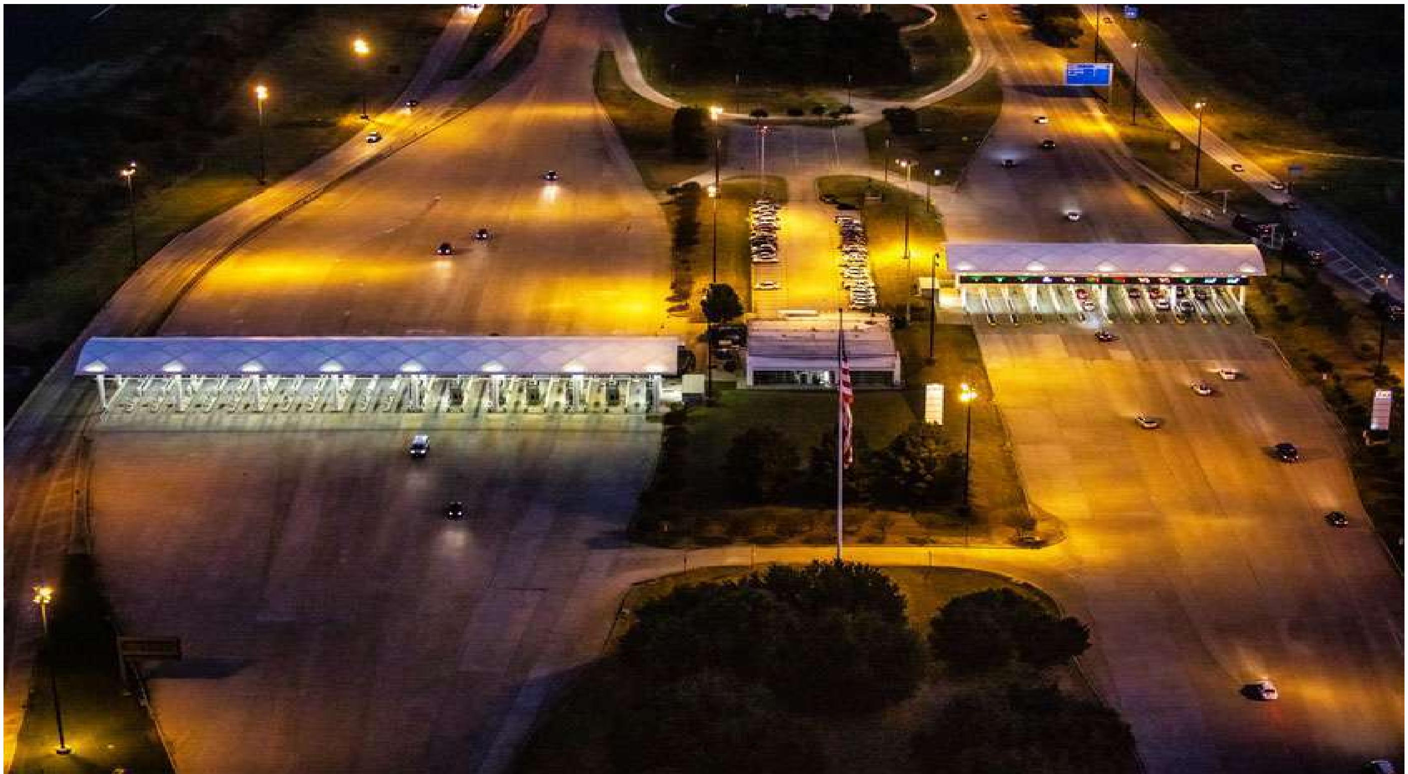
Dallas Fort Worth International Airport Continuing Disclosure Statements

For the Fiscal Year Ended September 30, 2024



Finance Department
P.O. Box 619428
DFW Airport, Texas 75261-9428

Dallas Fort Worth International Airport
Continuing Disclosure Statements
For the Fiscal Year Ended September 30, 2024

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Required Tables

The quantitative financial information and operating data with respect to the Airport, as of September 30, 2024, or for the period ended September 30, 2024, of the general type included in the numbered tables in the Official Statements relating to Bonds of the Airport for which it has entered into Continuing Disclosure Agreements are set forth below. In some instances, the table numbers and the order in which the information is presented below differ from the table numbers and order in the Official Statements.

Table 1
Passenger Facility Charge Collections and Interest on

Fiscal Year	PFC Revenues (Millions)
2020 *	$ 101
2021	110
2022	141
2023	156
2024	168

Source: Treasury Department Records

* 2020 value restated on cash basis

Table 2
Schedule of Outstanding Obligations
As of September 30, 2024

Series	Original Principal Amount	Principal Amount Outstanding	Final Maturity* (Nov 1)
2013C	$ 242,000,000	$ 56,600,000	2045
2017	302,370,000	86,410,000	2024
2019A	1,167,060,000	1,065,870,000	2045
2020A	391,755,000	376,620,000	2035
2020B	459,520,000	410,310,000	2045
2020C	1,193,985,000	1,185,425,000	2050
2021A	206,350,000	206,350,000	2046
2021B	299,305,000	265,885,000	2045
2021C	706,230,000	688,695,000	2046
2022A	1,188,105,000	1,188,105,000	2051
2022B	553,760,000	546,625,000	2050
2023A	215,275,000	215,275,000	2047
2023B	691,305,000	691,305,000	2047
2023C	241,270,000	241,270,000	2033
2024	723,555,000	723,555,000	2049
	$ 8,581,845,000	$ 7,948,300,000	

*Bonds may be subject to serial maturities and/or optional redemption features

Source: Treasury Department Records

Table 3
Dallas Fort Worth International Airport
Aircraft Operations (Unaudited, in thousands)

	Fiscal Year Ended, September 30									
	2024		2023		2022		2021		2020	
	Ops	%	Ops	%	Ops	%	Ops	%	Ops	%
Domestic Passenger	620	84%	567	84%	554	84%	524	84%	470	84%
International Passenger	77	11%	71	10%	67	10%	51	8%	44	8%
Total Passenger	697	95%	638	94%	621	94%	575	92%	514	92%
Cargo Aircraft	22	3%	25	4%	27	4%	28	5%	29	5%
General Aviation Aircraft	13	2%	13	2%	15	2%	18	3%	14	3%
Total Annual Operations	732		676		663		621		557	

Source: DFW Airport Finance Department and Aviation Analytics Department.

Ops represents the number of takeoffs and landings at the Airport.

Table 4
Dallas Fort Worth International Airport
Passenger Service Market
(Unaudited)

Domestic Markets

Monthly Frequencies

Rank	Market	Total Market	Largest Market Carrier
1	LAX	582	AA
2	IAH	566	AA
3	ATL	538	DL
4	DEN	533	AA
5	ORD	528	AA
6	LGA	519	AA
7	LAS	516	AA
8	PHX	436	AA
9	MCO	419	AA
10	MIA	418	AA
11	AUS	408	AA
12	SEA	397	AA
13	SAT	375	AA
14	CLT	340	AA
15	SFO	337	AA
16	SLC	336	AA
17	BOS	334	AA
18	SAN	300	AA
19	BNA	296	AA
20	EWR	294	UA

Monthly Seats

Rank	Market	Total Market	Largest Market Carrier
1	LAX	110,660	AA
2	ATL	97,997	DL
3	LAS	97,865	AA
4	ORD	91,477	AA
5	DEN	91,456	AA
6	PHX	84,086	AA
7	MCO	80,684	AA
8	LGA	80,591	AA
9	MIA	79,569	AA
10	SEA	72,527	AA
11	IAH	70,549	AA
12	CLT	64,430	AA
13	SFO	60,858	AA
14	SAT	60,759	AA
15	AUS	58,487	AA
16	SAN	57,846	AA
17	PHL	56,089	AA
18	SLC	54,191	AA
19	BOS	53,329	AA
20	BNA	52,532	AA

International Markets

Monthly Frequencies

Rank	Market	Total Market	Largest Market Carrier
1	CUN	306	AA
2	MTY	192	AA
3	MEX	169	AA
4	LHR	144	AA
5	YYZ	143	AA
6	SJD	135	AA
7	GDL	130	AA
8	PVR	105	AA
9	QRO	84	AA
10	BJX	78	AA

Monthly Seats

Rank	Market	Total Market	Largest Market Carrier
1	CUN	59,588	AA
2	LHR	47,899	AA
3	MEX	27,589	AA
4	SJD	25,310	AA
5	GDL	23,667	AA
6	MTY	22,388	AA
7	YYZ	19,509	AA
8	DOH	19,113	QR
9	PVR	18,265	AA
10	MAD	16,592	AA

Source: DFW Global Strategy & Development Department

Table 5
Dallas Fort Worth International Airport
Total Domestic and International Enplanements Statistics (Unaudited, in millions)

	Fiscal Year Ended, September 30									
Passengers	2024		2023		2022		2021		2020	
	Pass	%	Pass	%	Pass	%	Pass	%	Pass	%
Domestic/International										
Domestic	37.3	86	34.3	86	31.6	88	25.1	91	21.3	90
International	6.1	14	5.5	14	4.5	12	2.5	9	2.4	10
Total Enplanements	43.4	100	39.8	100	36.1	100	27.6	100	23.7	100
O&D/Connecting										
Origination (O)	9.5	22	8.9	22	7.7	21	5.2	19	4.8	20
Destination (D)	7.4	17	6.9	18	6.0	17	4.1	15	3.9	17
O&D subtotal	16.9	39	15.8	40	13.7	38	9.3	34	8.7	37
Connecting	26.5	61	24.1	60	22.4	62	18.3	66	15.0	63
Total Enplanements	43.4	100	39.8	100	36.1	100	27.6	100	23.7	100
By Airline										
American	29.4	68	27.8	70	24.7	68	17.9	65	15.8	67
American Eagle (Envoy Air) *	6.2	14	5.2	13	5.9	16	6.3	23	4.8	20
Delta	1.5	3	1.3	3	1.3	4	0.8	3	0.8	3
United	1.2	3	1.2	3	0.9	3	0.5	2	0.6	3
Spirit Airlines	1.7	4	1.6	4	1.3	4	1.0	4	0.9	4
Emirates	0.1	0	0.1	0	0.1	0	0.2	1	0.0	0
Qantas Airways	0.1	0	0.1	0	0.0	0	-	0	0.0	0
Qatar Airways	0.2	1	0.2	1	0.2	0	0.1	0	0.1	0
Sun Country Airlines	0.1	0	0.1	0	0.1	0	0.1	0	0.0	0
Other	2.9	7	2.2	6	1.6	5	0.7	2	0.7	3
Total Enplanements	43.4	100	39.8	100	36.1	100	27.6	100	23.7	100

Source: DFW Airport Finance Department, most current data available, based on flight activity reports provided by airlines
* American Eagle includes Envoy Air and other subsidiaries of American Eagle.

Table 6
Dallas Fort Worth International Airport
Total Domestic and International Enplanements
(Unaudited, in thousands)

	2024	2023	2022	2021	2020
October	3,635	3,305	2,964	1,905	3,185
November	3,438	3,040	2,922	1,701	3,007
December	3,483	3,172	3,014	1,774	3,219
January	3,116	2,833	2,374	1,517	2,871
February	3,148	2,753	2,141	1,261	2,770
March	3,636	3,282	2,981	2,244	1,649
April	3,474	3,217	3,045	2,369	242
May	3,808	3,567	3,357	2,737	676
June	4,074	3,796	3,453	3,192	1,115
July	4,193	3,858	3,473	3,427	1,625
August	3,833	3,579	3,198	2,831	1,620
September	3,533	3,353	3,145	2,688	1,693
Total	43,371	39,755	36,067	27,646	23,671
(Decrease) over Prior Period	9.1%	10.2%	30.5%	16.8%	(35.4%)

Source: DFW Airport Finance Department, most current data available, based on flight activity reports provided by airlines

Table 7
Dallas Fort Worth International Airport
Landed Weights and Cargo Tonnage
(Unaudited, in billions of pounds)

	Fiscal Year Ended, September 30									
	2024		2023		2022		2021		2020	
	Weight.	%	Weight.	%	Weight.	%	Weight.	%	Weight.	%
By Carrier Type										
Domestic Passenger Airlines	41.1	79	38.3	79	31.8	70	34.5	86	30.6	84
International Pass. Airlines	7.3	14	6.1	13	8.9	20	1.0	3	1.1	3
Cargo/Integrator Airlines	3.7	7	4.1	8	4.4	10	4.5	11	4.6	13
Total Landed Weights	52.1	100	48.5	100	45.1	100	40.0	100	36.3	100
By Major Airline										
American	31.6	61	29.9	62	26.9	60	22.6	56	20.7	57
American Eagle (Envoy Air) *	7.5	14	6.4	13	7.0	15	8.2	20	6.6	18
UPS	1.4	3	1.9	4	2.1	5	2.1	5	2.1	6
Delta	1.7	3	1.5	3	1.5	3	1.3	3	1.1	3
Frontier	1.5	3	0.9	2	0.6	1	0.3	1	0.1	0
Spirit Airlines	1.6	3	1.5	3	1.2	3	1.0	3	0.9	3
Federal Express	0.6	1	0.6	1	0.7	2	0.8	2	0.7	2
United	1.3	3	1.3	3	0.1	0	0.7	2	0.8	2
Alaska Airlines	0.4	1	0.3	1	0.3	1	0.2	1	0.2	0
British Airways	0.3	1	0.3	1	0.3	1	0.2	0	0.2	0
Qatar Airways	0.4	1	0.4	1	0.3	1	0.2	1	0.2	0
Korean Air Lines	0.1	0	0.1	0	0.1	0	0.1	0	0.1	0
Lufthansa German Airlines	0.1	0	0.1	0	0.1	0	0.0	0	0.1	0
Emirates	0.2	0	0.2	0	0.2	0	0.1	0	0.1	0
Japan Airlines	0.2	0	0.2	0	0.2	1	0.2	0	0.1	0
Etihad Airways	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Qantas	0.2	0	0.2	0	0.1	0	0.0	0	0.1	0
Sun Country Airlines	0.1	0	0.1	0	0.0	0	0.1	0	0.1	0
Other (Domestic)	2.9	6	2.6	5	3.3	7	1.9	5	2.2	6
Total Landed Weights	52.1	100	48.5	100	45.1	100	40.0	100	36.3	100
Cargo Tonnage (Thousands)	795		792		943		985		888	

Source: DFW Finance Department, based on flight activity reports provided by airlines.
* American Eagle includes Envoy Air and other subsidiaries of American Eagle.

Table 8
Dallas Fort Worth International Airport
Average Signatory Landing Fee and Terminal Rentals Rates (Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022	2021	2020
Average Landing Fee Rates*					
Final Rates at the True-up	$ 2.86	$ 0.98	$ 1.60	$ 2.02	$ 2.35
Budgeted	$ 3.41	$ 1.88	$ 2.23	$ 2.23	$ 2.23
Average Terminal Rental Rates					
Final Rates at the True-up	$ 309.70	$ 311.79	$ 301.05	$ 305.82	$ 302.20
Budgeted	$ 332.67	$ 380.94	$ 306.85	$ 306.85	$ 306.85

Source - DFW Finance Department.
* Per 1,000 pounds

Table 9
Dallas Fort Worth International Airport
Airline Cost and Passenger Airline Cost Per Enplanement (CPE)
(Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022	2021	2020
Airline Cost (millions)					
Final Rates at the True-up	$ 580.3	$ 463.9	$ 446.6	$ 440.9	$ 443.1
Budgeted	$ 613.3	$ 595.4	$ 469.5	$ 469.2	$ 501.5
Cost per Enplanement					
Final Rates at the True-up	$ 13.15	$ 11.56	$ 12.19	$ 15.63	$ 18.29
Budgeted	$ 14.68	$ 14.99	$ 13.70	$ 17.28	$ 12.96

Source - DFW Finance Department.

Table 10
DFW Cost Center Net Revenues
(Amounts in Millions)

	2024	2023	2022	2021	2020
Revenues [1]					
Parking and Ground Transportation	$ 242.7	$ 216.8	$ 189.6	$ 112.6	$ 100.6
Concessions	129.9	116.0	100.0	66.7	62.0
Rental Car	50.0	45.5	41.2	31.8	23.7
Commercial Development	78.0	73.6	65.7	60.1	54.3
Other Revenues	62.5	55.6	38.7	30.8	41.6
Federal Relief Proceeds [3]	-	-	-	96.5	107.6
Total Revenues	563.1	507.5	435.2	398.5	389.8
DFW Cost Center Expenditures					
Operating Expenses	(183.3)	(167.7)	(146.2)	(129.8)	(129.2)
Debt Service, net of PFCs	(72.9)	(55.0)	(50.7)	(60.2)	(70.6)
Total Expenditures	(256.2)	(222.7)	(196.9)	(190.0)	(199.8)
Gross Margin - DFW Cost Center	306.9	284.8	238.3	208.5	190.0
Less Transfers and Skylink					
DFW Terminal Contribution	-	(4.2)	(2.8)	(2.9)	(2.8)
Skylink Costs	(35.1)	(33.0)	(32.7)	(26.9)	(23.2)
Net Revenues from DFW Cost Center	$ 271.8	$ 247.6	$ 202.8	$ 178.7	$ 164.0
Threshold adjustment to Airfield Cost Center	140.6	126.0	97.3	81.0	70.5
Net to DFW Capital Account [2]	$ 131.2	$ 121.6	$ 105.5	$ 97.7	$ 93.5

Source: Dallas Fort Worth International Airport, Rates, Fees and Charges
[1] Revenue classifications based on Use Agreement
[2] Reporting additional information for RFC to GAAP reconciliation beginning in FY 2018
[3] Total Federal Relief Proceeds revenues received are classified as non-operating revenue for GAAP.

Table 11
Dallas Fort Worth International Airport
Summary of Key Parking Financial and Operational Information (Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022	2021	2020
Parking Revenues (millions)					
Terminal/Infield	$ 123.0	$ 129.9	$ 122.1	$ 73.3	$ 55.4
Express/Remote	16.2	23.5	17.0	8.5	11.4
Drop Off/Meeter-Greeter	20.8	19.7	18.3	13.7	11.1
Pass-Through	3.2	2.3	2.1	2.0	2.3
Valet (on Airport)	8.1	7.3	5.9	3.1	3.8
Other Providers (off Airport)	4.0	3.8	3.0	1.8	1.6
Other, net	17.6	0.9	0.6	-	0.3
Total Parking Revenues	$ 192.8	$ 187.5	$ 169.1	$ 102.5	$ 86.1
Ground Transportation (GT) Revenues					
TNCs	39.0	33.4	24.0	12.4	15.3
Other GT	2.7	3.2	2.9	1.7	2.3
Total GT Revenues	$ 41.7	$ 36.6	$ 26.9	$ 14.2	$ 17.6
Total Parking and GT Revenues	$ 251.1	$ 224.1	$ 196.0	$ 116.6	$ 103.7
Total Prepaid Parking Revenues	$ 33.8	$ 25.5	$ 30.3	$ 19.2	$ 11.7
% of Total Parking Revenues	18%	14%	18%	19%	14%
Parking Transactions (millions) (1)					
Terminal/Infield	2.49	2.34	2.26	1.44	1.23
Express/Remote	0.49	0.45	0.33	0.21	0.26
Drop Off/Meeter-Greeter	9.35	8.92	8.40	6.34	4.92
Pass-Through	0.48	0.42	0.37	0.35	0.44
Sub total	12.81	12.13	11.36	8.34	6.85
TNCs	6.49	5.57	4.44	2.47	3.06
Other Ground Transportation	0.80	0.80	0.74	0.43	0.56
Total	20.09	18.50	16.54	11.24	10.47
Average Length of Stay (Days) (1)					
Terminal	2.04	2.23	2.38	2.65	2.22
Express	4.45	4.51	4.54	4.34	3.96
Remote (2)	4.80	4.36	4.79	2.21	4.09
Weighted Average	2.45	2.60	2.66	2.86	2.53
Parking Revenue per Originating Passenger	$ 11.05	$ 10.54	$ 10.91	$ 9.01	$ 8.09

Source: DFW Finance and Yield Management Departments.

(1) Parking Transactions and Average Length of Stay vary from ACFR due to corrected calculations from 2019 to 2021.

(2) Remote lots were closed in April 2021 due to COVID-19.

Table 12
Dallas Fort Worth International Airport
Summary of Key Terminal and Non-Terminal Concessions
Financial and Operational Information
(Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022 [1]	2021	2020
Number of concessions locations	232	228	223	222	244
Leased sq. ft. as of September 30 (000s)	350	348	343	333	316
In Terminal Concessions Sales (millions):					
Food and beverage	$ 407.4	$ 364.5	$ 302.3	$ 211.0	$ 180.2
Retail and duty free	157.1	145.5	122.2	82.5	76.1
Other	83.4	72.2	57.7	32.0	33.0
Total concessions sales	$ 647.9	$ 582.2	$ 482.2	$ 325.5	$ 289.3
Concessions sales/enplanement	$ 14.94	$ 14.64	$ 13.38	$ 11.78	$ 12.22
Concession sales per sq. ft.	$ 1,849	$ 1,672	$ 1,406	$ 978	$ 916
In Terminal Concessions Revenues Earned (millions)[1]					
Food and beverage	$ 61.4	$ 54.1	$ 45.3	$ 31.0	$ 25.7
Retail and duty free	26.0	23.1	19.7	12.9	12.1
Other	40.0	36.4	32.6	20.9	22.2
Income-Terminal Subtotal	$ 127.4	$ 113.6	$ 97.6	$ 64.8	$ 60.0
Concessions income/enplanement	$ 2.94	$ 2.86	$ 2.70	$ 2.21	$ 2.52
Concessions income per sq. ft.	$ 363	$ 326	$ 284	$ 195	$ 190
Concessions - Not In Terminal[2]	12.6	11.5	9.1	6.9	7.2
Total Concessions gross billings by DFW	$ 140.0	$ 125.1	$ 106.7	$ 71.7	$ 67.2
Adjustments to Revenues for GASB 87[1]					
Lease revenue	52.8	57.9	55.4		
Lease exclusions	(54.1)	(57.1)	(46.9)		
ARPA credit	-	(9.8)	(20.8)		
Total Concessions Revenue per GASB 87	$ 138.7	$ 116.1	$ 94.4		

Source: DFW Finance and Concessions Departments, from concessionaire on-line reporting.
[1] Beginning in FY 2022 GASB 87 changed reporting requirements for revenues earned under lease arrangements. This table reflects the actual revenues billed and earned in these periods. A reconciliation to GASB 87 revenues is shown at the bottom of the table.
[2] Non-passenger/non-terminal income. Includes reimbursable services. Not included in ratios.

Table 13
Dallas Fort Worth International Airport
Summary of Key Rental Car
Financial and Operational Information (Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022 [1]	2021	2020
Transaction days (thousands)	5,961	5,492	4,650	3,495	3,454
Rental car sales (millions)	$ 411.4	$ 382.7	$ 349.5	$ 257.1	$ 177.3
Proceeds to DFW (millions)	$ 49.8	$ 45.4	$ 41.2	$ 31.7	$ 23.7
Proceeds/destination passenger	$ 3.39	$ 3.30	$ 3.44	$ 3.87	$ 3.02
Adjustments to Revenues for GASB 87[1]					
Proceeds to DFW (millions)	$ 49.8	$ 45.4	$ 41.2		
Lease revenue	6.2	6.2	6.1		
Lease exclusion	(6.4)	(6.3)	(6.1)		
RAC revenue per GASB 87	$ 49.6	$ 45.3	$ 41.2		

Source: DFW Finance and Concessions Departments, from rental car companies self-reporting.

[1] Beginning in FY 2022 GASB 87 changed reporting requirements for revenues earned under lease arrangements. This table reflects the actual revenues billed and earned in these periods. A reconciliation to GASB 87 revenues is shown at the bottom of the table. Only recorded at year end.

Table 14
Dallas Fort Worth International Airport
Summary of Key Commercial Development Financial and Operational Information
(Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022 [1]	2021	2020
Ground Lease Billings (millions)	$ 106.6	$ 87.9	$ 69.3	$ 58.6	$ 56.0
Acres Leased* (end of period)	2,722	2,584	2,438	2,323	2,105
Average Billable Rate per Acre (thousands)	$ 39.1	$ 34.0	$ 28.4	$ 25.2	$ 26.6
Adjustments to Revenues for GASB 87[2]					
Ground Lease Billings (millions)	$ 106.6	$ 87.9	$ 69.3		
Lease revenue	51.6	54.3	53.0		
Lease exclusions	(74.3)	(57.9)	(42.7)		
Ground Lease Revenues per GASB 87	$ 83.9	$ 84.3	$ 79.6		

Source: DFW Finance and Commercial Development Departments.
* Acres leased represents leased acreage that is revenue generating as of the end of the reported period.
(1) Includes a one-time Campus West lease payment fro $40 million.
(2) Beginning in FY 2022 GASB 87 changed reporting requirements for revenues earned under lease arrangements. This table reflects the actual revenues billed and earned in these periods. A reconciliation to GASB 87 revenues is shown at the bottom of the table.Only recorded at year end.

Table 15
Dallas Fort Worth International Airport
Summary of Key Natural Gas Financial and Operational Information
(Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022	2021	2020
Revenues (millions)					
Royalties[1]	$ 2.8	$ 3.8	$ 6.4	$ 1.7	$ 1.1
Surface use and other revenues	0.0	0.0	0.0	0.3	0.0
Total Natural Gas Revenues	$ 2.8	$ 3.8	$ 6.4	$ 2.0	$ 1.1
Average price paid to DFW [2]	$ 1.67	$ 3.37	$ 5.03	$ 2.49	$ 1.53
Operational Information					
Wells in production	70	64	56	56	53
Production (MMcf)	5.4	4.5	4.1	2.0	2.4

Source: DFW Finance and Commercial Development Departments, production data from TEP Barnett

[1]DFW Royalties share is 25% of the Natural gas output.

[2] Price is net of transportation costs.

Table 16
Dallas/Fort Worth International Airport
PFIC Revenues, Expenses, Debt Service and Coverage
Amounts in Thousands, except coverage ratios (Unaudited)

	Fiscal Year Ended, September 30				
	2024	2023	2022	2021	2020
Revenues					
Hotels	$ 54,937	$ 52,449	$ 40,788	$ 18,346	$ 26,015
Campus West [(1)]	5,907	5,654	6,315	6,173	5,978
Customer Facility Charges - RAC	23,799	21,855	18,620	13,982	13,742
Customer Transp. Charges - RAC	14,874	13,063	11,638	8,739	8,684
Federal Relief Proceeds	-	-	6,263	15,200	-
Investment Income	14,335	9,501	1,217	227	2,500
Total Revenues	113,852	102,522	84,841	62,667	56,919
Expenses					
Hotels	32,939	30,106	23,858	14,722	18,130
Campus West	3,360	3,087	3,527	3,244	2,954
Bussing Expenses - RAC	15,726	14,263	12,494	9,915	10,210
Total Expenses	52,025	47,456	39,877	27,881	31,294
Available for Debt Service	61,827	55,066	44,964	34,786	25,625
Debt service - Grand Hyatt	5,115	5,108	4,949	5,311	5,139
Debt service - RAC	-	-	1,189	14,272	14,275
Total Debt	5,115	5,108	6,138	19,583	19,414
Total PFIC Net Revenues	56,712	49,958	38,826	15,203	6,211
Coverage Ratio [(2)]	12.09	10.78	7.33	1.78	1.32

(1) Includes rent credit.

