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10. FINANCIAL PLAN

This chapter presents and analyzes the potential funding plan for implementing the projects recommended in the Master Plan. It also assesses the ability of the DoA to fund the recommended projects associated with the Airport Development Plan. These projects are designed to maintain the Airport and provide the required improvements and facilities through 2040. For purposes of this analysis, financial projections are presented through FY 2040.

The actual implementation schedule for the various construction projects recommended in the Master Plan will be influenced, in part, by demand, funding availability, DoA priorities, and other relevant factors, and it may not correspond precisely to the schedule described in this chapter or Chapter 9. For purposes of the illustrative financial analysis, a specific implementation schedule was defined, as described in Chapter 9. However, it should be noted that this schedule and the resulting financial analysis are intended only to demonstrate financial feasibility. Actual funding strategies for each project will be determined nearer to the time of project implementation.

In general, the financial analysis for the Master Plan was conducted as follows:

- The Airport's existing financial structure was examined and applicable financial information was obtained.
- A list of proposed capital development projects was compiled, including estimated project costs and implementation years (see Chapter 9).
- Potential funding sources were identified and the potential availability of funding from those sources was analyzed, as applicable.
- Debt service was estimated for projects requiring the use of future bond proceeds.
- Projections of O&M expenses and non-airline revenues were developed.
- Airline revenues, rates, and charges were projected to evaluate the effect of the potential funding plan on key financial metrics, such as airline rates and charges, cost per enplaned passenger (CPE), and debt service coverage.

10.1 AIRPORT FINANCIAL STRUCTURE

The City owns and operates Dallas Love Field (DAL), Dallas Executive Airport (RBD), and Dallas Heliport (Heliport). With respect to DAL, the DoA manages numerous tenant facilities at the Airport, provides a safe and efficient Airport for aircraft operations, promotes the development of Airport property for aviation and related commercial services, obtains and administers FAA grants, and ensures the compatibility of proposed developments within and around the Airport with federal, state, and local standards. The City/Airport operates on an FY basis, with years ending September 30. City/Airport staff are responsible for finance, budget, and human resource functions, including the development and administration of budgets and the collection of revenues.

The Airport is a City enterprise fund that operates in accordance with generally accepted accounting principles. Financial statements for the Airport are prepared each FY and audited by independent certified public accountants. The City also maintains internal financial records, which contain more detailed itemization of revenues and expenses, including details by cost center.

The DoA manages and operates the Airport Revenues Fund, an enterprise fund of the City, which includes financial data for the Love Field Airport Modernization Corporation (LFAMC), a blended component unit of the City. The

Airport Revenues Fund is used to account for services provided to the general public using the Airport, and its costs are recovered primarily through user rentals, fees, and charges.

10.1.1 AIRLINE AGREEMENT

The current Airline Use and Lease Agreement (AULA) sets forth the procedures for calculating terminal space rentals, landing fees, and apron fees. The provisions of the current AULA expire on September 30, 2028. DoA and airlines recently negotiated the new AULA, which commences on October 1, 2028, and expires on September 30, 2040. The new AULA will preserve the underlying rate methodology and rate-making procedures of the current AULA, with one major exception. In the new AULA, if the DoA does not have at least 365 days of cash on hand, the airline credits will be reduced until the 365-day cash on hand requirement is met. Once the requirement is met, the airline credits will be restored. Three airlines are signatories to the current AULA: Southwest, American, and United Airlines (United). However, as of the date of this Master Plan chapter, American and United no longer operate at the Airport. Delta and Alaska operate under the provisions of the current AULA via subleases with American (Alaska) and United (Delta). Southwest and Delta are signatories to the new AULA.

10.1.2 INDENTURE OF TRUST

The financial projections included in this chapter reflect key provisions of, and terms defined in, the Indenture of Trust dated July 1, 2015 (Indenture). The Indenture establishes priorities for the application of revenues (as defined by the Indenture) to various funds and accounts, which are first deposited into the Airport Revenues Fund, and then flow to other funds and accounts to pay O&M expenses and bond debt service, among other items. The Airport's outstanding bonds were issued pursuant to the Indenture, and this financial analysis assumes all future bonds will also be issued pursuant to the Indenture.

10.1.3 HISTORICAL OPERATION AND MAINTENANCE EXPENSES

Table 10-1 summarizes historical DoA O&M expenses from FY 2020 to FY 2024, based on accounting reports that were prepared pursuant to the airline rate methodology contained in the current AULA. These amounts differ from the expenses presented on the DoA annual audited financial statements, due to differences in accounting methodology and the treatment of certain expense items, as follows: (1) the accounting reports prepared for purposes of airline rates and charges include only the DoA operating fund, whereas the financial statements include all DoA funds; (2) the accounting reports prepared for purposes of airline rates and charges are on a cash-accounting basis and do not include accrued items or non-cash items, such as depreciation and amortization expense; and (3) the financial statements include non-budget expenses and reclassified journal entries.

TABLE 10-1 HISTORICAL OPERATION AND MAINTENANCE EXPENSES

O&M EXPENSE CATEGORY	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	CAGR
Personnel	\$20,569,961	\$20,994,667	\$21,568,896	\$27,297,603	\$28,175,738	8.2%
Supplies	\$6,095,335	\$7,401,042	\$9,132,852	\$10,269,276	\$11,237,280	16.5%
Contractual Services	\$56,975,233	\$56,761,413	\$64,610,606	\$68,244,163	\$81,164,953	9.2%
Equipment	\$5,053,862	\$2,275,043	\$1,901,291	\$2,818,302	\$4,764,746	-1.5%
Total O&M Expenses	\$88,694,391	\$87,432,165	\$97,213,645	\$108,629,344	\$125,342,717	9.0%

NOTES:

CAGR – Compound Annual Growth Rate

FY – Fiscal Year

O&M – Operation and Maintenance

Fiscal years ending September 30.

SOURCE: City of Dallas, Department of Aviation, August 2025.

Total O&M expenses increased by a CAGR of 9.0 percent per year, from \$88.7 million in FY 2020 to \$125.3 million in FY 2024. In FY 2020, the original budget was set at approximately \$104.8 million. As a result of the COVID-19 pandemic, the DoA implemented several cost-saving measures to reduce O&M expenses in response to the significant reduction in air traffic activity. Historical changes in O&M expenses are discussed as follows:

- **Personnel Expenses:** Personnel expenses, which consist of salaries, wages, and employee benefits, represent the second largest category of expenses. In FY 2024, personnel expenses represented 22.5 percent of total O&M expenses. These expenses grew by an average of 8.2 percent, from \$20.6 million in FY 2020 to \$28.2 million in FY 2024. The increases were driven by the recovery from the COVID-19 pandemic and increased costs of benefits.
- **Supplies Expenses:** Supplies expenses include utility, fuel, laundry and cleaning, building supply, and streets and roads supply expenses. Supplies expenses represented 9.0 percent of total expenses in FY 2024. Supplies expenses increased from \$6.1 million in FY 2020 to \$11.2 million in FY 2024, or by a CAGR of 16.5 percent per year. The increase was driven by the need for additional cleaning supplies in response to the COVID-19 pandemic and increased utility expenses.
- **Contractual Services Expenses:** Contractual services expenses represent the largest category of expenses, representing 64.8 percent of the total expenses in FY 2024. Contractual services expenses include security services, fire and paramedic services, repair and maintenance expenses, custodial services, professional services expenses, parking lot rent, and other contractor service expenses. These expenses increased from \$57.0 million in FY 2020 to \$81.2 million in FY 2024, or by an average of 9.2 percent per year. The increase was driven by overall increasing costs for services and the contracting of additional custodial services.
- **Equipment Expenses:** Equipment expenses represent the expenses the DoA incurs to purchase or lease equipment necessary to maintain efficient Airport operations. During the COVID-19 pandemic, the DoA made decisions to reduce costs and limited purchases of equipment. As a result, these expenses decreased from approximately \$5.1 million in FY 2020 to a low of \$1.9 million in FY 2022. Equipment expenses increased to \$2.8 million and \$4.8 million in FY 2023 and FY 2024, respectively.

10.1.4 HISTORICAL REVENUES

Table 10-2 summarizes historical DoA revenues from FY 2020 to FY 2024. The historical revenues are based on DoA accounting reports that were prepared pursuant to the airline rate methodology contained in the current AULA. These amounts differ from the revenues presented on the DoA annual audited financial statements, due to PFCs and AIP grant receipts that are not included in revenues for purposes of airline rates and charges. Revenues increased by an average of 12.1 percent, from \$127.6 million in FY 2020 to \$201.2 million in FY 2024.

TABLE 10-2 HISTORICAL REVENUES

REVENUE CATEGORY	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	CAGR
Airline Revenues						
Terminal Rentals	\$41,127,500	\$51,347,750	\$40,155,250	\$43,166,750	\$49,817,000	4.9%
Landing Fees	\$24,435,824	\$18,830,690	\$32,028,921	\$24,735,763	\$33,671,381	8.3%
Apron Rentals	\$5,550,169	\$5,108,548	\$5,649,208	\$5,998,348	\$7,107,974	6.4%
Total Airline Revenues	\$71,113,492	\$75,286,988	\$77,833,379	\$73,900,861	\$90,596,355	6.2%
Non-Airline Revenues						
Terminal						
Non-Airline Terminal Building Rentals and Fees	\$2,401,995	\$2,781,024	\$2,511,479	\$4,471,871	\$4,635,975	17.9%
Food and Beverage	\$6,113,250	\$6,763,343	\$10,520,689	\$11,149,497	\$11,819,148	17.9%
Retail	\$2,930,207	\$3,157,903	\$4,964,747	\$4,455,190	\$4,708,057	12.6%
Advertising	\$1,281,721	\$849,609	\$1,135,579	\$1,485,138	\$1,709,278	7.5%
Other Concessions	\$357,045	\$620,415	\$362,865	\$454,316	\$863,501	24.7%
Interest Income	\$30,000	\$33,000	\$9,000	\$11,000	\$19,000	-10.8%
Total Terminal	\$13,114,218	\$14,205,295	\$19,504,359	\$22,027,012	\$23,754,958	16.0%
Airfield and Apron						
Fuel Flowage Fees (RBD only)	\$63,932	\$62,093	\$50,983	\$94,277	\$76,758	4.7%
Landing Fees – General Aviation	\$3,570,011	\$4,341,054	\$6,090,960	\$7,560,055	\$6,915,483	18.0%
Landing Fees – Unscheduled	\$472,399	\$1,045,332	\$820,501	\$810,376	\$1,487,444	33.2%
Remain Overnight Parking Fees	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	0.0%
Interest Income	\$21,000	\$16,000	\$8,000	\$10,000	\$18,000	-3.8%
Total Airfield	\$4,142,341	\$5,479,479	\$6,985,445	\$8,489,708	\$8,512,685	19.7%
Parking and Ground Transportation						
Public Parking	\$18,544,685	\$21,151,925	\$34,390,370	\$40,415,989	\$44,507,906	24.5%
Rental Car	\$7,044,956	\$9,511,306	\$12,100,321	\$10,889,806	\$12,709,287	15.9%
Transportation Network Company Revenues	\$1,829,107	\$1,680,265	\$3,311,614	\$4,196,453	\$4,313,762	23.9%
Interest Income	\$17,000	\$18,000	\$9,000	\$11,000	\$18,000	1.4%
Total Parking and Ground Transportation	\$27,435,747	\$32,361,496	\$49,811,306	\$55,513,247	\$61,548,956	22.4%
Other Buildings and Areas	\$10,990,028	\$11,267,976	\$14,900,820	\$14,353,422	\$15,549,863	9.1%
Dallas Executive Airport Revenues	\$762,198	\$973,081	\$1,176,613	\$1,192,069	\$1,232,862	12.8%
Total Non-Airline Revenues	\$56,444,533	\$64,287,327	\$92,378,542	\$101,575,458	\$110,599,323	18.3%
Total Revenue	\$127,558,025	\$139,574,315	\$170,211,921	\$175,476,319	\$201,195,678	12.1%

NOTES:

CAGR – Compound Annual Growth Rate; FY – Fiscal Year; RBD – Dallas Executive Airport
Fiscal years ending September 30.

