

**RETIREMENT PLANS
FOR EMPLOYEES AND DPS COVERED EMPLOYEES
OF THE
DALLAS FORT WORTH INTERNATIONAL AIRPORT**

**Combined Financial Statements
and
Required Supplementary Information**

As of and for the year ended December 31, 2015

**Prepared by
Department of Finance**

Christopher A. Poinatte
Executive Vice President and Chief Financial Officer

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas Fort Worth International Airport
Combined Financial Statements and Required Supplementary Information
As of and for the year ended December 31, 2015**

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INDEPENDENT AUDITOR'S REPORT

The Members of the Retirement/Investment Committee:

Report on the Combined Financial Statements

We have audited the accompanying combined financial statements of the Retirement Plan for Employees of the Dallas/Fort Worth International Airport Board and the Retirement Plan for DPS Covered Employees of the Dallas/Fort Worth International Airport Board (collectively, the "Plans"), as of and for the year ended December 31, 2015, and the related notes to the combined financial statements, which collectively comprise the Plans' combined basic financial statements as listed in the table of contents.

Management's Responsibility for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Plans as of December 31, 2015, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Contributions, and Schedule of Investment Returns on pages 4, 24-26, 27-28, and 29, respectively, be presented to supplement the combined basic financial statements. Such information, although not a part of the combined basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the combined basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the combined basic financial statements, and other knowledge we obtained during our audit of the combined basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the Plans' combined basic financial statements. The supplemental information by plan in the combined statements of fiduciary net position and changes in fiduciary net position and accompanying notes is presented for the purpose of additional analysis and is not a required part of the combined basic financial statements.

This information by plan is the responsibility of the Plans' management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the combined basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information by plan is fairly stated, in all material respects, in relation to the combined basic financial statements as a whole.

Deloitte & Touche LLP

June 20, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The following discussion and analysis of the Retirement Plans for Employees (Employee Plan) and for DPS Covered Employees (DPS Plan) of the Dallas Fort Worth International Airport (collectively, the "Plans") provides a narrative overview and analysis of the combined financial summary for the years ended December 31, 2015 and 2014. The Employee Plan and the DPS Plan are single-employer defined benefit retirement plans. The MD&A has been prepared by management and should be read in conjunction with the combined financial statements and notes thereto, which follow this section.

FINANCIAL HIGHLIGHTS & ANALYSIS

- The Plans' total fiduciary net position decreased \$3.4 million to \$552.8 million in 2015 compared to a \$32.5 million increase to \$556.2 million in 2014. The 2015 decrease was primarily due to the net depreciation in fair value of investments.
- The Plans' total investment income (loss) decreased \$29.0 million, from \$23.6 million in 2014 to (\$5.4) million in 2015, primarily due to losses in Common stocks and Master Limited Partnerships/Exchange traded notes.
- Total employer contributions were \$26.3 million in 2015, compared to \$31.5 million contributed in 2014. In 2014, DFW made an additional contribution of \$3.6 million above the actuarially determined contribution.

PLANS' FIDUCIARY NET POSITION

The following table shows a financial summary of the Plans' fiduciary net position.

Total Plans' Fiduciary Net Position and Changes in Fiduciary Net Position
(Amounts in Thousands)

	<u>2015</u>	<u>2014</u>	<u>Change</u>
Total assets	\$ 557,429	\$ 559,148	\$ (1,719)
Total liabilities	4,627	2,958	1,669
Total fiduciary net position	\$ 552,802	\$ 556,190	\$ (3,388)
Total investment income (loss)	\$ (5,405)	\$ 23,614	\$ (29,019)
Plan member contributions	1,872	1,870	2
Employer contributions	26,349	31,460	(5,111)
Total additions	22,816	56,944	(34,128)
Benefit payments and administrative expenses	(26,204)	(24,424)	(1,780)
Changes in plan fiduciary net position	(3,388)	32,520	(35,908)
Beginning fiduciary net position	556,190	523,670	32,520
Ending fiduciary net position	\$ 552,802	\$ 556,190	\$ (3,388)

REQUESTS FOR INFORMATION

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

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas Fort Worth International Airport
Combined Statement of Fiduciary Net Position
As of December 31, 2015
(Amounts in Thousands)**

	Supplemental Information by Plan		Total
	Employee	DPS	2015
Assets			
Cash	\$ (69)	\$ (25)	\$ (94)
Investment in Master Trust at fair value (Notes 6, 7)	409,308	147,306	556,614
Receivables			
Accrued interest and dividends	379	137	516
Due from broker for securities sold	289	104	393
Total assets	\$ 409,907	\$ 147,522	\$ 557,429
Liabilities			
Due to broker for securities purchased	\$ 3,081	\$ 1,110	\$ 4,191
Accrued administrative fees	74	26	100
Accrued management fees	248	88	336
Other account payables			
Total liabilities	\$ 3,403	\$ 1,224	\$ 4,627
Fiduciary net position restricted for pensions	\$ 406,504	\$ 146,298	\$ 552,802

The accompanying notes to the financial statements are an integral part of these statements.

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas Fort Worth International Airport
Combined Statement of Changes in Fiduciary Net Position
For the year ended December 31, 2015
(Amounts in Thousands)**

	Supplemental Information by Plan		Total
	Employee	DPS	2015
Additions			
Contributions (Note 5)			
Plan members contributions	\$ -	\$ 1,872	\$ 1,872
Employer contributions	19,294	7,055	26,349
Total contributions	19,294	8,927	28,221
Plans' interest in Master Trust investment loss (Note 7)	\$ (2,199)	\$ (803)	\$ (3,002)
Less: Investment fees (Note 8)	(1,766)	(637)	(2,403)
Total investment loss	(3,965)	(1,440)	(5,405)
Total additions	15,329	7,487	22,816
Deductions			
Benefits paid to plan members and beneficiaries	\$ 19,367	\$ 6,431	\$ 25,798
Administrative fees (Note 8)	300	106	406
Total deductions	19,667	6,537	26,204
Net increase (decrease) in Fiduciary net position	(4,338)	950	(3,388)
Fiduciary net position restricted for pensions			
At beginning of the year	\$ 410,842	\$ 145,348	\$ 556,190
At end of the year	\$ 406,504	\$ 146,298	\$ 552,802

The accompanying notes to the financial statements are an integral part of these statements.

