursuant to Section 401 of the Master Bond Ordinance.

If more than one series of Series 2023 Bonds is issued, the costs of the Series 2023 Projects may be allocated among the Series as provided in the related Series 2023 Sale Order.

Series 2023 Accounts

The Trustee shall maintain the accounts established under Sections 301 and 302 of the Series 2023 Ordinance as follows:

(a) Moneys in the 2023 Debt Service Account of the Bond Fund shall be deposited in accordance with Section 501B of the Master Bond Ordinance and shall be used for the payment when due of principal of, premium, if any, and interest on the related Series of the Series 2023 Bonds.

(b) There shall be deposited in the 2023 Capitalized Interest Account amounts equal to the amounts of interest estimated to be capitalized on the Series 2023 Bonds in accordance with the terms of the Series 2023 Sale Order.

(c) There shall be deposited in the 2023 Bond Reserve Account amounts necessary to satisfy the Series 2023 Reserve Requirement in accordance with the terms of the Series 2023 Sale Order.

Tax Covenant

The Authority covenants and represents that, to the extent permitted by law, it shall take all actions, or refrain from taking actions, within its control necessary to maintain the exclusion of the interest on the Series 2023 Bonds from gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Series 2023 Bond proceeds and moneys deemed to be Series 2023 Bond proceeds.

APPENDIX D

SUMMARY OF THE AIRLINE AGREEMENTS

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SUMMARY OF THE AIRLINE AGREEMENTS

Signatory Airlines

Each of the following airlines (the "Signatory Airlines") currently is a party to an Airport Use and Lease Agreement with the Authority (each an "Airline Agreement," and collectively, the "Airline Agreements"), which are substantially similar agreements relating to the use of the Airport, the lease of terminal facilities and the establishment and payment of terminal rentals, Activity Fees and other airline fees and charges: Air France, American Airlines, Delta Air Lines ("Delta"), Federal Express ("FedEx"), JetBlue Airways, KLM Royal Dutch Airlines ("KLM"), Lufthansa German Airlines ("Lufthansa"), Southwest Airlines, Spirit Airlines, United Airlines and United Parcel Service ("UPS"). KLM is not currently operating at the Airport.

Airline Agreements

Term. The Airline Agreements have a scheduled expiration date of September 30, 2032. The Airline Agreements may be terminated, suspended or abated under certain conditions.

Leases. Delta, Air France and the Delta Connection Carriers all operate at the McNamara Terminal. All of the other Signatory Airlines (except FedEx and UPS) and all other passenger airlines serving the Airport, including all charter carriers, operate at the Evans Terminal. The Airline Agreements provide to the passenger Signatory Airlines leases on a preferential use basis of domestic gate holdrooms, ticket counters and other airline operational space in the McNamara Terminal and the Evans Terminal.

Delta preferentially leases all of the airline space in the McNamara Terminal, with the exception that the airline space in the international portion of the McNamara Terminal, as well as space in the domestic bag claim area, is available to all of the airlines using the terminal on a shared use basis. In addition to using the shared use premises in the terminal, Air France and the Delta Connection Carriers also operate on some of Delta's preferential use space. The Authority has the right to require Delta to make a portion of its preferentially leased premises available to other air carriers, subject to certain rules and priorities.

Each of the Signatory Airlines operating in the Evans Terminal leases one or more gate holdrooms and related ticket counters and other airline operational space on a preferential use basis, except for Lufthansa, which operates on a common use gate equipped for international operations but leases the balance of its space at the Evans Terminal on a preferential use basis. The Evans Terminal also has six common use gates under the control of the Authority, with related common use ticket counter space. The common use gates in the Evans Terminal include the international gates in the facility. The domestic and international bag claim areas in the terminal are available on a shared use basis. The Authority has the right to require each Signatory Airline leasing space in the Evans Terminal to make a portion of its preferentially leased premises available to other air carriers, subject to certain rules and priorities. In addition, the Authority has the right, under certain circumstances when a Signatory Airline operating in the Evans Terminal does not meet a specified utilization requirement for its preferential use gates, to recapture one or more gates from such Signatory Airline.

Terminal Rentals. Under the terminal rental rate-making methodology contained in the Airline Agreements, there are two terminal cost centers—the McNamara Terminal Cost Center and the Evans Terminal Cost Center. To establish the terminal rental rates to be paid by the Signatory Airlines for each Operating Year, the Authority allocates between the two terminal cost centers all annual terminal-related operation and maintenance expenses ("O&M Expenses") and all annual Debt Service on Bonds issued post-1997 to finance the McNamara Terminal and the Evans Terminal (excluding apron and airfield costs), net of Debt Service to be paid by passenger facility charges ("PFCs"). The O&M Expenses for each terminal cost center include all direct terminal costs and relate to all space (airline, public, concession, etc.) in the facilities.

The annual rental rate for each terminal is calculated on the basis of 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 common use gates and ticket counters and other airline and other space controlled by the Authority, by the total square footage of space in the respective terminal leased to the Signatory Airlines operating in that terminal.

The Authority collects shared use fees per deplaned passenger for the use of the shared use premises in the McNamara Terminal. The Authority collects shared use fees per enplaned passenger for the use of the shared use premises in the Evans Terminal.

International Facility Use Fees. Under the Airline Agreements, the Authority currently charges the Signatory Airlines a $6.00 international facility use fee per deplaned international passenger at both the McNamara Terminal and the Evans Terminal.