Totals may not sum due to rounding.

SOURCE: City of Dallas, Department of Aviation, August 2025.

10.1.4.1 AIRLINE REVENUES

Charges for the airline cost centers are calculated based on the rate methodology specified in the current AULA and new AULA, as described earlier in this chapter. Airline revenues increased from \$71.1 million in FY 2020 to \$90.6 million in FY 2024, primarily due to the increases in O&M expenses, described previously. Airline revenues are summarized as follows:

- **Terminal Rental Revenues:** Terminal rental revenues increased from \$41.1 million in FY 2020 to \$51.3 million in FY 2021. The increase was due to reduced concession, parking, and ground transportation credits due to the significant reduction in passenger activity. In FY 2022, terminal rental revenues decreased to \$40.1 million as these credits from passenger-related activities increased. Terminal rental revenues increased to \$43.2 million and \$49.8 million in FY 2023 and FY 2024, respectively. These increases were primarily the result of increased O&M expenses.
- **Landing Fee Revenues:** Landing fee revenues decreased from \$24.4 million in FY 2020 to \$18.8 million in FY 2021, then increased to \$32.0 million in FY 2022 before decreasing to \$24.7 million in FY 2023. In FY 2024, landing fee revenues totaled \$33.7 million. The fluctuations occurred for various reasons, including O&M expenses allocated to the airfield, GA landing fees (which are a credit to the airfield requirement), and the use of commercial paper for capital needs.
- **Apron Fee Revenues:** Apron fee revenues increased by an average of 6.4 percent per year, from approximately \$5.6 million in FY 2020 to \$7.1 million in FY 2024. This increase was driven by increased O&M expenses.

10.1.4.2 NON-AIRLINE REVENUES

Non-airline revenues increased from \$56.4 million in FY 2020 to \$110.6 million in FY 2024, due primarily to the passenger recovery from the COVID-19 pandemic.

Terminal Non-Airline Revenues

Terminal-related non-airline revenues include lease revenues from non-airline tenants, concession revenues, and advertising revenues.

Office and storage space in the existing terminal building complex is leased to various non-airline tenants, including the rental car companies, FAA, TSA, cell phone providers, and others. This revenue category also includes electricity reimbursements from various tenants in the terminal building, as well as security charges paid by terminal building tenants. Terminal non-airline rental revenue increased significantly from \$2.4 million in FY 2020 to \$4.6 million in FY 2024, due to increased rates and new tenants.

Terminal concessions consist of food and beverage, retail (e.g., news/gifts and specialty shops), advertising, and other miscellaneous concessions.

For the operation of food and beverage concessions in the terminal, the City has entered into food and beverage concession agreements with several concessionaires. Under the terms of the agreements, the concessionaires pay to the City concession fees ranging between 11.0 percent and 20.0 percent of the concessionaires' gross sales, depending on the category of food and beverage, subject to minimum annual guarantees that apply to the various concession locations. Similarly, for the operation of news/gifts and other retail concessions in the terminal, the City has entered into retail concession agreements with several operators. The retail concessionaires pay to the City concession fees ranging between 11.0 percent and 20.0 percent of the concessionaires' gross sales, depending on the category of merchandise sold, subject to minimum annual guarantees that apply to the various retail concession locations.

Advertising display services in various locations at the Airport and at RBD are provided through an advertising concession contract between the City and Corey S/W Joint Venture d/b/a Corey Airport Services. Advertising display areas include locations within interior and exterior spaces at the Airport's terminal and the terminal at RBD; locations at the Airport's parking facilities; locations on the roadways at adjacent medians at DAL and at RBD; and locations at the Heliport. The concessionaire pays to the City the greater of a percentage of fees based on the concessionaire's gross revenues, or a minimum annual guarantee that increases each year of the contract.

Other terminal concessions include baggage cart rentals, automated teller machines, shoeshine, and other miscellaneous concessionaires.

Total concession revenues increased from \$10.7 million in FY 2020 to \$19.1 million in FY 2024, primarily due to the recovery of passenger activity at DAL.

Airfield and Apron Non-Airline Revenues

Airfield and apron non-airline revenues consist mainly of GA landing fees, fuel flowage fees, unscheduled landing fees, and RON aircraft parking charges. Historically, GA users of the airfield at DAL paid a fuel flowage fee of \$0.07 per gallon of fuel. Beginning in FY 2019, the DoA began charging a GA landing fee. As a result, the GA users at DAL were no longer charged the fuel flowage fees. Fuel flowage fees are charged to GA users at RBD. Total revenues in this category increased by an average of 19.7 percent per year, from \$4.1 million in FY 2020 to \$8.5 million in FY 2024, driven primarily by increases in GA activity and landing fee revenue.

Parking and Ground Transportation Revenues

Parking and ground transportation revenues include public parking revenues, rental car concession revenues, and Transportation Network Company (TNC) revenues. Public parking revenues increased from \$18.5 million in FY 2020 to \$44.5 million in FY 2024, due to increased passenger activity. The rental car companies pay to the City a concession fee of 10.0 percent of their respective reported gross revenues for operations at the Airport. Rental car revenues increased from \$7.0 million in FY 2020 to \$12.7 million in FY 2024, as passenger activity recovered and rental car prices increased. The TNCs, which began officially operating at the Airport on September 1, 2017, pay to the City trip fees of \$2.50 per pick-up and drop-off. TNC revenues increased from \$1.8 million in FY 2020 to \$4.3 million in FY 2024, as passenger activity continued to recover from the COVID-19 pandemic.

Other Buildings and Areas Revenues

The City generates revenue from leases of Airport buildings and land for various types of uses, including facilities operated by Fixed Base Operators (FBOs), airline support facilities, aviation support facilities, rental car service areas, and concession support facilities. The lease terms vary, from month-to-month or other short-term durations to long-term leases, with and without options to renew, and many of the leases include escalation clauses. These revenues increased from approximately \$11.0 million in FY 2020 to \$15.5 million in FY 2024, as various new leases began and lease rates increased.

Dallas Executive Airport Revenues

Revenues generated at RBD include building and ground leases for buildings and land for various types of uses, including facilities operated by FBOs, FAA, and Dallas Police Department, as well as aviation support facilities, a fuel farm, and other facilities. Many of the leases include escalation clauses. RBD revenues increased from \$0.8 million in FY 2020 to \$1.2 million in FY 2024.

10.2 PROJECTS AND FUNDING

The recommended capital improvements necessary to accommodate the future needs of DAL are presented in Chapter 9. This section presents the anticipated projects and funding of the Master Plan, CIP, and Airport CIP (ACIP).

10.2.1 PROJECTS

Table 10-3 presents the estimated project costs, escalated project costs, and project timing for the capital projects included in the financial analysis. The Master Plan projects total approximately \$2.5 billion (escalated) through FY 2033. In addition to the Master Plan projects, the financial analysis includes the 5-year ACIP, as submitted to the FAA, as well as other CIP projects. These projects total \$141.8 million through FY 2029. Projects unrelated to the Master Plan beyond FY 2029 are not formally defined and thus not presented, but they are assumed to be fully eligible for FAA grant funding; therefore, they have a neutral impact on the financial analysis. The ACIP and CIP projects (herein combined CIP) included in the financial analysis total approximately \$2.7 billion through FY 2033.

10.2.2 CAPITAL IMPROVEMENT PLAN FUNDING SOURCES

Airport development is often funded by a combination of public and private sources. The funding plan presented herein does not represent a final plan of finance. Additional actions need to be undertaken prior to the use of some of these funding sources for specific projects. It is assumed that costs of the combined CIP will ultimately be financed from sources including federal AIP and Infrastructure Investment and Jobs Act (IIJA) grants, TxDOT grants, PFC revenue, bond proceeds, CFC revenue, and funds from the DoA Aviation Development Fund (cash). **Table 10-4** presents the estimated funding sources for the projects in the combined CIP.

10.2.2.1 FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM GRANTS

FAA AIP grants are administered to develop and maintain infrastructure projects that increase capacity, safety, and security at airports across the United States. The FAA issues either entitlement (passenger or cargo) or discretionary grants for airport projects. AIP passenger entitlement grants are awarded using an enplanement-based formula. The FAA awards AIP discretionary grants based on established funding priorities and the allocation of discretionary funds among nine FAA regions. The distribution of the funds to the FAA regions is based on considerations including the number and types of airports in each region, as well as the identified capital needs of those airports. This analysis assumes the FAA AIP grant program will continue throughout the planning horizon.

Table 10-5 presents the projections for AIP passenger entitlement funds at DAL, using the current formula based on enplaned passengers, which is assumed to be in place for the entire planning horizon. AIP passenger entitlement funding amounts are based on the approved Master Plan forecasts of passenger traffic. Some projects, in particular projects for terminal development, are only partially eligible for AIP funding. For those projects, the entitlement funding amounts reflect the percentage of eligibility typical for such projects, based on experience at DAL and at other airports. The maximum funding eligibility for airports such as DAL, a medium-hub airport, as defined by the FAA, is 75.0 percent, except for noise projects, which have an 80.0 percent eligibility.

Demand for AIP discretionary grant funding consistently exceeds funding availability. AIP discretionary grant funding amounts are based on an evaluation of amounts that can be reasonably expected to be made available to the airport, considering historic AIP discretionary grant funding provided to the airport, the timing of projects identified for AIP discretionary grant funding, and the level of AIP discretionary grant funding support provided to similar projects at comparable airports.