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas Fort Worth International Airport
Notes to the Combined Financial Statements
As of and for the year ended December 31, 2015**

1. DESCRIPTION OF THE PLANS

The following brief description of the Retirement Plans for Employees (Employee Plan) and for DPS Covered Employees (DPS Plan) of Dallas Fort Worth International Airport Board (collectively the "Plans") is provided for general information purposes only. Participants should refer to the specific plan agreements for more complete information.

General

The Employee Plan and the DPS Plan are single-employer defined benefit retirement plans covering substantially all employees of Dallas Fort Worth International Airport ("DFW"). The Employee Plan was established in 1978 and the DPS Plan was established in 1999. Both plans are governed by the DFW Board of Directors ("the board"), which is composed of twelve members, eleven of whom are voting members (seven of which are appointed by Dallas and four by Fort Worth) in accordance with each city's ownership interest in the Airport. The 12th position rotates between the Airport's host cities of Irving, Grapevine, Euless and Coppell and is non-voting. The board is a semi-autonomous body charged with governing DFW and may enter into contracts without approval of City Councils. The board has the authority to establish and amend benefits terms and contribution requirements. The Executive Vice President of Administration and Diversity and the Vice President of Human Resources serve as the "Plan Administrators". The management of the assets of the Plans is the responsibility of the DFW Board's Retirement/Investment Committee, the Executive Vice President/CFO and the Vice President of Treasury Management. DFW has contracted with JPMorgan Chase Bank ("Trustee") for custody and safekeeping of investments, accounting for transactions based on the instructions of investment managers, and payment of benefits to participants, subject to the policies and guidelines established by DFW.

Membership

The number of participants covered by the Plans according to current membership classification at December 31, 2015 is as follows:

	<u>Supplemental Information by Plan</u>		<u>Total</u>
	<u>Employee</u>	<u>DPS</u>	
Inactive plan members or beneficiaries currently receiving benefits	1,127	153	1,280
Inactive plan members entitled to but not yet receiving benefits	484	29	513
Active plan members	866	348	1,214
Total plan members	<u>2,477</u>	<u>530</u>	<u>3,007</u>

Pension Benefits

The Employee Plan and DPS Plan both provide that employees with five or more years of service are entitled to annual pension benefits, beginning at normal retirement age of 62, equal to a certain percentage of their final average monthly compensation for each year of credited service. The final average monthly compensation is determined by utilizing the average monthly rate of compensation of the last 36 completed months immediately prior to the date of service termination.

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Employee Plan

The Employee Plan covers all employees hired prior to January 1, 2010, and provides a Normal/Late Retirement benefit on/after age 62, and permits Early Retirement between the ages of 55 and 61. Employees who terminate before rendering five years of service forfeit the right to receive Employee Plan benefits. Retired Employees receive pension benefits in one of four ways (1) Single life annuity (2) Qualified joint and survivor annuity employee (3) Guaranteed period option or (4) Level income option. Lump sum distributions upon retirement or termination are available only in limited situations. Pension benefits increase by a cost of living adjustment ("COLA"), as applicable, each January 1st.

DFW has amended the Employee Plan for employees hired on or after January 1, 2010 whereby these employees will not be eligible to participate in the defined benefit employee retirement plan. All employees hired on after January 1, 2010 are eligible to participate in "Savings Plus Plan". This plan has two main components: the Mandatory 401(a) and the Voluntary 457(b). ICMA-RC is the administrator of this Plan. The 401(a) and 457(b) plans are not part of the Retirement Plans.

Under Mandatory 401(a) new employees during the first two years of service must contribute one percent of their pre-tax salary to the 401(a), DFW matches the one percent contribution in the 401(a). After two years of service new employees must contribute three percent of their pre-tax salary to 401(a), DFW matches the employees' three percent contribution.

Under Voluntary 457(b) new employees during the first two years of service may also contribute up to ninety percent of their pre-tax salary to the 457(b), up to IRS limits, DFW matches, dollar-for-dollar, up to six percent per pay period. After two years of service new employees may also contribute up to ninety percent of their pre-tax salary to the 457(b), up to IRS limits, DFW matches, dollar-for-dollar, up to four percent per pay period.

DPS Plan

The DPS Plan was not closed as of January 1, 2010, and remains available to all Public Safety Officers employed by DFW. DPS participants may retire upon the satisfaction of the "Rule of 80" or the "25-Year Rule". The "Rule of 80" is the attainment of age fifty and the completion of the number of years of benefit service that when added to the participant's age equals the sum of eighty. The "25-year Rule" is the attainment of twenty-five (25) years of benefit service, regardless of age, in a DPS covered position. Normal Retirement occurs, when vested, at the age of 62. The DPS Plan permits Early Retirement, when vested, between the ages of 55 and 61. Each plan participant is required to contribute seven percent (7%) of their compensation to the DPS Plan.

Retired DPS covered employees receive pension benefits in one of four ways (1) Single life annuity (2) Qualified joint and survivor annuity employee (3) Guaranteed period option or (4) Level income option. Lump sum distributions upon retirement or termination are available only in limited situations. Pension benefits increase by COLA, as applicable, each January 1st. DPS covered employees who terminate before rendering five years of service forfeit the right to receive DPS Plan benefits. DPS covered employees who do not qualify under the "Rule of 80" or the "25-Year Rule" will be refunded the whole amount contributed to the plan (without interest) upon termination or retirement.

Death and Disability Benefits

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

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The combined financial statements of the Employee Plan and DPS Plan are presented using the accrual basis of accounting. Accordingly, interest earned but not received as of the calendar year end is recorded as accrued interest receivable. In addition, unsettled investment purchases and sales are accrued. Expenses are recognized when incurred.