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

More specifically, each Operating Year each Signatory Airline must pay through Activity Fees its pro rata share for such Operating Year (based on landed weight of aircraft) of the Revenue Requirement, which is the difference between (i) the sum of: (a) direct and indirect operation, maintenance and administration expenses of the Airport for such Operating Year, (b) 125% of the amount of principal and interest due on outstanding airport revenue bonds for such Operating Year, net of PFCs and federal grant funds used in such Operating Year to pay revenue bond Debt Service, (c) required deposits into the Bond Reserve Account, the Operation and Maintenance Reserve Fund and the Renewal and Replacement Fund for such Operating Year, (d) $350,000 for deposit into the Authority Discretionary Fund to be used at the Authority's discretion for airport system purposes, and (e) $5 million (subject to escalation each year, commencing in Operating Year 2002, based on the Producer Price Index), to be deposited in the Authority's Airport Development Fund to be used by the Authority in its discretion for any lawful Airport-system related capital expenditures, and (ii) all Airport revenues for such Operating Year (including Activity Fees paid by non-Signatory Airlines, all terminal rentals, shared use fees and common use fees (including rentals and shared use fees paid by the Signatory Airlines), all international facilities use fees payable with respect to the use of the federal inspection service ("FIS") facilities at the Airport, all concession and parking revenue and all other nonairline revenues); provided that for each Operating Year, item (b) above shall be reduced by amounts on deposit in the Revenue Fund on the last day of the Operating Year preceding such Operating Year.

Payment of Fees and Charges. The Airline Agreements include procedures for charging and payment of airline fees and charges that require the Authority to provide the Signatory Airlines with a projection of rentals and the Activity Fee rate for each Operating Year at least sixty (60) days prior to the beginning of the Operating Year. The Authority also has agreed to revise the projection mid-year, based on actual data available for the Operating Year. Within sixty (60) days after the end of each Operating Year, the Authority is to provide the Signatory Airlines with a preliminary report of rentals and Activity Fees actually chargeable for the prior year. Eighty percent (80%) of any additional amounts owed by the Signatory Airlines to the Authority or any refunds the Authority may owe the Signatory Airlines as a result of an overpayment is to be paid within ninety (90) days after the end of such Operating Year. The Authority has agreed to provide the Signatory Airlines with its annual audit for each Operating Year within 180 days after the end of the year, and the balance of any amounts owed by the Signatory Airlines, or to be refunded by the Authority, is due within thirty (30) days thereafter.

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

The total amount to be refunded to the Signatory Airlines and the total amount to be refunded to the non-Signatory Airlines, in respect of Activity Fee overpayments, is based on a pro-rata allocation between the Signatory Airlines and the non-Signatory Airlines, which reflects the same ratio as the ratio of total Activity Fees paid by the Signatory Airlines and total Activity Fees paid by the non-Signatory Airlines, respectively. The refund to the non-

Signatory Airlines may be accomplished directly, or through a reduction in the non-Signatory Airlines' Activity Fees for the following Operating Year. The same provision applies in the event of underpayments, and the Authority will charge the shortfall to non-Signatory Airlines as well as Signatory Airlines.

Certain Authority Covenants. The Airline Agreements obligate the Authority (i) to comply with the revenue retention requirements of the Airport and Airway Improvement Act of 1982, (ii) to use competitive bidding procedures for the award of all maintenance and operation and construction contracts for the Airport, (iii) to ensure that all senior appointed Airport officials shall have professional qualifications commensurate with their responsibilities, and (iv) to operate Willow Run Airport only as a reliever Airport for the Airport with no scheduled air carrier or public charter passenger service. The recent amendment to the Airline Agreements described above also added a new contractual covenant by the Authority to charge non-Signatory Airlines a reasonable surcharge on the Signatory Airline Activity Fee rate, subject to applicable law and to the Authority Board's "Signatory Airline Policy," which sets forth certain circumstances under which an airline is entitled to pay the basic Signatory Airline Activity Fee rate, without incurring a surcharge, even if the airline does not satisfy the minimum criteria for becoming a Signatory Airline.

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

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

Operation and Maintenance of McNamara Terminal. Delta serves as the Authority's agent for the performance of certain operation and maintenance functions for the McNamara Terminal. In this capacity, Delta has agreed to operate and maintain all of its leased space in the McNamara Terminal, all common use and public use space in the terminal and all building-wide services (*e.g.*, heating, lighting, and electrical) and to maintain and repair the interior and exterior floors, walls, ceilings and the roof. The Authority maintains responsibility for overseeing the gate allocation and utilization of the shared use space, including the FIS facilities in accordance with an agreed upon protocol, the selection of concessionaires and for police and building security functions in the McNamara Terminal.

Operation and Maintenance of Evans Terminal. The Authority generally is responsible for the operation and maintenance of the Evans Terminal; however, in that regard, the Authority has entered into an agreement with the Detroit Airlines Evans Terminal Consortium ("DANTeC"), a consortium formed by certain of the Signatory Airlines operating in the Evans Terminal, under which the Authority has granted to DANTeC the authority, and DANTeC has assumed the responsibility, to operate and maintain certain Evans Terminal facilities, systems and equipment on behalf of the Signatory Airline members of DANTeC. These facilities, systems and equipment include the non-public areas of the Evans Terminal, and the Evans Terminal baggage handling system, common use passenger processing system, multi-user flight information display system, local area network/premise distribution system, distributed antenna system/master clock system, building management system, paging system, lighting controls, passenger boarding bridges, preconditioned air units, ground power units, moving walkways, elevators, escalators, automatic doors, triturator, GSE fuel load rack, potable water cabinets and hydrant fueling carts/trucks. In addition, DANTeC also performs certain Evans Terminal ramp services, gate and remote aircraft remain overnight (RON) scheduling and gate control.

