



# **Dallas/Fort Worth International Airport**

Quarterly Financial Report for the  
First Quarter of FY 2012

January 17, 2012

Mr. Francisco Hernandez, Chair  
 Mr. Robert Hsueh  
 Mr. Jeffrey Wentworth  
 Mayor Mike Rawlings  
 Mayor Betsy Price  
 Ms. Lillie M. Biggins  
 Ms. Betty J. Culbreath  
 Mr. Benjamin Muro  
 Ms. Brenda E. Reyes  
 Mr. Forrest Smith  
 Ms. Bernice J. Washington  
 Mr. Glenn Porterfield

Dear Board Members:

Attached is the Quarterly Financial Report for the first quarter of FY 2012 for your review. This expanded Quarterly Financial Report includes the following information:

- KPI's, and Financial Report – Actual versus Budget
- Quarterly Investment Compliance Report
- Quarterly Compliance Reporting

**Revenues and Expenditures**

The report includes DFW's Key Performance Indicator Scorecard and summary financial reports of the DFW Cost Center, the Airline Cost Centers, and the 102 Fund Expenditure Budget. A high level summary scorecard is shown below.

**DFW International Airport  
 Key Performance Indicator Scorecard  
 For the Three Months Ended December 31, 2011**

Key Performance Indicator	FY 2011 Actual YTD	Compared to Budget		Better (Worse)		FY 2012 Target	
		FY 2012 Actual YTD	FY 2012 Budget YTD				
DFW Cost Center Net Revenues (Ms)	\$17.5	\$19.8	\$15.6	\$4.2	26.9%	★	\$67.3
Airline Costs (Ms)	\$50.1	\$55.1	\$55.3	\$0.2	0.4%	■	\$192.5
Total 102 Expenditure Budget (Ms)	\$132.9	\$144.5	\$147.5	\$3.0	2.0%	■	\$602.1
Total Passengers (Ms)	14.3	14.3	14.5	(0.2)	(1.4%)	■	57.9
Total Landed Weights (Bs)	9.2	9.0	9.1	(0.1)	(1.1%)	■	36.5

**Results Status Bar**

■ Improved/Constant	★ Exceeded by >5%
■ Worse by >5%	■ Worse by 0-5%

DFW Cost Center revenues and expenses are highlighted on page 2. DFW Net Revenues through December 2011 were \$19.8 million, \$4.2 million (26.9%) better than budget due to better than budget revenues (\$2.3 million) and lower than budget expenses (\$1.9 million). Revenues were better than budget due to higher parking, concessions, RAC, commercial development, and taxis & limo revenues; offset by lower employee transportation revenue.

The Airline Cost Centers net income through December 2011 was \$2 million better than budget. The revenues and expenses for the Airfield and Terminal Cost Centers are included on page 3. Total airline revenues were \$70.7 million, \$0.5 million (0.7%) better than budget primarily due to terminal lease, and turn fee & office rent revenue. Expenses were \$67.4 million, \$1.5 million (2.2%) better than budget. American Airlines and American Eagle owe DFW \$11.7 million for pre-bankruptcy billings (such as landing and terminal fees). Total reported revenue for December YTD has not been reduced by this amount as it reasonable to expect the ultimate collection of a large majority of these revenues at this point in time.

The 102 Fund Expenditures Budget is highlighted on page 4. Expenditures were \$144.5 million, \$3.0 million (2.0%) lower than (i.e., better than) budget due to salaries and wages, benefits, facility maintenance contracts, other contract services, insurance, and fuels; offset by higher (i.e., worse than) equipment and other supplies, and debt service.

#### **Quarterly Investment Compliance Report**

Total investments as of December 31, 2011 were \$981 million with an average investment yield to maturity of 0.48%. A complete analysis of investments held as of December 31, 2011 and the investment activity is included in this section.

The Board's Investment Policy approved in December each year requires Management to report compliance with the Board's approved Investment Strategy. The compliance report is enclosed. There were no policy exceptions as of December 31, 2011.