The Plans are primarily governed by Governmental Accounting Standards Board (GASB) Statement No. 67, "*Financial Reporting for Pension Plans*." This Statement replaced many of the requirements of Statement No. 25, "*Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*", and Statement No. 50, "Pension Disclosures", as they relate to pension plans that are administered through trusts or similar arrangements meeting certain criteria. This Statement builds upon the existing framework for financial reports of defined benefit pension plans, which includes a statement of fiduciary net position (the amount held in a trust for paying retirement benefits) and a statement of changes in fiduciary net position. Statement No. 67 enhances note disclosures and required supplementary information (RSI) for both defined benefit and defined contribution pension plans. Statement No. 67 also requires the presentation of annual money-weighted rates of return in the notes to the financial statements and in the 10-year historical RSI schedules.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires the use of estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Investments

Investments are stated at fair value. Fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 6 for descriptions of the basis of valuation for each of the types of investments held by the Plans.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plans' gains and losses on investments bought and sold as well as held during the year. Investments are valued at fair value based on quoted market values when available. Purchases and sales of securities are recorded on a trade-date basis.

Payment of Benefits

Benefit payments to participants are recorded upon distribution.

Future GASB Statements

The GASB has issued Statement No. 72, "*Fair Value Measurement and Application*." This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. Statement No. 72 is effective for the Plan's financial periods

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beginning January 1, 2016. The Plans are evaluating the effect that Statement No. 72 will have on their combined financial statements.

The GASB has issued Statement No. 73, "*Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB 67 and 68.*" Statement No. 73 provides additional guidance for pension situations outside the scope of Statement No. 68. This Statement also clarifies the application of certain provisions of Statements No. 67 and 68. Statement No. 73 is effective for financial periods beginning after June 15, 2015. The Plans are evaluating the effect that Statement No. 73 will have on their combined financial statements.

The GASB has issued Statement No. 82, "*Pension Issues – An amendment of GASB Statements No. 67, No. 68, and No. 73.*" Statement No. 82 addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. Statement No. 82 is effective for financial periods beginning after June 15, 2016. The Plans are evaluating the effect that Statement No. 82 will have on their combined financial statements.

3. ACTUARIAL ASSUMPTIONS

In determining costs and liabilities, actuaries use assumptions about the future, such as rates of salary increase, probabilities of retirement, termination, death and disability, and an investment return assumption. The actuary also makes use of an actuarial funding method to allocate costs to past, current and future years of service. The actuarial assumptions and methods are adopted by the Board of Directors, based upon the recommendation of the actuary. For the purpose of calculating the net pension liability, the Plans' assets were valued at market.

An Actuarial Experience Investigation Study for the Plans was performed as of December 31, 2015. This study includes discussion of recent experience, presents recommendations for new actuarial assumptions and methods, and provides information about the actuarial impact of these recommendations on the liabilities and other key actuarial measures. The study was conducted by a qualified actuary in accordance with generally accepted actuarial principles and practices.

As a result of this study, DFW changed its Non-disabled mortality tables from RP-2000 Healthy Mortality projected to 2011 using Mortality Improvement Scale AA to the RP-2014 Combined Healthy Mortality with Blue Collar adjustments projected with Scale BB from 2014. This new table incorporates Generational Mortality versus the previous Static method.

The adoption of this mortality method combined with increased life expectancies was the primary driver for the \$34.6 million Assumption change increase of the 2015 Total Pension Liability (as shown in the Required Supplementary Information – Schedule of Changes in the Net Pension Liability and Related Ratios table). The Assumption change totaled \$27.8 million and \$6.8 million, for the Employee and DPS plans, respectively.

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Employee Plan

The Entry Age Normal Level Percentage of Pay funding method is used to allocate the actuarial present value of future benefits between the portion due for the current year (the normal cost), prior years (the actuarial accrued liability) and future years (present value of future normal cost). Under this cost method, the current and future normal costs are determined as a level percentage of pay. The foregoing actuarial assumptions are based on the presumption that the Employee Plan will continue. Were the Employee Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial accrued liability.

Employee Plan's Significant Actuarial Assumptions:	
Valuation date	For the year beginning January 1, 2016.
Actuarially assumed investment return	7.25% per annum compounded annually, net of investment expenses. Administrative expenses are added to the annual Actuarially Determined Contribution.
Mortality rates for males and females	Experience-based table of rates that are specific to the class of employee. Last updated for the 2016 valuation pursuant to an experience study of a 5-year period from January 1, 2011 through December 31, 2015.
a. Retirees: Non-Disabled	Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.
b. Retirees: Disabled	Retirement Plans RP-2014 Combined Healthy Mortality Tables. Projected with Scale BB from 2014, set forward 3 years with a minimum 3.00% rate.
c. Pre-retirement	Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.
Retirement, disablement and separation rate	Graduated rates based on age or years of employment (detailed in actuary's report).
Actuarial cost method	Entry Age Normal Level Percentage of Pay.
Cost of living adjustment (at core inflation rate)	2.75% per annum.
Projected salary increase	Variable Rate (3.75% to 6.25%) of increase based on years of services which includes inflation rate (2.75%).
Asset valuation method: Net pension liability	Market value.
Asset valuation method: Actuarially determined contribution	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of 20% per year over 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 113% of the FVA.

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DPS Plan

The Entry Age Normal Level Percentage of Pay funding method is used to allocate the actuarial present value of future benefits between the portion due for the current year (the normal cost), prior years (the actuarial accrued liability) and future years (present value of future normal cost). Under this cost method, the current and future normal costs are determined as a level percentage of pay. The foregoing actuarial assumptions are based on the presumption that the DPS Plan will continue. Were the DPS Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial accrued liability.