TABLE 10-3 CAPITAL IMPROVEMENT PLAN COSTS AND SCHEDULE

PROJECT NAME	PROJECT COST (FY 2025)	ESCALATED PROJECT COST ¹	EXPECTED YEAR OF EXPENDITURES								
			FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033
Master Plan Projects											
T1 – Terminal Headhouse	\$633,564,063	\$695,753,243	\$0	\$0	\$47,433,366	\$194,198,437	\$198,736,741	\$203,362,696	\$52,022,004	\$0	\$0
T2 – Terminal Concourse	\$273,481,848	\$304,867,075	\$0	\$0	\$0	\$69,033,965	\$70,647,248	\$72,291,690	\$73,971,579	\$18,922,594	\$0
T3 – Central Utility Plant Expansion	\$55,000,000	\$58,461,959	\$0	\$0	\$23,059,194	\$35,402,765	\$0	\$0	\$0	\$0	\$0
A1 – Terminal Apron	\$35,139,821	\$40,091,317	\$0	\$0	\$0	\$0	\$0	\$17,545,503	\$17,953,220	\$4,592,595	\$0
A2 – Remain Overnight (RON) / Deicing Apron	\$26,783,568	\$28,568,548	\$0	\$0	\$7,018,267	\$11,550,281	\$10,000,000	\$0	\$0	\$0	\$0
L1 – Entrance Roadway Intersection	\$143,160,000	\$159,611,776	\$0	\$0	\$0	\$0	\$52,390,930	\$107,220,846	\$0	\$0	\$0
L2 – Curbfront and Terminal Area Roadways	\$109,322,217	\$120,022,896	\$0	\$0	\$0	\$0	\$40,007,632	\$80,015,264	\$0	\$0	\$0
L3 – Garage D	\$347,360,000	\$382,652,447	\$0	\$0	\$0	\$53,235,950	\$217,920,170	\$111,496,327	\$0	\$0	\$0
L4 – Landside Facility Development – Remote Parking Facility	\$180,360,000	\$214,616,427	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$106,074,581	\$108,541,847
Maple Manor Acquisition	\$50,000,000	\$50,000,000	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
L5 – Landside Facility Development – ConRAC Facility Design	\$40,000,000	\$43,413,861	\$0	\$0	\$0	\$21,456,221	\$21,957,640	\$0	\$0	\$0	\$0
L5 – Landside Facility Development – ConRAC Facility Construction	\$307,431,750	\$353,452,564	\$0	\$0	\$0	\$0	\$0	\$86,345,066	\$176,703,046	\$90,404,452	\$0
S1 – General Use Building (GUB)	\$40,372,250	\$43,566,883	\$0	\$0	\$5,289,497	\$21,655,898	\$16,621,488	\$0	\$0	\$0	\$0
S2 – Triturator	\$132,000	\$140,797	\$0	\$0	\$34,589	\$106,208	\$0	\$0	\$0	\$0	\$0
S3 – Centralized Receiving and Distribution Center (CRDC)	\$14,608,325	\$15,745,222	\$0	\$0	\$0	\$12,537,578	\$3,207,643	\$0	\$0	\$0	\$0
S4 – Airport Maintenance Facilities	\$35,675,375	\$38,052,946	\$0	\$0	\$9,348,243	\$28,704,703	\$0	\$0	\$0	\$0	\$0
Total Master Plan Projects	\$2,292,391,217	\$2,549,017,963	\$0	\$50,000,000	\$92,183,156	\$447,882,005	\$631,489,493	\$678,277,392	\$320,649,848	\$219,994,221	\$108,541,847
ACIP / CIP Projects											
Taxiway Charlie Phase II – Construction	\$18,608,705	\$18,608,705	\$18,608,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loading Bridge Replacement – Design	\$4,800,000	\$4,800,000	\$0	\$4,800,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DAL Drainage Master Plan Update – Study	\$1,000,000	\$1,000,000	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DAL Drainage Master Plan Update – Design	\$5,000,000	\$5,000,000	\$0	\$0	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0
Loading Bridges ²	\$24,000,000	\$24,000,000	\$0	\$24,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Loading Bridges – Pre-Conditioned Air Only ³	\$2,750,000	\$2,750,000	\$0	\$0	\$2,750,000	\$0	\$0	\$0	\$0	\$0	\$0
DAL Drainage Master Plan Update – Construction	\$50,000,000	\$50,000,000	\$0	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0
Placeholder for Master Plan Project ⁴	\$7,000,000	\$7,000,000	\$0	\$0	\$0	\$0	\$7,000,000	\$0	\$0	\$0	\$0
RBD Signage	\$1,334,173	\$1,334,173	\$0	\$1,334,173	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ACC/AEOC Remodel	\$2,700,000	\$2,700,000	\$2,160,000	\$540,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garages A and B, Pedestrian Concourse HVAC/Boiler Replacement and Roof Repairs	\$7,199,215	\$7,199,215	\$5,759,372	\$1,439,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Garage B Repairs ⁵	\$4,500,000	\$4,500,000	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
EOL Replacement of Enterprise Switches	\$1,000,000	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cabling – Replacement and Addition	\$3,000,000	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RBD Apron Paving Project – Design/Construction	\$1,515,450	\$1,515,450	\$223,950	\$1,291,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
RBD Taxiway E – Phase II	\$7,400,000	\$7,400,000	\$0	\$7,400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total ACIP / CIP Projects	\$141,807,543	\$141,807,543	\$35,252,027	\$41,805,516	\$7,750,000	\$50,000,000	\$7,000,000	\$0	\$0	\$0	\$0
Total Combined CIP	\$2,434,198,760	\$2,690,825,505	\$35,252,027	\$91,805,516	\$99,933,156	\$497,882,005	\$638,489,493	\$678,277,392	\$320,649,848	\$219,994,221	\$108,541,847

NOTES:

ACC – Airport Communications Center; ACIP – Airport Capital Improvement Plan; AEOC – Airport Emergency Operations Center; CIP – Capital Improvement Plan; ConRAC – Consolidated Rent-a-Car; DAL – Dallas Love Field; EOL – End of Life; FY – Fiscal Year; HVAC – Heating, Ventilation, and Air Conditioning; RBD – Dallas Executive Airport
 Fiscal years ending September 30. Totals may not sum due to rounding.

¹ Master Plan project costs are escalated by annual inflation in the year of expected expenditures. Source for inflation: <https://www.clevelandfed.org/indicators-and-data/inflation-expectations>. ACIP/CIP costs are not escalated in order to remain consistent with the submitted ACIP/CIP.

² For the Loading Bridges Project, it is assumed that 10 bridges will be purchased, and costs are based on estimates from recent bids at other airports.

³ The Loading Bridges – Pre-Conditioned Air Only Project costs are based on 20 pre-conditioned air units, and costs are based on estimates from recent bids at other airports.

⁴ This project is yet to be defined.

⁵ This cost is for structural repairs to Garage B only and is unrelated to the Garages A and B, Pedestrian Concourse HVAC/Boiler Replacement and Roof Repairs Project.

SOURCES: City of Dallas, Department of Aviation, August 2025; Ricondo & Associates, Inc., November 2025; Unison Consulting, Inc., November 2025.

TABLE 10-4 CAPITAL IMPROVEMENT PLAN ESTIMATED FUNDING SOURCES

PROJECT NAME	PROJECT COST (2025)	ESCALATED PROJECT COST ¹	FUNDING SOURCES										
			AIP GRANTS		IJA GRANTS		TXDOT GRANTS	PFC REVENUES		BOND PROCEEDS	CFC REVENUE	AVIATION DEVELOPMENT FUND	
			ENTITLEMENT	DISCRETIONARY	AIG	ATP		PAYGO	DEBT SERVICE				
Master Plan Projects													
T1 – Terminal Headhouse	\$633,564,063	\$695,753,243	\$25,551,894	\$0	\$0	\$0	\$0	\$0	\$0	\$222,675,968	\$447,525,382	\$0	\$0
T2 – Terminal Concourse	\$273,481,848	\$304,867,075	\$2,699,774	\$0	\$0	\$0	\$0	\$0	\$0	\$180,220,472	\$121,946,830	\$0	\$0
T3 – Central Utility Plant Expansion	\$55,000,000	\$58,461,959	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$37,383,095	\$21,078,864	\$0	\$0
A1 – Terminal Apron	\$35,139,821	\$40,091,317	\$0	\$30,068,488	\$0	\$0	\$0	\$0	\$0	\$10,022,829	\$0	\$0	\$0
A2 – Remain Overnight (RON) / Deicing Apron	\$26,783,568	\$28,568,548	\$0	\$15,763,700	\$0	\$0	\$0	\$0	\$0	\$12,804,848	\$0	\$0	\$0
L1 – Entrance Roadway Intersection	\$143,160,000	\$159,611,776	\$0	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$152,611,776	\$0	\$0	\$0
L2 – Curbfront and Terminal Area Roadways	\$109,322,217	\$120,022,896	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,022,896	\$0	\$0	\$0
L3 – Garage D	\$347,360,000	\$382,652,447	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$382,652,447	\$0	\$0
L4 – Landside Facility Development – Remote Parking Facility	\$180,360,000	\$214,616,427	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$214,616,427	\$0	\$0
Maple Manor Acquisition	\$50,000,000	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000,000	\$0	\$0
L5 – Landside Facility Development – ConRAC Facility Design	\$40,000,000	\$43,413,861	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,413,861	\$0
L5 – Landside Facility Development – ConRAC Facility Construction	\$307,431,750	\$353,452,564	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$353,452,564	\$0
S1 – General Use Building (GUB)	\$40,372,250	\$43,566,883	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$43,566,883	\$0	\$0
S2 – Triturator	\$132,000	\$140,797	\$0	\$105,598	\$0	\$0	\$0	\$35,199	\$0	\$0	\$0	\$0	\$0
S3 – Centralized Receiving and Distribution Center (CRDC)	\$14,608,325	\$15,745,222	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,745,222	\$0	\$0
S4 – Airport Maintenance Facilities	\$35,675,375	\$38,052,946	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,052,946	\$0	\$0
Total Master Plan Projects	\$2,292,391,217	\$2,549,017,963	\$28,251,668	\$52,937,786	\$0	\$0	\$0	\$35,199	\$735,741,883	\$1,335,185,001	\$396,866,425	\$0	\$0
ACIP / CIP Projects													
Taxiway Charlie Phase II – Construction	\$18,608,705	\$18,608,705	\$5,555,252	\$8,401,277	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,652,176
Loading Bridge Replacement – Design	\$4,800,000	\$4,800,000	\$2,777,626	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,022,374
DAL Drainage Master Plan Update – Study	\$1,000,000	\$1,000,000	\$0	\$0	\$750,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
DAL Drainage Master Plan Update – Design	\$5,000,000	\$5,000,000	\$2,777,626	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,222,374
Loading Bridges ²	\$24,000,000	\$24,000,000	\$0	\$0	\$18,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,000,000
Loading Bridges – Pre-Conditioned Air Only ³	\$2,750,000	\$2,750,000	\$0	\$0	\$2,062,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$687,500
DAL Drainage Master Plan Update – Construction	\$50,000,000	\$50,000,000	\$2,777,626	\$10,330,029	\$24,392,345	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,500,000
Placeholder for Master Plan Project ⁴	\$7,000,000	\$7,000,000	\$5,555,252	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,444,748
RBD Signage	\$1,334,173	\$1,334,173	\$1,000,630	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$333,543
ACC/AEOC Remodel	\$2,700,000	\$2,700,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,700,000
Garages A and B, Pedestrian Concourse HVAC/Boiler Replacement and Roof Repairs	\$7,199,215	\$7,199,215	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,199,215
Garage B Repairs	\$4,500,000	\$4,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,500,000
EOL Replacement of Enterprise Switches	\$1,000,000	\$1,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000
Cabling – Replacement and Addition	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,000,000
RBD Apron Paving Project – Design/Construction	\$1,515,450	\$1,515,450	\$0	\$1,136,588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$378,863
RBD Taxiway E – Phase II	\$7,400,000	\$7,400,000	\$0	\$0	\$0	\$0	\$7,030,000	\$0	\$0	\$0	\$0	\$0	\$370,000
Total ACIP / CIP Projects	\$141,807,543	\$141,807,543	\$20,444,012	\$19,867,894	\$45,204,845	\$0	\$7,030,000	\$0	\$0	\$0	\$0	\$0	\$49,260,792
Total Combined CIP	\$2,434,198,760	\$2,690,825,505	\$48,695,680	\$72,805,680	\$45,204,845	\$0	\$7,030,000	\$35,199	\$735,741,883	\$1,335,185,001	\$396,866,425	\$49,260,792	

NOTES:
 ACC – Airport Communications Center; ACIP – Airport Capital Improvement Plan; AEOC – Airport Emergency Operations Center; AIG – Airport Infrastructure Grant; AIP – Airport Improvement Program; ATP – Airport Terminal Program; CFC – Customer Facility Charge; CIP – Capital Improvement Plan; ConRAC – Consolidated Rent-a-Car; DAL – Dallas Love Field; EOL – End of Life; HVAC – Heating, Ventilation, and Air Conditioning; IJA – Infrastructure Investment and Jobs Act; PFC – Passenger Facility Charge; RBD – Dallas Executive Airport; TxDOT – Texas Department of Transportation
 Fiscal years ending September 30. Totals may not sum due to rounding.

1 Master Plan project costs are escalated by annual inflation in the year of expected expenditures. Source for inflation: <https://www.clevelandfed.org/indicators-and-data/inflation-expectations>. ACIP/CIP costs are not escalated in order to remain consistent with the submitted ACIP/CIP.

2 For the Loading Bridges Project, it is assumed that 10 bridges will be purchased, and costs are based on estimates from recent bids at other airports.

3 The Loading Bridges – Pre-Conditioned Air Only Project costs are based on 20 pre-conditioned air units, and costs are based on estimates from recent bids at other airports.