#### **Quarterly Compliance Reporting**

This section includes, accounts receivable and write off information, as well as, changes, if any, in funding sources on OBAs previously approved by the Board and business travel exceptions for the quarter.

Billed trade accounts receivable for the month of December 2011 was \$30.9 million. The Days Sales Outstanding (DSO) was 22 days. Total write offs through December 31, 2011 were \$212,000, of which \$207,800 was attributed to Mexicana Airlines. Accounts past due 40 days as of December 31, 2011 were \$11.9 million, of which \$11.6 million represents Chesapeake royalties payable to DFW.

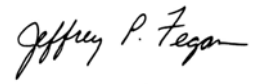
As of December 31, 2011, there were no changes in OBA funding source, and no travel exceptions to report.

#### **Quarterly Consolidated Financial Statements**

The quarterly GAAP financial statements will be included in next month's financial package. The delay is due to the drafting of the FY2011 Audited Financial Statement.

If you have any questions or comments regarding this report, please contact Chris Poinatte at 972-973-5211 or me at 972-973-5200.

Sincerely,

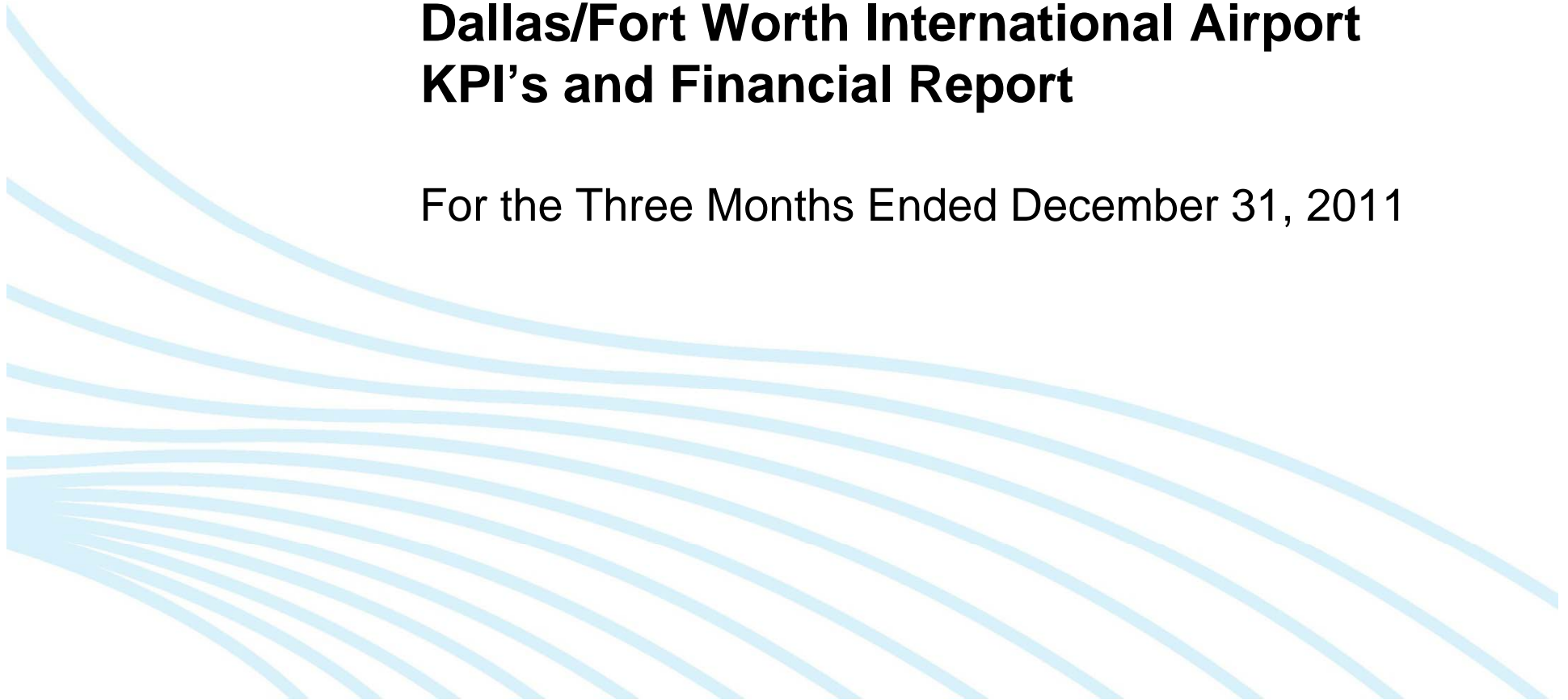
A handwritten signature in black ink that reads "Jeffrey P. Fegan". The signature is written in a cursive style with a prominent initial 'J'.