DPS Plan's Significant Actuarial Assumptions:	
Valuation date	For the year beginning January 1, 2016.
Actuarially assumed investment return	7.25% per annum compounded annually, net of investment expenses. Administrative expenses are added to the annual Actuarially Determined Contribution.
Mortality rates for males and females	Experience-based table of rates that are specific to the class of employee. Last updated for the 2016 valuation pursuant to an experience study of a 5-year period from January 1, 2011 through December 31, 2015.
a. Retirees: Non-Disabled	Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.
b. Retirees: Disabled	Retirement Plans RP-2014 Combined Healthy Mortality Tables. Projected with Scale BB from 2014, set forward 3 years with a minimum 3.00% rate.
c. Pre-retirement	Retirement Plans RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Projected with Scale BB from 2014.
Retirement, disablement and separation rate	Graduated rates based on age or years of employment (detailed in actuary's report).
Actuarial cost method	Entry Age Normal Level Percentage of Pay.
Cost of living adjustment (at core inflation rate)	2.75% per annum.
Projected salary increase	Variable Rate (3.75% to 11.50%) of increase based on years of services which includes inflation rate (2.75%).
Asset valuation method: Net pension liability	Market value.
Asset valuation method: Actuarially determined contribution	Actuarial Value of Assets equals the Fair Value of Assets (FVA) adjusted to reflect 100% of any gains or losses from the current year against prior years' deferred gains or losses. Any remaining amount is recognized at a rate of 20% per year over 5 years, but subject to the constraint that the result cannot be less than 67% or greater than 113% of the FVA.
Employee contribution rate	7.0% of compensation.

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4. NET PENSION LIABILITY AND RATES OF RETURN

Net Pension Liability

The net pension liability is measured as the total pension liability, less the fiduciary net position. In actuarial terms, this will be the accrued liability less the market value of assets. Based on the assumptions listed in Note (3) and the projection of cash flows, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Accordingly, a single discount rate of 7.25% was applied to all periods of projected benefit payments to determine the net pension liability as of December 31, 2015. This single discount rate was used for both plans. The table below is based on the actuarial valuation dated January 1, 2016 (in thousands):

	Supplemental Information by Plan		
	Employee	DPS	Total
Total pension liability	\$ 540,170	\$ 203,482	\$ 743,652
Plan fiduciary net position	406,504	146,298	552,802
Net pension liability	<u>\$ 133,666</u>	<u>\$ 57,184</u>	<u>\$ 190,850</u>
Plan fiduciary net position as a percentage of the total pension liability	75.25%	71.90%	74.34%

Sensitivity of Net Pension Liability

The table below provides the sensitivity of the net position liability to changes in the discount rate as of December 31, 2015. In particular, the table presents the net pension liability, if it were calculated using a single discount rate that is one percentage-point lower or one percentage-point higher than the single discount rate. The table below is based on the actuarial valuation dated January 1, 2016 (in thousands):

Plan	1% Decrease from 7.25% to 6.25%	Current Discount Rate 7.25%	1% Increase from 7.25% to 8.25%
Employee	\$ 211,809	\$ 133,666	\$ 69,374
DPS	88,402	57,184	31,809
Total DFW plans	<u>\$ 300,211</u>	<u>\$ 190,850</u>	<u>\$ 101,183</u>

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Real Rate of Return for the Asset Portfolio

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

	<u>Target Allocation</u>	<u>Arithmetic Real Return</u>	<u>Asset Class Return</u>
Domestic Equity	20.0%	6.14%	1.23%
International / Global Equity	17.5%	7.47%	1.31%
Domestic Fixed Income	10.0%	1.23%	0.12%
Treasury Inflation-Protected Securities	5.0%	1.15%	0.06%
Non-Core Fixed Income	15.0%	2.09%	0.31%
Real Estate	10.0%	4.12%	0.41%
Private Equity	12.5%	8.56%	1.07%
Real Assets, MLP's	10.0%	4.29%	0.43%
Total	100.0%		4.94%
Inflation			2.75%
Arithmetic nominal return before adverse experience			7.69%
Margin for adverse experience			(0.44%)
Expected arithmetic nominal return			7.25%

5. FUNDING POLICY AND CONTRIBUTIONS

DFW determines each Plans' funding policy. In general, DFW contributes an amount approximately equal to the actuarially determined pension cost for each fiscal year. This contribution becomes a component of the fiscal year operating budget approved annually by the Board of Directors. The Entry Age Normal funding method is used to determine the contribution requirement for each plan. The significant actuarial assumptions used to compute the Actuarially Determined Contribution (ADC) requirement are the same as those used to compute the actuarial accrued liability. The ADC is computed through an actuarial valuation performed as of each previous calendar year-end. The contribution amount is determined by combining the normal cost with the amortization of the Unfunded Actuarially Accrued Liability (UAAL) over the 30-year period from January 1, 2005 to December 31, 2034 (19 years from this valuation).

Employee Plan

Based on the annual ADC requirements for the Employee Plan, DFW made a payment of \$19.2 million to the Trustee in calendar year 2015.

DPS Plan

Based on the annual ADC requirements for the DPS Plan, DFW made a payment of \$7.1 million to the Trustee in calendar year 2015. Employee contributions totaled \$1.9 million in the same calendar year.

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6. INVESTMENTS

The Plans' assets are invested thru investment managers per the investment policy. The board has the authority to establish and amend the investment policy of the Plans. This investment policy establishes asset allocation parameters that will provide for sufficient diversification of asset classes to control investment risk and achieve the investment return objective. It also establishes procedures for selecting, monitoring, evaluating and, if appropriate, replacing investment managers. There were no significant investment policy changes in 2015.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2015.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Exchange traded funds (ETF): Valued at the closing price reported on the active market on which the ETF is traded. For the purpose of this report, ETF's have been combined with common stock.

U.S. Treasury and agency securities: Valued at the daily closing price using multi-source valuations.

Money market funds: Valued at the cost plus accrued interest.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Plans are deemed to be actively traded.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote, if available.

American depository receipts (ADR): Valued at the closing price reported on the active market on which the individual securities are traded. Currency exchange rate is taken into account.

Foreign stocks: Valued at the closing price reported on the active market on which the individual securities are traded. Currency exchange rate is taken into account.