4 This project is yet to be defined.

SOURCES: City of Dallas, Department of Aviation, August 2025; Ricondo & Associates, Inc., November 2025; Unison Consulting, Inc., November 2025.

TABLE 10-5 PROJECTED AIRPORT IMPROVEMENT PROGRAM ENTITLEMENT GRANTS

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Enplaned Passengers ¹	\$8,809,637	\$8,150,699	\$10,431,424	\$10,663,499	\$10,898,837	\$11,104,785	\$11,281,490	\$11,365,465	\$11,449,928	\$11,621,062	\$11,803,699
\$15.60 for First 50,000 PAX	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000	\$780,000
\$10.40 for Next 50,000 PAX	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000	\$520,000
\$5.20 for Next 400,000 PAX	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000	\$2,080,000
\$1.30 for Next 500,000 PAX	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000	\$650,000
\$1.00 for Each PAX Over 1 Million	\$7,809,637	\$7,150,699	\$9,431,424	\$9,663,499	\$9,898,837	\$10,104,785	\$10,281,490	\$10,365,465	\$10,449,928	\$10,621,062	\$10,803,699
Subtotal of AIP Entitlement	\$11,839,637	\$11,180,699	\$13,461,424	\$13,693,499	\$13,928,837	\$14,134,785	\$14,311,490	\$14,395,465	\$14,479,928	\$14,651,062	\$14,833,699
Reduction Due to PFC ²	\$(7,103,782)	\$(6,708,419)	\$(8,076,854)	\$(8,216,099)	\$(8,357,302)	\$(8,480,871)	\$(8,586,894)	\$(8,637,279)	\$(8,687,957)	\$(8,790,637)	\$(8,900,219)
Total AIP Entitlement	\$4,735,855	\$4,472,280	\$5,384,570	\$5,477,400	\$5,571,535	\$5,653,914	\$5,724,596	\$5,758,186	\$5,791,971	\$5,860,425	\$5,933,480
AIP Expenditures	\$5,555,252	\$3,778,256	\$5,384,570	\$5,477,400	\$5,571,535	\$5,653,914	\$5,724,596	\$0	\$0	\$0	\$0
City of Dallas Funds Used ³	\$0	\$0	\$0	\$0	\$0	\$0	\$11,550,157	\$0	\$0	\$0	\$0
City of Dallas Funds to Be Paid Back ²	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,758,186	\$5,791,971	\$0	\$0
Remaining Entitlement	\$(819,397)	\$694,024	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,860,425	\$5,933,480

NOTES:

AIP – Airport Improvement Program; FY – Fiscal Year; PAX – Enplaned Passengers; PFC – Passenger Facility Charge
 Fiscal years ending September 30.

- 1 This is based on enplaned passengers from two fiscal years prior. For example, the FY 2025 AIP entitlements are based on the FY 2023 enplaned passengers.
- 2 At medium-hub airports where a PFC of \$4.50 is imposed, AIP entitlement funds are reduced by 60 percent due to federal policy that encourages the sponsors of larger airports to use PFC revenue for capital projects, while AIP funds are preserved for airports with more limited financial resources.
- 3 For 2031, it is assumed the City of Dallas will front approximately \$11.6 million to fund a portion of the terminal project; 2022 and 2023 AIP entitlements will be used to repay the City of Dallas for those expenditures.

SOURCES: City of Dallas, Department of Aviation, August 2025; Ricondo & Associates, Inc., August 2025; Unison Consulting, Inc., August 2025.

The funding plan assumes a total of approximately \$48.7 million in AIP passenger entitlement grant funding (\$28.2 million for Master Plan projects and \$20.4 million for combined CIP projects) and \$72.8 million in AIP discretionary grant funding (\$52.9 million for Master Plan projects and \$19.9 million for combined CIP projects).

10.2.2.2 INFRASTRUCTURE INVESTMENT AND JOBS ACT GRANTS

The IIJA, an investment in America's transportation network, was signed into law in November 2021. The law provides for a \$25 billion investment to modernize airport infrastructure, spread equally over 5 years (federal FYs [FFYs] 2022 through 2026). The FAA plans to invest \$15 billion in airport infrastructure to increase safety and expand capacity, \$5 billion to improve aging terminal facilities, and \$5 billion to improve ATC facilities.

The IIJA provides two separate grant opportunities for airports:

- **Airport Infrastructure Grant (AIG):** The \$15 billion in AIG funds is allocated to airports using a two-step process. First, grants are allocated based on the same formula used for determining the allocation of FAA AIP entitlement grants. Second, any remaining balance is allocated based on each commercial airport's share of total US enplaned passengers. As enplaned passengers increase from year to year, the amount of funds allocated based on the FAA AIP entitlement grant formula will increase, reducing the remaining balance to be allocated.
- **Airport Terminal Program (ATP):** The \$5 billion in ATP grants to improve aging terminal facilities is a competitive or discretionary program. However, no more than 15.0 percent of the total (\$750 million) can be awarded to medium-hub airports. ATP grant amounts are based on an evaluation of funds that can be reasonably expected to be made available to the Airport. For purposes of this financial analysis, the funding plan assumes no use of ATP funds, although it is anticipated that the DoA will apply for such grants as eligible funding opportunities become available.

As with AIP funding, some terminal projects are only partially eligible for IIJA funding. For those projects, the IIJA funding amounts also reflect the eligibility percentage typical for such projects. The funding plan assumes approximately \$45.2 million in total IIJA-AIG grants for eligible combined CIP project costs.

10.2.2.3 TEXAS DEPARTMENT OF TRANSPORTATION GRANTS

TxDOT provides grants to support airport maintenance and airport improvement projects at Texas airports. The grants are funded by state and federal sources. TxDOT grants are an especially valuable resource for GA airports. The ACIP / CIP funding plan assumes approximately \$7.0 million in TxDOT grants to fund a portion of the Taxiway E – Phase II project at RBD.

10.2.2.4 PASSENGER FACILITY CHARGES

PFCs are user fees imposed by an airport sponsor, collected for each enplaned passenger, and used for specific projects approved by the FAA. According to federal regulations, PFC projects must: (1) preserve or enhance safety, security, or capacity of the national air transportation system; (2) reduce noise or mitigate noise impacts resulting from an airport; or (3) furnish opportunities for enhanced competition between or among air carriers. The DoA is currently authorized by the FAA to collect a PFC of \$4.50 per enplaned passenger.

Since the inception of the PFC program, the DoA has received approval to collect and use a total of approximately \$573.3 million in PFCs at DAL. The most recent PFC application was approved by the FAA on August 16, 2024. The DoA applies \$10.0 million in PFCs to pay debt service on the currently outstanding Series 2012 general airport revenue bonds (GARBs). When the Series 2012 GARBs mature in FY 2029, it is assumed that the DoA will no longer apply \$10.0 million of annual PFC revenue to pay a portion of the existing debt service.

Table 10-6 presents the projected PFC collections during the planning horizon, based on the Master Plan enplaned passenger forecast. Also shown are the projected uses of PFCs, which include using PFCs on a pay-as-you-go (PAYGO) basis for eligible costs of the Master Plan projects, outstanding GARB debt service, and future GARB debt service.

It is assumed that the DoA will submit the necessary PFC applications to obtain approval to use PFCs for eligible costs as needed during the planning horizon. As with AIP and IJJA funding, some terminal projects are only partially eligible for PFC funding. For those projects, the PFC-eligible project costs reflect the percentage of eligibility typical for such projects, based on experience at DAL and at other airports.

In developing the projections of PFCs to be used in the funding plan, the analysis included the timing of PFC-eligible project costs to optimize the amount of PAYGO PFCs and to maximize the effect of leveraging PFCs to pay eligible bond debt service. The combined CIP funding plan includes approximately \$35,000 in PFCs on a PAYGO basis, with a large portion of the remaining PFCs collected during the planning horizon being used to fund bond debt service. The strategy assumed for PFCs to be used for payment of eligible bond debt service is described in the following subsection.

10.2.2.5 BOND PROCEEDS (GENERAL AIRPORT REVENUE BONDS)

Proceeds from the issuance of revenue bonds represent a significant portion (approximately 30.0 percent) of assumed funding for the combined CIP projects. Bonds are assumed to be GARBs, which are debt instruments secured by the Airport's revenues. As previously discussed, it is assumed that PFC revenue will be used to pay a portion of eligible debt service.

DAL currently has four series of outstanding GARBs with various maturity dates (Series 2012, Series 2015, Series 2017, and Series 2021). The funding plan assumes three future GARB issuances.

Future debt issuances assumed to fund portions of the combined CIP are summarized as follows:

- Assumed GARB issuances in 2027, 2029, and 2031
- 5.5 percent interest rate for each GARB issuance
- Varying capitalized interest depending on date of beneficial occupancy (DBO) for major projects
- Projected PFC revenues used to fund a portion of debt service:
 - Series 2027 – approximately \$10.3 million per year
 - Series 2029 – approximately \$30.0 million per year
 - Series 2031 – approximately \$6.7 million per year

TABLE 10-6 PASSENGER FACILITY CHARGE REVENUE PROJECTION AND APPLICATION

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Beginning Balance	\$40,990,393	\$72,204,949	\$104,336,434	\$137,389,092	\$152,350,545	\$168,036,712	\$194,054,664	\$220,406,330	\$247,093,641	\$227,717,528	\$181,777,558
Enplaned Passengers	10,431,424	10,663,499	10,898,837	11,104,785	11,281,490	11,365,465	11,449,928	11,534,880	11,621,062	11,694,091	11,852,400
Percentage of PFC-Eligible Enplaned Passengers	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
Passengers Paying a PFC	9,388,282	9,597,149	9,808,953	9,994,307	10,153,341	10,228,919	10,304,935	10,381,392	10,458,956	10,524,682	10,667,160
PFC Level	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
Less: Administration Fee	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11	\$0.11
Net PFC Level	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39
Annual PFC Revenue	\$41,214,556	\$42,131,485	\$43,061,305	\$43,875,006	\$44,573,167	\$44,904,952	\$45,238,666	\$45,574,311	\$45,914,816	\$46,203,354	\$46,828,832
Less: Existing Debt Service	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	\$0	\$0	\$0	\$0	\$0	\$0
Less: Future Debt Service	\$0	\$0	\$0	(\$18,887,000)	(\$18,887,000)	(\$18,887,000)	(\$18,887,000)	(\$18,887,000)	(\$55,675,000)	(\$55,675,000)	(\$55,675,000)
Less: PAYGO	\$0	\$0	(\$8,647)	(\$26,552)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance	\$72,204,949	\$104,336,434	\$137,389,092	\$152,350,545	\$168,036,712	\$194,054,664	\$220,406,330	\$247,093,641	\$237,333,457	\$218,245,881	\$172,931,390

NOTES:

FY – Fiscal Year

PAYGO – Pay as You Go

PFC – Passenger Facility Charge

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Ricondo & Associates, Inc., November 2025; Unison Consulting, Inc., November 2025.

Table 10-7 presents the projected annual GARB debt service by series. Total debt service (not including use of PFC revenues), including the commercial paper debt service, is projected to increase from \$58.3 million in FY 2025 to \$75.4 million in FY 2028 and FY 2029. After the maturity of the Series 2012 bonds, debt service is projected to decrease to \$63.9 million from FY 2030 to FY 2032. Total debt service is projected to average \$145.4 million from FY 2033 to FY 2036, before reducing to an average of \$124.5 million for the remainder of the planning horizon. PFCs used to pay debt service increase from \$10.0 million in FY 2025 to \$28.9 million beginning in FY 2028 until FY 2030, when PFCs are no longer applied to existing debt service. PFCs applied to debt service are assumed to increase to \$55.7 million in FY 2033 and continue for the remainder of the planning horizon. Net debt service is projected to average \$45.1 million from FY 2025 to FY 2032, and it is projected to average \$87.9 million annually from FY 2033 to FY 2037. Beginning in FY 2038, net debt service is projected to average \$64.9 million annually for the remainder of the planning horizon.