Jeffrey P. Fegan  
Chief Executive Officer



# **Dallas/Fort Worth International Airport KPI's and Financial Report**

For the Three Months Ended December 31, 2011





## Level 1 and Level 2 Key Performance Indicators – December 2011 YTD

Key Performance Indicators	FY11 Actuals YTD	FY12 Budget YTD	FY12 Actuals YTD	FY12A vs FY11A	FY12A vs FY12B	FY12 Annual Target
<b>Core Business</b>						
L1 Total Passengers (Ms) **	14.3	14.5	14.3	■	■	57.9
L1 International Passenger Destinations Announced **	47 <sup>(1)</sup>	47	47	■	■	50
L1 Avg. Int'l Cargo Service Departures (non-integrators) **	46 <sup>(1)</sup>	46	45	■	■	48
L1 Domestic Destinations Served/Announced by LCCs	11 <sup>(1)</sup>	13	20	★	★	17
L2 O&D Passengers (Ms) <sup>(2)</sup>	4.2	4.2	4.2	■	■	24.3
L2 Total Landed Weights (Bs)	9.2	9.1	9.0	■	■	36.5
L2 Cargo Landed Weights (Bs)	0.8	0.8	0.8	■	★	2.9
<b>Cost Competitive</b>						
L1 Net Revenues from DFW Cost Center **	\$17.5	\$15.6	\$19.8	★	★	\$67.3
L2 Total Airline Cost (Ms) <sup>(3)</sup> **	\$50.1	\$55.3	\$55.1	n/a	■	\$192.5
L2 CPE Ranking vs. Competitive Set of 13 large hubs	2nd place <sup>(1)</sup>	2nd place	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	2nd place
L1 Passenger Airline Cost per Enplanement (CPE) <sup>(3)</sup>	\$6.44 <sup>(1)</sup>	\$7.30	\$7.29	n/a	■	\$6.69
L2 Total 102 Fund Expenditure Budget (Ms)	\$132.9	\$147.5	\$144.5	n/a	■	\$602.1
L2 Revenue Mgmt. Revenues per Enplanement	\$7.41	\$7.50	\$7.85	★	■	\$7.51
L2 Parking Revenue per Originating Passenger <sup>(2)</sup>	\$8.57	\$8.61	\$8.77	■	■	\$8.52
L2 Concession Revenue per Enplanement	\$1.70	\$1.68	\$1.82	★	★	\$1.66
<b>Customer Satisfaction</b>						
L1 DFW's ACI Passenger Survey Score **	4.19 <sup>(1)</sup>	4.20	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	4.20
L1 ACI Survey Relative Ranking (competitive set of 13)	1st place <sup>(1)</sup>	1st place	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	1st place
<b>Operational Excellence</b>						
L1 % Level 1 Goals & Initiatives Achieved **	36 of 40	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	34 of 36
L1 FAA Part 139 Uncorrectable Deficiencies	0	0	0	■	■	0
L1 Regulatory Enforcement Violation Notices	0	0	0	■	■	0
L1 Paper Utilization (reams of paper purchased)	23,030 <sup>(1)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	17,273
L1 Aspirational M/WBE Goals (GS/Prof/Const) <sup>(5)</sup> <sup>(4)</sup>	30/41/36% <sup>(1)</sup>	25/27/30%	26/38/37% <sup>(2)</sup>	n/a	■★★★	25/27/30%
<b>Employee Engagement</b>						
L1 Engagement Index <sup>(4)</sup> **	74% <sup>(1)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	76%
L2 Livewell Program Participation	65% <sup>(1)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	n/a <sup>(6)</sup>	68%