(2) Coverage ratio calculation includes Federal relief proceeds, rent credit from Campus West and Investment income. Previous calculations did not.

Table 17
Dallas Fort Worth International Airport
Cash and Investment Balances (Unaudited, in millions)

	As of September 30 (Fiscal Year End)				
	2024	2023	2022	2021	2020
Unrestricted Cash and Investments					
Operating revenue and expense fund	$ 331	$ 292	$ 410	$ 357	$ 295
Capital improvement fund	755	667	476	416	429
PFIC	264	241	195	166	179
Total unrestricted cash/investments	1,350	1,200	1,081	939	903
Restricted Cash and Investments					
Passenger facility charges	52	36	25	18	15
Bond/construction funds	871	960	1,087	33	191
Debt Service Fund	371	316	319	306	296
Debt Service Reserve Fund	443	385	363	304	305
PFIC	28	23	19	22	22
Commercial Paper, other Financing	68	20	6	146	-
Other	5	10	6	5	3
Total restricted cash/investments	1,838	1,750	1,825	834	832
Total DFW cash/investments	3,188	2,950	2,906	1,773	1,735
Operating Expenses (Operating Fund and PFIC)(1)	$ 756	$ 696	$ 613	$ 512	$ 538
Days Cash on Hand (2)	652	629	644	670	613 (1)

Source: DFW Airport Finance Department records.

(1) 632 days of Operating expenses when excluding donated materials and other non-cash accounting entries.

(2) Calculated as Total Unrestricted Cash/Annual Operating Expenses.

Table 18
Cash and Investments
as of September 30, 2024

Type of Investment	Percentage of Portfolio	Book Value ($ in millions)	Market Value ($ in Millions)
Cash and Cash Equivalents	39%	$ 1,228.8	$ 1,234.9
U.S. Treasuries	56%	1,795.7	1,783.3
Commercial Paper	2%	76.8	76.5
Municipals	3%	82.5	81.2
Accrued Investment Earnings	0%	-	11.4
Total	100%	$ 3,183.9	$ 3,187.3

Table 19
Dallas Fort Worth International Airport
Joint Revenue Debt Service Requirements[1]
(Unaudited)

12 Months Ending	Principal	Interest	Total
11/1/2024	$ 273,145,000	$ 281,771,970	$ 554,916,970
11/1/2025	227,855,000	304,239,349	532,094,349
11/1/2026	246,955,000	296,080,800	543,035,800
11/1/2027	221,165,000	286,689,215	507,854,215
11/1/2028	243,040,000	277,808,359	520,848,359
11/1/2029	270,610,000	268,076,420	538,686,420
11/1/2030	289,680,000	256,888,014	546,568,014
11/1/2031	304,225,000	244,839,790	549,064,790
11/1/2032	317,110,000	232,268,179	549,378,179
11/1/2033	332,140,000	219,189,993	551,329,993
11/1/2034	349,850,000	204,666,156	554,516,156
11/1/2035	351,555,000	191,527,117	543,082,117
11/1/2036	246,640,000	178,425,163	425,065,163
11/1/2037	248,770,000	169,392,965	418,162,965
11/1/2038	262,380,000	160,146,177	422,526,177
11/1/2039	280,400,000	150,351,183	430,751,183
11/1/2040	291,115,000	139,868,123	430,983,123
11/1/2041	300,905,000	129,191,014	430,096,014
11/1/2042	311,495,000	118,490,504	429,985,504
11/1/2043	297,800,000	107,493,081	405,293,081
11/1/2044	296,645,000	95,696,624	392,341,624
11/1/2045	307,680,000	84,045,770	391,725,770
11/1/2046	312,925,000	72,374,723	385,299,723
11/1/2047	297,580,000	58,889,502	356,469,502
11/1/2048	288,405,000	45,714,519	334,119,519
11/1/2049	300,430,000	33,065,122	333,495,122
11/1/2050	257,935,000	20,533,398	278,468,398
11/1/2051	219,865,000	9,677,812	229,542,812
Total	$ 7,948,300,000	$ 4,637,401,041	$ 12,585,701,041

[1] May not add due to rounding

Table 20
Dallas/Fort Worth International Airport
Debt Service Coverage
(Unaudited, in millions)

	Fiscal Year Ended September 30				
	2024	2023	2022	2021	2020
1.25x Coverage Calculation - Gross Revenues					
Operating Revenues					
Airfield cost center	$ 191.8	$ 188.2	$ 184.5	$ 174.9	$ 167.5
Terminal cost center	570.8	446.3	398.2	376.8	378.4
DFW cost center	422.5	377.4	335.1	218.3	208.9
Total Operating Revenues	$ 1,185.1	$ 1,011.8	$ 917.8	$ 770.0	$ 754.8
Non-operating Revenues[1]	151.9	148.7	134.2	106.7	101.5
Federal Relief Proceeds	-	100.0	65.7	138.3	144.1
Rolling Coverage	138.0	131.8	118.4	115.2	119.6
Transfers from DFW Capital Account[2]	-	12.4	12.0	12.2	12.2
Transfers from PFIC and AA for debt service	28.1	7.4	2.7	19.7	19.6
Total Gross Revenues	$ 1,503.1	$ 1,412.3	$ 1,250.8	$ 1,162.0	$ 1,151.8
Less Operating Expenses	(674.3)	(619.4)	(548.6)	(492.0)	(464.9)
Gross Revenues available for debt service	$ 828.7	$ 792.9	$ 702.2	$ 670.0	$ 686.9
Debt Service	$ 552.3	$ 524.2	$ 475.0	$ 461.3	$ 479.0
Coverage ratio - Gross Revenues	1.50	1.51	1.48	1.45	1.43
1.0x Coverage Calculation - Current Gross Revenues					
Gross Revenues available for debt service	$ 828.7	$ 792.9	$ 702.2	$ 670.0	$ 686.9
Less Rolling Coverage	$ (138.0)	$ (131.8)	$ (118.4)	$ (115.2)	$ (119.6)
Transfers from DFW Capital Account[2]	-	(12.4)	(12.0)	(12.2)	(12.2)
Current Gross Revenues available for debt service	$ 690.7	$ 648.6	$ 571.8	$ 542.6	$ 555.1
Debt Service	$ 552.3	$ 524.2	$ 475.0	$ 461.3	$ 479.0
Coverage ratio - Current Gross Revenues	1.25	1.24	1.20	1.18	1.16
Coverage Calculation - All Revenues Sources					
Current Gross Revenues available for debt service	$ 690.8	$ 648.7	$ 571.8	$ 542.6	$ 555.1
Natural Gas Royalties, Investment Income, Other	48.2	26.2	12.6	6.0	12.7
PFIC	43.1	45.5	38.8	9.5	4.0
All Current Revenues available for debt service	$ 782.1	$ 720.4	$ 623.2	$ 558.1	$ 571.8
Debt Service	$ 552.3	$ 524.2	$ 475.0	$ 461.3	$ 479.0
1.0x Coverage ratio - All Current Revenues	1.42	1.37	1.31	1.21	1.19
1.25x Coverage ratio - All Current Revenues plus Capital Transfers and Rolling Coverage	1.67	1.65	1.59	1.49	1.47

[1] Non-operating revenues include PFC revenues from the current year plus amounts transferred from the PFIC to pay eligible debt service.
[2] Transfers from DFW Capital Account ended at commencement of the 10 years term of the new Use Agreement effective October 1, 2023.

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Dallas/Fort Worth International Airport

Independent Auditor's Report,

Management's Discussion and Analysis

and

Basic Financial Statements

plante moran

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Independent Auditor's Report

To the Board of Directors
Dallas Fort Worth International Airport Board

Opinions

We have audited the financial statements of the business-type activities and fiduciary activities of Dallas Fort Worth International Airport Board (the "Airport") as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise Dallas Fort Worth International Airport Board'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 the business-type activities and fiduciary activities of Dallas Fort Worth International Airport Board as of September 30, 2024 and the respective changes in its financial position and, where applicable, its 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 Airport 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.

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 Airport'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.

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.

To the Board of Directors
Dallas Fort Worth International Airport Board

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 Airport'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 Airport'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's discussion and analysis, the schedules of changes in the net pension liability and related ratios, the schedules of contributions - pension, the schedule of changes in the net OPEB liability and related ratios, the schedule of contributions - OPEB, and OPEB schedule of investment returns 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.

Plante & Moran, PLLC

February 17, 2025

Dallas Fort Worth International Airport
Financial Table of Contents
For the Fiscal Year Ended September 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the financial performance and activity of the Dallas Fort Worth International Airport ("DFW" or "the Airport") provides an introduction and understanding of DFW's Basic Financial Statements for the fiscal year ended September 30, 2024. Also included are statements for DFW's fiduciary funds which have a December 31, 2023, year-end. The Airport is a business-type entity. DFW's Basic Financial Statements consist of Management's Discussion and Analysis ("MD&A"); Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows, for business-type activities. Also included are Statement of Fiduciary Net Position, Statement of Changes in Fiduciary Net Position, and Notes to the Basic Financial Statements. DFW's Required Supplementary Information (RSI) includes Schedules of Changes in the Net Pension Liability and Related Ratios; Schedule of Contributions, Schedule of Changes in the Net OPEB (Other Post-Employment Benefits) Liability and Related Ratios; Schedule of Contributions-OPEB; and OPEB Schedule of Investment Returns. The MD&A has been prepared by management and should be read in conjunction with the Basic Financial Statements and the attached notes.

DFW's Controlling Documents

DFW was created by a Contract and Agreement between the Cities of Dallas and Fort Worth ("the Cities"), dated April 15, 1968, for the purpose of developing and operating an airport as a joint venture between the Cities. The 1968 Concurrent Bond Ordinance and the 30th Supplemental Bond Ordinance were amended and restated as the Master Bond Ordinance in September 2010 and became effective in 2013 after approval by the bond holders. DFW issues bonds under provisions of the Master Bond Ordinance and Supplemental Bond Ordinances, as approved by the Cities and adherent to Texas laws. DFW is in compliance with all bond covenants. The Lease and Use Agreements ("Use Agreement") with the signatory airlines define DFW's rate setting methodology and business relationships with the airlines. On May 4, 2023, the Board approved a new ten-year Airport Use and Lease Agreement which became effective on October 1, 2023. Collectively, the aforementioned documents are referred to as the "Controlling Documents."

Each year, management prepares an Annual Budget (approved by the DFW Board of Directors and the Cities) of projected expenses and debt service for the Operating Revenue and Expense Fund. Management also prepares an annual Schedule of Charges which is the basis for charging the airlines, tenants, and other airport users for DFW services during the fiscal year.

The Use Agreement created four cost centers: airfield, terminal, DFW, and concessions The airfield and terminal cost centers are residual in nature which means that the airlines are responsible for paying the net cost to operate the airfield and the terminal cost centers (including debt service and coverage) primarily through landing fees and terminal rentals. The DFW cost center consists of non-airline business units including parking, rental car, and commercial development and shares revenues with the airfield and the terminal. The concessions cost center was broken out from the DFW cost center as part of the new Use Agreement to facilitate revenue sharing with the terminal cost center based on certain formulas. For the remainder of this section, the DFW cost center will refer to the combination of the DFW and concessions cost centers. The Use Agreement also allows for certain cash transfers from the Rolling Coverage capital account to the Operating Revenue and Expense Fund each year.

DFW generates net revenues or profits in the DFW cost center. If DFW generates net revenues in excess of an "upper threshold" ($84.3 million in FY 2024), 75% of the excess is used to reduce airline rates. If the DFW cost center generates revenues below the "lower threshold" ($56.2 million in FY 2024), airline rates are increased so that the DFW cost center will achieve the "lower threshold". If net revenues from the DFW Cost Center are budgeted above the upper threshold, airline rates are reduced at the beginning of the fiscal year. Conversely, if net revenues are budgeted below the lower threshold, then the airlines are assessed incremental rates to achieve the lower threshold amount in the current fiscal year by adjusting rates at the beginning of the fiscal year. The upper threshold and lower threshold amounts are increased annually at 3.5% or inflation, whichever is higher.

At the end of each fiscal year, the airport computes a “true-up” for the airfield cost center and applies any overcharge or undercharge to the following year’s landing fee rate. Overages or underruns from the terminal cost center are handled with a refund to or payment from the airlines after the end of the fiscal year.

DFW’s Capital Improvement Fund has three accounts: Joint Capital, DFW Capital, and Rolling Coverage. The Joint Capital account generally requires approval from both DFW and the airlines prior to any expenditure of funds, while the DFW Capital account may be used at DFW’s sole discretion for any legal purpose. The Joint Capital account is funded primarily from natural gas royalties, the sale of land and other assets, and interest income. The DFW Capital account is funded primarily from DFW Cost Center net revenues, subject to upper threshold limits discussed previously, and interest income. Both accounts can be supplemented with the issuance of debt. The Rolling Coverage balance is transferred or “rolled” into the Operating Revenue and Expense Fund each year to fund a portion of the debt service coverage requirements. It is then transferred back into the rolling coverage account at the end of the fiscal year. If additional coverage is required in any year, it is added to rates and charges and is collected during the fiscal year.

Although DFW uses the word “fund” to designate the source and prospective use, DFW is an enterprise fund and does not utilize traditional “fund accounting” commonly used by government organizations. The following table summarizes the primary funds used by DFW and whether the related assets and liabilities are restricted or not restricted:

Fund Number	Fund Description	Primary Use	Restricted (R), Not Restricted (NR)
101	Net Investment in Capital Assets	Capital Assets, Bonds	R
102	Operating: Revenues, Expenses	Operations	NR
104, 108, 110	Inventory, Rent-A-Car, Programs	Supplies, Operations	NR
106	3-Month Operating Reserve	Use Agreement	NR
107	Rolling Coverage	Rate Covenant	NR
105, 157-176	Department of Public Safety	Seized Funds	R
198	Concessionaire	Marketing Programs	R
201-203	Commercial Paper, Credit/Loan	Financing for Capital Projects	R
252	Passenger Facility Charges	Collections, Debt Service	R
320	Joint Capital (non-JRB)	Capital Projects	NR
351-372	Joint Capital (JRB)	Bond, CP Proceeds	R
330-331	Joint Capital (JRB)	Construction	R
340	DFW (non-JRB)	Capital Projects	NR
341	DFW (JRB)	Bond Proceeds, Construction	R
500s	Debt Service Sinking	Principal and Interest	R
891	Debt Service Reserve	Reserve Requirements	R
900s	PFIC	Rental Car, Grand Hyatt, Hyatt Place, Campus West	NR, R

JRB - Joint Revenue Bond

PFIC - Public Facility Improvement Corporation

The basic financial statements include all DFW’s funds. DFW manages its day-to-day airport operations primarily through the Operating Revenue and Expense Fund in accordance with the Controlling Documents. The Airport’s financial statements include the transactions of the Public Facility Improvement Corporation (“PFIC”), which operates the Grand Hyatt and Hyatt Place hotels, collects customer facility charges and customer transaction charges from the Rental Car companies, and manages the Campus West property located on the west side of the airport. PFIC funds may also be used to pay DFW’s debt service if necessary.

Although the PFIC is a legally separate entity, the financial transactions of the PFIC have been combined into the Airport's Enterprise Fund due to their nature and significance to the Airport. The PFIC is considered a blended component unit because the component unit's governing body is substantively the same as DFW's, the primary government.

Operational and Financial Highlights

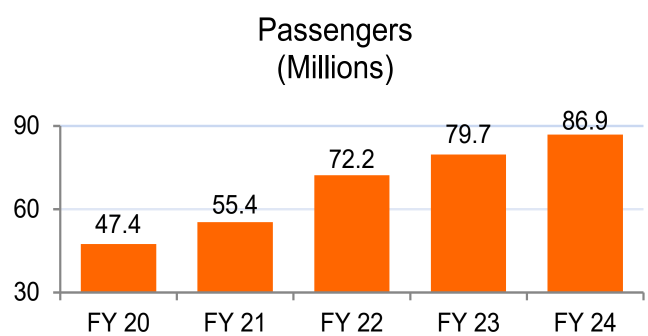
DFW utilizes a performance management system that is closely aligned with the Airport's FY21-FY24 Strategic Plan shown in the graphic below. Management believes that if it focuses on delivering the Key Results using Our Approach, it will be well positioned to achieve the Airport's mission and vision.

Key Performance Indicators

The following tables highlight changes in some of the Airport's operating and financial key performance indicators for FY 2024 and FY 2023. Additional detail can be found in the Statistical section of the ACFR.

Passengers, Seats, Destinations	FY 2024	FY 2023
Total passengers (millions)	86.9	79.7
Total airline seats (millions)	101.7	93.6
International seats (millions)	14.6	13.1
Domestic destinations	190	192
International destinations	71	64

Total passengers for FY 2024 were 86.9 million, a 7.2 million (9.0%) increase from 79.7 million in FY 2023 driven primarily by strong passenger demand and with the resumption and addition of new services. While American Airlines' ("AA") passenger traffic grew in FY 2024, AA's market share at DFW decreased from 83.1% in FY 2023 to 82.0% in FY 2024. DFW's next largest passenger carriers in FY 2024 were Spirit Airlines at 3.9% then Frontier Airlines at 3.5%, Delta Airlines at 3.4%, and United Airlines at 2.7%.



Total FY 2024 international seat capacity was 14.6 million, a 1.5 million (11.0%) increase from 13.1 million in FY 2023 due to a strong rebound in international travel, followed by foreign flag carriers launching, re-launching, and increasing service. Total airline seats increased 8.1 million (8.7%) from 93.6 million in FY 2023 to 101.7 million in FY 2024 primarily driven by service growth of AA and other non-hub carriers.

Operations, Weights	FY 2024	FY 2023
Aircraft operations (thousands)	732	676
Landed weight (millions of pounds)	52,103	48,519
Cargo landed weight (millions of pounds)	3,706	4,092
Cargo tons (thousands)	795	792

The number of aircraft operations (takeoffs and landings) increased approximately 56,000 (8.3%) to 732,000 in FY 2024, up from 676,000 in FY 2023, to accommodate increased overall demand, both domestic and international.

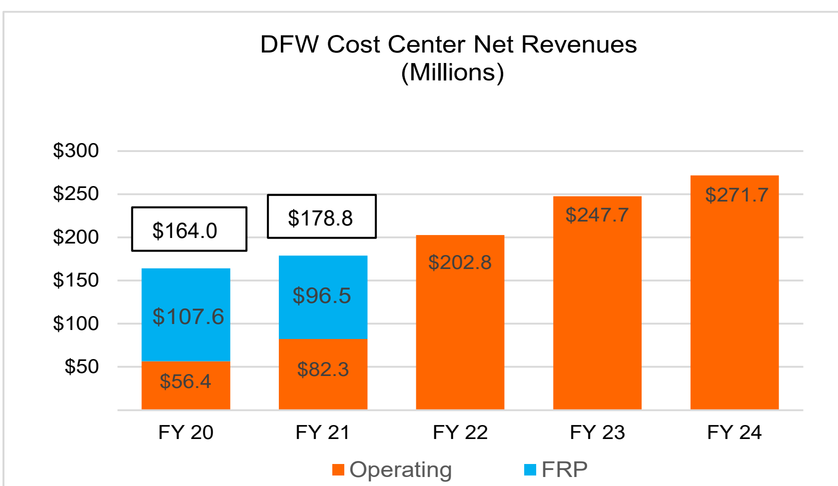
In FY 2024, total landed weights increased 3.6 billion (7.4%) to 52.1 billion pounds, up from 48.5 billion pounds in FY 2023, as a result of increased operations.

Key Financial Indicators (in millions)	For the Year Ended FY 2024	FY 2023
Enplanements		
Originating	9.5	8.9
Destination	7.4	6.9
Connecting	26.5	24.1
Total	43.4	39.7
Airline Cost	$ 580.3	$ 463.9
Less: Cargo landing fees	(10.2)	(4.5)
Airline Cost for CPE	$ 570.1	$ 459.4
Cost per Enplanement (CPE)	$ 13.15	$ 11.56
DFW Cost Center Revenues	$ 563.1	$ 507.6
DFW Cost Center Net Revenues	$ 271.8	$ 247.7

Enplanements are passengers that board a plane at DFW and can be divided into three groups: passengers that originate from the DFW area (originating), passengers that are arriving at DFW (destination), or passengers connecting through DFW (connecting). Airline cost represents the fees paid by the airlines primarily for landing fees and terminal rentals. Airline cost was $570.1 million in FY 2024, a $110.7 million (24.1%) increase over FY 2023 primarily due to the utilization of $100 million of Federal Relief Proceeds ("FRP") in FY 2023 to offset the rate base. Cost per enplanement ("CPE") is a metric used in the industry to measure the airport cost to the airlines on a per enplanement basis. CPE was $13.15 in FY 2024, an increase of $1.59 (13.8%) over FY 2023 due to the use of FRPs in FY 2023.

DFW Cost Center Revenues result primarily from DFW's non-airline business units and interest income. These revenues totaled $563.1 million in FY 2024 compared with $507.6 million in FY 2023, a $55.5 million increase (10.9%) due to the increase in passengers, parking, concessions, rental car rates and activity, expanded commercial development, and greater investment returns driven by higher interest rates.

DFW Cost Center net revenues (profits) were $271.8 million in FY 2024, $24.1 million (9.7%) more than FY 2023 primarily driven by revenue growth outpacing expenses. Since net revenues were higher than the "Upper Threshold" as defined in the Airline Use Agreement, DFW shared $140.6 million of its earnings to reduce landing fees. The remaining $131.2 million was transferred to the DFW Capital Account at the end of the fiscal year.



Capital Programs and Airport Development Plan Update

DFW's current capital program totals nearly $9.0 billion through FY 2029. In FY 2024, DFW continued work on a $3.0 billion Central Terminal Area (CTA) Expansion capital program to renovate Terminal C and add nine new gates on two piers, one on Terminal A and one on Terminal C. The renovation of Terminal C will include the tear down and replacement of all interior finishes, utilities, and major building systems, reconfiguration of security screening checkpoint areas, renovation of the baggage handling system, and enhancements for customer experience. The program also includes replacement of a section of the Terminal C parking garage and related roadways, and airfield improvements.

DFW continued design for the future Terminal F gate expansion program in FY 2024. This project will add 15 contact gates in a double-loaded concourse just west of the Skylink people mover system. The budget also includes a new station to connect Terminal F to Skylink. Passengers will park and enter security from Terminal E and take Skylink to Terminal F. The Terminal F program was approved for $1.7 billion as part of the new Use Agreement. Other significant projects underway include the construction of a new electric central utility plant ($286 million); replacement of International Parkway flyover bridges with new right-hand exits ($255 million); construction of another end-around-taxiway at the southwest quadrant ($344 million); and major upgrades to the baggage handling system ($165 million); upgrades to the access control system ($162 million).

During FY 2024, the airlines approved an incremental $1.4 billion of projects to be financed through the issuance of debt. As of September 30, 2024, DFW had 431 capital projects in process for a total obligation remaining of $6.3 billion. Of this total, $2.6 billion has been committed but not yet paid. The remaining $3.7 billion is planned to be spent in the future.

Revenues, Expenses, and Change in Net Position:

The following table is a summary of Operating revenues, Operating expenses; Non-operating revenues (expenses), net; Capital contributions, and the Change in Net Position for the years ended September 30, 2024, and 2023. Detailed descriptions and variances of the components of revenues, expenses and net non-operating income are described in the following sections.

	For the Year Ended (000s)	
Change in Net Position	FY 2024	FY 2023
Operating revenues	$ 1,248,690	$ 1,070,890
Operating expenses	(1,129,532)	(1,052,412)
Operating income	119,158	18,478
Non-operating income, net	149,338	213,910
Income before capital contributions	268,496	232,388
Capital contributions	160,377	68,593
Change in Net Position	$ 428,873	$ 300,981

DFW's Controlling Documents require that DFW establish Rates, Fees, and Charges ("RFC") adequate to provide for the payment of operating costs (excluding depreciation and certain other expenses) and debt service (including principal, interest, and coverage). On a Use Agreement basis, the Airport's rate setting methodology resulted in DFW exceeding its debt covenants in FY 2024 (see Liquidity and Financing section pg. 19). DFW generated $513.6 million of net cash flow from operating activities.

Use Agreement and Generally Accepted Accounting Principles (GAAP):

Net income is measured differently for GAAP and Use Agreement purposes. Net income equates to the "Change in Net Position" for GAAP, but for the Use Agreement the "Net Transfer to DFW Capital Account" correlates with net income. The following table describes the key underlying differences between GAAP and Use Agreement accounting.

	Line Item	GAAP	Use Agreement (Operating Fund)
Lease Accounting	Lease revenue and Lease interest income	Recognized based on amortization of present value of scheduled proceeds over the lease term	Concessions, Ground and facility leases, and Rent-A-Car revenues based on current year fixed billings
Accounting, non-lease	Capital recovery	Depreciation, Amortization of subscription-based software costs	Bond principal paid
	Interest expense	Adjust for premium/discount, refunding and issuance costs	Accrued interest (for payment) only
	Asbestos removal	Expense immediately	Included in borrowed project costs
	Defined benefit pension costs	Expense per GASB	Plans contribution cost
	Passenger facility charges	Revenue recognized	Funds applied allowing for a reserve
	Operating reserve	No expense	Reserve requirement
	Investment income	GASB market adjustment	Unrealized gain/loss not recognized
Capital Funds	Revenue (transfer)	Intercompany elimination	Revenue received and debt service paid from other DFW sources
	Debt service	Debt service sinking fund	
	Expenses	Actual incurred	Not included
	Air service incentives	Actual incurred	
Not in Use Agreement (Operating Fund)	Public facility improvement corporation (PFIC)	Hyatt hotels, Rental car facility, and Campus West funds	Not recognized
	Grants, Capital contributions	Government reimbursements for project related costs	
	Natural gas	Special fund for royalties	
	Non-operating interest income	Non-operating income	
	Other revenues and expenses	Non-operating funds, and special purpose funds	

The schedule below is a summary of the differences reconciling the Change in Net Position to the Change in DFW capital account per the Use Agreement for the year ended September 30, 2024.