Asset/Commercial Mortgage backed bonds: Evaluated using historical and prepayments speed and loss scenarios. Spreads are obtained from trade prices and dealer quotes.

Master limited partnership (MLP) / Exchange traded notes (ETN): Valued at the closing price reported on the active market on which the MLP or ETN is traded.

Limited partnerships: Valued at fair value by using the net asset values provided by the general partners. The net asset values are determined based upon the fair values of the underlying investments within the funds.

Commingled funds: Valued at the net asset value of units of the commingled fund. The net asset value as provided by the issuer is used as a practical expedient to estimate fair value. The net asset value is based on the fair value of the underlying investments held by the fund less its liabilities.

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The Plans' investments are carried at fair value, as of December 31, 2015 (in thousands):

Investment Type	Supplemental Information by Plan		Total
	Employee	DPS	2015
Common Stocks	\$ 109,890	\$ 39,548	\$ 149,438
Corporate bonds	17,643	6,349	23,992
Asset/Commerical mortgage backed bonds	2,928	1,054	3,982
MLP/Exchange traded notes	7,527	2,709	10,236
U.S. Treasury and Agency Securities	31,374	11,291	42,665
Money market funds	33,657	12,113	45,770
ADR/Foreign Stocks	8,901	3,203	12,104
Commingled funds	61,597	22,168	83,765
Mutual funds	24,720	8,896	33,616
Limited partnerships	111,071	39,975	151,046
TOTAL	\$ 409,308	\$ 147,306	\$ 556,614

Net Appreciation

The Plans' investments, including investments bought and sold as well as held during the year, appreciated (depreciated) in value during 2015 as follows (in thousands):

Investment Type	Supplemental Information by Plan		Total	Realized Gain (Loss)	Unrealized Gain (Loss)	Total
	Employees	DPS				
Common stocks	\$ (6,236)	\$ (2,239)	\$ (8,475)	\$ 19,423	\$ (27,898)	\$ (8,475)
U.S. Treasury and agency securities	(450)	(161)	(611)	(184)	(427)	(611)
Money market funds	2	1	3	3	-	3
Mutual funds	(325)	(116)	(441)	1,257	(1,698)	(441)
Corporate bonds	(350)	(126)	(476)	10	(486)	(476)
ADR/Foreign stocks	(1,325)	(476)	(1,801)	96	(1,897)	(1,801)
MLP/Exchange traded notes	(7,987)	(2,868)	(10,855)	-	(10,855)	(10,855)
Asset/Commercial mortgage backed bonds	(62)	(22)	(84)	(4)	(80)	(84)
Limited partnerships	6,358	2,283	8,641	1,020	7,621	8,641
Commingled funds	1,945	698	2,643	-	2,643	2,643
Total Net Appreciation/ (Depreciation)	\$ (8,430)	\$ (3,026)	\$ (11,456)	\$ 21,621	\$ (33,077)	\$ (11,456)

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Investment Income

The Plans' investment income during 2015 is as follows (in thousands):

	Supplemental Information by Plan		Total
	Employee	DPS	2015
Investment Appreciation (Depreciation)	\$ (8,430)	\$ (3,026)	\$ (11,456)
Interest	1,256	448	1,704
Dividends	4,975	1,775	6,750
TOTAL	\$ (2,199)	\$ (803)	\$ (3,002)

Interest Rate Risk

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

As of December 31, 2015 the maturities of investments subject to interest rate risk are as follows (in thousands):

Long Term Bond Investments	2015 Maturity (in years)				Total
	0-5	6-10	11-15	16+	
U.S. government securities	\$ 14,193	\$ 13,031	\$ 5,323	\$ 765	\$ 33,312
Mortgage backed securities	86	-	1,177	8,090	9,353
Total governmental	\$ 14,279	\$ 13,031	\$ 6,500	\$ 8,855	\$ 42,665
Corporate bonds	\$ 13,347	\$ 10,645	\$ -	\$ -	\$ 23,992
Asset backed bonds	2,191	-	-	-	2,191
Commercial mortgage backed bonds	-	-	-	1,791	1,791
MLP/Exchange traded notes	10,236	-	-	-	10,236
Total non-governmental	\$ 25,774	\$ 10,645	\$ -	\$ 1,791	\$ 38,210

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Credit Risk

Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. This risk is measured by the assignment of ratings by nationally recognized rating agencies such as S&P and Moody's. The following tables show the ratings of the Plan's investments as of December 31, 2015 (in thousands):

Long Term Bond Investments	Rating						No Rating	Total
	AAA/ AA+	AA/ AA-	A+/ A/A-	BBB+/ BBB	BBB-/ BB+	BB/ BB-		
U.S. government securities	\$ 33,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,312
Mortgage backed securities	-	-	-	-	-	-	9,353	9,353
Total governmental	\$ 33,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,353	\$ 42,665
Corporate bonds	\$ 548	\$ 301	\$ 9,066	\$ 10,475	\$ 2,780	\$ 335	\$ 487	\$ 23,992
Asset backed bonds	1,772	169	250	-	-	-	-	2,191
Commercial mortgage backed bonds	1,615	-	-	-	-	-	176	1,791
MLP/Exchange traded notes	-	-	-	-	-	-	10,236	10,236
Total non-governmental	\$ 3,935	\$ 470	\$ 9,316	\$ 10,475	\$ 2,780	\$ 335	\$ 10,899	\$ 38,210
Other Investments								
Common stocks	-	-	-	-	-	-	\$ 149,438	\$ 149,438
Money market funds	-	-	-	-	-	-	45,770	45,770
ADR/Foreign stocks	-	-	-	-	-	-	12,104	12,104
Commingled funds	-	-	-	-	-	-	83,765	83,765
Mutual funds	-	-	-	-	-	-	33,616	33,616
Limited partnerships	-	-	-	-	-	-	151,046	151,046
Total Other Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 475,739	\$ 475,739
Total Investments	\$ 37,247	\$ 470	\$ 9,316	\$ 10,475	\$ 2,780	\$ 335	\$ 495,991	\$ 556,614