**Results Status Bar**

\*\* Excellence Reward Program

<sup>(1)</sup> Final FY11 result (not Y-T-D figure)

<sup>(2)</sup> Thru 2 months, 3rd month not available as of publish date

<sup>(3)</sup> Cash Basis Calculation. Includes ASIP and projected DFW CC transfer once over the upper threshold

■ Improved/Constant      ★ Exceeded by >5%      L1 = Level 1 KPIs  
■ Worse by >5%      ■ Worse by 0-5%      L2 = Level 2 KPIs  
<sup>(4)</sup> Targets remain the same each Fiscal Year  
<sup>(5)</sup> The calculation for the "Const" metric is based on the difference in "%" points as a whole  
<sup>(6)</sup> Annual targets, FY or quarterly totals not available as of publish date



## DFW Cost Center

For the Three Months Ended December 31, 2011 (Unaudited) (in millions)

Budget Category	Compared to Budget				FY 2012 Annual Budget	
	FY 2012 Actual YTD	FY 2012 Budget YTD	Better (Worse)			
<b>Revenue Management Revenues</b>						
Parking	1	\$27.3	\$26.4	\$0.9	3.4%	\$108.1
Concessions	2	13.4	12.5	0.9	7.2%	49.1
RAC	3	7.1	6.9	0.2	2.9%	27.6
Commercial Development	4	8.6	8.4	0.2	2.4%	32.7
Sub-total Revenue Mgmt		56.4	54.1	2.3	4.3%	217.4
Employee Transportation	5	2.6	2.9	(0.3)	(10.3%)	11.7
Taxis and Limos		2.1	1.9	0.2	10.6%	7.4
Utilities & Miscellaneous		2.0	1.9	0.1	5.2%	7.2
Interest Income		0.6	0.5	0.1	20.0%	2.5
<b>Total Revenues</b>		<b>63.6</b>	<b>61.3</b>	<b>2.3</b>	<b>3.8%</b>	<b>246.2</b>
<b>Expenditures</b>						
Operating Expenditures		32.6	34.4	1.8	5.2%	142.5
Net Debt Service		7.6	7.6	0.0	0.0%	30.8
Terminal Contributions		3.7	3.7	0.0	0.0%	14.7
<b>Total Expenditures</b>		<b>43.8</b>	<b>45.7</b>	<b>1.9</b>	<b>4.2%</b>	<b>188.1</b>
<b>Total DFW Net Revenues</b>		<b>\$19.8</b>	<b>\$15.6</b>	<b>\$4.2</b>	<b>26.9%</b>	<b>\$58.2</b>



## Airfield and Terminal Cost Centers

For the Three Months Ended December 31, 2011 (Unaudited) (in millions)

Budget Category	Compared to Budget				FY 2012 Annual Budget
	FY 2012 Actual YTD	FY 2012 Budget YTD	Better (Worse)		
<b>Revenues</b>					
Landing Fees	\$30.0	\$30.2	(\$0.2)	(0.7%)	\$121.4
Other Airfield	2.7	2.6	0.1	3.8%	10.4
<b>Total Airfield Revenue</b>	<b>32.7</b>	<b>32.8</b>	<b>(0.1)</b>	<b>(0.3%)</b>	<b>131.8</b>
Terminal Leases	18.7	18.5	0.2	1.1%	74.2
FIS Fees	4.2	4.4	(0.2)	(4.5%)	18.7
Turn Fees and Other Office Rents	2.3	2.0	0.3	14.8%	8.5
Other Terminal	3.1	2.7	0.4	14.6%	12.5
<b>Total Terminal Revenues</b>	<b>28.3</b>	<b>27.7</b>	<b>0.6</b>	<b>2.2%</b>	<b>113.9</b>
Terminal Contributions	3.7	3.7	0.0	0.0%	14.7
Joint Capital Transfer	6.0	6.0	0.0	0.0%	24.0
<b>Total Transfers</b>	<b>9.7</b>	<b>9.7</b>	<b>0.0</b>	<b>0.0%</b>	<b>38.7</b>
<b>Total Revenues</b>	<b>70.7</b>	<b>70.2</b>	<b>0.5</b>	<b>0.7%</b>	<b>284.4</b>
<b>Expenditures</b>					
Operating Expenditures	48.9	50.4	1.5	3.0%	208.9
Net Debt Service	18.5	18.5	0.0	0.0%	75.5
<b>Total Expenditures</b>	<b>67.4</b>	<b>68.9</b>	<b>1.5</b>	<b>2.2%</b>	<b>284.4</b>
<b>Total Airfield /Terminal Net Income/(Loss)</b>	<b>\$3.3</b>	<b>\$1.3</b>	<b>\$2.0</b>	<b>N/A</b>	<b>\$0.0</b>