10.2.2.6 CUSTOMER FACILITY CHARGES

CFCs are charges imposed by airport sponsors on rental car companies to support the development and/or operation of rental car facilities. The DoA is authorized to collect \$3.00 per rental car transaction day, with plans to increase the rate to \$10.00 per rental car transaction day beginning in FY 2026. The DoA will use CFC revenue to support the development of a ConRAC facility, including land acquisition, environmental assessments, design, and construction.

The funding plan assumes the DoA will use CFCs on a PAYGO capacity to support early action items for the development of the ConRAC facility, including land acquisition, design, and a portion of construction. The funding plan assumes the DoA will issue special facility bonds in FY 2030. It is assumed the Series 2030 special facility bonds will have a 6.0 percent interest rate and 2 years of capitalized interest. Beginning in FY 2032, it is assumed the CFC will be raised to \$12 per transaction day to pay the annual debt service and meet the assumed annual debt service coverage requirement of 1.25 times annual debt service. **Table 10-8** presents the annual CFC sources and uses, as well as the annual debt service coverage. The funding plan assumes CFCs will fund \$267.1 million, with special facility bonds paid with CFC revenue and \$129.8 million in rental car-related project costs paid with CFC revenue on a PAYGO basis.

10.2.2.7 AVIATION DEVELOPMENT FUND

The Aviation Development Fund (referred to as the Aviation Capital Fund in the Indenture) can be used by the DoA for any lawful purpose for which Airport revenue may be used. The City deposits 25.0 percent of net revenues from the Parking and Ground Transportation cost center, 25.0 percent of terminal concession revenues, and 100.0 percent of net revenues from the Other Buildings and Areas cost center. The funding plan assumes the Aviation Development Fund will be used for \$49.3 million of combined CIP project costs.

10.3 FINANCIAL FEASIBILITY ANALYSIS

Following initial development of the combined CIP funding plan for the Master Plan, an analysis was conducted to determine the feasibility of the funding plan. The following elements were evaluated regarding the feasibility of the funding plan:

- Reasonable airline rates, charges, and resulting CPE
- Positive cash flow when incorporating the use of DoA cash to fund CIP projects
- Meeting debt service coverage requirements as specified in the Indenture

TABLE 10-7 EXISTING AND FUTURE DEBT SERVICE PROJECTIONS

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Outstanding Bond Debt Service											
Series 2012A	\$13,444,625	\$13,429,000	\$13,415,875	\$13,398,875	\$13,386,500	\$0	\$0	\$0	\$0	\$0	\$0
Series 2015	\$9,216,125	\$9,209,375	\$9,199,375	\$9,195,375	\$9,186,625	\$9,177,500	\$9,172,125	\$9,159,750	\$9,154,500	\$9,131,875	\$0
Series 2017	\$9,862,250	\$9,855,625	\$9,850,375	\$9,840,875	\$9,836,375	\$9,826,125	\$9,819,375	\$9,810,250	\$9,798,000	\$9,780,125	\$0
Series 2021	\$19,774,675	\$19,759,550	\$19,750,925	\$19,737,550	\$19,723,300	\$21,656,925	\$21,644,425	\$21,621,800	\$21,602,425	\$21,652,900	\$15,706,300
Total Outstanding Bond Debt Service	\$52,297,675	\$52,253,550	\$52,216,550	\$52,172,675	\$52,132,800	\$40,660,550	\$40,635,925	\$40,591,800	\$40,554,925	\$40,564,900	\$15,706,300
Commercial Paper Debt Service	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: PFC Revenues Available for Debt Service	\$(10,000,000)	\$(10,000,000)	\$(10,000,000)	\$(10,000,000)	\$(10,000,000)	\$0	\$0	\$0	\$0	\$0	\$0
Total Net Outstanding Bond Debt Service	\$48,297,675	\$42,253,550	\$42,216,550	\$42,172,675	\$42,132,800	\$40,660,550	\$40,635,925	\$40,591,800	\$40,554,925	\$40,564,900	\$15,706,300
Future Debt Service											
Series 2027	\$0	\$0	\$0	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808
Series 2029	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61,073,939	\$61,073,939	\$61,073,939
Series 2031	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,585,091	\$20,585,091	\$20,585,091
Total Outstanding Bond Debt Service	\$0	\$0	\$0	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$23,246,808	\$104,905,838	\$104,905,838	\$104,905,838
Less: PFC Revenues Available for Debt Service	\$0	\$0	\$0	(\$18,887,457)	(\$18,887,457)	(\$18,887,457)	(\$18,887,457)	(\$18,887,457)	(\$55,675,132)	(\$55,675,132)	(\$55,675,132)
Total Net Master Plan Projects Debt Service	\$0	\$0	\$0	\$4,359,351	\$4,359,351	\$4,359,351	\$4,359,351	\$4,359,351	\$49,230,707	\$49,230,707	\$49,230,707
Total Net Debt Service	\$48,297,675	\$42,253,550	\$42,216,550	\$46,532,026	\$46,492,151	\$45,019,901	\$44,995,276	\$44,951,151	\$89,785,632	\$89,795,607	\$64,937,007

NOTES:

FY – Fiscal Year

PFC – Passenger Facility Charge

Totals may not sum due to rounding.

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, November 2025; Unison Consulting, Inc., November 2025.

TABLE 10-8 CUSTOMER FACILITY CHARGE REVENUE PROJECTION AND APPLICATION

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
O&D Enplaned Passengers	6,730,643	6,933,702	7,141,219	7,331,686	7,504,759	7,617,449	7,731,308	7,846,344	7,963,073	8,130,055	8,536,426
Transaction Days	2,019,193	2,080,111	2,142,366	2,199,506	2,251,428	2,285,235	2,319,392	2,353,903	2,388,922	2,439,017	2,560,928
Transaction Days per Enplaned Passenger	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
CFC Level per Transaction Day	\$3.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00	\$12.00	\$12.00	\$12.00	\$12.00
Beginning Balance	\$37,109,911	\$43,167,490	\$63,968,596	\$85,392,253	\$85,931,090	\$86,487,726	\$22,995,007	\$46,188,931	\$52,685,214	\$66,818,131	\$107,428,972
Annual CFC Revenue	\$6,057,579	\$20,801,106	\$21,423,657	\$21,995,058	\$22,514,277	\$22,852,347	\$23,193,924	\$28,246,838	\$28,667,063	\$29,268,198	\$30,731,134
Less: CFC PAYGO	\$0	\$0	\$0	\$(21,456,221)	\$(21,957,640)	\$(86,345,066)	\$0	\$0	\$0	\$0	\$0
Less: CFC Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$(21,750,555)	\$(21,750,555)	\$(21,750,555)	\$(21,750,555)
Ending Balance	\$43,167,490	\$63,968,596	\$85,392,253	\$85,931,090	\$86,487,726	\$22,995,007	\$46,188,931	\$52,685,214	\$59,601,722	\$74,335,773	\$116,409,550
Debt Service Coverage								1.30	1.32	1.35	1.41

NOTES:

CFC – Customer Facility Charge

FY – Fiscal Year

O&D – Origin and Destination

PAYGO – Pay as You Go

Totals may not sum due to rounding.

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., August 2025.

10.3.1 PROJECTED OPERATION AND MAINTENANCE EXPENSES

As presented in **Table 10-9**, O&M expenses are projected to increase by an average of 3.6 percent per year, from \$146.1 million in FY 2025 to \$249.7 million in FY 2040. The increase includes estimated additional expenses from implementing the Master Plan projects. The increase in expenses impacts the Terminal Building cost center because of the additional terminal space and the assumed associated costs included in the Master Plan. The following is a summary of the projections for O&M expenses:

- **Personnel Expenses:** Personnel expenses are projected to increase by an average of 6.0 percent per year in FY 2026 and FY 2027 and 3.0 percent per year for the remainder of the planning horizon. Personnel expenses are projected to increase to \$73.0 million in FY 2040.
- **Supplies Expenses:** Supplies expenses are projected to increase by an average of 2.4 percent per year. The increase represents an annual inflationary increase. Total supplies expenses are projected to increase to \$18.9 million in FY 2040.
- **Contractual Services Expenses:** Contractual services expenses are projected to increase by 5.0 percent in FY 2026 and FY 2027 and by 3.0 percent each year thereafter, totaling \$142.1 million in FY 2040.
- **Equipment Expenses:** Equipment expenses are budgeted to be \$11.0 million in FY 2025 and are projected to increase by an average of 2.4 percent per year, totaling \$15.6 million in FY 2040.

10.3.2 PROJECTED REVENUES

10.3.2.1 PROJECTED NON-AIRLINE REVENUES

Non-airline revenues include terminal concessions, car rentals, parking, space rentals, GA activity, cargo facilities, and other revenues, including interest income. **Table 10-10** presents projected non-airline revenues based on the FY 2025 budget. These revenues are described in previous sections, while the following describes the basis by which non-airline revenues were projected through FY 2040.

- **Terminal Non-Airline Revenues:** Terminal non-airline revenues include lease revenues from non-airline tenants, concession revenues, and advertising revenues. Budgeted revenues are projected to increase from \$27.3 million in FY 2025 to \$42.2 million in FY 2040, an average of 2.9 percent per year.
 - Non-airline terminal building rentals and fees are projected to increase by an average of 2.4 percent per year to \$5.3 million in FY 2040.
 - Terminal concession revenues include food and beverage, retail, and advertising. These revenues are projected to increase from \$23.5 million in FY 2025 to \$36.8 million in FY 2040, driven by the forecast annual increase in enplaned passengers, plus annual inflation.
- **Airfield and Apron Non-Airline Revenues:** These revenues include fuel flowage fees, non-airline landing fees, and RON parking fees. Airfield and apron non-airline revenues are projected to increase at the rate of aircraft operations, which is equal to 0.3 percent per year. In FY 2040, these revenues are projected to total \$8.9 million.