Concentration of Credit Risk

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

Asset Class	Minimum	Maximum	Target	Actual
Domestic Equity	15.0%	35.0%	20.0%	32.8%
International / Global Equity	10.0%	30.0%	17.5%	18.0%
Domestic Fixed Income	7.5%	25.0%	10.0%	8.8%
Treasury Inflation-Protected Securities (TIPS)	0.0%	10.0%	5.0%	4.1%
Non Core Fixed Income	5.0%	25.0%	15.0%	13.5%
Real Estate	5.0%	15.0%	10.0%	10.2%
Private Equity	5.0%	20.0%	12.5%	6.3%
Real Assets, MLPs	5.0%	15.0%	10.0%	6.3%

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The Plans' assets are currently managed by 44 investment managers. The percentage of the total portfolio managed by the investment managers as of December 31, 2015 is as follows:

<u>Investment Managers</u>	<u>Asset Class</u>	<u>Investment Managers Share</u>	<u>Asset Class Share</u>
Westwood Holding Group Inc	Domestic Equity	5.9%	
Rhumbline Mid-Cap Index Fund	Domestic Equity	5.9%	
South Texas Money Management	Domestic Equity	5.7%	
Fred Alger Management	Domestic Equity	6.9%	
ICC Capital Mgmt	Domestic Equity	0.0%	
Luther king	Domestic Equity	3.8%	
Barrow Hanley	Domestic Equity	4.6%	32.8%
International Value Advisors	International / Global Equity	6.5%	
Johnston Global Equity Fund	International / Global Equity	7.3%	
WHV Investment Management	International / Global Equity	4.2%	18.0%
Barrow Hanley	Domestic Fixed Income	3.5%	
Smith Graham & Co	Domestic Fixed Income	5.3%	8.8%
Barow Hanley TIPS	TIPS	2.0%	
Mutual of America TIPS-CIPS	TIPS	2.1%	4.1%
Templeton Global Fixed Income	Non Core Fixed Income	4.3%	
Mcnally Mezzanine II	Non Core Fixed Income	1.5%	
Morgan Stanley AIP Income Fund	Non Core Fixed Income	0.2%	
Blackston BREDS II	Non Core Fixed Income	0.9%	
Pimco Tactical Fund	Non Core Fixed Income	2.1%	
PIMCO Disco II	Non Core Fixed Income	1.6%	
Crescent Lending Fund	Non Core Fixed Income	1.4%	
LBC Credit Partners III	Non Core Fixed Income	1.5%	13.5%
Invesco Core Real Estate	Real Estate	1.5%	
ING Core Real Estate	Real Estate	1.7%	
AEW Partners VII	Real Estate	0.8%	
Starwood Opportunity Fund X	Real Estate	0.3%	
ETHIKA Deiversified Opportunity Fund	Real Estate	0.9%	
Crow Holding Realty Patners VII, L.P	Real Estate	0.1%	
Aureus Real Estate Fund	Real Estate	2.4%	
DUNE Real Estate Fund III	Real Estate	1.1%	
Pennybacker Real Estate Fund III	Real Estate	1.4%	10.2%
Lone Star CRA Fund	Private Equity	0.5%	
Permal Private Equity FD	Private Equity	0.6%	
CIPEF VI	Private Equity	0.4%	
Lone Star V	Private Equity	0.2%	
Permal Private Equity Opportunity Fund V	Private Equity	0.3%	
Ironside Partnership Fund II	Private Equity	1.2%	
Bay Hills Capital II	Private Equity	0.7%	
Altius Private Equity Fund II	Private Equity	0.9%	
Ironside III Funds	Private Equity	1.5%	6.3%
Alerian MLP	Real Assets, MLPs	2.3%	
MC-SEAMAX Shipping Opportunities Fund	Real Assets, MLPs	1.7%	
Altius Real Asset Fund	Real Assets, MLPs	0.3%	
Credit Suisse MLP Fund	Real Assets, MLPs	2.0%	6.3%
	TOTAL	100.0%	100.0%

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The Plans' individual investments that represented 5% or more of the Plans' fiduciary net position restricted for pensions as of December 31, 2015 are as follows:

<u>Investment</u>	<u>Amount</u>	<u>Percentage</u>
JP Morgan US Governmental Money Market Fund	\$ 45,769,594	8.28%
Johnston Global Equity Fund - Int'l Global Equity	\$ 37,377,582	6.76%
International Value Advisors - Int'l Global Equity	\$ 33,298,332	6.02%

Annual Money-Weighted Rate of Return

The annual money-weighted rate of return on pension plan investments is calculated as the internal rate of return on pension plan assets, net of pension plan investment expense. The money-weighted rate of return expresses investment performance adjusted for the changing amounts actually invested. Pension plan investment expense is measured on an accrual basis of accounting. Inputs to the internal rate of return are determined monthly. For the year ended December 31, 2015, the money-weighted rate of return for the Plans' investments was (1.3%).

Redemption Restrictions

Many of the limited partnerships that the Plans are invested in have redemption restrictions. Investment decisions for these limited partnerships are typically made by the General Partners. The General Partners call capital as they see opportunities to invest and distribute capital back to the investors when they exit portfolio companies or funds and/or the companies or funds generate profit. For this reason, capital is "locked up" during the investment period and investors cannot submit any redemption requests.

The following is a summary of the capital that is committed, invested and remaining available as of December 31, 2015 (in thousands):

<u>Total Commitment</u>	<u>Provided as of 12/31/2015</u>	<u>Remaining Commitment Available for Call</u>
\$ 242,000	\$ 143,590	\$ 98,410

Also, during 2015 the Plans received distributions of \$9.1 million from the limited partnerships.