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APPENDIX E

BOOK ENTRY SYSTEM

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BOOK-ENTRY SYSTEM

The description which follows of the procedures and record keeping with respect to beneficial ownership interests in the Series 2023 Bonds; payment of interest and other payments on the Series 2023 Bonds to Participants, as defined below, or Beneficial Owners; confirmation and transfer of beneficial ownership interests in the Series 2023 Bonds; and other bond-related transactions by and between DTC, Participants and Beneficial Owners, is based solely on information furnished by DTC for use in this Official Statement, and the Authority does not take any responsibility for the accuracy or completeness.

The Series 2023 Bonds initially will be issued solely in book-entry form to be held in the book-entry only system maintained by The Depository Trust Company ("DTC"), New York, New York. So long as such book-entry system is used, only DTC will receive or have the right to receive physical delivery of Series 2023 Bonds and Beneficial Owners will not be or be considered to be, and will not have any rights as, owners or Owners of the Series 2023 Bonds under the Series 2023 Ordinance.

The information in this Appendix E concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2023 Bonds, in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2023 Bonds with DTC and their registration in the name of

Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2023 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2023 Bonds may wish to ascertain that the nominee holding the Series 2023 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2023 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal, interest and redemption proceeds on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Trustee on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, interest or redemption proceeds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2023 Bonds at any time by giving reasonable notice to the Authority and the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the accuracy thereof.

SO LONG AS CEDE & CO., AS NOMINEE OF DTC, IS THE REGISTERED OWNER OF THE SERIES 2023 BONDS, REFERENCES IN THIS OFFICIAL STATEMENT TO THE REGISTERED OWNERS OF THE SERIES 2023 BONDS WILL MEAN CEDE & CO. AND WILL NOT MEAN THE BENEFICIAL OWNERS.

APPENDIX F

FORM OF CONTINUING DISCLOSURE UNDERTAKING

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FORM OF CONTINUING DISCLOSURE UNDERTAKING

$369,750,000
WAYNE COUNTY AIRPORT AUTHORITY
Airport Revenue Bonds
(Detroit Metropolitan Wayne County Airport), Series 2023A-E

This Continuing Disclosure Undertaking (the "Undertaking") is executed and delivered by the Wayne County Airport Authority (the "Authority") in connection with the issuance of its Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A-E in the aggregate principal amount of $369,750,000 (the "Bonds"). The Authority covenants and agrees as follows:

SECTION 1. Purpose of the Undertaking. This Undertaking is being executed and delivered by the Authority for the benefit of the Bondholders and the Beneficial Owners (hereinafter defined) and in order to assist the Participating Underwriters (hereinafter defined) in complying with subsection (b)(5) of the Rule (hereinafter defined).

SECTION 2. Definitions. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Undertaking unless otherwise defined herein, the following capitalized terms shall have the following meanings.

"Airport" shall mean the Detroit Metropolitan Wayne County Airport.

"Annual Report" shall mean any Annual Report provided by the Authority pursuant to, and as described in, Sections 3 and 4 of this Undertaking.

"Beneficial Owner" shall mean any person which has or shares the power, directly or indirectly, to make investment decisions concerning ownership of any Bonds (including any person holding Bonds through nominees, depositories or other intermediaries).

"EMMA" shall mean the MSRB's Electronic Municipal Market Access System, or such other system, Internet Web site, or repository hereafter prescribed by the MSRB for the submission of electronic filings pursuant to the Rule.

"GAAP" shall mean generally accepted accounting principles, as such principles are prescribed, in part, by the Financial Accounting Standards Board and modified by the Governmental Accounting Standards Board and in effect from time to time.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Undertaking.

"MSRB" shall mean the Municipal Securities Rulemaking Board. As of the date of this Undertaking, the address and telephone numbers of the MSRB are as follows:

CDINet
1900 Duke Street, Suite 600
Alexandria, Virginia 22314
Tel: (703) 797-6600
Fax: (703) 683-1930

"1934 Act" shall mean the Securities Exchange Act of 1934, as amended.

"Obligated Person" shall mean the Authority and each airline or other entity at any time using the Airport (i) that is obligated under an Airport Use and Lease Agreement or Amended and Restated Airport Agreement, lease or other agreement having a term of more than one (1) year to pay a portion of the debt service on the Bonds, and (ii) that has provided at least twenty percent (20%) of the Revenues of the Airport for each of the two (2) fiscal years of the Airport immediately preceding the due date of any Annual Report.

"Official Statement" shall mean the final Official Statement for the Bonds dated September 27, 2023.

"Ordinance" means, with respect to the Bonds, collectively, the Series 2023 Ordinance and the Master Bond Ordinance as such terms are defined in the Official Statement.

"Participating Underwriters" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the primary offering of the Bonds.

"Rule" shall mean Rule 15c2-12 promulgated by the SEC pursuant to the 1934 Act, as the same may be amended from time to time, together with all interpretive guidances or other official interpretations or explanations thereof that are promulgated by the SEC.

"SEC" shall mean the Securities and Exchange Commission.

"SEC Reports" means reports and other information required to be filed pursuant to Sections 13(a), 14 or 15(d) of the 1934 Act.

"Securities Counsel" shall mean legal counsel expert in federal securities law, and may include, but is not limited to Bond Counsel or Disclosure Counsel with respect to the Bonds.

"State" shall mean the State of Michigan.

SECTION 3. Provision of Annual Reports.

(a) Each year, the Authority shall use its best efforts to provide within six (6) months, but in any event, not later than nine (9) months after the first day of the Authority's fiscal year, commencing with the Authority's Annual Report for its fiscal year ended December 31, 2023, to the MSRB through EMMA an Annual Report for the preceding fiscal year which is consistent with the requirements of Section 4 of this Undertaking. The Authority's current fiscal year commenced on January 1, 2023, and will end December 31, 2023. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by specific reference other information as provided in Section 4 of this Undertaking; provided, however, that if the audited financial statements of the Authority are not available by the deadline for filing the Annual Report, they shall be provided when and if available, and unaudited financial statements in a format similar to the audited financial statements then most recently prepared for the Authority shall be included in the Annual Report.