GAAP-Use Agreement (millions)	For the Year Ended FY 2024
Change in net position	$ 428.9
Lease Accounting	(27.6)
Accounting, non-lease	(41.6)
Capital	55.8
Not in use agreement	(143.7)
Total adjustments	(157.1)
DFW Cost Center net revenues	$ 271.8
Reduction in landing fees	140.6
Transfer to DFW Capital account	$ 131.2

The Lease Accounting amount of ($27.6) is based on revenue recognition timing. The Accounting, non-lease amount of ($41.6) million is primarily due to depreciation/amortization greater than bond principal paid, pension cost timing, and investment book gains. The Capital amount of $55.8 million is primarily due to expenses in capital funds and debt service offsets. The Not in use agreement of ($143.7) million is primarily due to investment income in capital funds, PFIC income, and capital grants.

Operating Revenues:

The following table highlights the major components of operating revenues for the fiscal years ended September 30, 2024, and 2023. Significant variances are explained below.

	For the Year Ended (000s)	
Operating Revenues	FY 2024	FY 2023
Terminal rent and use fees	$ 399,091	$ 389,317
Landing fees	147,919	46,338
Federal Inspection Services	45,019	36,921
Airfield and other airline	804	850
Total airline revenue	592,833	473,426
Parking	251,054	224,105
Concessions	138,715	116,140
Ground and facilities leases	83,891	84,268
Rent-A-Car lease and rentals	49,784	45,353
Grand Hyatt and Hyatt Place hotels	54,936	52,449
Employee transportation	23,365	22,350
Rent-A-Car customer transportation charges	14,874	13,063
Other non-airline	39,238	39,736
Total non-airline revenue	655,857	597,464
Total Operating Revenues	$ 1,248,690	$ 1,070,890

Total airline revenue consists of fees paid by the airlines for the use of the airfield and terminals at DFW based on DFW's net cost to provide these related facilities as defined in the Use Agreement. Revenue sharing and FRPs offset airline fees. Terms of the new Use Agreement shifted a significant portion of the revenue sharing from landing fees to terminal rent and use fees.

Terminal rents and use fees ("Terminal revenues") include terminal rent from gates leased by airlines and gate use fees from common-use gates. Terminal revenues increased $9.8 million (2.5%) from $389.3 million in FY 2023 to $399.1 million in FY 2024 primarily due to the recovery of higher costs to operate the terminals partially offset by higher revenue sharing and less FRPs. In FY 2023, the final FRP application of $100.0 million was made to reduce terminal rents. There was no FRPs available in FY 2024. In FY 2024, the revenue sharing amount to the terminal cost center was $113.5 million.

Landing fees for passenger and cargo carriers are assessed per 1,000 pounds of maximum certified gross landing weight for each specific aircraft as certified by the FAA. Landing fees (for passenger and cargo airlines) increased $101.6 million (219.4%) from $46.3 million in FY 2023 to $147.9 million in FY 2024. In FY 2023, revenue sharing applied to the airfield cost center was $126.0 million. In FY 2024, the new use agreement reduced revenue sharing to the airfield cost center to $27.1 million.

Federal Inspection Service fees per arriving international passenger in Terminal D increased $8.1 million (22.0%), from $36.9 million in FY 2023 to $45.0 million in FY 2024 due to the growth in international passengers and higher per passenger rates.

Parking includes fees for parking and ground transportation to and from the Airport. These fees are based on the length-of-stay and parking product. DFW's primary parking products include (from higher priced to lower priced) terminal, express, and remote locations. Fees are charged for airport access to meeter/greeters, drop-offs, and pass-throughs. Ground transportation revenues are derived primarily from airport access fees by transportation network companies ("TNC") such as Uber and Lyft, taxicabs, limousines, pre-arranged ride, and courtesy vehicle companies. Parking increased $27.0 million (12.0%), from $224.1 million in FY 2023, to $251.1 million in FY 2024, due to growth in originating passengers, higher daily rates (effective May 2024), and increased TNC activity, partially offset by shorter length-of-stay by public parkers.

GASB Statement No. 87, "*Leases*", stipulates leases are financings of the right to use the underlying asset and requires lessors to recognize a lease receivable and a deferred inflow of resources for qualifying leases at inception. Lessors should then recognize lease interest income and lease revenue in a systematic and rational manner over the term of the lease. Non-aeronautical use lease billings based on fixed contracted rates spanning greater than one year must be valued over the life of the lease. DFW as a lessor recognizes lease revenue in Concessions, Ground and facilities, and Rent-A-Car. Gross billings are the total billable amounts due from tenants. Non-lease revenue includes inflows from aeronautical use, short-term leases, and variable rate leases. The following table highlights non-lease and lease components for the fiscal years ended September 30, 2024, and 2023. Significant variances are explained below.

	FY 2023	FY 2024						
	Total revenue	Gross billings	Gross proceeds from GASB 87 leases	Non-lease revenue	Lease revenue	Total revenue	Lease interest income	Non-operating: Other, net
Concessions	$ 116,140	$ 140,020	$ (54,073)	$ 85,947	$ 52,768	$ 138,715	$ 6,389	$ 251
Ground and facilities	84,268	106,563	(74,265)	32,298	51,593	83,891	45,467	-
Rent-A-Car	45,353	49,970	(6,374)	43,597	6,187	49,784	45	-
	$ 245,761	$ 296,553	$ (134,712)	$ 161,842	$ 110,548	$ 272,390	$ 51,901	$ 251

Concessions consists of food and beverage, retail, passenger services, advertising and other terminal and non-terminal activities. Concessions total revenue in FY 2024 exceeded FY 2023 by $22.6 million, (19.5%). The increase from $116.1 million to $138.7 is primarily due to more passengers and higher per passenger sales, resulting in an increase in food and beverage, retail, advertising, and airline catering.

Ground and facilities, also referred to as Commercial Development, consist primarily of ground and facility leases on Airport property. Ground and facilities total revenue decreased $0.4 million (-0.5%) from $84.3 million in FY 2023 to $83.9 million in FY 2024. Adjustments pertaining to certain lease accounting requirements reduced revenue by $22.7 million. These reductions were offset by higher gross billings primarily driven by increased AA ground and facility rents, a higher airport service per acre rate, and more acres being leased.

Rent-a-car ("RAC") revenue consists of ground leases plus a percentage of gross rental car company revenues. RAC total revenue in FY 2024 exceeded FY 2023 by $4.4 million (9.7%). The increase from $45.4 million to $49.8 is primarily due to more rental day transactions and the addition of peer-to-peer car rentals (e.g., Turo).

Grand Hyatt and Hyatt Place hotel revenues include room rental, sale of food and beverage, and other hotel related activities. Revenues increased $2.5 million (4.8%) from $52.4 million in FY 2023 to $54.9 million in FY 2024 primarily due to higher occupancy rates and increased food and beverage sales partially offset by lower daily room rates.

Employee transportation revenues are derived from a monthly fee paid by airlines and other tenants to recover the cost of employee transportation services between remote parking lots and the terminals. Employee transportation revenues increased $1.0 million (4.5%) from $22.4 million in FY 2023 to $23.4 million in FY 2024 due to increased operating costs to transport additional employees.

RAC customer transportation charge ("CTC") revenue is derived from a transaction fee of $2.50 per rental day. The proceeds of this fee are used to fund the operation and maintenance of the bus fleet that transports passengers between the airport terminals and the RAC facility. CTC revenue increased $1.8 million (13.7%) from $13.1 million in FY 2023 to $14.9 million in FY 2024 due to the growth in rental days.

Other non-airline revenue is comprised of fuel farm operations; corporate aviation; non-airline utilities; trash removal; badging services; pass-through activities; reimbursable revenues from tenants; fire training; permit fees; natural gas royalties; and other revenues. Other revenue decreased by $0.5 million (-1.3%) from $39.7 million in FY 2023 to $39.2 million in FY 2024, primarily because of lower natural gas royalties and permit fees partially offset by higher RAC reimbursements and fire training activity.

Operating Expenses:

The following table highlights the major components of operating expenses for the fiscal years ended September 30, 2024, and 2023. Significant variance explanations follow.

	For the Year Ended (000s)	
Operating Expenses	FY 2024	FY 2023
Salaries, wages, and benefits	$ 255,789	$ 261,011
Contract services	374,487	320,210
Utilities	38,434	32,428
Equipment and supplies	31,273	32,223
Grand Hyatt and Hyatt Place hotels	32,798	30,106
Insurance	14,658	12,526
General, administrative and other charges	7,889	7,575
Depreciation and amortization	374,204	356,333
Total Operating Expenses	$ 1,129,532	$ 1,052,412

Salaries, wages, and benefits decreased $5.2 million (-2.0%) from $261.0 million in FY 2023 to $255.8 million in FY 2024 primarily due the decreased cost of pension and other post-employment benefits ("OPEB") partially offset by more employees, annual wage increases, and additional funding to the defined contribution plans. DFW employed 2,123 and 2,098 full time employees as of September 30, 2024, and 2023, respectively.

Contract services include grounds, facility, and Skylink (people mover) maintenance, custodial, busing, financial and legal, software and hardware maintenance, advertising, planning, and other professional services. Contract services increased $54.3 million (17.0%), from $320.2 million in FY 2023 to $374.5 million in FY 2024, primarily due to higher planning and development, custodial, terminal maintenance, computer software, busing, and non-capitalized project costs.

Utilities represent the cost of electricity, natural gas, potable water, sanitary sewer, solid waste removal, and telecommunications services. Utilities increased $6.0 million (18.5%) from $32.4 million in FY 2023 to $38.4 in FY 2024 primarily due to higher electricity rates and increased cellular service.

Equipment and supplies primarily consist of non-capitalized equipment, materials, fuels for vehicles and fire training, personal protective equipment, and supplies used to maintain and operate the Airport. Equipment and supplies decreased $0.9 million (-2.8%) from $32.2 million in FY 2023 to $31.3 million in FY 2024. Higher fuels costs were offset by rebates and credits. Lower non-capital equipment costs offset by higher baggage handling, airfield lighting, and foul weather supplies.

Hotel operations include room, food and beverage and other expenses. Grand Hyatt and Hyatt Place operating costs increased $2.7 million (9.0%) from $30.1 million in FY 2023 to $32.8 million in FY 2024 primarily due to higher room, food and beverage, and marketing costs due to increased occupancy.

Insurance increased $2.2 million (17.6%) from $12.5 million in FY 2023 to $14.7 million in FY 2024 primarily due to higher property and casualty premiums.

General, administrative, and other charges increased $0.3 million (4.0%), from $7.6 million in FY 2023 to $7.9 million in FY 2024 primarily due to a higher travel and training costs.

Depreciation of fixed assets and amortization of software subscription costs increased $17.9 million (5.0%) from $356.3 million in FY 2023 to $374.2 million in FY 2024, primarily due to increased capital additions including the renovation of Runway 17R and the construction of end-around taxiways, and the addition of amortizable software packages.

Non-Operating Revenues and Expenses:

The following table highlights non-operating revenues and expenses for the fiscal years ended September 30, 2024, and 2023.

	For the Year Ended (000s)	
Non-Operating Revenues (Expenses)	FY 2024	FY 2023
Federal relief proceeds	$ -	$ 209,786
Passenger facility charges	167,748	156,301
Investment income	154,931	99,507
Lease interest income	51,741	48,322
RAC customer facility charges	23,799	21,855
Interest expense on revenue bonds	(250,394)	(254,047)
Disposal of capital projects planning costs	-	(33,411)
Other, net	1,513	(34,403)
Total Non-Operating income (expenses)	$ 149,338	$ 213,910

In FY 2023 DFW received $200 million in ARPA funding to pay debt service of which $100.0 million was applied to the terminal rate base. The other $9.8 million was used for Concessionaires. No additional funding was received in FY 2024.

Congress established the PFC as part of the Aviation Safety and Capacity Expansion Act of 1990. DFW currently collects a $4.50 PFC from enplaned revenue passengers to repay debt service issued to build projects like Terminal D and Skylink. PFC's are not paid by "non-revenue" passengers such as airline employees. PFC's are applied only on the first two legs of a connecting flight. DFW estimates that 88.0% of all enplaned passengers were required to pay PFC's in FY 2024 compared to 93.1% in FY 2023 with the difference due to higher non-revenue passengers. PFC collections are recorded as revenue when earned, then used to pay eligible debt service costs. PFC's increased $11.4 million (7.3%) from $156.3 million in FY 2023 to $167.7 million in FY 2024 due to higher passenger traffic.

Investment income increased $55.4 million (55.7%) from $99.5 million in FY 2023 to $154.9 million in FY 2024 primarily due to unrealized investment gains and higher interest rates.

Lease interest income is the current year amortization of the discounted portion the lease receivable. Lease interest income increased $3.4 million (7.0%) from $48.3 million in FY 2023 to $51.7 million in FY 2024. See Note 1(c).

RAC customers pay a $4.00 facility charge for each transaction day to pay for the debt service, buses, and capital improvements to the RAC facility. The RAC customer facility charge ("CFC") revenue is derived from rental car transaction days. The CFC increased $1.9 million (8.7%) from $21.9 million in FY 2023 to $23.8 million in FY 2024 due to higher rental days.

Interest expense for joint revenue bonds, commercial paper, and other loans decreased $3.6 million (-1.4%) from $254.0 million in FY 2023 to $250.4 million in FY 2024 primarily due to the payment of the AA financing loan and lower debt issuance costs partially offset by higher interest payments.

Disposal of capital project planning costs of $33.4 million was recognized in FY 2023. These planning costs were capitalized as part of the Terminal Renewal and Improvement Program related to renovating Terminal C. Due to the impacts of the COVID pandemic, the original renovation of Terminal C was cancelled. New plans for Terminal C were developed rendering the old plans obsolete. This required the costs to be reclassified from capital to non-operating expense. There were no disposal costs in FY 2024.

Other, net, non-operating revenues are comprised primarily of net book value losses on retired capital assets, sales of surplus property, insurance proceeds, sale of land, donated supplies, and other accounting adjustments, receipts, and payments. In FY 2024, Other, net increased $35.9 million to $1.5 million from $(34.4) million in FY 2023, primarily due to reduced lease termination losses, higher insurance proceeds, sale of land, and a legal settlement payment.

Capital Contributions:

The following table highlights capital contributions for the fiscal years ended September 30, 2024, and 2023.

	For the Year Ended (000s)	
Capital Contributions	FY 2024	FY 2023
Federal grant reimbursements	$ 160,377	$ 68,593
Total Capital Contributions	$ 160,377	$ 68,593

DFW receives the Airport Improvement Program and other grants through the Federal Aviation Administration and other Federal and State agencies. The timing of Airport grant reimbursements is related to the timing of grant-funded capital projects. Grants increased $91.8 million (133.8%) in FY 2024 to $160.4 million. During FY 2024, DFW's largest draw-down on grants were for runway rehabilitation, construction of a new electric central utility plant, and fire station reconfigurations.

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Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position:

The following table provides a condensed summary of DFW's net position and change in net position as of and for fiscal years ended September 30, 2024, and 2023. A discussion of significant items follows.

	As of September 30 (000s)	
Summary of Net Position	FY 2024	FY 2023
Assets:		
Current and other assets	$ 5,051,298	$ 4,875,631
Capital assets	7,187,924	6,368,690
Total assets	12,239,222	11,244,321
Deferred outflows of resources	52,249	68,362
Total assets and deferred outflows of resources	12,291,471	11,312,683
Liabilities:		
Current and other liabilities, excluding debt	618,604	419,785
Non-current liabilities	56,515	52,414
Long-term debt outstanding:		
due within one year	273,145	251,930
due in more than one year	8,064,014	7,575,252
Net pension liabilities	180,488	200,788
Total liabilities	9,192,766	8,500,169
Deferred inflows of resources for non-leases	88,213	98,112
Deferred inflows of resources for leases	1,564,143	1,696,926
Total deferred inflows of resources	1,652,356	1,795,038
Total liabilities and deferred inflows of resources	10,845,122	10,295,207
Total Net Position	$ 1,446,349	$ 1,017,476
Total revenues	$ 1,808,799	$ 1,675,254
Total expenses	(1,379,926)	(1,374,273)
Change in net position	$ 428,873	$ 300,981

Total current and other assets increased $175.7 million from FY 2023 to FY 2024 primarily due to larger cash and investment balances associated with positive operational cash flows and unused bond proceeds. Total capital assets increased $819.2 million primarily due to the completion of additional facilities and continued construction on other capital projects, net of depreciation and retirements. (See Note 5).

Deferred outflows of resources decreased $16.2 million primarily due to changes in pension and OPEB balances caused by differences in actuarial experience and plan assumption changes. See Note 1(q).

Current and other liabilities increased $198.8 million primarily due to higher accounts payable and accrued expenditure balances on increased construction costs.

Debt due within one year increased based on the bond principal payment schedule. Debt due in more than one year increased $488.8 million due to the issuance of improvement bonds partially offset by the payment of principal. See Note 6.

The net pension liability decreased $20.3 million from FY 2023 to FY 2024 primarily due to higher investment returns partially offset by benefit and assumption changes and unfavorable experience compared to actuarial estimates. See Note 1(q) and the Required Supplementary Information tables. Deferred inflows of resources for leases decreased $132.8 million due to lease payments exceeding lease net present value amortization.

The following table summarizes DFW's net position as of September 30, 2024, and 2023.

	As of September 30 (000s)	
Net Position	FY 2024	FY 2023
Net investment in capital assets	$ (118,046)	$ (31,224)
Restricted net position:		
Debt service	251,405	-
PFIC	26,148	22,414
Passenger facility charges	66,970	48,929
Public safety and other	5,559	5,260
Total restricted	350,082	76,603
Unrestricted net position	1,214,313	972,097
Total Net Position	$ 1,446,349	$ 1,017,476

DFW has a negative net investment in capital assets due to debt obligations exceeding the book value of DFW's capital assets. The change of Net Investment in Capital assets from ($31.2) million in FY 2023 to ($118.0) million in FY 2024 is due to higher depreciation charges exceeding bond principal payments and premium amortizations and the recategorization of Debt Service and Capital net assets to Restricted (no impact on the Total Net Position). See Note 7, Investment in Capital Assets.

The Restricted net position for Debt Service consists primarily of debt service sinking fund assets (previously calculated in net investment in capital assets).

The Restricted net position for PFIC consists of cash and investments and other working capital necessary for the day-to-day operations, FF&E reserves, and upkeep of the hotels and rent-a-car center.

The Restricted net position for Passenger facility charges represents the cash and investments held from the collection of fees that will be used in the future to pay eligible debt service or obligated capital projects. PFCs paid approximately 27.1% and 27.6% of the total gross debt service in FY 2024 and FY 2023, respectively. The PFC balance relates to PFCs collected but not used for debt service. The balance increased $18.1 million in FY 2024, primarily due lower PFC eligible debt service.

The Restricted net position for Public Safety and other primarily represents cash obtained during seizures and arrests. These funds may only be used for public safety and security purposes as defined by Federal law. Also included in this amount are funds collected from concessionaires to operate joint marketing programs and maintain grease removal systems.

See Note 8, Restricted Net Position, for more details.

Unrestricted net position increased $242.1 million from $972.1 million in FY 2023 to $1,214.3 million in FY 2024 primarily due to higher operating revenues, investment income, and federal grant reimbursements.

Liquidity and Financing

As of September 30, 2024, DFW had total cash and investments of $3.2 billion, of which $1.4 billion was unrestricted. Unrestricted cash and investments may be used for any lawful airport purpose, including capital expenditures, the payment of operation and maintenance expenses, and the payment of debt service if the debt service fund should ever be inadequate. The unrestricted cash and investments in FY 2024 are sufficient to cover 652 days of operating expenses as compared to 629 days in FY 2023. In addition, DFW maintains a fully funded debt service reserve that is based on the average annual debt service over the life of the bonds. As of September 30, 2024, DFW had $442.6 million in this reserve.

The following details DFW's cash and investments by fund as of September 30, 2024.

As of September 30 (Fiscal Year End)	2024
Unrestricted Cash and Investments	
Operating revenue and expense fund	$ 331
Capital improvement fund	755
PFIC	264
Total unrestricted cash/investments	1,350
Restricted Cash and Investments	
Passenger facility charges	52
Bond/construction funds	871
Debt Service Fund	371
Debt Service Reserve Fund	443
PFIC	28
Commercial Paper, other Financing	68
Other	5
Total restricted cash/investments	1,838
Total DFW cash/investments	3,188
Operating Expenses	$ 756
Unrestricted Cash and Investments/Ops Exps - Days	652

As of September 30, 2024, DFW has $7.9 billion of fixed rate joint revenue bonds outstanding (face amount). The $7.9 billion includes $273.1 million of bonds payable due within one year (current portion). The book amount of bonds payable is $8.3 billion (including unamortized premiums). Another $74.0 million of bond refunding gains are classified as deferred inflows of resources.

DFW funds major renewal projects like terminal renovations, runway improvements, and other expansion projects through the issuance of debt, net of available grants. The issuance of additional debt requires airline approval, with some exceptions for commercial development and public safety. Low dollar renewals and replacements are generally funded out of the DFW capital account. DFW constantly monitors the cash flow and contracting requirements for all approved capital projects. Additional information on long-term capital asset activity and debt activity are disclosed in Notes 5 and 6 to the financial statements.

In FY 2020, the DFW Board approved the Fifty-Fifth Supplemental Bond Ordinance authorizing a Subordinate Lien Commercial Paper ("CP") program. The aggregate amount of notes outstanding for the CP (Series I) program is subject to the lower of $750 million or 65% of DFW's unrestricted cash/investment balance. DFW did not issue or redeem CP during FY 2024. There were no CP notes outstanding as of September 30, 2024.

In FY 2024, the DFW Board approved the Sixty-Seventh Supplemental Bond Ordinance authorizing an Extendable Commercial Paper ("ECP") program. The program allows for a maximum of $600 million of outstanding ECP notes. DFW issued and redeemed $450.0 million of ECP during FY 2024. There were no ECP notes outstanding as of September 30, 2024.

In September of 2024, DFW issued Joint Revenue Refunding and Improvement Bonds, Series 2024, for $723.6 million. A premium of $75.2 million was received upon issuance. Series 2024 refunded commercial paper notes for $445.0 million and generated $305.0 million of funding for capital programs.

The Controlling Documents require DFW to annually adopt a Schedule of Charges that is: (1) reasonably estimated to produce Gross Revenues in an amount sufficient to at least pay Operation and Maintenance Expenses plus 1.25 times Accrued Aggregate Debt Service and (2) reasonably estimated to at least produce Current Gross Revenues in an amount sufficient to pay Operation and Maintenance Expenses plus 1.00 times Accrued Aggregate Debt Service. Gross Revenues are defined as including transfers from capital funds (primarily rolling coverage). Current gross revenues do not include these transfers.

For the Year Ended	2024	2023
1.0x Coverage Calculation - Current Gross Revenues		
Gross Revenues available for debt service	$ 828.7	$ 792.9
Less: Transfers and Rolling Coverage	(138.0)	(144.2)
Current Gross Revenues available for debt service	$ 690.7	$ 648.7
Debt Service	$ 552.3	$ 524.2
Coverage ratio - Current Gross Revenues	1.25	1.24
1.25x Coverage Calculation - Gross Revenues		
Total Gross Revenues	$ 1,503.1	$ 1,412.3
Less Operating Expenses	(674.4)	(619.4)
Gross Revenues available for debt service	$ 828.7	$ 792.9
Coverage ratio - Gross Revenues	1.50	1.51
Coverage Calculation - All Revenues Sources		
All Current Revenues available for debt service	$ 782.1	$ 720.4
Coverage ratios:		
All Current Revenues	1.42	1.37
All Current plus Transfers, Rolling Coverage	1.67	1.65

DFW's Gross Revenues coverage ratios were 1.51 and 1.50 for the fiscal years September 30, 2023, and September 30, 2024, respectively. Current Gross Revenues coverage ratios were 1.24 and 1.25, for the same periods. These coverage ratios exclude net revenues from the PFIC, natural gas royalties, and other non-operating sources. Adding these sources increased the Current Gross Revenue coverage to 1.42 and the Gross Revenue coverage to 1.67 in FY 2024 compared to 1.37 and 1.65 in FY 2023, respectively. See the Debt Service Coverage Schedule in the Statistical Section for the 10-year history.

Fitch Ratings, Moody's Ratings, Kroll Bond Rating Agency, and S&P Global Ratings have assigned their municipal bond ratings of "A+" (Stable), "A1" (Positive), "AA" (Stable), and "AA-" (Stable), respectively to DFW Airport Joint Revenue Bonds as of September 30, 2024. During FY 2024, S&P increased DFW's bond rating from A+ to AA-, and Moody's improved DFW's outlook from "stable" to "positive".

Moody's Ratings and S&P Global Ratings have assigned ratings to DFW Airport's Subordinate Lien Commercial Paper Program of "P-1" and "A-1+", respectively.

Request for Information

This financial report is designed to provide a general overview of the Airport's finances for all those with an interest. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the Office of the Executive Vice President and Chief Financial Officer, 2400 Aviation Drive, P.O. Box 619428, DFW Airport, Texas 75261-9428.