TABLE 10-9 BUDGET AND PROJECTED OPERATION AND MAINTENANCE EXPENSES

	BUDGET FY 2025	PROJECTED										CAGR
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040	
<i>By Category</i>												
Personnel	\$33,990,000	\$36,029,000	\$38,191,000	\$39,337,000	\$40,517,000	\$41,733,000	\$42,985,000	\$57,650,000	\$59,380,000	\$62,996,000	\$73,030,000	5.2%
Supplies	\$13,335,000	\$13,642,000	\$13,956,000	\$14,277,000	\$14,605,000	\$14,941,000	\$15,300,000	\$15,667,000	\$16,043,000	\$16,822,000	\$18,939,000	2.4%
Contractual Services	\$87,781,000	\$92,170,000	\$96,779,000	\$99,683,000	\$102,669,000	\$105,755,000	\$108,928,000	\$112,198,000	\$115,565,000	\$122,603,000	\$142,139,000	3.3%
Equipment	\$10,961,000	\$11,213,000	\$11,471,000	\$11,735,000	\$12,005,000	\$12,281,000	\$12,576,000	\$12,878,000	\$13,187,000	\$13,827,000	\$15,568,000	2.4%
Total O&M Expenses	\$146,067,000	\$153,054,000	\$160,397,000	\$165,032,000	\$169,796,000	\$174,710,000	\$179,789,000	\$198,393,000	\$204,175,000	\$216,248,000	\$249,676,000	3.6%
<i>By Cost Center</i>												
Airfield	\$37,167,000	\$38,945,000	\$40,813,000	\$41,992,000	\$43,204,000	\$44,454,000	\$45,746,000	\$47,076,000	\$48,448,000	\$51,313,000	\$59,246,000	3.2%
Terminal Building	\$59,835,000	\$62,697,000	\$65,705,000	\$67,604,000	\$69,556,000	\$71,569,000	\$73,650,000	\$89,167,000	\$91,766,000	\$97,192,000	\$112,215,000	4.3%
Parking and Ground Transportation	\$28,606,000	\$29,974,000	\$31,412,000	\$32,320,000	\$33,253,000	\$34,215,000	\$35,210,000	\$36,234,000	\$37,290,000	\$39,495,000	\$45,600,000	3.2%
Terminal Roadways	\$5,642,000	\$5,912,000	\$6,196,000	\$6,375,000	\$6,559,000	\$6,749,000	\$6,945,000	\$7,147,000	\$7,355,000	\$7,790,000	\$8,995,000	3.2%
Other Buildings and Areas	\$9,716,000	\$10,181,000	\$10,669,000	\$10,977,000	\$11,294,000	\$11,621,000	\$11,959,000	\$12,307,000	\$12,666,000	\$13,415,000	\$15,487,000	3.2%
Dallas Executive Airport	\$4,667,000	\$4,890,000	\$5,125,000	\$5,273,000	\$5,425,000	\$5,582,000	\$5,744,000	\$5,911,000	\$6,083,000	\$6,442,000	\$7,438,000	3.2%
Dallas Heliport	\$434,000	\$455,000	\$477,000	\$491,000	\$505,000	\$520,000	\$535,000	\$551,000	\$567,000	\$601,000	\$695,000	3.2%
Total O&M Expenses	\$146,067,000	\$153,054,000	\$160,397,000	\$165,032,000	\$169,796,000	\$174,710,000	\$179,789,000	\$198,393,000	\$204,175,000	\$216,248,000	\$249,676,000	3.6%

NOTES:
 CAGR – Compound Annual Growth Rate
 FY – Fiscal Year
 O&M – Operation and Maintenance
 Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., August 2025.

TABLE 10-10 BUDGET AND PROJECTED NON-AIRLINE REVENUES

	BUDGET FY 2025	PROJECTED										CAGR
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040	
Terminal												
Non-Airline Terminal Building Rentals and Fees	\$3,758,000	\$3,844,000	\$3,932,000	\$4,022,000	\$4,115,000	\$4,210,000	\$4,311,000	\$4,414,000	\$4,520,000	\$4,739,000	\$5,335,000	2.4%
Food and Beverage	\$14,823,872	\$15,502,000	\$16,209,000	\$16,895,000	\$17,558,000	\$18,096,000	\$18,668,000	\$19,258,000	\$19,867,000	\$20,963,000	\$23,922,000	3.2%
Retail	\$6,259,919	\$6,546,000	\$6,845,000	\$7,134,000	\$7,415,000	\$7,642,000	\$7,883,000	\$8,132,000	\$8,390,000	\$8,853,000	\$10,102,000	3.2%
Advertising	\$2,444,254	\$2,499,000	\$2,554,000	\$2,602,000	\$2,643,000	\$2,663,000	\$2,683,000	\$2,703,000	\$2,723,000	\$2,741,000	\$2,779,000	0.9%
Interest Income	\$30,000	\$31,000	\$32,000	\$33,000	\$34,000	\$35,000	\$36,000	\$37,000	\$38,000	\$40,000	\$45,000	2.7%
Total Terminal	\$27,316,045	\$28,422,000	\$29,572,000	\$30,686,000	\$31,765,000	\$32,646,000	\$33,581,000	\$34,544,000	\$35,538,000	\$37,336,000	\$42,183,000	2.9%
Airfield and Apron												
Fuel Flowage Fees (RBD only)	\$75,000	\$75,000	\$75,000	\$76,000	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000	0.2%
Landing Fees – General Aviation	\$7,500,000	\$7,541,000	\$7,563,000	\$7,586,000	\$7,609,000	\$7,632,000	\$7,655,000	\$7,678,000	\$7,701,000	\$7,748,000	\$7,868,000	0.3%
Landing Fees – Unscheduled	\$876,565	\$874,000	\$876,000	\$884,000	\$892,000	\$895,000	\$898,000	\$901,000	\$904,000	\$909,000	\$924,000	0.4%
Remain Overnight Parking Fees	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	0.0%
Interest Income	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	0.0%
Total Airfield	\$8,485,565	\$8,524,000	\$8,548,000	\$8,580,000	\$8,612,000	\$8,638,000	\$8,664,000	\$8,690,000	\$8,716,000	\$8,768,000	\$8,903,000	0.3%
Parking and Ground Transportation												
Public Parking	\$48,522,261	\$49,986,000	\$43,760,000	\$44,927,000	\$45,988,000	\$65,349,000	\$66,326,000	\$67,313,000	\$95,640,000	\$97,646,000	\$124,057,000	6.5%
Rental Car	\$14,579,145	\$15,364,000	\$16,188,000	\$17,002,000	\$17,804,000	\$18,487,000	\$19,214,000	\$19,967,000	\$20,751,000	\$22,215,000	\$26,262,000	4.0%
Transportation Network Company Revenues	\$4,638,284	\$4,888,000	\$5,150,000	\$5,409,000	\$5,664,000	\$5,882,000	\$6,113,000	\$6,353,000	\$6,602,000	\$7,068,000	\$8,355,000	4.0%
Interest Income	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	0.0%
Total Parking and Ground Transportation	\$67,758,690	\$70,257,000	\$65,117,000	\$67,357,000	\$69,475,000	\$89,737,000	\$91,672,000	\$93,652,000	\$123,012,000	\$126,948,000	\$158,693,000	5.8%
Other Buildings and Areas	\$13,620,401	\$13,933,000	\$14,254,000	\$14,582,000	\$14,916,000	\$15,258,000	\$15,625,000	\$16,001,000	\$16,384,000	\$17,179,000	\$19,339,000	2.4%
RBD Revenues	\$1,183,098	\$1,208,000	\$1,233,000	\$1,258,000	\$1,284,000	\$1,310,000	\$1,338,000	\$1,367,000	\$1,396,000	\$1,457,000	\$1,623,000	2.1%
Total Non-Airline Revenue	\$118,363,799	\$122,344,000	\$118,724,000	\$122,463,000	\$126,052,000	\$147,589,000	\$150,880,000	\$154,254,000	\$185,046,000	\$191,688,000	\$230,741,000	4.6%

NOTES:

CAGR – Compound Annual Growth Rate

FY – Fiscal Year

RBD – Dallas Executive Airport

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., August 2025.

- **Parking and Ground Transportation Revenues:** Parking and ground transportation revenues include public parking revenues, rental car concession revenues, and TNC revenues.
 - Public Parking: Parking revenues are projected to decrease in FY 2027 because of the demolition of Garage A. As part of the Master Plan projects, the DoA plans to develop parking facilities at other locations to ensure the number of available spaces at the Airport remains the same; however, the new lot will not provide the same level of access and convenience to the terminal as Garage A. Therefore, it is assumed the price to park in the new lot will be lower than the price to park in existing Garage A, and some passengers will choose not to park at a remote location. For the parking revenue projections, increases in parking revenue were assumed when Garage D and the new remote parking facility are completed. Finally, inflationary increases in parking rates were assumed for every third year after construction of the two new facilities is complete. Parking revenues are projected to total \$124.1 million in FY 2040.
 - Rental Car: These revenues are projected to increase at the rate of forecast enplaned passengers and inflation to \$26.3 million in FY 2040.
 - TNCs: TNC revenues are projected to increase at the rate of forecast enplaned passengers to \$8.4 million in FY 2040.
- **Other Buildings and Areas Revenues:** These revenues include building and land leases, such as FBO facilities, airline support facilities, aviation support facilities, rental car service areas, and concession support facilities. These revenues are projected to increase at the rate of inflation to \$19.3 million in FY 2040.
- **RBD Revenues:** These revenues are projected to increase by an average of 2.1 percent per year to \$1.6 million in FY 2040.

10.3.2.2 PROJECTED AIRLINE REVENUES

Charges for the airline cost centers are calculated based on the rate methodology specified in the current AULA and new AULA, as described earlier in this chapter. The rate-making methodology established under the current and new AULA is a “hybrid cost center residual cost” rate methodology, in which certain non-airline revenues are credited to the airline rate base.

The rate methodology defines the following primary cost centers:

- Terminal Building
- Airfield
- Apron Area
- Other Buildings and Areas
- Parking and Ground Transportation
- Terminal Roadways

The Terminal Building, Airfield, and Apron Area cost centers are considered the airline cost centers for the purpose of calculating and assessing airline rates and charges. The following costs are allocable to these cost centers:

- Direct and indirect O&M expenses
- Debt service

- Amortization of the net cost of each capital project placed in service in the Terminal Building cost center on or after October 1, 2008
- Additional deposits to, or replenishment of, certain reserve funds

Terminal Rental Revenue

In calculating the annual Terminal Building requirement when the days cash on hand requirement is met, the following amounts are credited against the Terminal Building cost:

- 75.0 percent of all concession revenues generated in the Terminal Building
- 100.0 percent of the non-airline Terminal Building space rentals
- Other ancillary Terminal Building revenues
- Interest income on certain funds and accounts

In addition, 75.0 percent of the net revenues generated in the Parking and Ground Transportation cost center are credited to the annual Terminal Building requirement and the annual Airfield requirement, with the percentage attributable to each of the two cost centers to be agreed upon annually. Currently, the DoA credits 75.0 percent of the net revenues of the Parking and Ground Transportation cost center to the Terminal Building cost center. For this analysis, it is assumed the DoA will continue to credit 75.0 percent of the net revenues to the Terminal Building cost center. The net revenues of the Parking and Ground Transportation cost center are calculated as Parking and Ground Transportation revenues minus the following costs allocated to the Parking and Ground Transportation cost center: (1) O&M expenses; (2) deposits to the O&M Reserve Fund; (3) debt service requirements; (4) amortization of City-funded assets; and (5) 50.0 percent of the net deficit of the Terminal Roadways cost center.

The net deficit in the Terminal Roadways cost center is allocated equally to the Parking and Ground Transportation cost center (50.0 percent) and the Terminal Building cost center (50.0 percent). The average Terminal Building rental rate is then calculated by dividing the net Terminal Building cost by the amount of airline leased space in the terminal complex.

Table 10-11 presents the projection of the terminal rental net requirement/revenue through FY 2040. Terminal rental revenues are projected to increase by an average of 4.5 percent per year, totaling \$96.5 million in FY 2040. The increases are projected to occur because of additional terminal-related debt service from the implementation of Master Plan projects. Beginning in FY 2029 when the new AULA commences, terminal rental revenues are projected to fluctuate based on the credits applied to the Terminal Building cost center. In the new AULA, if the days cash on hand are not at least 365 days, then the credits are reduced until the cash on hand day requirement is met.