(b) If the Authority is unable to provide to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, an Annual Report by the date required in subsection (a), the Authority shall send a notice, in a timely manner, to the MSRB, through EMMA, in substantially the form attached as Exhibit A.

(c) If the Authority's fiscal year changes, the Authority shall send written notice of such change to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in substantially the form attached as Exhibit B.

(d) Whenever any Annual Report or portion thereof is filed as described above, it shall be attached to a cover sheet in substantially the form attached as Exhibit C, or such other form as may be prescribed by the SEC from time to time.

SECTION 4. Content of Annual Reports. The Authority's Annual Report shall contain or include by reference the following:

(a) The audited financial statements of the Authority for its fiscal year immediately preceding the due date of the Annual Report.

(b) An update of the financial information and operating data relating to the Authority of substantially the same nature as that contained in the Authority's Comprehensive Annual Report for the year ended December 31, 2022 (the "CAFR"), included in the Official Statement as Appendix B, under the section in the CAFR entitled "Continuing Disclosure" and otherwise in the Official Statement as follows: (i) in the table under the heading "SERIES 2023 REPORT OF THE AIRPORT CONSULTANT," and (ii) in the following table in

APPENDIX A – SERIES 2023 REPORT OF THE AIRPORT CONSULTANT: Table 2-3 – Top 25 Domestic O&D Markets From the Airport. If any information described in this paragraph (b) is published or provided by a third party and is no longer publicly available, the Authority shall include a statement to that effect as part of its Annual Report for the year in which such lack of availability arises.

The Authority's financial statements shall be audited and prepared in accordance with GAAP; provided, however, that the Authority may from time to time, in accordance with GAAP and subject to applicable federal or State legal requirements, modify the basis upon which its financial statements are prepared. Notice of any such modification shall be provided to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

Any or all of the items listed above may be included by specific reference to other documents that previously have been provided to the MSRB, through EMMA. The Authority shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Significant Events.

(a) The Authority covenants to provide or cause to be provided to the MSRB through EMMA, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of the occurrence of any of the following events listed in (b)(5)(i)(C) of the Rule with respect to the Bonds:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults, if material;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
(7) modifications to rights of holders of the Bonds, if material;
(8) bond calls, if material, and tender offers;
(9) defeasances;
(10) release, substitution, or sale of property securing repayment of the Bonds, if material;
(11) rating changes;
(12) bankruptcy, insolvency, receivership or similar event of the Authority, which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Authority in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Authority, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Authority;
(13) the consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
(14) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(15) Incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Authority, any of which affect holders of the Bonds, if material; and

(16) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation, any of which reflect financial difficulties.

For the purposes of the events identified in subparagraphs (15) and (16), the term "financial obligation" means: (i) a debt obligation, (ii) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) a guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

(b) The Authority covenants that its determination of materiality will be made in conformance with federal securities laws.

(c) If the Authority determines that the occurrence of a Listed Event would be material under applicable federal securities laws, the Authority shall promptly cause a notice of such occurrence to be filed with the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, together with a cover sheet in substantially the form attached as Exhibit C. In connection with providing a notice of the occurrence of a Listed Event described in subsection (a)(9), the Authority shall include in the notice explicit disclosure as to whether the Bonds have been escrowed to maturity or escrowed to call, as well as appropriate disclosure of the timing of maturity or call.

(d) The Authority acknowledges that the "rating changes" referred to above in Section (5)(a)(11) of this Undertaking may include, without limitation, any change in any rating on the Bonds or other indebtedness for which the Authority is liable.

(e) The Authority acknowledges that it is not required to provide a notice of a Listed Event with respect to credit enhancement when the credit enhancement is added after the primary offering of the Bonds, the Authority does not apply for or participate in obtaining such credit enhancement, and such credit enhancement is not described in the Official Statement.

SECTION 6. Termination of Reporting Obligation.

(a) The Authority's obligations under this Undertaking shall terminate upon the legal defeasance of the Ordinance or the prior redemption or payment in full of all of the Bonds. If the Authority's obligation to pay the principal of and interest on the Bonds is assumed in full by some other entity, such entity shall be responsible for compliance with this Undertaking in the same manner as if it were the Authority, and the Authority shall have no further responsibility hereunder.

(b) This Undertaking, or any provision hereof, shall be null and void in the event that the Authority (i) receives an opinion of Securities Counsel, addressed to the Authority, to the effect that those portions of the Rule, which require such provisions of this Undertaking, do not or no longer apply to the Bonds, whether because such portions of the Rule are invalid, have been repealed, amended or modified, or are otherwise deemed to be inapplicable to the Bonds, as shall be specified in such opinion, and (ii) delivers notice to such effect to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 7. Amendment; Waiver.

(a) Notwithstanding any other provision of this Undertaking, this Undertaking may be amended, and any provision of this Undertaking may be waived, provided that the following conditions are satisfied:

(1) if the amendment or waiver relates to the provisions of Section 3(a), (b), (c), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal

requirements, a change in law or a change in the identity, nature or status of the Authority or type of business conducted by the Authority;

(2) this Undertaking, as so amended or taking into account such waiver, would, in the opinion of Securities Counsel, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) the amendment or waiver either (A) is approved by the Bondholders in the same manner as provided in the Ordinance for amendments to the Ordinance with the consent of the Bondholders, or (B) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders.