Dallas Fort Worth International Airport
Statement of Net Position
Business-Type Activities
As of September 30, 2024
(Amounts in Thousands)

Assets	
Current assets	
Cash and cash equivalents (notes 1, 2)	$ 437,464
Restricted cash and cash equivalents (notes 1, 2, 8)	403,050
Investments (notes 1, 2)	912,659
Accounts receivable, net of allowance for doubtful accounts of $3,865 (note 1)	43,101
Inventory and other current assets (note 1)	132,612
Lease receivable (notes 1,12)	80,965
Lease interest receivable (notes 1,12)	12,881
Total current assets	2,022,732
Non-current assets	
Restricted cash and cash equivalents (notes 1, 2, 8)	394,340
Restricted investments (notes 1, 2, 8)	1,039,652
Lease receivable (notes 1,12)	1,573,328
Capital assets, net (notes 1, 5)	
Non-depreciable	2,060,398
Depreciable, net	5,127,526
Total capital assets, net	7,187,924
Other restricted assets (notes 8,10)	21,246
Total non-current assets	10,216,490
Total assets	12,239,222
Deferred outflows of resources (notes 1, 9)	52,249
Total assets and deferred outflows of resources	$ 12,291,471

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Net Position
Business-Type Activities
As of September 30, 2024
(Amounts in Thousands)

Liabilities	
Current liabilities	
Accounts payable and other current liabilities (note 4)	$ 215,554
Current payable from restricted assets (notes 1, 8)	403,050
Current portion of joint revenue bonds payable (notes 1, 6)	273,145
Total current liabilities	891,749
Long-term liabilities	
Long-term liabilities (note 18)	56,515
Net pension liabilities (note 9)	180,488
Joint revenue bonds payable (note 6)	8,064,014
Total long-term liabilities	8,301,017
Total liabilities	9,192,766
Total deferred inflows of resources (notes 1, 9, 10, 12)	1,652,356
Total liabilities and deferred inflows of resources	10,845,122
Net position	
Net investment in capital assets (note 7)	(118,046)
Restricted for:	
Debt Service (notes 1, 6)	251,405
PFIC (notes 6, 8, 11)	26,148
Passenger facility charges (notes 1, 6)	66,970
Public safety and other (notes 1, 6)	5,559
Total restricted	350,082
Unrestricted	1,214,313
Total net position	$ 1,446,349

Dallas Fort Worth International Airport
Statement of Revenues, Expenses and Changes in Net Position
Business-Type Activities
For The Year Ended September 30, 2024
(Amounts in Thousands)

Operating revenues	
Terminal rent and use fees (note 1)	$ 399,091
Landing fees (note 1)	147,919
Federal Inspection Services (note 1)	45,019
Other airline	804
Total airline revenue	592,833
Parking	251,054
Concessions	138,715
Ground and facilities leases	83,891
Rent-A-Car (RAC)	49,784
Hotels	54,936
Employee transportation	23,365
Rent-A-Car customer transportation charges	14,874
Other non-airline	39,238
Total non-airline revenue	655,857
Total operating revenues	1,248,690
Operating expenses	
Salaries, wages and benefits	255,789
Contract services	374,487
Utilities	38,434
Equipment and supplies	31,273
Hotels	32,798
Insurance	14,658
General, administrative and other	7,889
Depreciation and amortization (note 5)	374,204
Total operating expenses	1,129,532
Operating income	$ 119,158

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Revenues, Expenses and Changes in Net Position
Business-Type Activities
For The Year Ended September 30, 2024
(Amounts in Thousands)

Non-operating revenues (expenses)		
Passenger facility charges	$	167,748
Investment income (loss)		154,931
Lease interest income (notes 1,12)		51,741
RAC customer facility charges		23,799
Interest expense on joint revenue bonds		(250,394)
Other, net		1,513
Total non-operating revenues, net		149,338
Income before capital contributions		268,496
Capital contributions		
Federal grant reimbursements		160,377
Total capital contributions		160,377
Net Position		
Increase in net position		428,873
Net position, beginning of year		1,017,476
Total net position, end of period	$	1,446,349

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Cash Flows
Business-Type Activities
For The Year Ended September 30, 2024
(Amounts in Thousands)

Cash flows from operating activities:	
Cash received from operations	$ 1,225,019
Cash paid to outside vendors	(447,078)
Cash paid to employees	(264,330)
Net cash provided (used) by operating activities	513,611
Cash flows from capital and related financing activities:	
Acquisition and construction of capital assets	(1,064,961)
Proceeds from sale of land	4,238
Proceeds from sale of revenue bonds	723,555
Premiums from sale of bonds	75,213
Underwriter's discount and fees	(2,607)
Payment to escrow for commercial paper refunding	(446,373)
Bond issuance costs	(2,701)
Proceeds from sale of commercial paper	450,000
Commercial paper payments, fees, interest costs	(10,597)
Principal paid on revenue bonds	(251,930)
Interest paid on revenue bonds	(259,894)
Proceeds from capital grants	115,716
Proceeds from passenger facility charges	165,909
Proceeds from RAC customer facility charges	23,623
Interest portion of lease proceeds	49,012
Net cash provided (used) by capital and related financing activities	(431,797)
Cash flows from investing activities:	
Interest received on investments	107,651
Purchase of investments	(1,534,702)
Sale of investments	1,575,494
Net cash provided (used) by investing activities	148,443
Net increase in cash and cash equivalents	230,257
Cash and cash equivalents, beginning of year	1,004,597
Cash and cash equivalents, end of the period	$ 1,234,854
Unrestricted cash and cash equivalents	437,464
Restricted cash and cash equivalents	797,390
Cash and cash equivalents, end of the period	$ 1,234,854

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Cash Flows
Business-Type Activities
For The Year Ended September 30, 2024
(Amounts in Thousands)

Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$	119,158
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization		374,204
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable		651
Leases		24,163
Inventories, other assets		1,148
Unearned revenues		525
Payroll		(4,456)
Subscriptions payable		(8,946)
Payables, other		7,164
Net cash provided by operating activities	$	513,611
Supplemental disclosure of non-cash activities		
Assets acquired under lease		$ 20,856
Amortization of bond premium/discount		(36,860)
Amortization of bond defeasement loss		(4,180)
Capital grants receivable		102,043
Unpaid purchases of capital assets in accounts payable and accrued liability		285,069
Unrealized gain on investments		47,942

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Fiduciary Net Position
As of December 31, 2023
(Amounts in Thousands)

	Pension and other employee benefit Trust Funds
Assets	
Cash and cash equivalents	$ 1,687
Investments held in Master Trust at fair value	
Domestic equity	182,013
International equity	167,317
Non-core fixed income	140,752
Private equity	128,561
Core fixed income	92,760
Infrastructure	75,667
Real estate	75,098
Mutual funds	27,305
Total investments at fair value	889,473
Investments held in Master Trust at amortized cost	
Money market funds	37,491
Receivables	
Accrued interest and dividends	1,009
	1,009
Total assets	929,660
Liabilities	
Accrued administrative fees	54
Accrued management fees	126
Claims/premiums payable	203
Total liabilities	383
Fiduciary net position restricted for pensions	$ 898,567
Fiduciary net position restricted for OPEB	$ 30,710

See accompanying notes to the basic financial statements.

Dallas Fort Worth International Airport
Statement of Changes in Fiduciary Net Position
For the year ended December 31, 2023
(Amounts in Thousands)

	Pension and other employment benefit Trust Funds
Additions	
Contributions	
Plan members contributions	$ 2,479
Employer contributions	31,288
Total contributions	33,767
Plans' interest in Master Trust investment gain	92,203
Dividends	586
Interest	158
Less: Investment fees	(7,599)
Net investment income	85,348
Total additions	119,115
Deductions	
Benefits paid to plan members and beneficiaries	58,183
Administrative fees	1,399
Total deductons	59,582
Net increase in fiduciary net position	59,533
Fiduciary net position restricted for pensions and OPEB	
At beginning of the year	869,744
At end of the year	$ 929,277

See accompanying notes to the basic financial statements.

NOTES SECTION

Dallas Fort Worth International Airport
Notes to the Basic Financial Statements
September 30, 2024

Footnote Reference

(1) SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

(a) Reporting Entity

The Dallas Fort Worth International Airport ("DFW" or "the Airport") was created by the Contract and Agreement between the City of Dallas, Texas, and the City of Fort Worth, Texas, effective April 15, 1968 ("Contract and Agreement"), for the purpose of developing and operating an airport as a joint venture of the Cities of Dallas and Fort Worth ("Owner Cities") in accordance with the Contract and Agreement. The initial capital was contributed by Owner Cities. The Cities approve DFW's annual budget and bond sales but have no responsibility for DFW's debt service requirements.

The DFW Airport Board of Directors ("the Board") is comprised of the Mayors of Dallas and Fort Worth and twelve members, eleven of whom are voting members (seven of which are appointed by Dallas and four by Fort Worth) in accordance with each city's ownership interest in the Airport. The 12th position rotates between the Airport's host cities of Irving, Grapevine, Euless, or Coppell and is non-voting. The Board is a semi-autonomous body charged with governing the Airport and may enter into contracts without approval of the City Councils except for sales of land or leases in excess of 40 years.

The Board appoints the Chief Executive Officer, who is charged with the day-to-day operations of the Airport. The Chief Executive Officer hires a management team to assist in that responsibility.

DFW's financial statements include all transactions of the Dallas Fort Worth Airport Public Facility Improvement Corporation ("PFIC"). The PFIC operates the Grand Hyatt and Hyatt Place hotels, the Rent-a-car facility ("RAC"), and manages the Campus West business park, 77 acres of property located on the west side of the airport. Grand Hyatt and Hyatt Place net proceeds are primarily derived from room rentals and the sale of related hotel goods and services. The RAC collects customer facility and customer transportation charges from rental car customers and oversees facility improvements and transportation services. Campus West collects ground and facility rents from its tenants and develops and maintains the property.

Although the PFIC is a legally separate entity, the financial transactions of PFIC have been included in the Airport's Enterprise Fund due to their nature and significance to the Airport and to comply with Governmental Accounting Standards Board GASB 14, *"The Financial Reporting Entity"* as amended ("GASB 14"). The PFIC is considered a blended component unit because the component unit's governing body is substantively the same as DFW's, the primary government. The Airport as the primary government, exercises substantial control over the PFIC. In addition, the component unit provides direct benefits exclusively or almost exclusively to the Airport, through the transfer of funds necessary to pay Airport debt.

DFW's Facility Improvement Corporation ("FIC") is also a legally separate entity, formed for the primary purpose of issuing conduit debt and has no assets, liabilities, or activities as of and for the year ended September 30, 2024. If there were any financial transactions for the FIC, these would have been included in the Airport's Enterprise Fund due to their nature and significance to the Airport and to comply with GASB 14. The FIC is considered a blended component unit because the component unit's governing body consists of members of the Airport staff, appointed by the Airport Board. The Airport as the primary government, exercises substantial control over the FIC. See footnotes 6(b) and 11 for a further discussion of the FIC and PFIC.

DFW fiduciary activities represent two fiduciary pension plans and an Other Post-Employment Benefit Plan ("OPEB") plan with the plans' year ended of December 31, 2023. These defined benefit plans are fiduciary component units as they are administered through trusts that meet the criteria in GASB Statements No. 67 *"Financial Reporting for Pension Plans"* ("GASB 67"), and No. 74 *"Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*" ("GASB 74"). The Board is the governing body for these plans, and the Airport has assumed the obligation to make contributions.

The pension plans cover designated DFW employees in two categories: (1) the Retirement Plan for Employees ("Employee Plan") of Dallas Fort Worth International Airport, and (2) DPS ("Department of Public Safety") Covered Employees ("DPS Plan") of Dallas Fort Worth International Airport. These two plans are termed the "Retirement Plans "collectively. DFW closed the Employee Plan for employees hired after December 31, 2009, and begun to offer 401(a) deferred compensation plans for employees hired on or after January 1, 2010 (excludes Department of Public Safety employees). The OPEB plan is a single-employer plan providing retiree health care for qualified retired employees ages 65 or younger.

(b) Basis of Accounting

The accounts of the Airport are organized into an Enterprise Fund which represents the business-type activities; and two Pension Trust Funds and one OPEB Trust Fund which represent the fiduciary activities. The Airport uses a separate set of self-balancing accounts for each fund including assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenses. The Airport includes its fiduciary pension and OPEB plans, as separate schedules, in the Other Supplementary Information section.

The Basic Financial Statements and Required Supplementary Information ("RSI") of the Airport consist of Management's Discussion and Analysis; Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; Statement of Cash Flows; Statement of Fiduciary Net Position; Statement of Changes in Fiduciary Net Position; and Notes to the Basic Financial Statements. For the pension and other employment benefit trust funds: Schedule of Changes in the Net Pension Liability and Related Ratios; Schedule of Contributions; and OPEB Schedule of Investment Returns.

The two generic fund types are categorized as follows:

<u>Enterprise Fund</u> – The financial statements of the Enterprise Fund use the economic resource measurement focus and are presented on the accrual basis of accounting. Exchange revenues are recorded when the underlying exchange takes place. DFW's operating revenues are derived from fees paid by airlines, tenants, concessionaires, patrons who park at DFW, natural gas royalties, hotel transactions, and others. The fees are based on usage rates established by DFW and/or methodologies established in the Lease and Use Agreements ("Use Agreement").

Expenses are recognized when incurred. The Airport constructs facilities to provide services to others, which are financed in part by the issuance of its joint revenue bonds. Airline users generally contract to pay amounts equal to the Airport's operating and maintenance expenses (excluding depreciation), debt service and debt service coverage requirements, and any other obligations payable from the revenues of the Airport.

<u>Fiduciary Funds</u> – The financial statements of the Fiduciary Funds use the economic resource measurement focus and are presented on the accrual basis of accounting. The Fiduciary Funds are maintained to account for assets held by the Airport in a trustee capacity for active and retired employees. Contributions are recognized in the period in which the contributions are due. Benefits, refunds, claims, and premiums are recognized when due and payable in accordance with the terms of each plan.

The Fiduciary Funds' fiscal year end is December 31 of each year. The amounts presented in these financial statements are as of and for the year ended December 31, 2023.

(c) Basis of Presentation

Operating and Non-Operating Revenues

The Airport distinguishes between operating revenues and non-operating revenues based on the nature of revenues and expenses. In general, revenues and related expenses resulting from providing services such as aircraft landing, parking, hotel transactions, terminal rental, ground and space rental, and natural gas leases are considered operating. These revenues result from exchange transactions in which each party receives and gives up essentially equal values. Revenues are reported net of Air Service Incentive Program ("ASIP") reimbursements of $0.7 million for Landing Fees, and $0.2 million for Federal Inspection Services.

Non-operating revenues, such as interest income, lease interest income, passenger facility charges and customer facility charges, result from non-exchange transactions or ancillary activities. Non-operating expenses primarily consist of the interest expense on joint revenue bonds, amortization of debt issuance or refunding costs, and interest on subscriptions payable. Capital grants are recorded as capital contributions.

Adoption of Current GASB Statements

In April 2022, the Governmental Accounting Standards Board ("GASB") issued Statement No. 99, "*Omnibus 2022*" ("GASB 99"), with the objectives to enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature. The Statement addresses (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. DFW previously implemented practice issues within GASB 99 that were effective for fiscal years beginning prior to June 2023.

The practice issues below were effective for fiscal years beginning after June 2023. DFW adopted the clarified guidance as of October 1, 2023, with no impact on its financial statements:

1) Modification to guidance in GASB Statement No. 70, "*Accounting and Financial Reporting for Nonexchange Financial Guarantees*" ("GASB 70"), to bring all guarantees under the same financial reporting requirements and disclosures.
2) Guidance on classification and reporting of derivative instruments within the scope of Statement No. 53, *"Accounting and Financial Reporting for Derivative Instruments"* ("GASB 53").

In June 2022, the GASB issued Statement No. 100, "*Accounting Changes and Error Corrections*" ("GASB 100"), to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. GASB 100 establishes accounting and financial reporting requirements for accounting changes and the correction of an error in previously issued financial statements (error correction). Further, the standard provides guidance on required disclosures related to accounting changes and corrections, and presentation in required supplementary information and supplementary information. DFW adopted the new guidance as of October 1, 2023, with no impact on its financial statements.

Future GASB Statements

In June 2022, the GASB issued Statement No. 101, "*Compensated Absences*" ("GASB 101"), which aligned the recognition and measurement guidance for compensated absences under a unified model and amended certain previously required disclosures. The unified recognition and measurement model in GASB 101 will result in a liability for compensated absences that more appropriately reflects when the government incurs an obligation. The model can be applied consistently across different types of compensated absences, eliminating potential comparability issues between governments that offer different types of leave. It will result in a more robust estimate of the amount of compensated absences that a government will pay or settle, which will enhance the relevance and reliability of information about the liability for compensated absences. The provisions of GASB 101 are effective for fiscal years beginning after December 15, 2023. DFW is evaluating the statement's effects on its financial statements.

In December 2023, the GASB issued Statement No. 102, *"Certain Risk Disclosures"* ("GASB 102"), with the objective to provide users of financial statements with essential information about risks related to the government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources, and a constraint as a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority.

GASB 102 requires a government to assess whether a concentration or constraint makes it vulnerable to the risk of a substantial impact, assess whether an event associated with a concentration or constraint has occurred, has begun to occur, or is more likely than not to begin to occur within 12 months of the date the financial statements are issued. Should a government determine the criteria for disclosure have been met, it is required to disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. GASB 102 will be effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. DFW is evaluating the statement's effects on its financial statements.

In April 2024, the GASB issued Statement No. 103, "*Financial Reporting Model Improvements" (*GASB 103"), with the objective improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. GASB 103 focuses on improvements in the following areas: Management's discussion and analysis (MD&A), Unusual or infrequent items, Presentation of proprietary fund statement of revenues, expenses and changes in fund net position, Major component unit information, Budgetary comparison information, and Financial trends information in the statistical section. The requirements of this standard are effective for fiscal years beginning after June 15, 2025. DFW is evaluating the statement's effects on its financial statements.

In September 2024, the GASB issued Statement No. 104, "*Disclosure of Certain Capital Assets*" ("GASB 104"), with the objective to provide users of government financial statements with essential information about certain types of capital assets. This guidance requires separate disclosure of assets related to leases, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately in the capital assets note disclosures. Further, the standard requires disclosures for capital assets held for sale include the historical cost and accumulated depreciation by major class of asset, and their evaluation within each reporting cycle. The requirements of this standard are effective for fiscal years beginning after June 15, 2025. DFW is evaluating the statement's effects on its financial statements.

(d) Cash, Cash Equivalents, and Investments

Cash and cash equivalents

For purposes of the statements of cash flows, the Airport considers cash on hand, money market funds, and investments with a maturity of three months or less, when originally purchased, to be cash equivalents, whether unrestricted or restricted. All bank balances are moved to collateralized overnight sweep accounts.

Investments

Investments other than money market funds are stated at fair value. Money market funds are stated at amortized cost. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade-date basis. Investments with a maturity of one year or less from the date of purchase are reported at amortized cost. Per the Texas Public Fund Investment Act, the Airport may only invest in obligations of the United States or its agencies, obligations of the State of Texas or its agencies, and certificates of deposits; municipal obligations and repurchase agreements having a rating not less than A; and certain bankers' acceptances, commercial paper, Securities Exchange Commission ("SEC") regulated money market mutual funds, local government investment pools, and guaranteed investment contracts. Under the current investment policy, the fiduciary funds may invest in money market funds, domestic equities, international equities, private equity funds, real assets, real estate funds, private credit funds, and fixed income instruments.

(e) Accounts Receivable

Receivables are reported at their gross value when earned. The Airport's collection terms are 25 days. The allowance for uncollectible accounts is based on a weighted aging calculation. As a customer's balance is deemed uncollectible, the receivable is cleared, and the amount is written off. If the balance is subsequently collected, such payments are applied to the allowance account. The allowance for doubtful accounts was $3.9 million as of September 30, 2024. This allowance is netted against the Accounts receivable balance.

(f) Materials and Supplies Inventories

Inventories are valued at the lower of cost or net realizable value and consist primarily of expendable parts and supplies held for consumption within the next year.

(g) Discount Rate

DFW uses discount rates to account for future cash flows associated with leases and subscriptions payable. The Airport uses its incremental borrowing rates as the discount rate when calculating the present value of lease inflows and subscription outflows, in compliance with applicable accounting standards, to accurately represent the present value of future cashflows in the financial statements.

(h) Leases

Lease receivable is measured at the present value of lease payments expected to be received during the lease term using an estimate of the rate of interest that would be charged to the Airport for borrowing the lease payment amounts during the lease term. Variable payments that are based on future performance of the lessee or usage of the underlying asset are not included in the measurement of the lease receivable.

DFW monitors changes in lease terms and circumstances and remeasures the lease receivable if certain changes occur that are expected to significantly affect the amount of the lease receivable. During each subsequent financial reporting period, DFW calculates interest due on the lease receivable and recognizes those amounts as the lease interest receivable and lease interest income. Lease payments when received are first applied to the lease interest receivable then any remaining amounts to reduce the lease receivable.

(i) Capital Assets

All capital assets are stated at historical cost or, if donated, at the acquisition value on the date donated. The capitalization threshold for both real and personal property is generally $50,000, with some minor exceptions, with a useful life greater than 1 year. Depreciation is calculated on the straight-line method over the following estimated useful lives:

Buildings	10 - 50 years
Improvements other than buildings	10 - 50 years
Vehicles	2 - 20 years
Machinery and equipment	3 - 30 years

Repairs and maintenance are charged to operations as incurred unless they have the effect of improving or extending the life of the asset, in which case they are capitalized as part of the cost of the asset. Construction-in-progress is composed of costs attributable to construction of taxiways, roads, terminal improvements, systems installation and conversion, and various other projects.

(j) Subscription Assets

The right-to-use subscription assets are measured as the sum of initial subscription liability amount, payments made to the subscription vendors before commencement of the subscription term, and capitalizable implementation costs. Amortization of the subscription assets is calculated on the straight-line method over the subscription term and is included in Depreciation and amortization expense. The initial subscription liability is the value of future subscription payments (expected to be made during the subscription term) discounted using DFW's discount rate. A discount on subscriptions liability is reported as interest expense during each reporting period. Subscription payments made are allocated first to accrued interest liability then to reduce the subscription liability.

(k) Grants and Federal Reimbursements

Grants and Federal reimbursements are recorded as revenue in the accounting period in which eligibility requirements to receive reimbursement of federal funds are met. The Bipartisan Infrastructure Law ("BIL") was signed into law on November 15, 2021. During FY 2023, DFW was awarded three BIL grants totaling approximately $70.0 million. These awards funded construction of a zero-carbon electric central utility plant ("eCUP"), replace aging heating, ventilation, and air conditioning terminal systems, and install dimmable smart glass in terminal windows.

In FY 2024, DFW has been awarded two BIL grants totaling approximately $56.0 million. The funding will be used to rehabilitate airfield infrastructure and terminal facilities. DFW has been awarded an additional four grants under Airport Improvement Program and Airport Terminal Program grants, totaling approximately $41.0 million to rehabilitate airfield infrastructure and landside roadways, and to construct a snow and ice removal equipment facility. DFW drew down approximately $149.7 million of the federal awards during FY 2024.

(l) Passenger Facilities Charges ("PFC")

The PFC program is authorized by federal legislation and allows an airport to impose a fee for use of its facilities up to $4.50 on revenue enplaning passengers. PFC's may only be used for FAA approved projects. DFW collects PFC's at the $4.50 level allowed by regulations. PFC's are collected by the air carriers when the ticket is purchased and remitted monthly to the airport by the airlines. As of September 30, 2024, the FAA has approved ten applications for the Airport for a total collection authority of $5.7 billion through October 2038. The remaining collection authority is $2.4 billion. DFW is currently collecting and expending PFC's under PFC Application 10; applications 1 – 9 are closed.

(m) Deferred Compensation Plans

The Airport offers a deferred compensation plan, created in accordance with Internal Revenue Code "(IRC") Section 457(b), to all Airport employees to allow them to defer a portion of their salaries up to IRC limits. The deferred compensation under these plans is not available to employees until termination, retirement, death, or an unforeseeable emergency. The amounts are held in trust for the benefit of the Airport's employees and are not subject to claims of the Airport's general creditors.

The 457 Deferred Compensation Plan is a defined contribution plan with assets outside the control of DFW. These assets are not included in DFW's fiduciary activities in accordance with GASB Statements No. 84, *"Fiduciary Activities"* ("GASB 84"), and No. 97, *"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans"* ("GASB 97").

Beginning January 2010, DFW requires employees, excluding Public Safety Officers, hired after January 1, 2010, to participate in deferred compensation plans, created in accordance with Internal Revenue Code Section 401(a), in which employees are required to defer 1% to 3% of their salaries, based on tenure. All new employees are also eligible to participate in either one of two 457 Plans for employees hired after January 1, 2010. DFW will match 100% of employees' contributions up to 7% of an employee's salary to both the 401(a) and 457(b) plans. The Airport is not the trustee of the 457(b) and 401(a) plans. The 401(a) Deferred Compensation Plan is a defined contribution plan with assets held in a trust outside the control of DFW. These assets are not included in DFW's fiduciary activities in accordance with GASB 84 and GASB 97.

(n) Retirement Plans

Based on the retirement plans' funding policy, DFW contributes an amount equal to or greater than the actuarially determined pension contribution for each fiscal year. In fiscal year 2024, DFW made actuarially determined contributions of $30.1 million to the Plans: $19.7 million to the Employee Plan; $10.4 million to Department of Public Safety (DPS) Plan. Additional discretionary contributions amounting to $6.5 million were made to the Plans: $4.4 million to the Employee Plan; $2.1 million to the DPS Plan, after the Plans measurement date. Accordingly, these additional contributions have been classified as deferred outflow of resources.

Investments other than money market funds are stated at fair value. Money market funds are stated at amortized cost. Fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plans' gains and losses on investments bought and sold as well as held during the year.

(o) Other Post-Employment Benefits ("OPEB") Plan

Based on the OPEB plans' funding policy, DFW contributes an amount equal to the actuarially determined OPEB cost for each fiscal year. In fiscal year 2024, DFW made contributions of $1.2 million.

Investments other than money market funds are stated at fair value. Money market funds are stated at amortized cost. Fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plans' gains and losses on investments bought and sold as well as held during the year.

(p) Restricted Assets and Liabilities

Restricted assets consist of cash, investments, and other resources that are legally restricted by third parties to certain uses. Capital funds are restricted to pay the costs of certain capital projects as defined in various supplemental bond ordinances. PFC program funds are restricted to pay the cost of FAA approved capital projects, and any debt incurred to finance those projects.

Debt service funds are restricted to making payments for principal and interest as required by the specific bond ordinances. The use of commercial paper proceeds is restricted to DFW capital projects, to make payments, or redeem outstanding debt obligations. Loan financing proceeds are restricted to the reimbursement of tenant projects.

The Public Safety funds obtained from seizures are restricted to specified security or public safety uses. The Concessionaires' fund pays grease system maintenance cost and joint marketing programs. PFIC working capital; operating; and furniture, fixture and equipment funds are classified as restricted.

Current liabilities payable from restricted assets are the accounts payable, accrued interest, commercial paper and the current portion of long-term debt associated with the purchase and construction of the capital projects funded by the restricted assets. When both restricted and unrestricted resources are available for use, it is the Airport's policy to use restricted resources first, then unrestricted resources as needed.

(q) Compensated Absences

DFW employees earn 12 days of sick leave per year with a maximum accrual of 130 days. Unused sick leave for terminated employees is not paid, and therefore, not accrued. DFW employees are granted Time Off with Pay ("TOP") at rates of 15 to 25 days per year depending on length of employment and position. Employees may accumulate up to a maximum of two times their annual accrual rate. Upon termination, employees are paid for any earned but unused TOP. TOP is recorded as a liability when earned and is reflected in the Accounts Payable and Other Accrued Liabilities. The calculation of the liability is based on the pay or salary rates in effect as of the end of the fiscal year (in thousands):

Balance as of September 30, 2023	$ 13,257
TOP used during the year	(13,185)
TOP earned during the year	14,236
Balance as of September 30, 2024	$ 14,308

(r) Use of Estimates

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(s) Deferred Outflows/Inflows of Resources

DFW's Statement of Net Position includes a separate section for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. DFW has seven qualifying deferred outflows of resources.

The first and sixth relate to the differences between projected and actual earnings on pension and OPEB plan investments. These amounts are amortized over a closed five-year period.

The second is an additional discretionary employer contribution during fiscal year 2024, that will be recognized in the retirement Plans' calendar year 2024 fiduciary assets.

The third and fifth relate to the differences between expected and actual experience in the measurement of the net pension liability and net OPEB asset. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension and OPEB.

The fourth and seventh are the result of economic or demographic assumption changes made to the actuarial valuations of the pension and OPEB plans.