Landing Fee Revenue

The annual Airfield requirement is calculated by crediting the following amounts against total Airfield costs:

- GA fuel flowage fees at RBD
- Non-signatory airline landing fees
- Other ancillary Airfield revenues, if any
- Interest income on certain funds and accounts established pursuant to the Indenture
- Portion of the net revenues generated in the Parking and Ground Transportation cost center

TABLE 10-11 PROJECTED TERMINAL RENTAL REVENUE

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Operation and Maintenance Expenses	\$59,835,000	\$62,697,000	\$65,705,000	\$67,604,000	\$69,556,000	\$71,569,000	\$73,650,000	\$89,167,000	\$91,766,000	\$97,192,000	\$112,215,000
Deposit to O&M Reserve Fund	\$1,572,000	\$716,000	\$752,000	\$475,000	\$488,000	\$503,000	\$520,000	\$3,879,000	\$650,000	\$688,000	\$796,000
Debt Service Requirements	\$18,060,000	\$18,036,000	\$18,020,000	\$17,996,000	\$17,975,000	\$9,067,000	\$9,057,000	\$9,040,000	\$9,025,000	\$9,064,000	\$4,438,000
Amortization of City of Dallas–Funded Assets	\$5,363,000	\$4,622,000	\$4,194,000	\$3,719,000	\$3,719,000	\$2,518,000	\$2,518,000	\$2,390,000	\$2,292,000	\$707,000	\$0
Terminal Building Share of Terminal Roadways Deficit	\$4,282,000	\$4,412,000	\$4,555,000	\$4,631,000	\$4,723,000	\$4,541,000	\$4,639,000	\$3,888,000	\$3,992,000	\$4,212,000	\$4,667,000
New Debt Service	\$0	\$0	\$0	\$12,314,000	\$12,314,000	\$12,314,000	\$12,314,000	\$12,314,000	\$50,390,000	\$50,390,000	\$50,390,000
Terminal Requirement	\$89,112,000	\$90,483,000	\$93,226,000	\$106,739,000	\$108,775,000	\$100,512,000	\$102,698,000	\$120,678,000	\$158,115,000	\$162,253,000	\$172,506,000
Less:											
Concession Revenues	\$17,646,000	\$18,410,000	\$19,206,000	\$19,973,000	\$17,950,000	\$21,301,000	\$0	\$22,570,000	\$0	\$0	\$27,602,000
Other Terminal Building Non-Airline Revenues 100%	\$3,758,000	\$3,844,000	\$3,932,000	\$4,022,000	\$4,115,000	\$4,210,000	\$4,311,000	\$4,414,000	\$4,520,000	\$4,739,000	\$5,335,000
Interest Income Allocable to the Terminal	\$30,000	\$31,000	\$32,000	\$33,000	\$34,000	\$35,000	\$36,000	\$37,000	\$38,000	\$40,000	\$45,000
Revenue Sharing – Parking and Ground Transportation	\$11,037,000	\$12,291,000	\$7,248,000	\$2,339,000	\$0	\$17,784,000	\$15,226,000	\$19,710,000	\$0	\$0	\$43,021,000
Total Credits	\$32,471,000	\$34,576,000	\$30,418,000	\$26,367,000	\$22,099,000	\$43,330,000	\$19,573,000	\$46,731,000	\$4,558,000	\$4,779,000	\$76,003,000
Net Requirement/Revenue	\$56,641,000	\$55,907,000	\$62,808,000	\$80,372,000	\$86,676,000	\$57,182,000	\$83,125,000	\$73,947,000	\$153,557,000	\$157,474,000	\$96,503,000

NOTES:

FY – Fiscal Year

O&M – Operation and Maintenance

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., November 2025.

Table 10-12 presents the projection of the Airfield requirement / landing fee revenue through FY 2040. Landing fee revenues are projected to increase to \$48.7 million in FY 2040, or by an average of 1.8 percent per year. The increase is driven by increasing O&M expenses and new debt service associated with Master Plan projects, and it is partially offset by decreases in amortization.

Apron Fee Revenue

In calculating the annual Apron Area requirement, the following amounts are credited against the Apron Area cost:

- Apron Area fees charged to non-signatory airline users of the Apron Area
- Other ancillary Apron Area revenues, including RON parking charges
- Interest income on certain funds and accounts

The apron fee rate is then calculated by dividing the net Apron Area cost by the number of aircraft gates (20).

Table 10-13 presents the projection of the Apron Area requirement/revenue through FY 2040. Apron fee revenues are projected to decrease to \$6.8 million in FY 2040. The decrease is the result of existing debt service maturing during the planning horizon.

10.3.3 PROJECTED REVENUE SUMMARY

Table 10-14 summarizes total projected revenues through the planning horizon, including airline and non-airline revenues. Airline revenues are projected to increase to \$152.0 million in FY 2040. The increase is driven by increased debt service from the Master Plan projects, as described previously, and increased O&M expenses. Non-airline revenues are projected to increase to \$230.7 million in FY 2040. Total revenue is projected to increase an average of 3.8 percent per year, from \$219.8 million in FY 2025 (budget) to \$382.8 million in FY 2040.

10.3.4 FINANCIAL FEASIBILITY ANALYSIS RESULTS

10.3.4.1 CASH FLOW

Table 10-15 presents the annual cash flow and balances of the Aviation Development Fund. The fund intakes all revenue generated by the three airports that DoA owns and manages - DAL, RBD, and the Heliport, less all expenses, including debt service. Net unrestricted funds account for deposits to the O&M Reserve Fund and the Emergency Renewal Fund. Positive annual cash flow and positive annual fund balances demonstrate the DoA is projected to be able to fund the local portion of the combined CIP from the Aviation Development Fund. The goal of 365 days cash on hand is met in the aggregate, with annual deviations from the goal ultimately corrected through modification of airline revenue sharing, as specified in the new AULA.

10.3.4.2 DEBT SERVICE COVERAGE

Section 3.02 of the Indenture requires that net revenues are projected to be at least 1.25 times the average annual debt service on all bonds, including the debt service requirements of additional bonds. **Table 10-16** presents the projected debt service coverage calculation throughout the planning horizon. As depicted in the table, debt service coverage is projected to remain at or above 1.25 times debt service in every year during the planning horizon, thereby meeting or exceeding both the Rates and Charges Covenant and the Additional Bonds Test specified in the Indenture.

TABLE 10-12 PROJECTED LANDING FEE REVENUE

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Operation and Maintenance Expenses	\$37,167,000	\$38,945,000	\$40,813,000	\$41,992,000	\$43,204,000	\$44,454,000	\$45,746,000	\$47,076,000	\$48,448,000	\$51,313,000	\$59,246,000
Less: O&M Expenses Allocated to Apron	\$(3,717,000)	\$(3,895,000)	\$(4,081,000)	\$(4,199,000)	\$(4,320,000)	\$(4,445,000)	\$(4,575,000)	\$(4,708,000)	\$(4,845,000)	\$(5,131,000)	\$(5,925,000)
Deposit to O&M Reserve Fund	\$985,960	\$445,000	\$467,000	\$295,000	\$303,000	\$313,000	\$323,000	\$333,000	\$343,000	\$363,000	\$420,000
Debt Service Requirements	\$6,250,000	\$250,000	\$250,000	\$249,000	\$249,000	\$126,000	\$125,000	\$125,000	\$125,000	\$126,000	\$61,000
Amortization of City of Dallas–Funded Assets	\$5,091,000	\$4,326,000	\$4,198,000	\$4,198,000	\$3,026,000	\$2,173,000	\$2,173,000	\$1,710,000	\$1,710,000	\$1,225,000	\$0
New Debt Service	\$0	\$0	\$0	\$2,985,000	\$2,985,000	\$2,985,000	\$2,985,000	\$2,985,000	\$3,775,000	\$3,775,000	\$3,775,000
Airfield Requirement	\$45,776,960	\$40,071,000	\$41,647,000	\$45,520,000	\$45,447,000	\$45,606,000	\$46,777,000	\$47,521,000	\$49,556,000	\$51,671,000	\$57,577,000
Less:											
Non-Airline Revenues	\$951,565	\$949,000	\$951,000	\$960,000	\$969,000	\$972,000	\$975,000	\$978,000	\$981,000	\$986,000	\$1,001,000
General Aviation Landing Fees	\$7,500,000	\$7,541,000	\$7,563,000	\$7,586,000	\$7,609,000	\$7,632,000	\$7,655,000	\$7,678,000	\$7,701,000	\$7,748,000	\$7,868,000
Interest Income Allocable to the Airfield	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000
Total Credits	\$8,470,565	\$8,509,000	\$8,533,000	\$8,565,000	\$8,597,000	\$8,623,000	\$8,649,000	\$8,675,000	\$8,701,000	\$8,753,000	\$8,888,000
Net Requirement/Revenue	\$37,306,395	\$31,562,000	\$33,114,000	\$36,955,000	\$36,850,000	\$36,983,000	\$38,128,000	\$38,846,000	\$40,855,000	\$42,918,000	\$48,689,000

NOTES:

Fiscal years ending September 30.

FY – Fiscal Year

O&M – Operation and Maintenance

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., August 2025.

TABLE 10-13 PROJECTED APRON FEE REVENUE

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Operation and Maintenance Expenses – 10% of Airfield	\$3,717,000	\$3,895,000	\$4,081,000	\$4,199,000	\$4,320,000	\$4,445,000	\$4,575,000	\$4,708,000	\$4,845,000	\$5,131,000	\$5,925,000
Debt Service Requirements	\$3,720,000	\$3,715,000	\$3,711,000	\$3,707,000	\$3,702,000	\$1,867,000	\$1,865,000	\$1,862,000	\$1,859,000	\$1,867,000	\$914,000
Amortization of City of Dallas-Funded Assets	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$46,000	\$0
New Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Apron Requirement/Revenue	\$7,483,000	\$7,656,000	\$7,838,000	\$7,952,000	\$8,068,000	\$6,358,000	\$6,486,000	\$6,616,000	\$6,750,000	\$7,044,000	\$6,839,000

NOTES:

Fiscal years ending September 30.

FY – Fiscal Year

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., August 2025.

TABLE 10-14 SUMMARY OF PROJECTED REVENUE

	BUDGET FY 2025	PROJECTED										CAGR
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040	
Airline Revenues												
Terminal Rentals	\$56,641,000	\$55,907,000	\$62,808,000	\$80,372,000	\$86,676,000	\$57,182,000	\$83,125,000	\$73,947,000	\$153,557,000	\$157,474,000	\$96,503,000	3.5%
Landing Fees	\$37,306,000	\$31,562,000	\$33,114,000	\$36,955,000	\$36,850,000	\$36,983,000	\$38,128,000	\$38,846,000	\$40,855,000	\$42,918,000	\$48,689,000	1.8%
Apron Rentals	\$7,483,000	\$7,656,000	\$7,838,000	\$7,952,000	\$8,068,000	\$6,358,000	\$6,486,000	\$6,616,000	\$6,750,000	\$7,044,000	\$6,839,000	-0.6%
Total Airline Revenue	\$101,430,000	\$95,125,000	\$103,760,000	\$125,279,000	\$131,594,000	\$100,523,000	\$127,739,000	\$119,409,000	\$201,162,000	\$207,436,000	\$152,031,000	2.7%
Non-Airline Revenues												
Terminal	\$27,316,045	\$28,422,000	\$29,572,000	\$30,686,000	\$31,765,000	\$32,646,000	\$33,581,000	\$34,544,000	\$35,538,000	\$37,336,000	\$42,183,000	2.9%
Airfield and Apron	\$8,485,565	\$8,524,000	\$8,548,000	\$8,580,000	\$8,612,000	\$8,638,000	\$8,664,000	\$8,690,000	\$8,716,000	\$8,768,000	\$8,903,000	0.3%
Parking and Ground Transportation	\$67,758,690	\$70,257,000	\$65,117,000	\$67,357,000	\$69,475,000	\$89,737,000	\$91,672,000	\$93,652,000	\$123,012,000	\$126,948,000	\$158,693,000	5.8%
Other Buildings and Areas	\$13,620,401	\$13,933,000	\$14,254,000	\$14,582,000	\$14,916,000	\$15,258,000	\$15,625,000	\$16,001,000	\$16,384,000	\$17,179,000	\$19,339,000	2.4%
RBD Revenues	\$1,183,098	\$1,208,000	\$1,233,000	\$1,258,000	\$1,284,000	\$1,310,000	\$1,338,000	\$1,367,000	\$1,396,000	\$1,457,000	\$1,623,000	2.1%
Total Non-Airline Revenue	\$118,363,799	\$122,344,000	\$118,724,000	\$122,463,000	\$126,052,000	\$147,589,000	\$150,880,000	\$154,254,000	\$185,046,000	\$191,688,000	\$230,741,000	4.6%
Total Revenue	\$219,793,799	\$217,469,000	\$222,484,000	\$247,742,000	\$257,646,000	\$248,112,000	\$278,619,000	\$273,663,000	\$386,208,000	\$399,124,000	\$382,772,000	3.8%

NOTES:

CAGR – Compound Annual Growth Rate

FY – Fiscal Year

RBD – Dallas Executive Airport

Totals may not sum due to rounding.