(b) In the event of any amendment to, or waiver of a provision of, this Undertaking, the Authority shall describe such amendment or waiver in the next Annual Report and shall include an explanation of the reason for such amendment or waiver. In particular, if the amendment results in a change to the annual financial information required to be included in the Annual Report pursuant to Section 4 of this Undertaking, the first Annual Report that contains the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of such change in the type of operating data or financial information being provided. Further, if the annual financial information required to be provided in the Annual Report can no longer be generated because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be included in the first Annual Report that does not include such information.

(c) If the amendment results in a change to the accounting principles to be followed in preparing financial statements as set forth in Section 4 of this Undertaking, the Annual Report for the year in which the change is made shall include a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of such differences and the impact of the changes on the presentation of the financial information. To the extent reasonably feasible, the comparison shall also be quantitative. A notice of the change in accounting principles shall be sent by the Authority to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB.

SECTION 8. Additional Information. Nothing in this Undertaking shall be deemed to prevent the Authority from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Undertaking. If the Authority chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Undertaking, the Authority shall have no obligation under this Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 9. Failure to Comply. In the event of a failure of the Authority to comply with any provision of this Undertaking, any Bondholder or Beneficial Owner may bring an action to obtain specific performance of the obligations of the Authority under this Undertaking, but no person or entity shall be entitled to recover monetary damages hereunder under any circumstances, and any failure to comply with the obligations under this Undertaking shall not constitute a default with respect to the Bonds or under the Ordinance.

SECTION 10. Beneficiaries. This Undertaking shall inure solely to the benefit of the Authority, the Participating Underwriters, the Bondholders and the Beneficial Owners, and shall create no rights in any other person or entity.

SECTION 11. Transmission of Information and Notices; Dissemination Agent. Unless otherwise required by law or this Undertaking, and, in the sole determination of the Authority, subject to technical and economic feasibility, the Authority shall employ such methods of information and notice transmission as shall be requested or recommended by the herein-designated recipients of such information and notices. Any filing with the MSRB under this Undertaking may be made by transmitting such filing to a dissemination agent.

SECTION 12. Other Obligated Persons. Currently, Delta Air Lines ("Delta") is the only Obligated Person other than the Authority, and Delta is required by the 1934 Act to file annual financial information in the form of its SEC Reports with the SEC as described in the Official Statement. The Authority assumes no responsibility for the accuracy or completeness of the SEC Reports or other annual financial information disseminated by Delta or any future Obligated Person. The Authority shall report as part of its Annual Report any change in Obligated Persons and that an Obligated Person's SEC Reports constitute its annual financial information under this Undertaking. Unless no longer required by the Rule, the Authority shall use its best efforts to cause each Obligated Person other than the Authority (to the extent that such party is not required to file SEC Reports) to disseminate annual financial information substantially equivalent to that contained in SEC Reports to the MSRB, through EMMA, in an electronic format as prescribed by the MSRB, not later than nine months after the last day of the Obligated Person's fiscal year. The Authority has no obligation to file or disseminate any SEC Reports relating to another Obligated Person.

WAYNE COUNTY AIRPORT AUTHORITY

By:_________________________________

Name:

Its:

Dated: October 11, 2023

EXHIBIT A TO CONTINUING DISCLOSURE UNDERTAKING

NOTICE TO THE MSRB
OF FAILURE TO FILE ANNUAL REPORT

Name of Obligated Person: Wayne County Airport Authority

Name of Bond Issue: Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A-E

Date of Bonds: October 11, 2023

NOTICE IS HEREBY GIVEN that the Authority has not provided an Annual Report with respect to the above-named Bonds as required by Section 3 of its Undertaking with respect to the Bonds. The Authority anticipates that the Annual Report will be filed by ___________________________.

WAYNE COUNTY AIRPORT AUTHORITY

By: ______________________________________

Its: ______________________________

Dated: ________________

EXHIBIT B TO CONTINUING DISCLOSURE UNDERTAKING

NOTICE TO THE MSRB
OF CHANGE IN AUTHORITY'S FISCAL YEAR

Name of Obligated Person: Wayne County Airport Authority

Name of Bond Issue: Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A-E

Date of Bonds: October 11, 2023

NOTICE IS HEREBY GIVEN that the fiscal year of the ____________________ changed. Previously, the Authority's fiscal year ended on ____________________________. It now ends on ______________________.

WAYNE COUNTY AIRPORT AUTHORITY

By: ____

Its: ________________________________

Dated: ______________________

EXHIBIT C TO CONTINUING DISCLOSURE UNDERTAKING

MUNICIPAL SECONDARY MARKET DISCLOSURE
INFORMATION COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, pursuant to Securities and Exchange Commission Rule 15c2-12 or any analogous state statute.

***

Authority's and/or Other Obligated Person's name: Wayne County Airport Authority

CUSIP Numbers (attach additional sheet if necessary):
Nine-Digit CUSIP Number(s) to which the information relates:

Information relates to all securities issued by the Authority having the following six-digit number(s):

***

Number of pages of attached information: ____

Description of Material Events Notice/Financial Information (Check One):

1. _____ Principal and interest payment delinquencies
2. _____ Material non-payment related defaults
3. _____ Unscheduled draws on debt service reserves reflecting financial difficulties
4. _____ Unscheduled draws on credit enhancements reflecting financial difficulties
5. _____ Substitution of credit or liquidity providers or their failure to perform
6. _____ Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the bonds, or other material events affecting the tax status of the bonds
7. _____ Material modifications to rights of securities holders
8. _____ Bond calls, if material, or tender offers
9. _____ Defeasances
10. _____ Material release, substitution, or sale of property securing repayment of the bonds
11. _____ Rating changes
12. _____ Bankruptcy, insolvency, receivership or similar event of the Authority
13. _____ The consummation of a merger, consolidation, or acquisition involving the Authority or the sale of all or substantially all of the assets of the Authority, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. _____ Appointment of a successor or additional trustee or the material change of name of a trustee
15. _____ Incurrence of a financial obligation of the Authority, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Authority, any of which affect holders of the Bonds, if material
16. _____ Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a financial obligation, any of which reflect financial difficulties
17. _____ Failure to provide annual financial information as required
18. _____ Other material event notice (specify) ______________________________
19.* _____ Financial Information: Please check all appropriate boxes:
    CAFR (a) includes does not include Annual Financial Information
    (b) Audited? Yes No
    Annual Financial Information: Audited? Yes No
    Operating Data
    Fiscal Period Covered: ______________________________________

*Financial information **should not** be filed with the MSRB.