As of September 30, 2024, the combined balance of deferred outflows of resources is as follows (in thousands):

Deferred outflows of resources	2024
Pension:	
Differences between projected and actual earnings on investments	$ 23,314
Additional discretionary contribution	6,542
Differences between expected and actual experience	12,667
Change in assumptions	1,500
OPEB:	
Differences between expected and actual experience	5,006
Differences between projected and actual earnings on investments	1,351
Change in assumptions	1,869
Total Deferred outflows of resources	$ 52,249

The Statement of Net Position includes a separate section for deferred inflows of resources applying to a future periods' inflows of resources (revenue). Deferred inflows of resources represent an acquisition of net assets that is applicable to a future reporting period. DFW has five qualifying deferred inflows of resources.

The first relates to lease inflows. DFW recognizes a deferred inflow of resources and an equal lease receivable for each qualifying lease. The deferred inflows of resources for leases are amortized on a straight-line basis over the term of each lease.

The second relates to refunding of debt. When a bond is refunded, a deferred inflow of resources results when the carrying value of the original debt exceeds the reacquisition price. This amount is deferred and amortized over the term of the new bonds or refunded bonds, whichever is shorter, using the straight-line method.

The third and fourth relate to the differences between expected and actual experience in the measurement of the net pension liability and net OPEB asset. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with these benefits.

The fifth relates to the change in assumptions for OPEB. This amount is amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB. As of September 30, 2024, the combined balance of deferred inflows of resources is as follows (in thousands):

Deferred inflows of resources	2024
Deferred inflows of resources for leases	$ 1,564,143
Refunding of debt	73,965
Pension:	
Differences between expected and actual experience	6,546
OPEB:	
Differences between expected and actual experience	7,062
Change in assumptions	640
Deferred inflows of resources for non-leases	88,213
Total deferred inflows of resources	$ 1,652,356

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(2) DEPOSITS AND INVESTMENTS

(a) Deposits - DFW

As of September 30, 2024, DFW's cash balance (including amounts under restricted assets – see Note 8) represents $1,234.9 million of cash and cash equivalents. The bank balances for the cash and cash equivalents accounts were approximately $1,236.2 million. The balance of cash and cash equivalents are held in a local government investment pool, money market accounts, savings accounts, or in deposit accounts swept nightly.

The Airport holds interests in the Texas CLASS Government ("Texas CLASS") investment pool whereby, as a practical expedient, fair value of the investments is measured on a recurring basis using the net asset value per share (or its equivalent) of the pool's investments. Texas CLASS is managed as a stable value net asset value (NAV) pool but does not meet all the specific criteria outlined in paragraph 4 of GASB Statement No. 79, "*Certain External Investment Pools and Pool Participants"* ("GASB 79"), to qualify for use of amortized cost accounting for financial reporting purposes. Therefore, DFW has reported the local government investment pool at fair value using its stated net asset value.

Texas CLASS was created to meet the cash management and short-term investment needs of Texas governmental entities. It seeks to provide pool participants with a competitive market yield while maintaining daily liquidity and a stable net asset value. Fund management expects the fund to maintain a maximum dollar-weighted average maturity of 60 days or less. All investments will have a maximum maturity of 397 days or less, except for variable rate securities issued by the U.S. treasury or agencies or instrumentalities, which carry a maximum maturity of 762 days. Eligible investments include securities issued or guaranteed by the U.S. government, its agencies, or instrumentalities; and repurchase agreements. At September 30, 2024, the fair value, unfunded commitments, and redemption rules of those investments are as follows:

	Carrying Value (in thousands)	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Texas CLASS	$ 410,000	$ -	Daily	None

The money market funds are valued at amortized cost. DFW utilizes a short-term sweep vehicle that automatically sweeps uninvested cash into a money market fund, with the primary goal to preserve capital while maintaining a high degree of liquidity. The fund transacts with participants at a stable net asset value per share and meets other criteria under GASB 79 permitting it to measure its investments at amortized cost. Money market funds are regulated by the Securities Exchange Commission under the Investment Company Act of 1940. DFW's shares are valued at the issuer's value per share. The risk ratings for DFW's money market funds are AAAm by Standard and Poor's, Aaa-mf by Moody's, and AAAmmf by Fitch.

Cash balances are held in bank deposits and savings accounts that are federally insured or collateralized with letters of credit or authorized securities, and a local government investment pool. DFW's cash and cash equivalents as of September 30, 2024, are as follows (in thousands):

Description	2024
Local government investment pool	$ 410,000
Money market funds	768,829
Cash	56,025
Total Cash and cash equivalents	$ 1,234,854

(b) Investments – DFW

As of September 30, 2024, DFW's investment values and associated credit ratings from Standard and Poor's (S&P) are as follows (in thousands):

		2024			
Investments by Sector	S&P Rating	Amount	Percent of Total Investment	Maturities (in years) < 1 year	Maturities (in years) 1 - 5 years and Over
Investments measured at Fair Value					
Municipals	AAA	$ 45,600	28.9%	$ 37,253	$ 8,347
	AA+	7,892	5.0%	-	7,892
	AA	7,338	4.6%	7,338	-
	AA-	7,223	4.6%	3,414	3,809
	Aa1	6,516	4.1%	-	6,516
	Aa2	6,656	4.2%	-	6,656
Total Investments measured at Fair Value		81,225	51.3%	48,005	33,220
Investments measured at Amortized Cost					
Commercial Paper	A-1+	24,821	15.7%	24,821	-
	A-1	52,000	32.9%	52,000	-
Total Investments measured at Amortized Cost		76,821	48.7%	76,821	-
Total		$ 158,046	100.0%	$ 124,826	$ 33,220
U.S. Agencies and Instrumentalities		$ 1,782,868			
Total Investments without Money Market Funds and Local Government Investment Pool (Fair value)		158,046			
Accrued Investment Earnings		11,397			
Total investments		$ 1,952,311			

[1] Per the Texas Public Funds Investment Act, no rating is required for government sponsored enterprises' bonds.

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(c) Interest Rate Risk – DFW

Investment portfolios are designed with the objectives of preserving capital while attaining the best possible rate of return commensurate with DFW's investment risk constraints and the cash flow characteristics of each portfolio. Return on investment, although important, is subordinate to the safety and liquidity objectives. In accordance with DFW's investment policy, two strategies are employed when market conditions vary. In markets where time risk is rewarded, investments are for longer terms. In markets where time risk is not rewarded, investments are for shorter terms and allow for flexibility to reinvest funds when markets improve.

DFW has identified various purposes for the use of investments and has established maximum maturities for each of these purposes. The following table summarizes by purpose the maximum investment maturities.

Purpose	Maturity
Interest and Sinking Funds Commercial Paper Proceeds	180 Days
Bond Proceeds Passenger Facility Charges PFIC - Restricted	1 Year
Operating Fund	2 Years
Debt Service Reserve DFW Capital Joint Capital Operating Reserve PFIC - Unrestricted Rolling Coverage Reserve	5 Years

The following table summarizes the DFW total investments (excluding money market funds) as a percentage of maturities.

	2024
Maturity	% of Investments
Less than one year	55%
One to five years or more	45%

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(d) Credit Risk – DFW

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. DFW's investment policy provides for the following types of investments with ratings for each investment type.

Investment Type	Minimum Ratings
U.S. Treasury Notes and Bills	N/A
U.S. Agencies and Instrumentalities	N/A
Texas Agencies and Instrumentalities	N/A
Certificates of Deposit	N/A
Banker's Acceptances	Short-Term A1/P1
Municipals (Bonds, Obligations)	A or equivalent by one nationally recognized ratings agency
Repurchase Agreements	A or equivalent by one nationally recognized ratings agency
Guaranteed Investment Contract	A or equivalent by one nationally recognized ratings agency
Money Market Mutual Funds	N/A
Money Market Funds and Local Government Pools	AAA or AAAm by one recognized ratings agency
Commercial Paper	A1/P1 by two recognized ratings agencies

(e) Concentration of Credit Risk – DFW

DFW limits the amounts that can be invested in any individual investment unless the investment is fully collateralized or guaranteed by the federal government. Money market funds are reported as cash in the financial statements but are considered investments by DFW policy. As of September 30, 2024, DFW was in compliance with its investment policy. DFW's investments that exceed 5% of total investments, excluding investments issued or explicitly guaranteed by the U.S. government and external investment pools, are as follows:

Description	Percent of Total Investments
Federal Home Loan Bank	20.3%
Federal Farm Credit Bank	9.7%
	29.8%

(f) Custodial Risk – DFW

For deposits, custodial risk is the risk that in the event of financial institution failure, DFW would not be able to recover its deposit. DFW's deposits are either federally insured and/or collateralized. For investments, custodial risk is the risk that in the event of a failure of the outside party (holder of the investment), DFW would not be able to recover the value of the investment or collateral securities. DFW's investments are held in DFW's name.

(g) Fair Value Measurements – DFW

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity specific measurement.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels. These three levels are as follows:

Level 1 – Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities in active markets that a government can access at the measurement date. An *active market* for the asset or liability is a market in which transactions for an asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Accordingly, a quoted price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. If an asset or liability has a specified term to maturity, then to qualify for Level 2 designation, an input must be observable for substantially the full term to maturity of the asset or liability. Level 2 inputs include the following: (a) Quoted prices for similar assets or liabilities in active markets; (b) Quoted prices for identical or similar assets or liabilities in markets that are not active, that is, markets in which there are few transactions for the asset or liability, the prices are not current, or price quotations vary substantially either over time or among market makers (for example, some brokered markets), or in which little information is released publicly (for example, a principal-to-principal market); (c) Inputs other than quoted prices that are observable for the asset or liability (for example, interest rates and yield curves observable at commonly quoted intervals, implied volatilities, prepayment speeds, loss severities, credit risks, and default rates); (d) Inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level 3 – Inputs that are unobservable for an asset or liability.

U.S. Agencies and Instrumentalities

U.S. Agency Securities and Instrumentalities, such as agency issued debt and mortgage pass-throughs, are categorized differently depending on the call feature of the security and trading activity.

Non-callable agency issued debt securities and to-be announced “TBA” securities are generally valued using quoted market prices. Therefore, actively traded non-callable agency issued debt securities and TBA securities can be categorized in Level 1 of the fair value hierarchy.

DFW’s non-callable agency investments were not actively traded and thus were classified as Level 2. Callable agency/instrumentality issued debt securities and mortgage pass-through pools are valued by benchmarking model-derived prices and therefore are categorized in Level 2 of the fair value hierarchy.

Municipal Securities
Other illiquid or less actively traded investments such as municipal securities (bonds, obligations) that do not have actively quoted prices are categorized as Level 2 in the fair value hierarchy.

As of September 30, 2024, DFW investments, measured at fair value, are categorized within the three levels as follows (in thousands):

Investments	Level 2: Significant Other Observable Inputs
U.S Agencies and instrumentalities	$ 1,782,868
Municipal bonds	81,225
Total	$ 1,864,093

(h) Investments – DFW's Fiduciary Pension Plans

DFW has contracted with JP Morgan Chase Bank ("Trustee") for custody and safekeeping of investments, accounting for transactions based on the instructions of investment managers, and payment of benefits to participants, subject to the policies and guidelines established by DFW. The funds of the Pension Plans are invested in accordance with Texas Public Investment Act.

The Retirement Plans' assets are carried at fair value, net asset value, and amortized cost. As of December 31, 2023, the Plans' investments were as follows (in thousands):

Investments measured at fair value	Total
Investments measured at fair value using Level 1 and 2 inputs	
Common stock	$ 90,923
Government fixed income	29,816
Mutual funds	18,641
Corporate bonds	21,333
Exchange traded funds	12,052
Asset backed bonds	3,505
Commercial mortgage backed securities	38,104
Total investments measured at fair value using Level 1 and Level 2 inputs	214,374
Investments measured at net asset value	
Limited partnerships	402,703
Commingled funds	245,091
Total investments measured at fair value using net asset value	647,794
Total investments measured at fair value	$ 862,168

Money market funds totaling $33.9 million are recorded at amortized cost in accordance with GASB Statement No. 79, "Certain External Investment Pools and Pool Participants" ("Statement No. 79") and are not included in the fair value tables above. These investments are not subject to any limitations or restrictions on withdrawals.

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Retirement Plans' investments measured at fair value were categorized in the two levels below as of December 31, 2023 (in thousands):

Investments measured at Fair Value	Level 1: Quoted prices in active markets for identical assets	Level 2: Significant other observable inputs	Total
Common stock	$ 90,923	$ -	$ 90,923
Government fixed income	-	29,816	29,816
Mutual funds	18,641	-	18,641
Corporate bonds	-	21,333	21,333
Exchange traded funds	12,052	-	12,052
Asset backed bonds	-	3,505	3,505
Commercial mortgage backed securities	-	38,104	38,104
Total	$ 121,616	$ 92,758	$ 214,374

(i) Interest Rate Risk – DFW's Fiduciary Pension Plans

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The investment strategy of the Plans is to emphasize total return in the form of aggregate return from capital appreciation, dividend, and interest income.

The primary objectives over a five-year period for the plan assets are to maintain the purchasing power of the current assets and all future contributions by producing positive real rates of return on the plan assets, meet or exceed the actuarially assumed rate of return, and provide an acceptable level of volatility in both the long and short-term periods.

As of December 31, 2023, the maturity values were as follows (in thousands):

	Maturity (in years)				
Fixed Income Securities	0-5	6-10	11-15	16+	Total
Treasury bonds and notes	$ 1,845	$ 15,257	$ -	$ 7,392	$ 24,495
Mortgage backed securities	-	-	47	4,398	4,445
Sovereign debt	-	-	166	711	877
Total Government fixed income	1,845	15,257	213	12,501	29,817
Non-government fixed income					
Mortgage backed securities	4	94	857	36,321	37,276
Money market funds	33,895	-	-	-	33,895
Corporate bonds	2,927	13,614	766	4,026	21,333
Asset backed bonds	2,183	649	264	410	3,506
Commercial mortgage backed securities	-	-	371	131	502
Collateralized mortgage obligations	-	111	-	216	327
Total Non-government fixed income	39,009	14,468	2,257	41,104	96,838

(j) Credit Risk – DFW's Fiduciary Pension Plans

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk is measured by the assignment of a rating by nationally recognized rating agencies such as the S&P and Moody's. The following tables show the rating of the Plans' investments as of December 31, 2023 (in thousands):

Investment type	Credit Rating					
	AAA	A	BBB	BB	No Rating	Total
Fixed Income Investments						
Government fixed income	$ -	$ -	$ 877	$ -	$ -	$ 877
Non-government fixed income						
Commercial mortgage backed securities	-	-	-	-	38,104	38,104
Money market funds	33,895	-	-	-	-	33,895
Corporate bonds	312	8,947	10,835	893	346	21,333
Asset backed bonds	169	188	-	-	3,148	3,505
Total Non-government fixed income	34,376	9,135	10,835	893	41,598	96,837
Total Fixed income investments	34,376	9,135	11,712	893	41,598	97,714
Other Investments						
Limited Partnerships	-	-	-	-	402,703	402,703
Commingled funds	-	-	-	-	245,091	245,091
Common stock	-	-	-	-	90,923	90,923
Mutual funds	-	-	-	-	18,641	18,641
Exchange traded funds	-	-	-	-	12,052	12,052
Total Other investments	-	-	-	-	769,410	769,410
Total	$ 34,376	$ 9,135	$ 11,712	$ 893	$ 811,008	$ 867,124

Direct obligations of the U.S government totaling $24.5 million and fixed income securities that are obligations explicitly guaranteed by the U.S. government totaling $4.4 million are not included in the credit risk tables as they are considered to be risk-free.

(k) Custodial Risk – DFW's Fiduciary Pension Plans

All investments are held in DFW's Retirement Plans name.

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(l) Concentration of Credit Risk – DFW's Fiduciary Pension Plans

Concentration of credit risk is the risk of loss attributed to the magnitude of the Plan's investments in a single user. DFW has approved the following guidelines for assets allocation for the Plans:

Asset Allocation Guidelines			
Asset Class	Target	Range	Actual
Equity			
Domestic equity	20.0%	15.0% - 25.0%	20.3%
International equity	17.5%	12.5% - 27.5%	18.6%
Fixed income			
Non-core fixed income	15.0%	10.0% - 20.0%	15.7%
Core fixed income	10.0%	5.0% - 15.0%	10.3%
Cash and cash equivalents	2.5%	0.0% - 5.0%	4.0%
Alternatives			
Private equity	12.5%	7.5% - 17.5%	14.3%
Infrastructure (Real assets, MLPs)	10.0%	5.0% -15.0%	8.4%
Real estate	12.5%	7.5% - 17.5%	8.4%
Total fund	100.0%		100.0%

As of December 31, 2023, there were no investments exceeding the category parameters of the investment guidelines.

(m) Capital Commitments and Redemption Restrictions – DFW's Fiduciary Pension Plans

The Plans manage investments tied to capital commitments that are legally obligated to fund when called by a General Partner. Funding of committed capital occurs over an extended period and may take several years before an investment is fully funded.

There are four asset classes that operate through a capital commitment process:

(1) *Infrastructure:* Consists of publicly traded and private global infrastructure assets such as ports, pipelines, airports, and telecommunications via publicly traded Master Limited Partnerships; core, cash-yielding assets; and value-add opportunities for improving long-lived assets that exhibit operational problems, require physical improvements, or suffer from capital constraints.

(2) *Non-core fixed income*: Consists of all types of credit and equity investments that have an income component: U.S. investment grade securities; U.S. high yield corporate bonds; U.S. bank loans, some of which may be part of the Small Business Investment Company loan program; U.S. private loans issued by non-bank lenders; U.S. dollar-denominated loans and public securities backed by global commercial real estate; and public and private debt obligations undergoing financial distress or companies undervalued because of a discrete extraordinary event.

(3) *Private equity:* Limited partnerships and commingled funds that consist of buyouts through the acquisition of shares of a company to gain a controlling interest; and venture or growth investments.

(4) *Real estate:* Limited partnerships that consist of stable and fully leased multi-tenant properties typically within strong, diversified metropolitan markets; value-add opportunities for improving properties that exhibit operational problems, require physical improvements, and/or suffer from capital constraints; and opportunistic underperforming and undermanaged properties, or properties distressed in value.

The Commingled funds positions that were valued using their net asset value do not operate on a commitment and funding model. The commingled funds domestic and international equity positions were redeemable daily or monthly without restrictions and the private equity positions had no redemption options. As of December 31, 2023, the Plans' total committed for commingled funds was $5.0 million, with $1.0 million remaining unfunded. The Plans' total committed amount as of December 31, 2023, was $684.7 million with $181.1 million remaining unfunded.

The following table lists Non-Core Fixed Income investments' redemption restriction information, such as frequencies, notice periods, and restriction lapses, and their capital commitment and unfunded capital commitment as of December 31, 2023, (in thousands):

Non-core fixed income: Investment managers	Capital Commitment	Unfunded Capital Commitment	Redemption Frequency	Redemption Notice Period	Redemption Restriction Lapse
Blackstone	$ 20,000	$ 7,373	No redemption	No redemption	No redemption
LBC	20,000	5,409			
Contrarian	12,500	685			
LBC	12,000	600			
Oaktree	11,000	5,298			
Deerpath	10,000	4,124			
Golub	10,000	1,250			
Marathon	10,000	1,600			
Monroe	10,000	1,500			
Morgan Stanley	10,000	488			
Pimco	10,000	-	Semi-annual	90 days	33% investor gate
RCP	10,000	1,620	No redemption	No redemption	No redemption
Strategic Value	10,000	4,750			
TCW	10,000	5,598			
Crescent	8,000	690			
Ares	7,500	-	Monthly	30 days	None
Blackrock	7,500	689	No redemption	No redemption	No redemption
Deerpath	7,500	667			
HIG Bayside	7,500	2,529			
Marathon	7,500	1,650			
Torchlight	7,500	3,750			
Torchlight	7,500	6,563			
Pimco	6,220	-			
Cerberus CCF	5,000	1,446			
Total	$ 237,220	$ 58,279			

The following table lists Infrastructure investments' redemption restriction information, such as frequencies, notice periods, and restriction lapses, and their capital commitment and unfunded capital commitment as of December 31, 2023, (in thousands):

Infrastructure: Investment managers	Capital Commitment	Unfunded Capital Commitment	Redemption Frequency	Redemption Notice Period	Redemption Restriction Lapse
Brookfield	$ 15,000	$ -	Quarterly	90 days	None, but liquidity must be available
IFM	15,000	-			
JP Morgan	15,000	-			
Tortoise	7,500	719	No redemption	No redemption`	No redemption
Altius	7,000	363			
Infrabridge	5,000	-			
Total	$ 64,500	$ 1,081			

The following table lists Private Equity investments' redemption restriction information, such as frequencies, notice periods, and restriction lapses, and their capital commitment and unfunded capital commitment as of December 31, 2023, (in thousands):

Private Equity: Investment Managers	Capital Commitment	Unfunded Capital Commitment	Redemption Frequency	Redemption Notice Period	Redemption Restriction Lapse
Global Dynamics	$ 20,000	$ 3,433	No redemption	No redemption	No redemption
Ironsides	15,000	2,610			
Ironsides	15,000	4,183			
Nordic	11,000	9,887			
Altius	10,000	1,331			
Bay Hills	10,000	2,200			
Glouston	10,000	2,000			
Lone Star	10,000	-			
Opengate	10,000	5,831			
Riverside	10,000	5,229			
Veritas	10,000	4,442			
BC	8,000	2,482			
L Catterton	7,500	5,565			
New Mountain	7,500	7,500			
Tenex	7,500	3,115			
Ironsides	7,000	-			
Bay Hills	5,000	1,287			
Capital International	5,000	528			
CVC	5,000	1,304			
Glouston	5,000	1,090			
New Mountain	5,000	1,046			
Veritas	5,000	-			
Total	$ 198,500	$ 65,063			

The following table lists Real Estate investments' redemption restriction information, such as frequencies, notice periods, and restriction lapses, and their capital commitment and unfunded capital commitment as of December 31, 2023, (in thousands):

Real Estate: Investment managers	Capital Commitment	Unfunded Capital Commitment	Redemption Frequency	Redemption Notice Period	Redemption Restriction Lapse
Crow	$ 20,000	$ 2,042	No redemption	No redemption	No redemption
Starwood	20,000	2,000			
AEW	10,000	690			
Angelo Gordon	10,000	6,000			
Artemis	10,000	9,269			
Crow	10,000	1,971			
Dune	10,000	343			
Pennybacker	10,000	1,876			
Terracap	10,000	-			
Virtus	10,000	8,083			
Angelo Gordon	7,500	2,944			
Centerbridge	7,500	4,841			
Davis	7,500	1,500			
Machine	7,500	3,188			
Pennybacker	7,500	6,796			
Patron	7,000	2,797			
Dune	5,000	1,303			
Clarion Lion	5,000	-	Quarterly	90 days	None, but liquidity must be available
Invesco	5,000	-		45 days	
Total	$ 179,500	$ 55,643			

(n) Liquidations – DFW's Fiduciary Pension Plans

The Plans receive distributions through liquidation of certain alternative and non-core investments. The following table projects the liquidation of these assets as of December 31, 2023 (in thousands):

Asset Class	One Year	2-5 Years	6-10 Years	Total
Private equity	$ 9,750	$ 71,750	$ 82,000	$ 163,500
Non-core fixed income	18,739	106,000	32,500	157,239
Real estate	5,071	59,500	34,000	98,571
Infrastructure	1,350	5,850	2,500	9,700
Total	$ 34,910	$ 243,100	$ 151,000	$ 429,010

(o) Investments – DFW's Fiduciary OPEB Plan

DFW has contracted with JP Morgan Chase Bank ("Trustee") for custody and safekeeping of investments, accounting for transactions based on the instructions of investment managers, and payment of benefits to participants, subject to the policies and guidelines established by DFW. The OPEB Plan trust fund is invested in accordance with Texas Public Investment Act.

Based on the short-term liquidity requirements of the OPEB Plan and the value of investments held in the trust fund, DFW has determined that the use of an indexed equity mutual fund and an indexed intermediate bond mutual fund are appropriate investments. Both funds are open-ended funds that are registered with the Securities and Exchange Commission. The funds are required to publish their daily net asset value calculated based on the market value of the individual fund holdings, transact publicly at their net asset value per share, and are redeemable by DFW upon request.

DFW has designated a short-term sweep vehicle that automatically sweeps uninvested cash into a money market fund, with the primary goal to preserve capital while maintaining a high degree of liquidity. The fund is regulated by the Securities and Exchange Commission and transacts with participants at a stable net asset value per share and meets criteria in GASB Statement No. 79 permitting it to measure its investments at amortized cost.

OPEB Plan's investments as of December 31, 2023, were as follows (in thousands):

Investments	
Investments measured at fair market value (Level 1)	
Institutional index - Mutual fund	$ 16,370
Total Bond index - Mutual fund	10,936
Total Investments measured at fair market value	27,305
Investments measured at amortized cost	
Money market fund	3,596
Total Investments measured at amortized cost	3,596
Total investments	$ 30,901

(p) Interest Rate Risk – DFW's Fiduciary OPEB Plan

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater sensitivity of its fair value to changes in market interest rates. The investment strategy of the OPEB Plan is to emphasize total return in the form of aggregate return from capital appreciation, dividend, and interest income. The primary objectives over a five-year period for the plan assets are to maintain the purchasing power of the current assets and all future contributions by producing positive real rates of return on the plan assets, meet or exceed the actuarially assumed rate of return, and provide an acceptable level of volatility in both the long and short-term periods. As of December 31, 2023, investments subject to interest rate risk are as follows (in thousands):

	Maturity (in years)		
Investments	0-5	6-10	Total
Institutional Index - Bond fund	$ -	$ 10,936	$ 10,936
Money market fund	3,596	-	3,596
Total	$ 3,596	$ 10,936	$ 14,532

(q) Credit Risk – DFW's Fiduciary OPEB Plan

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk is measured by the assignment of rating by nationally recognized rating agencies such as S&P and Moody's. As of December 31, 2023, the OPEB Plan had no investments that are exposed to credit risk.

(r) Concentration of Credit Risk – DFW's Fiduciary OPEB Plan

Concentration of credit risk is the risk of loss attributed to the magnitude of the Plan's investments in a single user. DFW has approved the following asset allocation guidelines for the OPEB Plan excluding assets held in cash or cash equivalents:

Investment	Minimum	Maximum	Target	Actual
Indexed Equity Mutual Fund	40%	60%	50%	60%
Intermediate Bond Fund	40%	60%	50%	40%

(s) Custodial Risk – DFW's Fiduciary OPEB Plan

All investments are held in the OPEB Plan's name.

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(3) RELATED-PARTY TRANSACTIONS

DFW makes certain payments routinely to the Owner Cities primarily for legal services and water purchases. For the year ended September 30, 2024, payments to those cities amounted to $2.5 million to the city of Dallas and $2.6 million to the city of Fort Worth.