**Retirement Plans for Employees and DPS Covered Employees of the
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7. INTEREST IN MASTER TRUST

The Plans' investments are held in a trust account at the Trustee and each plan holds an undivided interest in an investment account of the Dallas/Fort Worth International Airport Master Trust (the "Master Trust"), a master trust established by DFW and administered by the Trustee. Use of the Master Trust permits the commingling of trust assets of the Plans for investment and administrative purposes. Although assets of both plans are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the Plans. The net investment income and administrative expenses are allocated by the Trustee to each of the Plans based on the relationship of the interest of each plan to the total of the interests of the Plans. The net position and investments of the Master Trust at December 31, 2015 are summarized below (in thousands):

	2015
Assets	
Cash	\$ (94)
Investments - fair value based on quoted market prices:	
Common Stocks	149,438
Corporate bonds	23,992
Asset/Commerical mortgage backed bonds	3,982
MLP/Exchange traded notes	10,236
U.S. Treasury and Agency Securities	42,665
Money market funds	45,770
ADR/Foreign Stocks	12,104
Commingled funds	83,765
Mutual funds	33,616
Investments - fair value based on estimated market prices:	
Limited partnerships	151,046
Receivables	
Accrued interest and dividends	516
Due from broker for securities sold	393
Total Assets	\$ 557,429
Liabilities	
Due to broker for securities purchased	\$ 4,191
Accrued management fees	100
Accrued transaction fees	336
Total Liabilities	\$ 4,627
Net position of the DFW Airport Master Trust	\$ 552,802
Employee Plan's interest in net position of the DFW Airport Master Trust	\$ 406,504
Employee Plan's interest in net position of the DFW Airport Master Trust as a percentage	73.5%
DPS Plan's interest in net position of the DFW Airport Master Trust	\$ 146,298
DPS Plan's interest in net position of the DFW Airport Master Trust as a percentage	26.5%

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The net investment earnings (loss) of the Master Trust for the year ended December 31, 2015 is summarized below (in thousands).

	2015
Interest income	\$ 1,704
Dividend income	6,750
Net appreciation (depreciation) in fair value of investments whose fair value was based on quoted market prices:	
Common stocks	(8,475)
U.S. Treasury and agency securities	(611)
Money market funds	3
Mutual funds	(441)
Corporate bonds	(476)
ADR/Foreign stocks	(1,801)
MLP/Exchange traded notes	(10,855)
Asset/Commercial mortgage backed bonds	(84)
Commingled funds	2,643
Net appreciation in fair value of investments whose fair value was estimated:	
Limited partnerships	8,641
Investment income of DFW Airport Master Trust	\$ (3,002)

8. ADMINISTRATION AND INVESTMENT EXPENSES

Employee Plan

Administrative and investment expenses for the year ended December 31, 2015 were \$2.1 million. These fees are calculated quarterly based on the value of the Employee Plan's assets and the published schedule of fees.

DPS Plan

Administrative and investment expenses for the year ended December 31, 2015 were \$0.7 million. These fees are calculated quarterly based on the value of the DPS Plan's assets and the published schedule of fees.

**Retirement Plans for Employees and DPS Covered Employees of the
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9. TAX STATUS

The Employee Plan and the DPS Plan are public plans and are considered to be in accordance with the Section 401(a) of the Internal Revenue Code, and therefore are entitled to favorable tax status. These plans are qualified to distribute an eligible rollover distribution.

On September 22, 2011 the Internal Revenue Services issued favorable determination letters as to the qualified status of the Employee Plan and the DPS Plan under section 401(a) of the Internal Revenue Code.

10. PLAN AMENDMENTS

DFW reserves the right at any time, and from time to time, to amend these Plans subject to certain limitations as specified in the plans. Amendments Three and Five to the DPS Plan and Employee Plan, respectively, updated the definition of spouse.

11. PLAN TERMINATION

DFW reserves the right at any time, at its sole discretion, to terminate these Plans in whole or in part. Written notice of any termination shall be delivered to: the Plan Administrator, and the Trustee within a reasonable time following the termination.

In the event of the termination or partial termination of the Plans, each affected participant shall be considered fully vested. Upon a partial termination, the Plan Administrator shall instruct the Trustee to allocate and segregate for the benefit of the affected participants the proportionate interest of such participants in the assets of the Plans as determined by the Plans' actuary based on the value of the aggregate accrued benefits of affected, and unaffected participants, and the allocated and segregated funds shall be used by the Trustee or Plan Administrator to pay pension benefits to or on behalf of the affected participants.

Upon full or partial termination of the Plans, the Master Trust (or applicable portion thereof) shall be allocated and distributed in accordance with the rules and procedures regarding distributions which would apply if the Plans were subject to Title IV of Employee Retirement Income Security Act (ERISA). If there are any assets remaining after such allocations, such residual assets shall be distributed to DFW.

Notwithstanding anything in the Plans to the contrary, in the event of termination of the Plans, the Plans benefit of any highly compensated employee or any former highly compensated employee is limited to a benefit that is nondiscriminatory under Code Section 401(a)(4) and the related regulations, to the extent such Section and regulations are applicable.

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas/Fort Worth International Airport
Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
As of and for the Last Two Calendar Years
(Amounts in thousands)**

<u>Employee and DPS</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service cost	\$ 15,567	\$ 15,569
Interest on the Total Pension Liability	48,992	46,638
Difference between expected and actual experience of the Total Pension Liability	(10,748)	(4,672)
Assumption changes	34,635	-
Benefit payments and refunds	(25,798)	(24,052)
Net change in Total Pension Liability	<u>62,648</u>	<u>33,483</u>
Total Pension Liability - beginning	681,004	647,521
Total Pension Liability - ending	<u>\$ 743,652</u>	<u>\$ 681,004</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ 26,349	\$ 31,460
Contributions - member	1,872	1,870
Net investment income	(5,119)	23,614
Benefit payments, including member refunds	(25,798)	(24,052)
Administrative expense	(692)	(372)
Net change in Plan Fiduciary Net Position	<u>(3,388)</u>	<u>32,520</u>
Plan Fiduciary Net Position - beginning	556,190	523,670
Plan Fiduciary Net Position - ending	<u>\$ 552,802</u>	<u>\$ 556,190</u>
Net Pension Liability - ending	<u>190,850</u>	<u>124,814</u>
Plan Fiduciary Net Position as a percentage of the total pension liability	74.34%	81.67%
Covered-employee payroll	\$ 89,486	\$ 89,476
Net pension liability as a percentage of covered-employee payroll	213.27%	139.49%

Notes to Schedule:

Two year history based on data availability.