I hereby represent that I am authorized by the Authority or its agent to distribute this information publicly:

Signature: ____
Name: ______________________________ Title: ________________
Employer: ____
Address: ____
City, State, Zip Code: ____________________________________
Voice Telephone Number: (_______) ________________

APPENDIX G

FORMS OF BOND COUNSEL OPINIONS

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Founded in 1852
by Sidney Davy Miller

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FORM OF APPROVING OPINION

(SERIES 2023A; NON-AMT)

October 11, 2023

Wayne County Airport Authority
State of Michigan

We have acted as bond counsel to the Wayne County Airport Authority, State of Michigan (the "Authority"), in connection with the issuance by the Authority of bonds in the aggregate principal sum of $105,200,000, designated Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023A (the "Bonds"), for the purpose of paying a portion of the cost of acquiring and constructing certain capital improvements (defined in the ordinance authoring the Bonds as the "2023 Projects") and paying costs of issuance of the Bonds. In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of $5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of October 11, 2023, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 327, Public Acts of Michigan, 1945, as amended and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"). The Authority has reserved the right to issue additional bonds of equal standing with the Bonds pursuant to the conditions stated in the ordinances authorizing the Bonds (collectively, the "Ordinance").

As to questions of fact material to our opinion, we have relied on the representations of the Authority contained in the Ordinance, and in the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Ordinance has been duly and lawfully adopted by the Authority and is in full force and effect. The Ordinance by its terms constitutes a contract between the Authority and the holders of the Bonds and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms.

2. The Authority has sufficient power and authority to operate the Detroit Metropolitan Wayne County Airport (the "Airport") and to issue the Bonds for the above purposes secured by the pledge of Airport revenues as hereinafter described.

3. The Bonds have been duly authorized, executed, and delivered by the Authority and authenticated by the Trustee (as defined in the Ordinance) in accordance with the Ordinance. All conditions precedent to the sale and delivery of the Bonds have been fulfilled.

4. The Bonds are valid and binding obligations of the Authority according to their tenor, payable solely and only from and secured by a statutory lien on the revenues of the Airport, after payment of the expenses of

administration, operation and maintenance thereof (the "Net Revenues"), and are entitled to the benefits of the Ordinance and Act 94. The statutory lien on the Net Revenues is of equal standing and on a parity as to the Net Revenues with all outstanding Bonds (as defined in the Ordinance) (the "Outstanding Bonds") and any Additional Bonds (as defined in the Ordinance).

5. The Authority is obligated to charge and collect rates, charges and landing fees from every user of the Airport sufficient, together with all other available funds, to provide adequate revenues for the payment of the expenses of administration, operation and maintenance of the Airport and such other expenditures and funds for the Bonds, the Outstanding Bonds, the Junior Lien Bonds (as defined in the Ordinance) and the Airport as are required by the Ordinance and Act 94; provided, however, that to the extent that rates are fixed by contract, such rates may be revised only in accordance with the terms of such contract.

6. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (i) of this paragraph is subject to the condition that the Authority comply with all requirements of applicable federal income tax law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with all such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements.

7. The Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except estate taxes, taxes on gains realized from the sale, payment or other disposition thereof.

Except as stated in paragraphs 6 and 7 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

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FORM OF APPROVING OPINION

(SERIES 2023B; AMT)

October 11, 2023

Wayne County Airport Authority
State of Michigan

We have acted as bond counsel to the Wayne County Airport Authority, State of Michigan (the "Authority"), in connection with the issuance by the Authority of bonds in the aggregate principal sum of $78,205,000, designated Airport Revenue Bonds (Detroit Metropolitan Wayne County Airport), Series 2023B (the "Bonds"), for the purpose of paying a portion of the cost of acquiring and constructing certain capital improvements (defined in the ordinance authoring the Bonds as the "2023 Projects") and paying costs of issuance of the Bonds. In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of $5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of October 11, 2023, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 327, Public Acts of Michigan, 1945, as amended and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"). The Authority has reserved the right to issue additional bonds of equal standing with the Bonds pursuant to the conditions stated in the ordinances authorizing the Bonds (collectively, the "Ordinance").

As to questions of fact material to our opinion, we have relied on the representations of the Authority contained in the Ordinance, and in the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Ordinance has been duly and lawfully adopted by the Authority and is in full force and effect. The Ordinance by its terms constitutes a contract between the Authority and the holders of the Bonds and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms.

2. The Authority has sufficient power and authority to operate the Detroit Metropolitan Wayne County Airport (the "Airport") and to issue the Bonds for the above purposes secured by the pledge of Airport revenues as hereinafter described.

3. The Bonds have been duly authorized, executed, and delivered by the Authority and authenticated by the Trustee (as defined in the Ordinance) in accordance with the Ordinance. All conditions precedent to the sale and delivery of the Bonds have been fulfilled.