(4) ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES (unrestricted)

A detail of the unrestricted accounts payable and other current liabilities as of September 30, 2024, are as follows (in thousands):

	FY 2024
Unearned revenue	$ 54,041
Accounts payable	53,969
Signatory airline refunds	34,113
Accrued expenditures	20,884
Payroll and employee benefits	15,698
Time off with pay	14,308
Subscriptions	9,878
Insurance	6,535
Deposits	4,887
Other current and accrued liabilities	1,241
Total	$ 215,554

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(5) CAPITAL ASSETS

Capital asset activity during the year ended September 30, 2024, is as follows (in thousands):

Description	Balance October 1, 2023	Additions	Projects Placed in Service	Less Retirements	Balance September 30, 2024
Capital assets not being depreciated					
Land	$ 294,249	$ -	$ -	$ (55)	$ 294,194
Construction in progress	839,909	1,086,998	(160,703)	-	1,766,204
Total capital assets not depreciated	1,134,158	1,086,998	(160,703)	(55)	2,060,398
Depreciable capital assets					
Buildings improvements	4,428,404	-	83,991	(2,682)	4,509,713
Improvements other than buildings	3,933,458	-	76,712	(22,214)	3,987,956
Machinery and equipment	1,354,221	42,683	-	(11,667)	1,385,237
Vehicles	258,616	51,260	-	(6,327)	303,549
Subscription assets	44,386	20,857	-	-	65,243
Total depreciable capital assets	10,019,085	114,800	160,703	(42,890)	10,251,698
Accumulated depreciation					
Buildings improvements	1,750,066	153,148	-	(1,220)	1,901,994
Improvements other than buildings	1,839,821	118,694	-	(16,351)	1,942,164
Machinery and equipment	983,033	67,567	-	(10,716)	1,039,884
Vehicles	205,332	22,519	-	(6,298)	221,553
Subscription assets	6,301	12,276	-	-	18,577
Total accumulated depreciation	4,784,553	374,204	-	(34,585)	5,124,172
Total, net capital assets	$6,368,690	$ 827,594	$ -	$ (8,360)	$ 7,187,924

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(6) DEBT

A summary of bond indebtedness changes during the year ended September 30, 2024, is as follows (in thousands):

Series: Maturity (Due) : Interest Rate	Original Issue Amount	Beginning Balance	Additions	Reduction	Ending Balance	Amounts Due Within One Year
Direct Placement Revenue Bonds						
2017A: Due 11/18-11/24: 1.910 - 2.230%	$ 302,370	$ 173,645	$ -	$ (87,235)	$ 86,410	$ 86,410
Other Revenue Bonds						
2013C: Due 11/34-11/45: 4.750 - 5.000%	242,000	56,600	-	-	56,600	-
2013E: Due 11/14-11/33: 4.000 - 5.250%	225,310	21,740	-	(21,740)	-	-
2013F: Due 11/14-11/33: 3.000 - 5.500%	251,960	21,900	-	(21,900)	-	-
2013G: Due 11/14-11/43: 4.125 - 5.250%	109,060	5,740	-	(5,740)	-	-
2014A: Due 11/14-11/32: 1.000 - 5.250%	201,515	225	-	(225)	-	-
2014C: Due 11/14-11/45: 4.125 - 5.000%	124,285	2,815	-	(2,815)	-	-
2014D: Due 11/14-11/27: 1.000 - 5.000%	78,430	7,565	-	(7,565)	-	-
2019A: Due 11/19-11/45: 1.837 - 3.195%	1,167,060	1,099,770	-	(33,900)	1,065,870	35,055
2020A: Due 11/21-11/35: 4.000 - 5.000%	391,755	391,755	-	(15,135)	376,620	26,580
2020B: Due 11/21-11/45: 4.000 - 5.000%	459,520	420,315	-	(10,005)	410,310	12,585
2020C: Due 11/21-11/50: 1.041 - 3.089%	1,193,985	1,193,985	-	(8,560)	1,185,425	8,650
2021A: Due 11/22-11/46: 3.000 - 5.000%	206,350	206,350	-	-	206,350	5,175
2021B: Due 11/22-11/45: 5.000 - 5.000%	299,305	282,800	-	(16,915)	265,885	18,835
2021C: Due 11/22-11/46: 0.532 - 2.843%	706,230	701,755	-	(13,060)	688,695	24,350
2022A: Due 11/46-11/51: 4.087 - 4.507%	1,188,105	1,188,105	-	-	1,188,105	-
2022B: Due 11/22-11/50: 4.000 - 5.000%	553,760	553,760	-	(7,135)	546,625	3,990
2023A: Due 11/24-11/47: 0.041 - 4.507%	215,275	215,275	-	-	215,275	8,970
2023B: Due 11/24-11/47: 5.000 - 5.000%	691,305	691,305	-	-	691,305	23,305
2023C: Due 11/24-11/33: 5.000 - 5.353%	241,270	241,270	-	-	241,270	19,240
2024: Due 11/28-11/49: 4.000 - 5.000%	723,555	-	723,555	-	723,555	-
Total DFW Debt Outstanding		7,476,675	723,555	(251,930)	7,948,300	273,145
Unamortized Premium (Discount), net		350,507	75,213	(36,861)	388,859	
DFW Debt Payable		$ 7,827,182	$ 798,768	$ (288,791)	$ 8,337,159	$ 273,145

Arbitrage

The Airport frequently issues tax-exempt bonds for capital construction projects. These bonds are subject to the arbitrage regulations. As of September 30, 2024, there was no liability for rebate of arbitrage.

(a) Joint Revenue Bonds

DFW was created by a Contract and Agreement between the Cities, dated April 15, 1968, for the purpose of developing and operating an airport as a joint venture between the Cities. The 1968 Concurrent Bond Ordinance and the 30th Supplemental Bond Ordinance were amended and restated by the Master Bond Ordinance and approved by the Cities of Fort Worth and Dallas on September 21, 2010, and September 22, 2010, respectively. The Master Bond Ordinance became effective on July 5, 2013, after the required approval of bondholders was obtained. In February of 2024, the 68th Supplemental Concurrent Bond Ordinance was adopted.

The 53rd Supplemental Bond Ordinance amends the Master Bond Ordinance making administrative changes to the Additional Obligations Test. These changes became effective through a springing covenant beginning with the issuance of the Taxable Series 2019A Refunding Bonds. Bonds are issued under provisions of the Master Bond Ordinance, Supplemental Bond Ordinances, as approved by the Cities of Fort Worth and Dallas, and Applicable Laws, including Chapter 22 of the Texas Transportation Code, and Chapter 1371 of the Texas Government Code, as amended. DFW is in compliance with all financial bond covenants. The Lease and Use Agreements (“Use Agreement”) with the signatory airlines (the “Airlines”) define DFW’s rate setting methodology and business relationships. The current ten-year Use Agreement became effective on October 1, 2023. Collectively, the aforementioned documents are referred to as the “Controlling Documents”.

Joint Revenue Bonds are issued to pay for the costs of capital improvements at the Airport. The total principal and interest outstanding as of September 30, 2024, is $12.6 billion with a final maturity of November 1, 2051. Revenues derived from the ownership and operations of the Airport are pledged to meet debt service requirements of the bonds issued pursuant to the Controlling Documents. There are no unique default provisions, payment provisions, or collateral pledged. The Controlling Documents require DFW to annually adopt a Schedule of Charges that is: (1) reasonably estimated to produce Gross Revenues in an amount at least sufficient to pay Operation and Maintenance Expenses plus 1.25 times Accrued Aggregate Debt Service, and (2) reasonably estimated to at least produce Current Gross Revenues in an amount at least sufficient to pay Operation and Maintenance Expenses plus 1.00 times Accrued Aggregate Debt Service. The Use Agreement provides for certain transfers of cash from the Rolling Coverage Account to the Operating Revenue and Expense Fund. These annual transfers are considered part of Gross Revenues, but not Current Gross Revenues.

Fiscal Year Ended September 30	2024
1.0x Coverage Calculation - Current Gross Revenues	
Gross Revenues available for debt service	$ 828.7
Less: Transfers and Rolling Coverage	(138.0)
Current Gross Revenues available for debt service	$ 690.7
Debt Service	$ 552.3
Coverage ratio - Current Gross Revenues	1.25
1.25x Coverage Calculation - Gross Revenues	
Total Gross Revenues	$ 1,503.1
Less Operating Expenses	(674.4)
Gross Revenues available for debt service	$ 828.7
Coverage ratio - Gross Revenues	1.50

At the end of each fiscal year, any excess funds in the Operating Revenue and Expense Fund are transferred to the DFW Capital Account and Rolling Coverage Account in the Capital Improvement Fund, as provided in the Use and Lease Agreement. The DFW Capital Account may be used at the discretion of the Airport. The Rolling Coverage Account is funded by excess revenues from the Rolling Coverage sub-cost center, which, unless used during the fiscal year, is equal to the amount transferred at the beginning of the fiscal year, plus any incremental coverage collected during the fiscal year to ensure that rolling coverage is equal to 0.25 times Accrued Aggregate Debt Service.

Effective July 1, 2011, PFC Application 11-10-C-00-DFW authorized the collection and use of $4.2 billion for the purpose of paying debt service on 14 approved PFC projects. PFC collections are approved at the $4.50 level. PFC’s remitted to the Airport by the airlines are deposited into a separate fund, and to the extent available, transferred monthly to the Operating Fund in an amount sufficient to pay eligible debt service. These transferred funds are considered Gross Revenues of the Airport for the purpose of meeting its rate covenants. However, PFC’s may only be used for the purpose of paying eligible debt service on approved PFC projects. All outstanding DFW Joint Revenue bonds are senior lien parity bonds. As such, they are supported by a pledge of Gross Revenues, which includes PFC’s. Failure to collect PFC revenues in an amount sufficient to pay eligible debt service on PFC approved projects would increase net debt service costs recovered through DFW’s rate base (i.e., higher landing fees and terminal rents). In addition, PFC revenue is pledged to pay debt service to the extent that debt service is eligible, and funds are available. Total principal and interest remaining to be paid on the bonds as of September 30, 2024, is $12.6 billion with annual requirements over the next five years ranging from $507.9 million to $555.0 million.

Revenue bond principal is due annually on November 1st, while interest is due semi-annually on November 1st and May 1st. Net revenues of the PFIC are not considered current revenues of the Airport per DFW’s bond ordinance but are available to pay debt service if ever necessary. See PFIC Note 11.

(b) Facility Improvement Corporation Revenue Bonds – Conduit Financing

The Facility Improvement Corporation (“FIC”) is a duly incorporated nonprofit public instrumentality of the State of Texas, created by the Airport’s owner cities, pursuant to Chapter 22 of the Texas Transportation Code for the purpose of providing tax exempt conduit financing for airlines and other qualified tenants within the boundaries of the Airport. Bonds are issued by the FIC on behalf of the beneficial party, and pursuant to a facility agreement are payable solely by the beneficial party. Neither DFW nor the FIC has any obligation for the repayment of these bonds. As of September 30, 2024, the outstanding balance of conduit bonds was $60.2 million.

(c) Fiscal Year 2024 Subordinate Commercial Paper Note Issuance

In FY 2020, the DFW Board authorized the issuance of Subordinate Lien Obligations in the form of Commercial Paper Notes, Taxable Series I, up to the amount of $750.0 million. In FY 2024, the DFW Board approved the Sixty-Seventh Supplemental Bond Ordinance, which created an ongoing Extendable Commercial Paper (“ECP”) program, Tax-Exempt Series II, thereby authorizing up to $600.0 million in aggregate tax-exempt commercial paper principal outstanding at any time. Commercial Paper refers to a short-term, unsecured debt obligation that is issued as an alternative to bond funding. It is a money market instrument that generally comes with a maturity of up to 270 days. Interest on the Commercial Paper Note is paid at the maturity date. DFW Commercial Paper Notes were used to interim finance capital projects on the Airport.

Tranches were taken as funds were needed. In fiscal year 2024, the Airport issued eight Commercial Paper Notes. ECP#1 was issued in the amount of $5.0 million, then rolled into ECP#3, and later defeased with internal funds. ECP#2 was issued in the amount of $145.0 million, then rolled into ECP#4, and later rolled into ECP#7. ECP#5 and ECP#6 were both issued in the amount of $150.0 million each. ECP#5 was rolled into ECP#8. ECP#’s 6,7,and 8 were refunded by Joint Revenue Refunding and Improvement Bonds, Series 2024.

As of September 30, 2024, there were no Commercial Paper Notes, Series I or II outstanding. The following schedule shows all the Notes that were issued and paid as they matured during fiscal year 2024 (in thousands):

Commercial Paper Notes	Issued Date	Maturity Date	Interest Rate	Beginning Balance	Increase	Decrease	Ending Balance
ECP #1	4/5/2024	6/4/2024	4.000%	$ -	$ 5,000	$ (5,000)	$ -
ECP #2	4/5/2024	7/2/2024	4.000%	-	145,000	(145,000)	-
ECP #3	6/4/2024	8/30/2024	3.850%	-	5,000	(5,000)	-
ECP #4	7/2/2024	8/5/2024	3.900%	-	145,000	(145,000)	-
ECP #5	7/10/2024	8/7/2024	4.000%	-	150,000	(150,000)	-
ECP #6	8/2/2024	10/23/2024	3.850%	-	150,000	(150,000)	-
ECP #7	8/5/2024	10/24/2024	3.700%	-	145,000	(145,000)	-
ECP #8	8/7/2024	10/25/2024	3.800%	-	150,000	(150,000)	-
Total Commercial Paper				$ -	$ 895,000	$ (895,000)	$ -

(d) Direct Placement Debt

As of September 30, 2024, DFW had one outstanding direct placement debt issuance for $86.4 million: Series 2017A. The bonds were issued under the exemption provided in Rule 144A of the Securities Act of 1933, as amended, and may only be resold to accredited investors as defined in the Act. There are no unique default provisions, payment provisions, or collateral pledged to either of these issuances other than an indentured Gross Revenue pledge of the Airport on parity with all other Joint Revenue Bonds.

(e) Fiscal Year 2024 Debt Issuance

In September of 2024, DFW issued Joint Revenue Refunding and Improvement Bonds, Series 2024 (non-AMT), for $723.6 million. A premium of $75.2 million was received upon issuance. Series 2024 refunded commercial paper notes for $445.0 million.

(f) Debt Service Requirement

Annual debt service requirements to maturity for bonds are as follows (in thousands):

	Principal		Interest		
Year Ending September 30,	Direct Placement Revenue Bonds	Other Revenue Bonds	Direct Placement Revenue Bonds	Other Revenue Bonds	Total
2025	$ 86,410	$ 186,735	$ 963	$ 280,809	$ 554,917
2026	-	227,855	-	304,239	532,094
2027	-	246,955	-	296,081	543,036
2028	-	221,165	-	286,689	507,854
2029	-	243,040	-	277,808	520,848
2030 - 2034	-	1,513,765	-	1,221,262	2,735,027
2035 - 2039	-	1,459,195	-	904,158	2,363,353
2040 - 2044	-	1,481,715	-	645,394	2,127,109
2045- 2049	-	1,503,235	-	356,721	1,859,956
2050 - 2054	-	778,230	-	63,276	841,506
Total	$ 86,410	$ 7,861,890	$ 963	$ 4,636,437	$ 12,585,700

(g) Debt Service Reserve and Sinking Funds

As of September 30, 2024, the Airport held approximately $809.8 million in reserve funds, consisting of $442.6 million in the debt service reserve fund and $367.2 million in the interest and sinking funds, for use in payment of the above debt service requirements. An additional $3.6 million was held for debt issuance costs. Certain amounts of the joint revenue bonds may be redeemed at par or a premium at various dates at the option of the Cities.

(7) NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets is comprised of the following amounts at September 30, 2024 (in thousands):

	2024
Capital assets	$ 7,187,924
Less: long-term debt payable, portion used for capital activities, and capital related payables	(7,305,970)
Total net investment in capital assets	$ (118,046)

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(8) RESTRICTED NET POSITION

The following table details assets and liabilities payable from restricted assets and the calculation of restricted net position reported in the financial statements as at September 30, 2024 (in thousands):

Description	Public Safety and Other	PFIC	Capital	Debt Service	Passenger Facility Charges	Total
Assets:						
Current						
Cash and cash equivalents	$ 30	$ 7,215	$ 276,401	$ 119,404	$ -	$ 403,050
Total current assets	30	7,215	276,401	119,404	-	403,050
Non-current						
Cash and cash equivalents	5,125	10,487	32,684	319,330	26,714	394,340
Investments	-	10,000	629,900	374,647	25,105	1,039,652
Other restricted assets	434	5,661	-	-	15,151	21,246
Total non-current assets	5,559	26,148	662,584	693,977	66,970	1,455,238
Total current and non-current assets	5,589	33,363	938,985	813,381	66,970	1,858,288
Payable from restricted assets:						
Current						
Accounts payable	30	7,215	276,401	2,543	-	286,189
Accrued interest on revenue bonds	-	-	-	116,861	-	116,861
Total current payable from restricted assets	30	7,215	276,401	119,404	-	403,050
Restricted assets less liabilities	5,559	26,148	662,584	693,977	66,970	1,455,238
Net investment in capital assets:						
Less: Long-term debt associated with reserves and financing	-	-	(938,985)	(442,572)	-	(1,381,557)
Add: Accounts payable, retainage for capital projects	-	-	276,401	-	-	276,401
Net position, restricted	$ 5,559	$ 26,148	$ -	$ 251,405	$ 66,970	$ 350,082
Summary						
Restricted cash	5,155	17,702	309,085	438,734	26,714	797,390
Restricted investments	-	10,000	629,900	374,647	25,105	1,039,652
Total restricted cash and investments	$ 5,155	$ 27,702	$ 938,985	$ 813,381	$ 51,819	$ 1,837,042

(9) RETIREMENT PLANS

(a) *Plan Descriptions*

DFW has two fiduciary defined-benefit pension plans covering substantially all DFW employees: the employees of Dallas Fort Worth International Airport Retirement Plan ("Employee Plan") and the Department of Public Safety Retirement Plan ("DPS Plan") that were established by Board resolution. Both plans ("Retirement Plans", collectively) are single-employer public employee retirement system plans in which the assets are held in an investment trust. Employees vest after five years of service and are eligible for early retirement at ages 55-61 and full retirement benefits at age 62 and after. Pension benefits increase by a cost-of-living adjustment each January 1.

The Board has the authority to establish and amend the Retirement Plans' benefit terms and contribution requirements. The Executive Vice President of Administration and Diversity and the Vice President of Human Resources serve as the "Plan Administrators". The management of the assets of the Retirement Plans is the responsibility of the DFW Board's Retirement/Investment Committee, the Executive Vice President/CFO, and the Vice President of Treasury Management.

The fiscal year-end for the Retirement Plans is December 31. Copies of the Retirement Plans' annual report may be obtained on DFW's website at www.dfwairport.com/investors.

<u>Employee Plan</u> - All regular employees who commenced employment prior to January 1, 2010, other than DPS officers, are covered by the Employee Plan. Benefits vest after five years of service. DFW employees who retire are entitled to an annual retirement benefit, payable monthly for life in an amount equal to a percentage of final average monthly compensation times credited service (number of years) plus an annual cost of living adjustment (as defined by the Employee Plan). Employees can also elect a limited lump-sum distribution. The Employee Plan also provides early retirement, death, and disability benefits. As of January 1, 2010, the Employee Plan was closed to new employees.

<u>DPS Plan</u> - The DPS Plan was established effective October 1, 1999, when the assets and liabilities accrued by public safety officers eligible for the DPS Plan prior to October 1, 1999, were transferred from the Employee Plan to the DPS Plan in compliance with the requirements of IRS Code Section 414(1). The public safety officers who retired or terminated employment prior to October 1, 1999, were not eligible for the DPS Plan and will continue to receive their benefits, if any, from the Employee Plan.

The DPS Plan permits early retirement at ages 55 to 61, or upon satisfaction of the "Rule of 80" or the "25 and out" rule. The "Rule of 80" is the attainment of age 50 and the completion of the number of years of benefit service that when added to the participant's age equals the sum of 80. The "25 and out" rule is the attainment of twenty-five (25) years of benefit service in a DPS covered position.

DPS covered employees receive pension benefits in the form of a qualified joint and survivor annuity; however, an employee may request optional forms of pension benefit payments upon written request to the Plan Administrator. Other forms of payment of accumulated plan benefits include lump-sum distribution upon retirement or termination or equal monthly payments for life.

Death and Disability Benefits - If an active employee participating in either of the Plans dies, a death benefit is provided to the employee's beneficiary calculated under the provisions of both the Employee Plan and DPS Plan. Active employees who become disabled receive disability compensation in accordance with DFW's Long Term Disability Income Plan. Upon returning to employment after the disability period, the employee's years of service are determined without regard to the disability period. Employees on long-term disability will continue to accrue pension service credits while on disability.

Membership - The number of participants covered by the Plans according to current membership classification on December 31, 2023, was as follows:

	Employee	DPS	Total
Inactive plan members or beneficiaries currently receiving benefits	1,616	248	1,864
Inactive plan members entitled to but not yet receiving benefits	325	52	377
Active plan members	348	379	727
Total plan members	2,289	679	2,968

(b) Funding Policies

DFW determines each Retirement Plan's funding policy. In general, DFW contributes an amount greater than or equal to the actuarially determined contribution for the year. In some years, however, DFW funds additional contributions to help retire the unfunded pension obligation sooner. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the actuarial accrued liability.

Employer contributions are generally made annually, in the fiscal year following the Retirement Plans' calendar year and recognized as additions in the period in which employee services are performed. Employee contributions are required for the DPS Plan, but not permitted for the Employee Plan.

DFW's actuarially determined contribution and contributions during fiscal year 2024, for the Plans' year ended December 31, 2023, were as follows (in thousands):

	Employee	DPS	Total
Actuarially determined contribution	$ 19,720	$ 10,339	$ 30,059
Contributions in relation to the actuarially determined contribution	24,120	12,481	36,601
Contribution deficiency (excess)	$ (4,400)	$ (2,142)	$ (6,542)

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(c) Actuarial Assumptions: Contributions, Net Pension Liability

The annual actuarial valuation is performed to determine the adequacy of current contribution rates, to describe the current financial condition of the Plans, and to analyze changes in the Plans' condition. The actuarially determined contribution requirements for the DFW's fiscal years are computed through an actuarial valuation performed as of January 1, of each year for payment in the following fiscal year. DFW's net pension liability was measured as of January 1, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. Significant actuarial assumptions for valuations performed January 1, 2024, are as follows:

Significant Actuarial Assumptions	Employee Plan	DPS Plan
Valuation date	For the year beginning January 1, 2024.	For the year beginning January 1, 2024.
Actuarially assumed investment return	7.00% per annum compounded annually, net of investment expenses. Administrative expenses are added to the annual Actuarially Determined Contribution.	7.00% per annum compounded annually, net of investment expenses. Administrative expenses are added to the annual Actuarially Determined Contribution.
Mortality rates for males and females:	Experience-based table of rates that are specific to the class of employee. Last updated for the 2023 valuation pursuant to an experience study for the period ending December 31, 2020.	Experience-based table of rates that are specific to the class of employee. Last updated for the 2023 valuation pursuant to an experience study for the period ending December 31, 2020.
a. Retirees: Non-Disabled (Healthy)	Retirement Plans gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.	Retirement Plans gender-distinct Pub-2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.
b. Retirees: Disabled	Retirement Plans gender-distinct Pub-2010, General, Healthy Retiree tables with a 3-year set-forward. The rates are projected on a fully generational basis by the long-term rates of scale MP 2020 to account for future mortality improvements. A minimum rate of 0.03 is applied to male and 0.03 to female.	Retirement Plans gender-distinct Pub-2010, Public Safety, Healthy Retiree tables with a 3-year set-forward. The rates are projected on a fully generational basis by the long-term rates of scale MP 2020 to account for future mortality improvements. A minimum rate of 0.03 is applied to male and 0.03 to female.
c. Pre-retirement (Active)	Retirement Plans gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.	Retirement Plans gender-distinct Pub-2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.
Retirement, disablement, and separation rate	Graduated rates based on age or years of employment (detailed in actuary's report).	Graduated rates based on age or years of employment (detailed in actuary's report).
Actuarial cost method	Entry Age Normal Level Percentage of Pay.	Entry Age Normal Level Percentage of Pay.
Cost of living adjustment (at core inflation rate)	2.50% per annum.	2.50% per annum.
Projected salary increases	Variable Rate (3.50% to 6.00%) of increase based on years of services which includes inflation rate (2.50%).	Variable Rate (3.50% to 11.25%) of increase based on years of services which includes inflation rate (2.50%).
Asset valuation method: Net pension liability	Fair value.	Fair value.
Asset valuation method: Actuarially determined contribution	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 133% of the FVA.	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 133% of the FVA.
Employee contribution rate	Not applicable.	7.0% of compensation.

(d) Real Rate of Return for the Asset Portfolio

The table below provides real rates of return and expected rates of return by asset class. The long-term expected rate of return on pension plan assets was determined using a building block method in which best-estimate range of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding the expected inflation. The target allocation and the best estimates of the geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Geometric Real Return	Asset Class Return
Domestic Equity	20.0%	4.1%	0.8%
International / Global Equity	17.5%	5.3%	0.9%
Core Fixed Income	10.0%	2.0%	0.2%
Non-Core Fixed Income	15.0%	3.0%	0.5%
Real Estate	12.5%	3.7%	0.5%
Private Equity	12.5%	7.1%	0.9%
Infrastructure (Real Assets, MLPs)	10.0%	3.9%	0.4%
Cash	2.5%	0.9%	0.0%
Total	100.0%		4.2%
Inflation			2.5%
Geometric return before impact of asset correlation			6.7%
Expected impact from diversified portfolio			0.3%
Expected geometric mean return (50th percentile)			7.0%

The average expected geometric return on the portfolio was 7.0%, which was consistent with the 7.0% long-term expected rate of return assumption. The expected impact from a diversified portfolio is the balancing item based on the difference between the multiplicative returns by asset class and the expected return based on the expected correlations between asset classes.

