
Financial Report COVID-19 Impact Update

June 4, 2020

COVID-19 Update – Actions/CARES

Estimated passenger and airline revenue loss of \$231M to \$248M for FY20

Reduced budgeted operating expenses by \$53M

Reduced debt service by \$25M; to be achieved through lower interest rates and retaining a portion of the interest and sinking fund as part of the refundings this summer

CARES ACT – DFW awarded \$299.2M

- Filed grant application for \$250M grant on April 21, 2020
- Plan to file second grant application for remaining balance by 12/31/20
- Drew down \$144M of cash in May and estimate an additional draw of approximately \$10M to \$26M by end of FY20
- Leaves approximately \$129M to \$145M for FY21



COVID-19 – Tenant Relief

Prior Actions:

- Replaced MAG with percent rent for Concessionaires and RACs through 9/30/20 (Impact – estimated \$45M-\$55M reduction in revenues, includes loss from less passengers)
- Deferred airline landing fees, terminal rents and other fees from April/May to July/August/September (Impact - \$68.1M deferral)

Additional Actions:

- OBA to extend percent rent through March 2021 (Impact – estimated \$30M revenue reduction for percent rent only)
- Lower terminal rental rates and turn fee rates for July-September in amount sufficient to achieve \$10 million in lower payments per month (Impact - \$30M deferral)
 - This will be handled as a “True-Up Adjustment” for rate setting purposes.
 - Airlines will repay in 2021 through higher terminal rents/turn fee rates
 - Recorded as a receivable on DFW books at yearend
 - CEO has authority to do this





Final Thoughts

DFW is in a strong cash position and has additional liquidity options, if necessary, to weather this pandemic

The CARES Act grant funds enhance DFW's liquidity position

Intend to take-out \$250M of commercial paper with July refunding

FY21 Budget process is underway

- Board review and requested approval in August
- Goal - minimize increases in airlines rates and charges