Fiscal years ending September 30.

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., November 2025.

TABLE 10-15 AVIATION DEVELOPMENT FUND CASH FLOW

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Beginning Balance	\$196,004,771	\$189,430,771	\$141,282,771	\$201,835,771	\$200,742,771	\$215,704,771	\$218,932,771	\$222,499,771	\$229,300,771	\$292,792,771	\$367,695,771
Revenues	\$219,793,799	\$217,469,000	\$222,484,000	\$247,742,000	\$257,646,000	\$248,112,000	\$278,619,000	\$273,663,000	\$386,208,000	\$399,124,000	\$382,772,000
Less: O&M Expenses	(\$153,054,000)	(\$160,397,000)	(\$165,032,000)	(\$169,796,000)	(\$174,710,000)	(\$179,789,000)	(\$198,393,000)	(\$204,175,000)	(\$210,124,000)	(\$222,552,000)	(\$256,960,000)
Less: O&M Reserve Account	(\$3,887,960)	(\$1,687,000)	(\$1,772,000)	(\$1,119,000)	(\$1,149,000)	(\$1,187,000)	(\$1,226,000)	(\$4,606,000)	(\$1,399,000)	(\$1,481,000)	(\$1,714,000)
Less: Existing Debt Service	(\$58,298,000)	(\$52,254,000)	(\$52,217,000)	(\$52,173,000)	(\$52,133,000)	(\$40,661,000)	(\$40,636,000)	(\$40,592,000)	(\$40,555,000)	(\$40,565,000)	(\$15,706,000)
Less: New Debt Service	\$0	\$0	\$0	(\$42,134,000)	(\$42,134,000)	(\$42,134,000)	(\$42,134,000)	(\$42,134,000)	(\$160,581,000)	(\$160,581,000)	(\$160,581,000)
Less: Deposit to Emergency Renewal and Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Monies Used for CIP Projects	(\$21,127,535)	(\$11,278,635)	(\$2,909,874)	(\$12,500,000)	(\$1,444,748)	\$0	\$0	\$0	\$0	\$0	\$0
Less: Money Fronted for Maple Manor	\$0	(\$50,000,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less: Money Fronted for Terminal	\$0	\$0	\$0	\$0	\$0	\$0	(\$11,550,157)	\$0	\$0	\$0	\$0
Add: Repayment from GARBs	\$0	\$0	\$50,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Add: Repayment from AIP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,758,186	\$5,791,971	\$0	\$0
Add: PFCs Used for Debt Service	\$10,000,000	\$10,000,000	\$10,000,000	\$28,887,000	\$28,887,000	\$18,887,000	\$18,887,000	\$18,887,000	\$55,675,000	\$55,675,000	\$55,675,000
Annual Deposit to Capital Fund	(\$6,574,000)	(\$48,148,000)	\$60,553,000	(\$1,093,000)	\$14,962,000	\$3,228,000	\$3,567,000	\$6,801,000	\$35,016,000	\$29,620,000	\$3,486,000
Ending Balance	\$189,430,771	\$141,282,771	\$201,835,771	\$200,742,771	\$215,704,771	\$218,932,771	\$222,499,771	\$229,300,771	\$264,316,771	\$322,412,771	\$371,181,771
O&M Reserve Fund	\$0	\$0	\$0	\$0	\$43,677,500	\$44,947,250	\$49,598,250	\$51,043,750	\$52,531,000	\$55,638,000	\$64,240,000
Emergency Renewal Fund	\$0	\$0	\$0	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Total Unrestricted Cash Balance	\$189,430,771	\$141,282,771	\$201,835,771	\$200,742,771	\$264,382,271	\$268,880,021	\$277,098,021	\$285,344,521	\$321,847,771	\$383,050,771	\$440,421,771
Days Cash on Hand	327	243	339	277	359	374	360	363	286	330	371

NOTES:

Fiscal years ending September 30.

AIP – Airport Improvement Program; CIP – Capital Improvement Plan; FY – Fiscal Year; GARB – General Airport Revenue Bond; O&M – Operation and Maintenance; PFC – Passenger Facility Charge

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., November 2025.

TABLE 10-16 PROJECTED DEBT SERVICE COVERAGE

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Total Revenues	\$219,793,799	\$217,469,000	\$222,484,000	\$247,742,000	\$257,646,000	\$248,112,000	\$278,619,000	\$273,663,000	\$386,208,000	\$399,124,000	\$382,772,000
Less: O&M Expenses	(\$146,067,000)	(\$153,054,000)	(\$160,397,000)	(\$165,032,000)	(\$169,796,000)	(\$174,710,000)	(\$179,789,000)	(\$198,393,000)	(\$204,175,000)	(\$216,248,000)	(\$249,676,000)
Add: Debt Service Coverage	\$14,574,500	\$13,063,500	\$13,054,250	\$23,576,750	\$23,566,750	\$20,698,750	\$20,692,500	\$20,681,500	\$50,284,000	\$50,286,500	\$44,071,750
Add: PFCs Applied to Debt Service	\$10,000,000	\$10,000,000	\$10,000,000	\$28,887,000	\$28,887,000	\$18,887,000	\$18,887,000	\$18,887,000	\$55,675,000	\$55,675,000	\$55,675,000
Net Revenues: Total Sources Available for Coverage	\$98,301,299	\$87,478,500	\$85,141,250	\$135,173,750	\$140,303,750	\$112,987,750	\$138,409,500	\$114,838,500	\$287,992,000	\$288,837,500	\$232,842,750
Debt Service	\$58,298,000	\$52,254,000	\$52,217,000	\$94,307,000	\$94,267,000	\$82,795,000	\$82,770,000	\$82,726,000	\$201,136,000	\$201,146,000	\$176,287,000
Debt Service Coverage	1.69	1.67	1.63	1.43	1.49	1.36	1.67	1.39	1.43	1.44	1.32

NOTES:

Fiscal years ending September 30.

FY – Fiscal Year; O&M – Operation and Maintenance; PFC – Passenger Facility Charge

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., November 2025.

10.3.4.3 COST PER ENPLANED PASSENGER

Table 10-17 presents the CPE. In general, the CPE is projected to increase in future years due to the projected increases in the annual debt service requirements for the new facilities recommended in the Master Plan. Also contributing to the increases in the CPE are projected increases in O&M expenses and the temporary reduction in credits needed to meet the required days cash on hand. The CPE is projected to range from \$8.84 to \$17.74.

Through analysis of the FAA Certification Activity Tracking System Form 127 database, the average CPE for medium-hub airports in FFY 2024 was \$11.63. It is important to note that the sponsors of several medium-hub airports are planning terminal renovations and expansions, which will likely increase the average CPE for medium-hub airports. In addition, the CPE at peer airports will increase over time as a result of increased wages, expenses, and other inflationary factors. Although the Airport's projected CPE in certain years exceeds the 2024 medium-hub airport average CPE, the average CPE will likely increase during the planning horizon. Therefore, the CPE values projected in this analysis are determined to be reasonable.

10.4 CONCLUSIONS AND RECOMMENDATIONS

Based on the analyses documented in this chapter, implementation of the recommended Master Plan projects, as incorporated into the Airport's overall long-term combined CIP, appears to be financially feasible given the funding sources anticipated to be available to the Airport throughout the planning horizon. The projected airline rates and the average passenger airline CPE remain reasonable over the planning horizon, and the projected available Airport funds appear to be adequate to fund applicable portions of the combined CIP. Finally, revenues available for debt service coverage are projected to be significantly above the minimum 125.0 percent of net debt service throughout the planning horizon.

As implementation of the CIP progresses, the City/DoA should continually assess the financial feasibility of each project included in the CIP. Future considerations regarding the funding of the CIP include the following:

- Enplaned passenger/traffic growth: As applicable, the financial plan was developed and analyzed in consideration of the FAA-approved aviation activity forecast developed for the Airport (see Chapter 3). Actual year-to-year enplaned passengers and aircraft operations will likely deviate from the forecast. Significant changes in enplaned passengers and aircraft operations levels may affect revenues and expenses, as well as PFC and CFC revenues, and AIP grant availability.
- Availability of AIP funds: The potential funding plan for the CIP assumes the FAA will continue to authorize and appropriate AIP funds for eligible projects. Because the level of authorized and appropriated AIP funds may vary from year to year, alternative funding sources may need to be identified if grants cannot be obtained for certain eligible projects.
- Potential increase in maximum PFC level: Airport industry groups have requested that federal PFC regulations be changed to increase the PFC program's maximum PFC level from its current level of \$4.50 per eligible enplaned passenger. While the current FAA reauthorization did not address the issue, it is likely that future reauthorization legislation will address it, with increasing pressure to raise the maximum PFC level. The financial projections and the funding plan reflected in this chapter assume the current \$4.50 maximum PFC level remains in place for the entire planning horizon. If federal PFC regulations are changed and the maximum PFC level is increased, then the City may choose to apply to the FAA for authorization to collect the higher PFC level.

TABLE 10-17 PROJECTED AIRLINE COST PER ENPLANED PASSENGER

	BUDGET FY 2025	PROJECTED									
		FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2035	FY 2040
Terminal Rental Revenue	\$56,641,000	\$55,907,000	\$62,808,000	\$80,372,000	\$86,676,000	\$57,182,000	\$83,125,000	\$73,947,000	\$153,557,000	\$157,474,000	\$96,503,000
Landing Fee Revenue	\$37,306,000	\$31,562,000	\$33,114,000	\$36,955,000	\$36,850,000	\$36,983,000	\$38,128,000	\$38,846,000	\$40,855,000	\$42,918,000	\$48,689,000
Apron Fee Revenue	\$7,483,000	\$7,656,000	\$7,838,000	\$7,952,000	\$8,068,000	\$6,358,000	\$6,486,000	\$6,616,000	\$6,750,000	\$7,044,000	\$6,839,000
Total Revenue	\$101,430,000	\$95,125,000	\$103,760,000	\$125,279,000	\$131,594,000	\$100,523,000	\$127,739,000	\$119,409,000	\$201,162,000	\$207,436,000	\$152,031,000
Enplaned Passengers	10,431,424	10,663,499	10,898,837	11,104,785	11,281,490	11,365,465	11,449,928	11,534,880	11,621,062	11,694,091	11,852,400
Cost per Enplaned Passenger	\$9.72	\$8.92	\$9.52	\$11.28	\$11.66	\$8.84	\$11.16	\$10.35	\$17.31	\$17.74	\$12.83

NOTES:

Fiscal years ending September 30.

FY – Fiscal Year

SOURCES: City of Dallas, Department of Aviation, August 2025; Unison Consulting, Inc., November 2025.

The DoA should consider the following recommendations for enhancing the financial position of the Airport:

- Conduct periodic assessments of O&M activities to determine whether specific activities are being conducted as efficiently as possible and continue to take advantage of opportunities to implement sustainable practices, development, and technologies.
- Actively seek opportunities to encourage non-aeronautical development at the Airport. The ALP identifies suitable areas for non-aeronautical development at the Airport. Consideration should be given to the creation of a development plan to help identify and guide appropriate development within Airport property.
- Take advantage of funding opportunities that may supplement or replace “typical” Airport capital development funding sources. Examples may include public-private partnerships for third-party financing, TSA grants for security-related improvements within the terminal, economic development grants, and tax incentives for private facility development.
- As current leases expire, review terms/rates of current leases to determine the most appropriate lease terms and rates given market conditions, specific land/facility uses, and opportunity costs. In addition, periodically review rates and charges imposed on Airport users.