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(e) Sensitivity of Net Pension Liability

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that DFW contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Retirement Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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 following table presents the net pension liability of DFW, calculated using the discount rate of 7.00%, as well as what the DFW's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

Plan	1% Decrease from 7.00% to 6.00%	Current Discount Rate 7.00%	1% Increase from 7.00% to 8.00%
Employee	$ 212,946	$ 121,386	$ 44,841
DPS	106,533	59,101	20,333
Total DFW plans	$ 319,479	$ 180,488	$ 65,174

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(f) Changes in Net Pension Liability

Changes in DFW's net pension liability for its Employee and DPS plans for DFW's fiscal year 2024 are as follows (in thousands):

Employee Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances as of September 30, 2023	$ 732,552	$ 586,871	$ 145,681
Changes for the year:			
Service cost	4,702	-	4,702
Interest	50,258	-	50,258
Difference between expected and actual experience	(4,250)	-	(4,250)
Contributions - employer	-	19,720	(19,720)
Net investment income (loss)	-	56,224	(56,224)
Benefit payments, including refunds of employee contributions	(34,358)	(34,358)	-
Administrative expense	-	(941)	941
Net changes	16,352	40,645	(24,293)
Balances at September 30, 2024	$ 748,904	$ 627,516	$ 121,388

DPS Plan	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2023	$ 309,419	$ 254,312	$ 55,107
Changes for the year:			
Service cost	8,457	-	8,457
Interest	21,245	-	21,245
Difference between expected and actual experience	11,539	-	11,539
Contributions - employer	-	10,339	(10,339)
Contributions - employee	-	2,479	(2,479)
Net investment income (loss)	-	24,845	(24,845)
Benefit payments, including refunds of employee contributions	(20,509)	(20,509)	-
Administrative expense	-	(415)	415
Net changes	20,732	16,739	3,993
Balances at September 30, 2024	$ 330,151	$ 271,051	$ 59,100

Retirement Plans	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2023	$ 1,041,971	$ 841,183	$ 200,788
Changes for the year:			
Service cost	13,159	-	13,159
Interest	71,503	-	71,503
Difference between expected and actual experience	7,289	-	7,289
Contributions - employer	-	30,059	(30,059)
Contributions - employee	-	2,479	(2,479)
Net investment income (loss)	-	81,069	(81,069)
Benefit payments, including refunds of employee contributions	(54,867)	(54,867)	-
Administrative expense	-	(1,356)	1,356
Net changes	37,084	57,384	(20,300)
Balances at September 30, 2024	$ 1,079,055	$ 898,567	$ 180,488

(g) Pension Expense

For the year ended September 30, 2024, DFW recognized pension expense as follows (in thousands):

	Employee	DPS	Total
Pension Expenses	$ 15,255	$ 11,482	$ 26,737

(h) Deferred Inflows and Outflows of Resources

At September 30, 2024, DFW reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	Employee Plan		DPS Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 1,379	$ 12,667	$ 5,168	$ 12,667	$ 6,547
Net difference between projected and actual earnings on pension plan investments	16,624	-	6,690	-	23,314	-
Assumption Changes	-	-	1,500	-	1,500	-
Contributions subsequent to measurement date	4,400	-	2,142	-	6,542	-
Total	$ 21,024	$ 1,379	$ 22,999	$ 5,168	$ 44,023	$ 6,547

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases and decreases to pension expense in future years as follows (in thousands):

Year ending September 30:	Employee Plan	DPS Plan	Total
2025	$ 2,115	$ 2,622	$ 4,737
2026	2,758	2,347	5,105
2027	13,621	6,747	20,368
2028	(3,249)	(516)	(3,765)
2029	-	1,291	1,291
Thereafter	-	3,198	3,198
Total	$ 15,245	$ 15,689	$ 30,934

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(10) OTHER POST-EMPLOYMENT BENEFITS (OPEB)

(a) *Plan Descriptions*

General

The DFW OPEB Plan is a single employer defined benefit other than pension plan covering qualified retirees of DFW. The OPEB Plan was established and derives its authority from a DFW resolution effective September 2007. The OPEB Plan is administered by the DFW Board with the Executive Vice President of Administration and Diversity and the Vice President of Human Resources serving as the "Plan Administrators". The management of the assets and any amendments of the OPEB Plan are the responsibility of the DFW Board's Retirement Committee, the Executive Vice President - CFO and the Vice President of Treasury Management.

The fiscal year-end for the OPEB Plan is December 31.

OPEB Plan Eligibility

The OPEB Plan provides retiree health care for qualified retired employees under age 65 and their eligible dependents and beneficiaries when required criteria are met. To be eligible to enroll as a retiree in available DFW medical plans, the following criteria must be met: (1) Was covered by one of the DFW medical plans immediately prior to termination of employment, (2) Either: (a) Had attained at least age 55 and had at least 5 consecutive years of service, or (b) Participated in the DPS Retirement Plan and had attained Early Retirement Age under the DPS Plan at the time of termination, (3) Was not receiving any long term disability benefits under a DFW plan at the time of termination, and (4) Elects to participate within the designated timeframe.

To be eligible as a retiree's dependent or beneficiary, the dependent/beneficiary must be either: a legal spouse/domestic partner under age 65 or a child under the age of 26, and enrolled in one of DFW's medical plans.

Health Care Benefit

The health care coverage offered to active employees is available to retirees (under age 65) and their eligible dependents. The benefit includes medical, prescription drug, and vision coverage.

Insurance Premiums

OPEB plan participants pay the full DFW employee insurance premium. As of January 1, 2003, DFW provides a subsidy to eligible employees. The subsidy offers a monthly credit of $20 multiplied by the employee's completed years of service, up to a maximum benefit of $400 per month (20 years of service). These credits have no cash value and can only be used toward reducing the insurance premium. Retirees pay the total amount charged to DFW, less the retiree's subsidy.

To be eligible for the subsidy, retirees must have retired after January 1, 2003, have 10 or more years of service, have been enrolled continuously in a DFW medical plan, and immediately draw retirement benefits.

Medicare Supplement Plan

DFW offers a PPO Medicare Supplement Plan for retirees and/or their spouses aged 65 or older. The retiree and/or spouse must transfer to the Medicare Supplement Plan by the first of the month following their 65th birthday if they choose to remain on the DFW Plan. Retirees pay the total amount charged to DFW. Dental coverage is not available under the retiree benefits program.

Effective January 1, 2010, Medicare eligible retirees are no longer eligible for prescription drug coverage under the DFW Retiree Medical Plan. To be eligible for the Medicare Supplement Plan, a retiree or spouse must be 65 years of age and currently enrolled in a DFW medical plan, have applied for the Medicare Supplement Plan two months prior to turning age 65, and transition to a Medicare Supplement Plan the first of the month following their 65th birthday.

Membership

The number of participants covered by the Plans according to current membership classification on January 1, 2024, was as follows:

	FY 2024
Inactive plan members or beneficiaries currently receiving benefits	187
Active plan members	2,109
Total plan members	2,296

(b) ***Funding Policies***

DFW determines the OPEB Plan funding policy. In general, DFW contributes an amount approximately equal to the OPEB Actuarially Determined Contribution ("ADC") for the year. In some years, however, DFW has funded additional contributions to help retire the unfunded liability sooner. The significant actuarial assumptions used to compute the actuarially determined contribution requirement are the same as those used to compute the actuarial accrued liability.

Employer contributions are generally made annually and recognized as additions in the period in which employee services are performed. Employee contributions are not permitted.

The actuarially determined contribution requirements for the DFW's fiscal years are computed through an annual actuarial valuation performed as of January 1. The annual actuarial valuation is performed to determine the adequacy of current contribution rates, to describe the current financial condition of the OPEB Plan, and to analyze changes in condition.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Projections of benefits are based on the plan and include the types of benefits in force at the valuation date and the pattern of sharing benefit costs between DFW and the plan members to that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

DFW's actuarially determined contribution and contributions for fiscal year 2024 are as follows (in thousands):

	FY 2024
Actuarially determined contribution	$ 1,229
Actual contribution	1,229
Contribution deficiency (excess)	$ -

(c) ***Actuarial Assumptions: Contributions, Net OPEB liability (asset)***

The annual actuarial valuation is performed to determine the adequacy of current contribution rates, to describe the current financial condition of the Plan, and to analyze changes in the Plan's condition. The actuarially determined contribution requirements for the DFW's fiscal years are computed through an actuarial valuation performed as of January 1, of each year for payment in the following fiscal year. DFW's net OPEB liability (asset) was measured as of January 1, 2024, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. Significant actuarial assumptions for valuations performed January 1, 2024, are as follows:

OPEB Plan	
Valuation date	January 1, 2024.
Actuarially assumed investment return	6.50% per annum compounded annually.
Mortality rates for males and females	Healthy Retirees and beneficiaries: Gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables for General Employees and Gender-distinct Pub-2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. The rates are projected on a fully generational basis by the long-term rates of scale MP 2020 to account for future mortality improvements.
Retirement, disablement, and separation rate	Graduated rates based on age (detailed in actuary's report).
Actuarial cost method	Individual Entry Age Normal (Actuarial Cost Method).
General inflation	2.50% per annum.
Payroll growth rate	3.50% per annum.
Salary increase rate	3.50% to 6.00% for Employees and 3.50% to 11.25% for DPS employees, including inflation rate (2.50%).
Health cost trend rates	Initial rates of 7.0%, declining to a rate of 4.25% after 14 years.
Participation rate	Rates vary based on years of service: 20% for less than 10 years, 30% for 10-14 years, 40% for 15-19 years, and 80% for those with 20 or more years.
Method used for determining actuarial value of assets	Market value of assets.
Unfunded Actuarial Accrued Liabilities (UAAL) Amortization method	Level percent-of-payroll contributions, closed.
Remaining UAAL amortization	15 years.

(d) *Real Rate of Return for the Asset Portfolio*

The table below provides expected real rates of return by asset class. The long-term expected rate of return on OPEB plan assets was determined using a building block method in which best-estimate range of expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates by the target asset allocation percentage and by adding the expected inflation. The target allocation and the best estimates of the geometric real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Geometric Real Return	Asset Class Return
Domestic Equity	50.0%	4.13%	2.06%
Fixed Income	50.0%	2.48%	1.24%
Total	100.0%		3.30%
Inflation			2.50%
Geometric return before impact of asset correlation			5.80%
Expected impact from diversified portfolio			0.70%
Expected geometric mean return (50th percentile)			6.50%

The average expected geometric return on the portfolio was 6.5%, which was consistent with the 6.5% long-term expected rate of return assumption. The expected impact from a diversified portfolio is the balancing item based on the difference between the multiplicative returns by asset class and the expected return based on the expected correlations between asset classes.

(e) *Sensitivity of Net OPEB Liability (Asset) – Discount Rate*

The discount rate used to measure the total OPEB liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that DFW contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

The following table presents the net OPEB liability (asset) of DFW, calculated using the discount rate of 6.50%, as well as what the DFW's net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	1% Decrease from 6.50% to 5.50%	Current Discount Rate 6.50%	1% Increase from 6.50% to 7.50%
Net OPEB Liability (Asset)	$ 1,713	$ (434)	$ (2,425)

(f) *Sensitivity of Net OPEB Liability (Asset) – Healthcare Cost Trend Rate*

Regarding the sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rates, the following presents the plan's net OPEB liability (asset), calculated using the assumed trend rates as well as what the plan's net OPEB liability (asset) would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Net OPEB (Asset)	$ (2,775)	$ (434)	$ 2,290

(g) *Annual Money-Weighted Rate of Return*

The annual money-weighted rate of return on OPEB plan investments is calculated as the internal rate of return on OPEB plan assets, net of OPEB plan investment expense. The money-weighted rate of return expresses investment performance adjusted for the changing amounts invested. OPEB plan investment expense is measured on an accrual basis of accounting. Inputs to the internal rate of return are determined monthly. For the year ended December 31, 2023, the money-weighted rate of return for the Plan's investments was 15.6%.

(h) *Changes in Net OPEB Liability (Asset)*

Changes in DFW's net OPEB liability (asset) for fiscal year 2024 as follows (in thousands):

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balances at September 30, 2023	$ 28,134	$ 28,561	$ (427)
Changes for the year:			
Service cost	1,401	-	1,401
Interest	1,767	-	1,767
Differences between expected and actual experience	1,121	-	1,121
Changes of assumptions	1,169	-	1,169
Employer contributions	-	1,229	(1,229)
Net investment income	-	4,279	(4,279)
Benefit payments	(3,316)	(3,316)	-
Administrative expense	-	(43)	43
Net changes	2,142	2,149	(7)
Balances at September 30, 2024	$ 30,276	$ 30,710	$ (434)

OPEB plan's fiduciary net position as a percentage of the total OPEB liability for fiscal year 2024 was 101.43%.

(i) *OPEB Expense*

For the year ended September 30, 2024, DFW recognized OPEB Expenses in the amount of (in thousands) $466.

(j) ***Deferred Inflows and Outflows of Resources***

At September 30, 2024, DFW reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 5,006	$ 7,062
Difference between projected and actual earnings on OPEB plan investments	1,351	-
Assumption Changes	1,869	640
Total	$ 8,226	$ 7,702

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as decreases to OPEB expense in future years as follows (in thousands):

Years ending, September 30:	FY 2024
2025	$ (338)
2026	8
2027	589
2028	(874)
2029	13
Thereafter	1,126
Total	$ 524

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(k) *OPEB financial reports*

Separate GAAP financial statements have not been issued for DFW's OPEB plan. Condensed DFW OPEB financial statements are as follows (in thousands):

Dallas Fort Worth International Airport
Statement of Fiduciary Net Position - OPEB Plan
As of December 31, 2023
(Amounts in Thousands)

Assets		
Investments	$	30,918
Total assets		30,918
Liabilities		
Premiums/ Claims Payable		203
Trustee Fees Payable		5
Total liabilities		208
Fiduciary Net Position Restricted for OPEB	$	30,710

Dallas Fort Worth International Airport
Statement of Changes in Fiduciary Net Position - OPEB Plan
(Amounts in Thousands)

Additions		
Contributions		
Employer contributions	$	1,229
Total contributions		1,229
Plan's interest-in Master Trust investment gain (loss)		3,535
Dividends		586
Interest		158
Total investment income (loss)		4,279
Total additions		5,508
Deductions		
Benefits paid to plan members and beneficiaries		3,316
Administrative fees		43
Total deductions		3,359
Net increase in fiduciary net position		2,149
Fiduciary net position restricted for OPEB		
At beginning of the year		28,561
At end of the year	$	30,710

(11) PFIC BACKGROUND AND FINANCIAL INFORMATION

The Public Facility Improvement Corporation ("PFIC") is a duly incorporated public instrumentality of the State of Texas, created on December 14, 2000, by the Airport's owner cities. The PFIC was created pursuant to Chapter 22 of the Texas Transportation Code for the purpose of financing, equipping, and operating one or more public facilities within the boundaries of the Airport. PFIC projects require approval of the Owner Cities, Dallas, and Fort Worth. Active PFIC projects are described below.

Grand Hyatt Hotel

In 2001, the PFIC issued approximately $75 million of Hotel Revenue Bonds (Series 2001) for the construction of a 298-room Grand Hyatt Hotel which opened in 2005 (located in Terminal D). The hotel was constructed by the Airport under the terms of a Hotel Development Agreement, entered between the Airport and the PFIC. The hotel is owned by DFW and leased to the PFIC which operates the hotel on behalf of the Airport. The PFIC entered into a fixed fee management agreement with Hyatt Corporation. All hotel revenues are remitted to the PFIC which then reimburses Hyatt for all operating expenses of the hotel. In 2012, DFW issued joint revenue bonds for the purpose of refunding the outstanding Hotel Revenue Bonds. These 2012 bonds were again refunded in 2021. DFW and the PFIC also entered into a facility agreement whereby the PFIC transfers the amount of accrued debt service and coverage to the Airport each month. The PFIC also makes monthly contributions to a furniture, fixtures, and equipment account and a capital account for the continual renewal and improvement of the hotel. Any excess funds are held by the PFIC and may be used for improvements to the hotel, granted to the Airport, or for other PFIC projects approved by the Owner Cities.

Hyatt Place Hotel

In early 2016, DFW opened a 137-room limited-service Hyatt Place Hotel in the Southgate Development area near the Rent-A-Car ("RAC") facility. The hotel was constructed with PFIC cash. The hotel is owned by the Airport and leased to the PFIC which operates the hotel on behalf of the Airport. The PFIC entered into a fixed fee management agreement with Hyatt Corporation. All hotel revenues are remitted to the PFIC which then reimburses the Hyatt for all operating expenses of the hotel. The PFIC also makes monthly contributions to a furniture, fixtures and equipment account and a capital account for the continual renewal and improvement of the hotel. Any excess funds are held by the PFIC and may be used for improvements to the Hyatt Place Hotel, granted to the Airport, or for other PFIC projects approved by the Owner Cities.

Consolidated Rent-A-Car Facility

In 1998 and 1999, the Facility Improvement Corporation (FIC) issued approximately $160 million of bonds for construction of a consolidated rental car facility ("RAC"). These bonds were secured by a facility agreement between the FIC and the Rent-A-Car companies, which provided that the RAC companies would collect and remit to a trustee a Customer Facility Charge ("CFC") for each rent-a-car transaction day. In FY 2011, DFW issued the 2011A Joint Revenue Bonds for the purpose of refunding all the outstanding Rent-A-Car bonds and eliminating the trust requirement. In 2012, the Owner Cities approved the RAC Facility as an authorized PFIC Project and approved the transfer of all RAC assets, liabilities, and responsibilities from the FIC to the PFIC. DFW and the PFIC also entered into a Facility Agreement whereby the PFIC transfers the amount of accrued debt service and coverage relating to the 2011A bonds to the Airport each month. The 2011A bonds were paid in FY 2022.

The CFC is currently $4.00 per transaction day and the PFIC Board has the authority to change the CFC rate at any time. The RAC companies also collect a Customer Transportation Charge ("CTC"), currently $2.50, which is remitted directly to the PFIC to pay for the costs of operating and maintaining the RAC bus fleet. Any excess funds are held by the PFIC and may be used for improvements to the RAC Facility, to purchase buses, granted to the Airport, or for other PFIC projects approved by the Owner Cities.

Campus West

In February of 2019, the previous Campus West tenant made a one-time lease buyout payment of $40 million to the PFIC assigning its property lease of 77 acres in exchange. The prior lease term had run through February of 2083 (vacated by Braniff Airlines as part of its bankruptcy). The PFIC manages the property, collects ground and facility rents, and continues to remit the ground lease proceeds vacated by the previous tenant, to the Operating Revenue and Expense Fund. The PFIC currently leases a portion of this land and facilities. Any excess funds are held by the PFIC and may be used for improvements to Campus West, granted to the Airport, or for other PFIC projects approved by the Owner Cities.

Hyatt House

In February of 2019, the Cities approved a third hotel, the Hyatt House, to be built next to the Hyatt Place in Southgate. Construction of this hotel has been postponed indefinitely.

DFW Debt Service

In 2019, the Cities approved DFW debt service as an approved project. The Airport requested this to assure investors and rating agencies that the PFIC's unencumbered cash would be used to pay DFW's debt service in the unlikely event that DFW could not pay debt service from the other funds. PFIC net revenues are not considered as gross revenues of the Airport.

19th Street Cargo

In 2022, the Cities approved 19th Street Cargo for the development of new cargo facilities for DFW. Demolition of obsolete structures and site preparation are in process.

Select PFIC Results by Approved Project

The following table highlights the current assets and liabilities as of September 30, 2024, and operating revenues and expenses for the same year ended. For the purposes of this table current assets includes current and other assets. Management fees are reported separate from other operating expenses. The results are presented by PFIC project (in thousands):

	Rental Car Center	Grand Hyatt	Hyatt Place	Campus West	PFIC Reserves	PFIC
Current assets	$ 66,080	$ 30,626	$ 6,603	$ 16,911	$ 157,090	$ 277,310
Current liabilities	2,388	4,198	629	940	-	8,155
Operating revenues	$ 14,962	$ 47,458	$ 7,478	$ 5,523	$ -	$ 75,421
Operating expenses	16,267	25,524	4,872	867	-	47,530
Management fees	-	2,058	484	-	-	2,542
Operating income (loss)	$ (1,305)	$ 19,876	$ 2,122	$ 4,656	$ -	$ 25,349

Condensed PFIC financial statements are as follows (in thousands):

	PFIC	Airport	DFW
Current assets	$ 277,310	1,745,422	$ 2,022,732
Capital assets	-	7,187,924	7,187,924
Other assets	27,661	3,000,905	3,028,566
Total assets	304,971	11,934,251	12,239,222
Deferred outflows of resources	-	52,249	52,249
Total assets and deferred outflows of resources	304,971	11,986,500	12,291,471
Current liabilities	8,155	883,594	891,749
Long-term liabilities	-	8,301,017	8,301,017
Total liabilities	8,155	9,184,611	9,192,766
Deferred inflow of resources	6,891	1,645,465	1,652,356
Total liabilities and deferred inflows of resources	15,046	10,830,076	10,845,122
Net Investment in capital assets	-	(118,046)	(118,046)
Restricted net position	26,148	323,934	350,082
Unrestricted net position	263,777	950,536	1,214,313
Net position	$ 289,925	$ 1,156,424	$ 1,446,349
PFIC	$ 75,421	$ -	$ 75,421
Airport	-	1,173,269	1,173,269
Total operating revenues	75,421	1,173,269	1,248,690
PFIC	50,072	-	50,072
Airport	-	705,256	705,256
Depreciation and amortization	-	374,204	374,204
Total operating expenses	50,072	1,079,460	1,129,532
Operating income (loss)	25,349	93,809	119,158
Non-operating revenues (expenses)	41,410	107,928	149,338
Transfers for debt service	(5,115)	5,115	-
Transfers for capital assets	(47,413)	47,413	-
Capital contributions	-	160,377	160,377
Increase in net position	14,231	414,642	428,873
Net position - October 1	275,695	741,781	1,017,476
Total net position, end of year	$ 289,926	$ 1,156,423	$ 1,446,349
Net cash provided by (used in):			
Operating activities	$ 25,238	$ 488,373	$ 513,611
Capital and related financing activities	(14,116)	(417,681)	(431,797)
Investing activities	(44,108)	192,551	148,443
Net increase (decrease) in cash and cash equivalents	(32,986)	263,243	230,257
Cash and cash equivalents, beginning of year	146,015	858,582	1,004,597
Cash and cash equivalents, end of year	$ 113,029	$ 1,121,825	$ 1,234,854

(12) LEASES

DFW is a lessor for non-cancelable leases of land, buildings, and other capital assets. In accordance with GASB Statement No. 87, *"Leases"*, DFW recognizes lease receivable and deferred inflows of resources at commencement of the lease term, with exceptions for certain regulated leases, and short-term leases.

a) Regulated Leases

Regulated leases comprise certain agreements with airline tenants that govern the use of airport gates, aprons, airline ticket counters, ticketing and check-in stations, baggage claim facilities, and other aeronautical uses. These agreements are subject to the U.S. Department of Transportation and the Federal Aviation Administration regulations and oversight that set limits on lease rates and require consistent terms to tenants. The regulations require leasing opportunities are made available to any potential lessee should a facility become vacant. In accordance with Statement No. 87, DFW recognizes lease payments related to regulated leases as inflows of resources (revenues) based on payment provisions of those agreements.

DFW operates under signatory airlines use and lease agreements and non-signatory airlines lease agreements. These agreements define the responsibilities of the Airport, and the airlines, and establish a cost structure to operate airfield and terminal facilities primarily through charges to airlines in the forms of landing fees, terminal rents, gate and hardstand rental fees, and federal inspection service fees. Landing fees are charged for each landing at DFW based on the weight of the aircraft. Terminal rents are set at the beginning of each fiscal year and adjusted during the year to estimate the annual cost to operate terminal buildings and allocated to airlines based on square footage occupied. Gate and hardstand rental fees are based on usage of those facilities. Federal inspection service fees are charged for each arriving international passenger.

DFW considers all airline fees as variable because they are based on future usage of airfield and terminal facilities. DFW recorded revenues related to these agreements of approximately $592.8 million during the year ended September 30, 2024.

b) *Non-regulated Leases*

These contracts convey control of the right to use DFW's assets and facilities for non-aeronautical uses. The contracts are not subject to external laws, regulations, or legal rulings. Lease inflows for non-regulated leases with maximum possible term greater 12 months, at commencement of the lease, are recognized in accordance with the provisions of GASB Statement No. 87. Lease inflows for non-regulated leases with maximum possible term of 12 months or less, at commencement of the lease, are recognized in accordance with the payment provisions of those leases. DFW's non-regulated leases are grouped into the following categories:

i. <u>*Ground and facilities*</u>
The Airport is a lessor for agreements with tenants that develop DFW's real estate for airport related uses, and concurrent commercial development. The agreements require periodic payments based on ground and facilities rental rates or other amounts as specified in each lease agreement. In addition, these agreements may require payment of reimbursable costs and other variable payments. Variable inflows were not included in the measurement of the lease receivable.

ii. *Concessions*

DFW is a lessor on contracts that provide Concessionaires the right to operate at the Airport. These agreements typically require an operator to pay a minimum guaranteed annual rent amount plus a percentage of their gross receipts above a certain threshold. The agreements may also require the operator to reimburse costs the Airport incurs to maintain areas and facilities used for operations. Performance based and variable inflows are not included in the measurement of the lease receivable.

iii. *Rent-A-Car*

DFW leases space to car rental companies at the on-site car rental facility. These agreements require payment of ground rents based on the Airport's ground rental rate and the acreage leased. Inflows for ground rents were included in the measurements of the lease receivable. Additionally, the agreements require certain payments based on the lessees' gross receipts in the form of minimum annual guaranteed rents and percent rents, reimbursement to DFW of certain costs it incurs to maintain the car rental facility, and the costs associated with public transportation services to and from the terminal areas. Lessees that conduct rental operations from facilities outside of the Airport's boundaries are required to pay a percent rent based on their gross receipts, and certain reimbursable costs to the Airport. The performance based and variable inflows are not included in the measurement of the lease receivable.

The expected future lease payments that are included in measurement of the lease receivable as of September 30, 2024, are as follows (in thousands):

Years	Principal	Interest	Total
2025	$ 80,965	$ 50,812	$ 131,777
2026	73,212	49,025	122,237
2027	68,440	47,093	115,533
2028	59,908	45,807	105,715
2029	48,352	44,167	92,519
2030 - 2034	254,086	233,786	487,872
2035 - 2039	187,648	125,396	313,044
2040 - 2044	247,297	117,210	364,507
2045 - 2049	225,524	74,884	300,408
2050 - 2054	184,690	45,977	230,667
2055 - 2059	157,019	21,148	178,167
2060 - 2064	52,536	5,191	57,727
2065 - 2069	5,502	1,826	7,328
2070 - 2074	6,407	922	7,329
2075 - 2079	2,707	83	2,790
	$ 1,654,293	$ 863,327	$ 2,517,620

The inflows recognized in the year ended September 30, 2024, are as follows (in thousands):

	Lease revenue	Other Inflows	Total
Concessions	$ 54,073	$ 84,641	$ 138,714
Ground and facilities	74,265	9,626	83,891
Rent-A-Car	6,374	43,411	49,785
	$ 134,712	$ 137,678	$ 272,390

(13) SUBSCRIPTIONS PAYABLE

As of September 30, 2024, DFW had subscriptions payable of $38.0 million ($28.2 million is classified as long-term) stated at the present value of subscription payments expected to be made on subscription-based information technology arrangements. The expected future contract payments included in the measurement of subscription payable as of September 30, 2024, are as follows (in thousands):

Year ending September 30,	Principal	Interest	Total
2025	$ 9,878	$ 1,328	$ 11,206
2026	10,370	919	11,289
2027	7,039	570	7,609
2028	2,918	376	3,294
2029	1,801	292	2,093
2030-2032	6,029	391	6,420
	$ 38,035	$ 3,876	$ 41,911

Subscriptions payable activities for the year ended September 30, 2024, were as follows (in thousands):

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
Subscriptions payable	$ 28,779	$ 17,881	$ (8,625)	$ 38,035	$ 9,878

(14) COMMITMENTS AND CONTINGENCIES

a) Contingencies

In the ordinary course of its business, the Airport is involved in various minor legal proceedings involving general contractual and employment relationships, personal injury claims, and a variety of other matters. The Airport does not believe there are any pending legal proceedings that will have a material impact on the Airport's financial position.

b) Federal Grants

The Airport has received Federal grants for specific purposes including Department of Homeland Security ("DHS") and Airport Improvement Program ("AIP") that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under terms of the grant. In the opinion of management of the Airport, disallowed costs, if any, would not be material.

c) Personal Injury liability

Various suits have been filed against the Airport related to accidents on Airport property. The Board is fully insured to the extent of the statutory limit under the tort claims act.

d) Construction and Other Projects

As of September 30, 2024, the Airport had remaining project obligations totaling $6.3 billion, of which $2.6 billion has been committed but not yet incurred. The remaining $3.7 billion is expected to be committed and incurred in the future for currently approved capital projects.