**Retirement Plans for Employees and DPS Covered Employees of the
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Required Supplementary Information
Schedule of Changes in the Net Pension Liability and Related Ratios
As of and for the Last Two Calendar Years
(Amounts in thousands)**

Employee	2015	2014
Total Pension Liability		
Service cost	\$ 10,030	\$ 10,231
Interest on the Total Pension Liability	35,483	33,944
Difference between expected and actual experience of the Total Pension Liability	(7,991)	(3,967)
Assumption changes	27,843	-
Benefit payments and refunds	(19,367)	(18,225)
Net change in Total Pension Liability	<u>45,998</u>	<u>21,983</u>
Total Pension Liability - beginning	<u>494,172</u>	<u>472,189</u>
Total Pension Liability - ending	<u>\$ 540,170</u>	<u>\$ 494,172</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ 19,294	\$ 23,510
Net investment income	(3,756)	17,484
Benefit payments, including member refunds	(19,367)	(18,225)
Administrative expense	(509)	(275)
Net change in Plan Fiduciary Net Position	<u>(4,338)</u>	<u>22,494</u>
Plan Fiduciary Net Position - beginning	<u>410,842</u>	<u>388,348</u>
Plan Fiduciary Net Position - ending	<u>\$ 406,504</u>	<u>\$ 410,842</u>
Net Pension Liability - ending	<u>133,666</u>	<u>83,330</u>
Plan Fiduciary Net Position as a percentage of the total pension liability	75.25%	83.14%
Covered-employee payroll	\$ 63,294	\$ 64,184
Net pension liability as a percentage of covered-employee payroll	211.18%	129.83%

Notes to Schedule:

Two year history based on data availability.

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas/Fort Worth International Airport
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Schedule of Changes in the Net Pension Liability and Related Ratios
As of and for the Last Two Calendar Years
(Amounts in thousands)**

DPS	2015	2014
Total Pension Liability		
Service cost	\$ 5,537	\$ 5,338
Interest on the Total Pension Liability	13,509	12,694
Difference between expected and actual experience of the Total Pension Liability	(2,757)	(705)
Assumption changes	6,792	-
Benefit payments and refunds	(6,431)	(5,827)
Net change in Total Pension Liability	16,650	11,500
Total Pension Liability - beginning	186,832	175,332
Total Pension Liability - ending	\$ 203,482	\$ 186,832
Plan Fiduciary Net Position		
Contributions - employer	\$ 7,055	\$ 7,950
Contributions - member	1,872	1,870
Net investment income	(1,363)	6,130
Benefit payments, including member refunds	(6,431)	(5,827)
Administrative expense	(183)	(97)
Net change in Plan Fiduciary Net Position	950	10,026
Plan Fiduciary Net Position - beginning	145,348	135,322
Plan Fiduciary Net Position - ending	\$ 146,298	\$ 145,348
Net Pension Liability - ending	57,184	41,484
Plan Fiduciary Net Position as a percentage of the total pension liability	71.90%	77.80%
Covered-employee payroll	\$ 26,192	\$ 25,292
Net pension liability as a percentage of covered-employee payroll	218.33%	164.02%

Notes to Schedule:

Two year history based on data availability.

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas/Fort Worth International Airport
Required Supplementary Information
Schedule of Contributions
As of and for the Last Two Calendar Years
(Amounts in thousands)**

<u>Employee</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 20,784	\$ 19,294
Contributions in relation to the actuarially determined contribution	23,510	19,294
Contribution deficiency (excess)	<u>\$ (2,726)</u>	<u>-</u>
Covered-employee payroll	\$ 64,184	\$ 63,294
Contributions as a percentage of covered-employee payroll	36.63%	30.48%

Notes to Schedule:

Two year history based on data availability. There were no benefit changes during the year.

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	19 years from December 31, 2015
Asset valuation method	5-year moving average
Wage inflation (Core 3.0%, Wage 0.75%)	3.75%
Salary increases	3.75% to 6.25%
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the class of employee. Last updated for the 2013 valuation pursuant to an experience study from the 5-year period from January 1, 2006 to December 31, 2010.
Mortality	RP 2000 Combined Healthy Mortality with no setback for males or females, projected to 2011 using Mortality Improvement Scale AA.

**Retirement Plans for Employees and DPS Covered Employees of the
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Required Supplementary Information
Schedule of Contributions
As of and for the Last Two Calendar Years
(Amounts in thousands)**

DPS	2015	2014
Actuarially determined contribution	\$ 7,055	\$ 7,076
Contributions in relation to the actuarially determined contribution	7,055	7,950
Contribution deficiency (excess)	-	\$ (874)
Covered-employee payroll	\$ 26,192	\$ 25,292
Contributions as a percentage of covered-employee payroll	26.93%	31.43%

Notes to Schedule:

Two year history based on data availability. There were no benefit changes during the year.

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years from December 31, 2015
Asset valuation method	5-year moving average
Wage inflation (Core 3.0%, Wage 0.75%)	3.75%
Salary increases	3.75% to 11.50%
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the class of employee. Last updated for the 2013 valuation pursuant to an experience study from the 5-year period from January 1, 2006 to December 31, 2010.
Mortality	RP 2000 Combined Healthy Mortality with no setback for males or females, projected to 2011 using Mortality Improvement Scale AA.
Payroll growth rate	3.75%

**Retirement Plans for Employees and DPS Covered Employees of the
Dallas/Fort Worth International Airport
Required Supplementary Information
Schedule of Investment Returns
As of and for the Last Two Calendar Years**

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expenses	(1.3%)	5.3%