4. The Bonds are valid and binding obligations of the Authority according to their tenor, payable solely and only from and secured by a statutory lien on the revenues of the Airport, after payment of the expenses of administration, operation and maintenance thereof (the "Net Revenues"), and are entitled to the benefits of the

Ordinance and Act 94. The statutory lien on the Net Revenues is of equal standing and on a parity as to the Net Revenues with all outstanding Bonds (as defined in the Ordinance) (the "Outstanding Bonds") and any Additional Bonds (as defined in the Ordinance).

5. The Authority is obligated to charge and collect rates, charges and landing fees from every user of the Airport sufficient, together with all other available funds, to provide adequate revenues for the payment of the expenses of administration, operation and maintenance of the Airport and such other expenditures and funds for the Bonds, the Outstanding Bonds, the Junior Lien Bonds (as defined in the Ordinance) and the Airport as are required by the Ordinance and Act 94; provided, however, that to the extent that rates are fixed by contract, such rates may be revised only in accordance with the terms of such contract.

6. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes (except for any period when the Bonds are held by a "substantial user" of the Airport or a person deemed "related" thereto (as such terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended)) and (ii) is an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (i) of this paragraph is subject to the condition that the Authority comply with all requirements of applicable federal income tax law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with all such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements.

7. The Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except estate taxes, taxes on gains realized from the sale, payment or other disposition thereof.

Except as stated in paragraphs 6 and 7 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

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FORM OF APPROVING OPINION

(SERIES 2023C REFUNDING; NON-AMT)

October 11, 2023

Wayne County Airport Authority
State of Michigan

We have acted as bond counsel to the Wayne County Airport Authority, State of Michigan (the "Authority"), in connection with the issuance by the Authority of bonds in the aggregate principal sum of $139,115,000, designated Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023C (the "Bonds"), for the purpose of refunding a portion of the Authority's previously issued Airport Revenue Bonds and paying costs of issuance of the Bonds. In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of $5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of October 11, 2023, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 327, Public Acts of Michigan, 1945, as amended and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"). The Authority has reserved the right to issue additional bonds of equal standing with the Bonds pursuant to the conditions stated in the ordinances authorizing the Bonds (collectively, the "Ordinance").

As to questions of fact material to our opinion, we have relied on the representations of the Authority contained in the Ordinance, and in the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Ordinance has been duly and lawfully adopted by the Authority and is in full force and effect. The Ordinance by its terms constitutes a contract between the Authority and the holders of the Bonds and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms.

2. The Authority has sufficient power and authority to operate the Detroit Metropolitan Wayne County Airport (the "Airport") and to issue the Bonds for the above purposes secured by the pledge of Airport revenues as hereinafter described.

3. The Bonds have been duly authorized, executed, and delivered by the Authority and authenticated by the Trustee (as defined in the Ordinance) in accordance with the Ordinance. All conditions precedent to the sale and delivery of the Bonds have been fulfilled.

4. The Bonds are valid and binding obligations of the Authority according to their tenor, payable solely and only from and secured by a statutory lien on the revenues of the Airport, after payment of the expenses of administration, operation and maintenance thereof (the "Net Revenues"), and are entitled to the benefits of the

Ordinance and Act 94. The statutory lien on the Net Revenues is of equal standing and on a parity as to the Net Revenues with all outstanding Bonds (as defined in the Ordinance) (the "Outstanding Bonds") and any Additional Bonds (as defined in the Ordinance).

5. The Authority is obligated to charge and collect rates, charges and landing fees from every user of the Airport sufficient, together with all other available funds, to provide adequate revenues for the payment of the expenses of administration, operation and maintenance of the Airport and such other expenditures and funds for the Bonds, the Outstanding Bonds, the Junior Lien Bonds (as defined in the Ordinance) and the Airport as are required by the Ordinance and Act 94; provided, however, that to the extent that rates are fixed by contract, such rates may be revised only in accordance with the terms of such contract.

6. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (i) of this paragraph is subject to the condition that the Authority comply with all requirements of applicable federal income tax law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with all such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements.

7. The Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except estate taxes, taxes on gains realized from the sale, payment or other disposition thereof.

Except as stated in paragraphs 6 and 7 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

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FORM OF APPROVING OPINION

(SERIES 2023D REFUNDING; AMT)

October 11, 2023

Wayne County Airport Authority
State of Michigan

We have acted as bond counsel to the Wayne County Airport Authority, State of Michigan (the “Authority”), in connection with the issuance by the Authority of bonds in the aggregate principal sum of $18,520,000, designated Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023D (the “Bonds”), for the purpose of refunding a portion of the Authority’s previously issued Airport Revenue Bonds and paying costs of issuance of the Bonds. In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of $5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of October 11, 2023, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 327, Public Acts of Michigan, 1945, as amended and Act 94, Public Acts of Michigan, 1933, as amended (“Act 94”). The Authority has reserved the right to issue additional bonds of equal standing with the Bonds pursuant to the conditions stated in the ordinances authorizing the Bonds (collectively, the “Ordinance”).

As to questions of fact material to our opinion, we have relied on the representations of the Authority contained in the Ordinance, and in the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Ordinance has been duly and lawfully adopted by the Authority and is in full force and effect. The Ordinance by its terms constitutes a contract between the Authority and the holders of the Bonds and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms.

2. The Authority has sufficient power and authority to operate the Detroit Metropolitan Wayne County Airport (the “Airport”) and to issue the Bonds for the above purposes secured by the pledge of Airport revenues as hereinafter described.

3. The Bonds have been duly authorized, executed, and delivered by the Authority and authenticated by the Trustee (as defined in the Ordinance) in accordance with the Ordinance. All conditions precedent to the sale and delivery of the Bonds have been fulfilled.