(15) SELF-INSURANCE/RISK MANAGEMENT

DFW maintains self-insured liability for employee medical and workers' compensation claims. DFW utilizes a third-party company to provide stop loss coverage on individual health claims and a third-party administrator to manage workers compensation claims in accordance with Texas state statutes and limits. DFW accrues the estimated cost of self-insurance liabilities based on annual actuarial reviews.

Changes in liabilities in FY 2024 and FY 2023 for Airport self-insured programs are detailed below (in thousands):

Description	FY 2024	FY 2023
Beginning balance	$ 6,203	$ 6,656
Plus: Current year claims and changes in estimates	39,577	37,946
Less: Payments	(39,245)	(38,399)
Ending balance	$ 6,535	$ 6,203

DFW is exposed to various risks of loss related to torts, injuries to employees, theft, damage to and destruction of assets, and natural disasters for which DFW carries commercial insurance. Specific details regarding deductibles and coverage can be found in the statistical section. Any settlement payments covered by commercial insurance did not exceed coverage for the last three years.

(16) CUSTOMER CONCENTRATIONS

DFW's customers are principally concentrated within the airline industry. The Airport periodically evaluates its customers' financial condition and typically does not require collateral. During fiscal year 2024, DFW received approximately $528.0 million (42.3%) of its operating revenues from American Airlines Group (including American and American Eagle). American Airlines Group comprised 82.1% of all passengers and 75.0% of total landed weights at DFW.

(17) POLLUTION REMEDIATION

DFW's Northwest Cargo Voluntary Cleanup Program ("VCP") is an area encompassing approximately 418.485 acres including multiple AOCs representing chlorinated solvent groundwater and soil as well as jet fuel contamination. To date, approximately 230.61 acres have been granted a Conditional Certificate of Completion by TCEQ. The Response Action Plan ("RAP") outlining the remediation strategies for the remaining 187.875 acres dated December 5, 2011, was approved by TCEQ. The response action strategies included in the approved RAP are currently being re-evaluated in conjunction with future development plans within the Northwest Cargo areas to identify the most cost-effective and efficient approaches to achieve regulatory closure. As of September 30, 2024, the total liability of $10.0 million remains a reasonable estimate ($9.5 million classified as long-term) of the actual costs expected to be incurred. The estimate is reviewed and updated as new information becomes available. There was no change in FY 2024 from the previous year's estimate.

Certain sections of the existing DFW Terminal C were known to have significant potential asbestos containing material ("ACM"). The project work to completely rebuild and expand Terminal C begun during FY 2024, at which point DFW voluntarily commenced remediation activities. DFW recorded liabilities totaling $31.5 million representing the outlays expected to be incurred to remove ACM within the project phases initiated during FY 2024. This estimate was generated using input and guidance from internal management and professional consultants. As of September 30, 2024, DFW had recorded invoices for related remediation activities totaling $5.4 million leaving a balance in Accounts payable and other current liabilities of $26.1 million.

(18) LONG-TERM LIABILITIES

As of September 30, 2024, DFW had unearned revenue of $9.8 million from American Airlines and $9.0 million from other tenants.

"END OF NOTES"

REQUIRED SUPPLEMENTARY INFORMATION

Dallas Fort Worth International Airport
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2023
(Amounts in Thousands)

Employee and DPS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 13,159	$ 12,386	$ 14,877	$ 15,688	$ 15,675	$ 15,505	$ 15,297	$ 15,778	$ 15,567	$ 15,569
Interest on the Total Pension Liability	71,503	69,160	63,552	64,158	61,628	58,588	55,765	53,476	48,992	46,638
Benefit changes [2]	-	$ -	29,420	-	-	-	-	-	-	-
Difference between expected and actual experience of the Total Pension Liability	7,289	5,719	24,195	(19,310)	(6,943)	523	(1,710)	(8,560)	(10,748)	(4,672)
Assumption changes [1]	-	-	13,078	-	-	-	-	-	34,635	-
Benefit payments and refunds	(54,867)	(53,523)	(55,884)	(36,899)	(34,095)	(31,488)	(30,101)	(27,636)	(25,798)	(24,052)
Net change in Total Pension Liability	37,084	33,742	89,238	23,637	36,265	43,128	39,251	33,058	62,648	33,483
Total Pension Liability - beginning	1,041,972	1,008,229	918,991	895,354	859,089	815,961	776,710	743,652	681,004	647,521
Total Pension Liability - ending	$ 1,079,055	$ 1,041,972	$ 1,008,229	$ 918,991	$ 895,354	$ 859,089	$ 815,961	$ 776,710	$ 743,652	$ 681,004
Plan Fiduciary Net Position										
Contributions - employer	$ 30,059	$ 28,208	$ 36,296	$ 29,034	$ 32,717	$ 32,546	$ 29,883	$ 30,548	$ 26,349	$ 31,460
Contributions - member	2,479	2,401	2,396	2,416	2,289	2,173	2,041	1,926	1,872	1,870
Net investment income (loss)	81,069	(57,036)	133,328	49,424	84,206	(333)	78,112	44,105	(5,119)	23,614
Benefit payments, including member refunds	(54,867)	(53,523)	(55,884)	(36,899)	(34,095)	(31,489)	(30,101)	(27,636)	(25,798)	(24,052)
Administrative expense	(1,357)	(1,517)	(1,524)	(1,229)	(1,184)	(1,124)	(1,031)	(1,062)	(692)	(372)
Net change in Plan Fiduciary Net Position	57,384	(81,467)	114,612	42,746	83,932	1,773	78,904	47,881	(3,388)	32,520
Plan Fiduciary Net Position - beginning	841,183	922,650	808,038	765,292	681,360	679,587	600,683	552,802	556,190	523,670
Plan Fiduciary Net Position - ending	$ 898,567	$ 841,183	$ 922,650	$ 808,038	$ 765,292	$ 681,360	$ 679,587	$ 600,683	$ 552,802	$ 556,190
Net Pension Liability - ending	$ 180,488	$ 200,788	$ 85,579	$ 110,953	$ 130,062	$ 177,729	$ 136,374	$ 176,027	$ 190,850	$ 124,814
Plan Fiduciary Net Position as a percentage of the total pension liability	83.3%	80.7%	91.5%	87.9%	85.5%	79.3%	83.3%	77.3%	74.3%	81.7%
Covered payroll	$ 68,731	$ 64,862	$ 80,693	$ 85,387	$ 85,076	$ 84,101	$ 83,689	$ 86,350	$ 89,486	$ 89,476
Net pension liability as a percentage of covered payroll	262.6%	309.6%	106.1%	129.9%	152.9%	211.3%	163.0%	203.9%	213.3%	139.5%

Notes to Schedule:

[1] Experience study for the period ended December 31, 2020. See Schedule of Contributions for assumption details.

[2] 2021 Retirement Incentive Program for the Employee Plan.

Dallas Fort Worth International Airport
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2023
(Amounts in Thousands)

Employee	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 4,702	$ 4,617	$ 7,506	$ 8,149	$ 8,544	$ 8,784	$ 9,097	$ 9,813	$ 10,030	$ 10,231
Interest on the Total Pension Liability	50,258	48,958	43,868	45,232	43,698	41,861	40,063	38,764	35,483	33,944
Benefit changes [2]	-	-	29,420			-	-	-	-	-
Difference between expected and actual experience of the Total Pension Liability	(4,250)	3,052	25,513	(13,360)	(4,625)	(1,087)	(1,710)	(8,823)	(7,991)	(3,967)
Assumption changes [1]	-	-	10,787	-	-	-	-	-	27,843	-
Benefit payments and refunds	(34,358)	(41,707)	(45,459)	(27,348)	(25,212)	(23,035)	(22,353)	(20,625)	(19,367)	(18,225)
Net change in Total Pension Liability	16,352	14,920	71,635	12,673	22,405	26,523	(25,097)	19,129	45,998	21,983
Total Pension Liability - beginning	732,552	717,632	645,997	633,324	610,919	584,398	559,299	540,170	494,172	472,189
Total Pension Liability - ending	$ 748,904	$ 732,552	$ 717,632	$ 645,997	$ 633,324	$ 610,919	$ 584,396	$ 559,299	$ 540,170	$ 494,172
Plan Fiduciary Net Position										
Contributions - employer	$ 19,720	$ 18,733	$ 26,820	$ 19,064	$ 21,916	$ 22,491	$ 21,153	$ 22,292	$ 19,294	$ 23,510
Net investment income (loss)	56,224	(40,170)	94,723	35,289	60,805	(172)	57,051	32,346	(3,756)	17,484
Benefit payments, including member refunds	(34,358)	(41,707)	(45,459)	(27,348)	(25,212)	(23,036)	(22,353)	(20,625)	(19,367)	(18,225)
Administrative expense	(941)	(1,065)	(1,083)	(881)	(855)	(818)	(753)	(779)	(509)	(275)
Net change in Plan Fiduciary Net Position	40,645	(64,209)	75,001	26,124	56,654	(1,535)	55,099	33,234	(4,338)	22,494
Plan Fiduciary Net Position - beginning	586,871	651,080	576,079	549,955	493,301	494,836	439,738	406,504	410,842	388,348
Plan Fiduciary Net Position - ending	$ 627,516	$ 586,871	$ 651,080	$ 576,079	$ 549,955	$ 493,301	$ 494,836	$ 439,738	$ 406,504	$ 410,842
Net Pension Liability - ending	$ 121,388	$ 145,681	$ 66,552	$ 69,918	$ 83,369	$ 117,618	$ 89,560	$ 119,561	$ 133,666	$ 83,330
Plan Fiduciary Net Position as a percentage of the total pension liability	83.8%	80.1%	90.7%	89.2%	86.8%	80.7%	84.7%	78.6%	75.3%	83.1%
Covered payroll	$ 31,343	$ 30,501	$ 47,902	$ 51,748	$ 53,256	$ 54,095	$ 55,850	$ 59,467	$ 63,294	$ 64,184
Net pension liability as a percentage of covered payroll	387.2%	477.6%	138.9%	135.1%	156.5%	217.4%	160.4%	201.0%	211.2%	129.8%

Notes to Schedule:

[1] Experience study for the period ended December 31, 2020. See Schedule of Contributions for assumption details.

[2] 2021 Retirement Incentive Program.

Dallas Fort Worth International Airport
Schedule of Changes in the Net Pension Liability and Related Ratios
December 31, 2023
(Amounts in Thousands)

DPS	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	$ 8,457	$ 7,769	$ 7,371	$ 7,539	$ 7,131	$ 6,721	$ 6,200	$ 5,965	$ 5,537	$ 5,338
Interest on the Total Pension Liability	21,245	20,202	19,684	18,926	17,930	16,727	15,702	14,712	13,509	12,694
Difference between expected and actual experience of the Total Pension Liability	11,539	2,667	(1,318)	(5,950)	(2,318)	1,610	-	263	(2,757)	(705)
Assumption changes [1]	-	-	2,291	-	-	-	-	-	6,792	-
Benefit payments and refunds	(20,509)	(11,816)	(10,425)	(9,551)	(8,883)	(8,453)	(7,748)	(7,011)	(6,431)	(5,827)
Net change in Total Pension Liability	20,732	18,822	17,603	10,964	13,860	16,605	14,154	13,929	16,650	11,500
Total Pension Liability - beginning	309,419	290,597	272,994	262,030	248,170	231,565	217,411	203,482	186,832	175,332
Total Pension Liability - ending	$330,151	$309,419	$290,597	$272,994	$262,030	$248,170	$231,565	$217,411	$203,482	$186,832
Plan Fiduciary Net Position										
Contributions - employer	$ 10,339	$ 9,475	$ 9,476	$ 9,970	$ 10,801	$ 10,055	$ 8,730	$ 8,256	$ 7,055	$ 7,950
Contributions - member	2,479	2,401	2,396	2,416	2,289	2,173	2,041	1,926	1,872	1,870
Net investment income (loss)	24,845	(16,866)	38,605	14,135	23,401	(161)	21,061	11,759	(1,363)	6,130
Benefit payments, including member refunds	(20,509)	(11,816)	(10,425)	(9,551)	(8,884)	(8,453)	(7,748)	(7,011)	(6,431)	(5,827)
Administrative expense	(415)	(452)	(441)	(348)	(329)	(306)	(278)	(283)	(183)	(97)
Net change in Plan Fiduciary Net Position	16,739	(17,258)	39,611	16,622	27,278	3,308	23,806	14,647	950	10,026
Plan Fiduciary Net Position - beginning	254,312	271,570	231,959	215,337	188,059	184,751	160,945	146,298	145,348	135,322
Plan Fiduciary Net Position - ending	$271,051	$254,312	$271,570	$231,959	$215,337	$188,059	$184,751	$160,945	$146,298	$145,348
Net Pension Liability - ending	$ 59,100	$ 55,107	$ 19,027	$ 41,035	$ 46,693	$ 60,111	$ 46,814	$ 56,466	$ 57,184	$ 41,484
Plan Fiduciary Net Position as a percentage of the total pension liability	82.1%	82.2%	93.5%	85.0%	82.2%	75.8%	79.8%	74.0%	71.9%	77.8%
Covered payroll	$ 37,388	$ 34,361	$ 32,791	$ 33,639	$ 31,820	$ 30,006	$ 27,840	$ 26,883	$ 26,192	$ 25,292
Net pension liability as a percentage of covered payroll	158.1%	160.4%	58.0%	122.0%	146.7%	200.3%	168.2%	210.0%	218.3%	164.0%

Notes to Schedule:

[1] Experience study for the period ended December 31, 2020. See Schedule of Contributions for assumption details.

Dallas Fort Worth International Airport
Schedule of Contributions
September 30, 2024
(Amounts in Thousands)

Employee	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 19,720	$ 18,733	$ 16,820	$ 19,064	$ 20,194	$ 20,378	$ 21,153	$ 22,292	$ 19,294	$ 20,784
Contributions in relation to the actuarially determined contribution	24,120	18,733	16,820	29,064	21,915	22,491	21,153	22,292	19,294	23,510
Contribution deficiency (excess)	$ (4,400)	$ -	$ -	$ (10,000)	$ (1,721)	$ (2,113)	$ -	$ -	$ -	$ (2,726)
Covered payroll	$ 31,500	$ 30,654	$ 48,141	$ 52,007	$ 54,002	$ 54,095	$ 51,414	$ 59,467	$ 63,294	$ 64,184
Contributions as a percentage of covered payroll	76.6%	61.1%	34.9%	55.9%	40.6%	41.6%	41.1%	37.5%	30.5%	36.6%

Notes to Schedule:

Valuation date: Actuarially determined contribution amounts are calculated as of January 1st.

Methods and assumptions used to determine contribution rates:

Remaining amortization period	Weighted average of 11 years from December 31, 2023
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed 15-year layers
Retirement age	Experience-based table of rates that are specific to the class of employee. Last updated for the 2022 valuation pursuant to an experience study for the period ending December 31, 2020.

2021-2023

Investment rate of return	7.0%, net of investment expenses. Administrative expenses are added to the actuarial determined contribution.
Asset valuation method	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 133% of the FVA.
Wage inflation (Core 2.5%, Wage 1.0%)	3.5%
Salary increases	3.5% to 6.0%
Mortality	Experience-based table of rates that are specific to the class of employee. Last updated for the 2022 valuation pursuant to an experience study for the period ending December 31, 2020. Retirement Plans gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.

2016-2020

Investment rate of return	7.0%, net of investment expenses. Administrative expenses are added to the actuarial determined contribution.
Asset valuation method	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67.0% or greater than 133.0% of the FVA.
Wage inflation (Core 2.75%, Wage 1.00%)	3.75%
Salary increases	3.75% to 6.25%
Mortality	Experience-based table of rates that are specific to the class of employee. Last updated for the 2016 valuation pursuant to an experience study of a 5-year period from January 1, 2011 through December 31, 2015. Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.

2014-2015

Investment rate of return	7.25%, net of investment and administrative expenses
Asset valuation method	5-year moving average
Wage inflation (Core 3.0%, Wage 0.75%)	3.75%
Salary increases	3.75% to 6.25%
Mortality	RP 2000 Combined Healthy Mortality with no setback for males or females, projected to 2011 using Mortality Improvement Scale AA.

Dallas Fort Worth International Airport
Schedule of Contributions
September 30, 2024
(Amounts in Thousands)

DPS	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 10,339	$ 9,475	$ 9,476	$ 9,970	$ 9,815	$ 9,183	$ 8,731	$ 8,256	$ 7,055	$ 7,076
Contributions in relation to the actuarially determined contribution	12,481	9,475	9,476	9,970	10,801	10,055	8,731	8,256	7,055	7,950
Contribution deficiency (excess)	$ (2,142)	$ -	$ -	$ -	$ (986)	$ (872)	$ -	$ -	$ -	$ (874)
Covered payroll	$ 37,575	$ 34,533	$ 32,955	$ 33,807	$ 32,265	$ 30,006	$ 29,949	$ 26,883	$ 26,192	$ 25,292
Contributions as a percentage of covered payroll	33.2%	27.4%	28.8%	29.5%	33.5%	33.5%	29.2%	30.7%	26.9%	31.4%

Notes to Schedule:

Valuation date: Actuarially determined contribution amounts are calculated as of January 1st.

Methods and assumptions used to determine contribution rates:

Remaining amortization period	Weighted average of 11 years from December 31, 2023
Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed 15-year layers
Retirement age	Experience-based table of rates that are specific to the class of employee. Last updated for the 2022 valuation pursuant to an experience study for the period ending December 31, 2020.

2021-2023

Investment rate of return	7.00%, net of investment expenses. Administrative expenses are added to the actuarial determined contribution.
Asset valuation method	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 133% of the FVA.
Wage inflation (Core 2.50%, Wage 1.00%)	3.50%
Salary increases	3.50% to 11.25%
Mortality	Experience-based table of rates that are specific to the class of employee. Last updated for the 2022 valuation pursuant to an experience study for the period ending December 31, 2020. Retirement Plans gender-distinct Pub-2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. Rates are projected by the long-term rates of Scale MP 2020 to account for future mortality improvements.

2016-2020

Investment rate of return	7.25%, net of investment expenses. Administrative expenses are added to the actuarial determined contribution
Asset valuation method	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of at least 20% per year with each base being recognized over a period of no more than 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 133% of the FVA.
Wage inflation (Core 2.75%, Wage 1.00%)	3.75%
Salary increases	3.75% to 13.25%
Mortality	Experience-based table of rates that are specific to the class of employee. Last updated for the 2016 valuation pursuant to an experience study of a 5-year period from January 1, 2011 through December 31, 2015. Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.

2014-2015

Investment rate of return	7.25%, net of investment and administrative expenses
Asset valuation method	5-year moving average
Wage inflation (Core 3.0%, Wage 0.75%)	3.75%
Salary increases	3.75% to 11.50%
Mortality	RP 2000 Combined Healthy Mortality with no setback for males or females, projected to 2011 using Mortality Improvement Scale AA.

Dallas Fort Worth International Airport
Schedule of Changes in the Net OPEB Liability and Related Ratios
December 31, 2023
(Amounts in Thousands)

OPEB	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	$ 1,401	$ 1,286	$ 1,383	$ 1,388	$ 1,384	$ 1,567	$ 1,501
Interest on the Total OPEB Liability	1,767	2,044	1,673	1,695	1,691	1,847	1,905
Benefit changes	-	-	998			-	-
Difference between expected and actual experience of the Total OPEB Liability	1,121	(3,410)	5,583	(1,660)	(1,671)	(2,722)	(3,932)
Assumption changes	1,169	$ -	695			(1,521)	971
Benefit payments and refunds	(3,316)	(5,187)	(2,064)	(1,400)	(1,312)	(1,457)	(1,223)
Net change in Total OPEB Liability	2,142	(5,267)	8,268	23	92	(2,286)	(778)
Total OPEB Liability - beginning	28,134	33,401	25,133	25,110	25,018	27,304	28,082
Total OPEB Liability - ending	$ 30,276	$ 28,134	$ 33,401	$ 25,133	$ 25,110	$ 25,018	$ 27,304
Plan Fiduciary Net Position							
Contributions - employer	$ 1,229	$ 1,396	$ 1,000	$ 1,172	$ 1,404	$ 1,913	$ 1,943
Net investment income (loss)	4,279	(5,808)	5,171	3,792	4,985	(722)	3,291
Benefit payments, including member refunds	(3,316)	(5,187)	(2,064)	(1,401)	(1,312)	(1,457)	(1,223)
Administrative expense	(43)	(45)	(75)	(39)	(15)	(23)	(29)
Net change in Plan Fiduciary Net Position	2,149	(9,644)	4,032	3,524	5,062	(288)	3,982
Plan Fiduciary Net Position - beginning	28,561	38,205	34,173	30,649	25,587	25,875	21,893
Plan Fiduciary Net Position - ending	$ 30,710	$ 28,561	$ 38,205	$ 34,173	$ 30,649	$ 25,587	$ 25,875
Net OPEB Liability (Asset) - ending	(434)	(427)	$ (4,804)	$ (9,040)	$ (5,539)	$ (569)	$ 1,429
Plan Fiduciary Net Position as a percentage of the total OPEB liability	101.4%	101.5%	114.4%	136.0%	122.1%	102.3%	94.8%
Covered employee payroll	$ 183,200	$ 165,875	$ 164,655	$ 166,651	$ 164,498	$ 154,805	$ 145,204
Net OPEB liability (asset) as a percentage of covered payroll	(0.2%)	(0.3%)	(2.9%)	(5.4%)	(3.4%)	(0.4%)	1.0%

Notes to Schedule:

Seven year history based on data availability.

2023: The healthcare trend assumption was updated to better reflect future plan experience.

2021: New Assumptions were adopted to better reflect future plan experience. Changes of benefit terms includes General Employees who were part of the Early Retirement Incentive Program who elected Retiree Health Care Coverage and pay active premium rates for one year and are then treated as standard retirees thereafter.

2018: The participation assumption was updated to better reflect future plan experience.

2017: The healthcare trend assumption was updated to better reflect future plan experience.

Dallas Fort Worth International Airport
Schedule of Contributions - OPEB
September 30, 2024
(Amounts in Thousands)

OPEB	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	$ 1,229	$ 1,396	$ 1,000	$ 1,172	$ 1,404	$ 1,913	$ 1,943
Contributions in relation to the actuarially determined contribution	1,229	1,396	1,000	1,172	1,404	1,913	1,943
Contribution deficiency (excess)	-	-	-	-	-	-	-
Covered employee payroll	$ 185,765	$ 165,875	$ 164,655	$ 167,464	$ 166,801	$ 154,805	$ 145,204
Contributions as a percentage of covered payroll	0.66%	0.84%	0.61%	0.70%	0.84%	1.24%	1.34%

Notes to Schedule:

Seven year history based on data availability.

Valuation date:	The Actuarially Determined Contribution (ADC) for DFW's fiscal year ending September 30, 2024 was developed in the January 1, 2023 valuation. The ADC for the employer's fiscal year ending September 30, 2024 was contributed during the plan's fiscal year ending December 31, 2023.

Methods and assumptions used to determine contribution rates:

2023	
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.50%
Inflation	2.50%
Salary Increases	3.50 to 6.00% for General Employees and 3.50% to 11.25% for Public Safety, including inflation
Demographic Assumptions	Based on the January 2022 experience study
Mortality	Healthy Retirees and beneficiaries: Gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables for General Employees and Gender-distinct Pub‐2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. The rates are projected on a fully generational basis by the long-term rates of scale MP 2020 to account for future mortality improvements.
Participation Rates	Participation rates vary based on years of service: 20% for less than 10 years, 30% for 10-14 years, 40% for 15-19 years, and 80% for those with 20 or more years.
Healthcare cost trend rates	Initial rate of 6.60%, declining to a rate of 4.25% after year 12 years.

2021-2022	
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.50%
Inflation	2.50%
Salary Increases	3.50 to 6.00% for General Employees and 3.50% to 11.25% for Public Safety, including inflation
Demographic Assumptions	Based on the January 2022 experience study
Mortality	Healthy Retirees and beneficiaries: Gender-distinct Pub-2010, Amount-Weighted, General, Healthy Retiree tables for General Employees and Gender-distinct Pub‐2010, Amount-Weighted, Public Safety, Healthy Retiree tables for Public Safety. The rates are projected on a fully generational basis by the long-term rates of scale MP 2020 to account for future mortality improvements.
Participation Rates	Participation rates vary based on years of service: 20% for less than 10 years, 30% for 10-14 years, 40% for 15-19 years, and 80% for those with 20 or more years.
Healthcare cost trend rates	Initial rate of 7.40%, declining to a rate of 4.50% after year 2034.

2017-2020	
Actuarial Cost Method	Entry Age Normal
Discount Rate	6.75%
Inflation	2.75%
Salary Increases	3.75 to 6.25% for General Employees and 3.75% to 13.25% for Public Safety, including inflation
Demographic Assumptions	Based on the December 31, 2015 experience study
Mortality	RP-2014 Combined Healthy Mortality tables with Blue Collar Adjustments, with no set back for males or females. Generational mortality improvements in accordance with Scale BB from the table's base year of 2014.
Participation Rates	Participation rates vary based on years of service: 30% for less than 10 years, 40% for 10-14 years, 50% for 15-19 years, and 85% for those with 20 or more years.
Healthcare cost trend rates	Initial rate of 7.40%, declining to a rate of 4.50% after 13 years.

Dallas Fort Worth International Airport
OPEB Schedule of Investment Returns
For the Year December 31, 2023
(Amounts in Thousands)

	2023	2022	2021	2020	2019	2018	2017
Annual money-weighted rate of return, net of investment expenses	15.6%	(16.1%)	15.5%	12.9%	19.8%	(2.8%)	15.1%

Notes to Schedule:
Seven year history based on data availability.

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