4. The Bonds are valid and binding obligations of the Authority according to their tenor, payable solely and only from and secured by a statutory lien on the revenues of the Airport, after payment of the expenses of

administration, operation and maintenance thereof (the “Net Revenues”), and are entitled to the benefits of the Ordinance and Act 94. The statutory lien on the Net Revenues is of equal standing and on a parity as to the Net Revenues with all outstanding Bonds (as defined in the Ordinance) (the “Outstanding Bonds”) and any Additional Bonds (as defined in the Ordinance).

5. The Authority is obligated to charge and collect rates, charges and landing fees from every user of the Airport sufficient, together with all other available funds, to provide adequate revenues for the payment of the expenses of administration, operation and maintenance of the Airport and such other expenditures and funds for the Bonds, the Outstanding Bonds, the Junior Lien Bonds (as defined in the Ordinance) and the Airport as are required by the Ordinance and Act 94; provided, however, that to the extent that rates are fixed by contract, such rates may be revised only in accordance with the terms of such contract.

6. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes (except for any period when the Bonds are held by a “substantial user” of the Airport or a person deemed “related” thereto (as such terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended)) and (ii) is an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (i) of this paragraph is subject to the condition that the Authority comply with all requirements of applicable federal income tax law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with all such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements.

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Except as stated in paragraphs 6 and 7 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting creditors’ rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

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FORM OF APPROVING OPINION

(SERIES 2023E REFUNDING; AMT)

October 11, 2023

Wayne County Airport Authority
State of Michigan

We have acted as bond counsel to the Wayne County Airport Authority, State of Michigan (the "Authority"), in connection with the issuance by the Authority of bonds in the aggregate principal sum of $28,710,000, designated Airport Revenue Refunding Bonds (Detroit Metropolitan Wayne County Airport), Series 2023E (the "Bonds"), for the purpose of refunding a portion of the Authority's previously issued Airport Revenue Bonds and paying costs of issuance of the Bonds. In such capacity, we have examined such law and the transcript of proceedings relating to the issuance of the Bonds and such other proceedings, certifications and documents as we have deemed necessary to render this opinion.

The Bonds are in fully-registered form in the denomination of $5,000 each or multiples thereof, numbered in order of registration, bearing original issue date of October 11, 2023, payable as to principal and interest as provided in the Bonds, subject to redemption prior to maturity in the manner, at the times and at the prices specified in the Bonds.

The Bonds are issued under the provisions of Act 327, Public Acts of Michigan, 1945, as amended and Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"). The Authority has reserved the right to issue additional bonds of equal standing with the Bonds pursuant to the conditions stated in the ordinances authorizing the Bonds (collectively, the "Ordinance").

As to questions of fact material to our opinion, we have relied on the representations of the Authority contained in the Ordinance, and in the certified proceedings and other certifications of public officials and others furnished to us.

Based upon the foregoing, we are of the opinion that, under existing law:

1. The Ordinance has been duly and lawfully adopted by the Authority and is in full force and effect. The Ordinance by its terms constitutes a contract between the Authority and the holders of the Bonds and is valid and binding upon the Authority and enforceable against the Authority in accordance with its terms.

2. The Authority has sufficient power and authority to operate the Detroit Metropolitan Wayne County Airport (the "Airport") and to issue the Bonds for the above purposes secured by the pledge of Airport revenues as hereinafter described.

3. The Bonds have been duly authorized, executed, and delivered by the Authority and authenticated by the Trustee (as defined in the Ordinance) in accordance with the Ordinance. All conditions precedent to the sale and delivery of the Bonds have been fulfilled.

4. The Bonds are valid and binding obligations of the Authority according to their tenor, payable solely and only from and secured by a statutory lien on the revenues of the Airport, after payment of the expenses of

administration, operation and maintenance thereof (the "Net Revenues"), and are entitled to the benefits of the Ordinance and Act 94. The statutory lien on the Net Revenues is of equal standing and on a parity as to the Net Revenues with all outstanding Bonds (as defined in the Ordinance) (the "Outstanding Bonds") and any Additional Bonds (as defined in the Ordinance).

5. The Authority is obligated to charge and collect rates, charges and landing fees from every user of the Airport sufficient, together with all other available funds, to provide adequate revenues for the payment of the expenses of administration, operation and maintenance of the Airport and such other expenditures and funds for the Bonds, the Outstanding Bonds, the Junior Lien Bonds (as defined in the Ordinance) and the Airport as are required by the Ordinance and Act 94; provided, however, that to the extent that rates are fixed by contract, such rates may be revised only in accordance with the terms of such contract.

6. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes (except for any period when the Bonds are held by a "substantial user" of the Airport or a person deemed "related" thereto (as such terms are used in Section 147(a) of the Internal Revenue Code of 1986, as amended)) and (ii) is an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in clause (i) of this paragraph is subject to the condition that the Authority comply with all requirements of applicable federal income tax law that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excludable from gross income for federal income tax purposes. Failure to comply with all such requirements could cause the interest on the Bonds to be included in gross income retroactive to the date of issuance of the Bonds. The Authority has covenanted to comply with all such requirements.

7. The Bonds and the interest thereon are exempt from all taxation by the State of Michigan or by any taxing authority within the State of Michigan except estate taxes, taxes on gains realized from the sale, payment or other disposition thereof.

Except as stated in paragraphs 6 and 7 above, we express no opinion regarding other federal or state tax consequences arising with respect to the Bonds and the interest thereon.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other similar laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

This opinion is given as of the date hereof and we assume no obligation to update or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

APPENDIX H

SPECIMEN OF MUNICIPAL BOND INSURANCE POLICY

MUNICIPAL BOND INSURANCE POLICY

ISSUER: Policy No: -N

BONDS: $ in aggregate principal amount of

Effective Date:

Premium: $

SPECIMEN

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By ________________________________
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)

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WAYNE COUNTY AIRPORT AUTHORITY

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