## 102 Fund – Total Expenditures

For the Three Months Ended December, 2011 (Unaudited) (in millions)

Budget Category	Compared to Budget				FY 2012 Annual Budget
	FY 2012 Actual PTD	FY 2012 Budget PTD	Better (Worse)		
Operating Expenditures					
Salaries and Wages	\$27.3	\$27.7	\$0.4	1.4%	\$115.3
Benefits	14.4	15.2	0.8	5.3%	61.4
Facility Maintenance Contracts	12.4	12.8	0.4	3.1%	50.8
Other Contract Services	11.9	13.5	1.6	11.8%	62.0
Utilities	6.5	6.5	0.0	0.0%	27.5
Equipment and Other Supplies	2.9	2.8	(0.1)	(3.5%)	14.1
Insurance	0.9	1.1	0.2	18.3%	4.6
Fuels	0.8	1.1	0.3	28.2%	4.3
General, Administrative, and Other	1.7	1.7	0.0	0.0%	9.0
Change in Operating Reserves	2.5	2.5	0.0	0.0%	2.5
<b>Total Operating Expenditures</b>	<b>81.5</b>	<b>84.8</b>	<b>3.3</b>	<b>3.9%</b>	<b>351.5</b>
Debt Service	63.0	62.7	(0.3)	(0.5%)	250.6
<b>Total 102 Fund Expenditures</b>	<b>\$144.5</b>	<b>\$147.5</b>	<b>\$3.0</b>	<b>2.0%</b>	<b>\$602.1</b>

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## Notes to the Statement of Revenues and Expenses For the Three Months Ended December 31, 2011

- Parking Revenue** 1 Parking revenue was \$27.3 million, \$0.9 million (3.4%) better than budget due to strong performance in valet and privilege fees.
- Concessions** 2 Concessions revenue was \$13.4 million, \$.9 million (7.2%) better than budget due to strong performance in retail and food & beverage percentage rents.
- RAC** 3 RAC revenue was \$7.1 million, \$0.2 million (2.9%) better than budget due to average length of stay for car renters being greater than expected.
- Commercial Development** 4 Commercial Development revenue was \$8.6 million, \$0.2 million (2.4%) better than budget primarily due to timing of pipeline revenues.
- Employee Transportation** 5 Employee Transportation revenue was \$2.6 million, \$0.3 million (10.3%) worse than budget due to employees not moving from Terminal D when expected. This revenue loss is largely offset by expense savings in contract services.
- Other Contract Services** 6 Other Contract Service expenses were \$11.9 million, \$1.6 million (11.8%) under budget due to savings in Busing contracts and timing of various projects in Energy & Transportation Management and timing of expenditures for radio and CUTE maintenance in ITS.

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## Quarterly Report – Investments and Accounts Receivable

- Investments
  - \$980 million (0.48% average yield).
  
- Accounts Receivable
  - Days Sales Outstanding is 22 days for December 2011
  - >40 days past due is 2% (excluding bankruptcies & Chesapeake)
  
- \$212K in write-offs for the first quarter of FY 2012
  
- No change in OBA Funding Status.
  
- No travel exceptions.

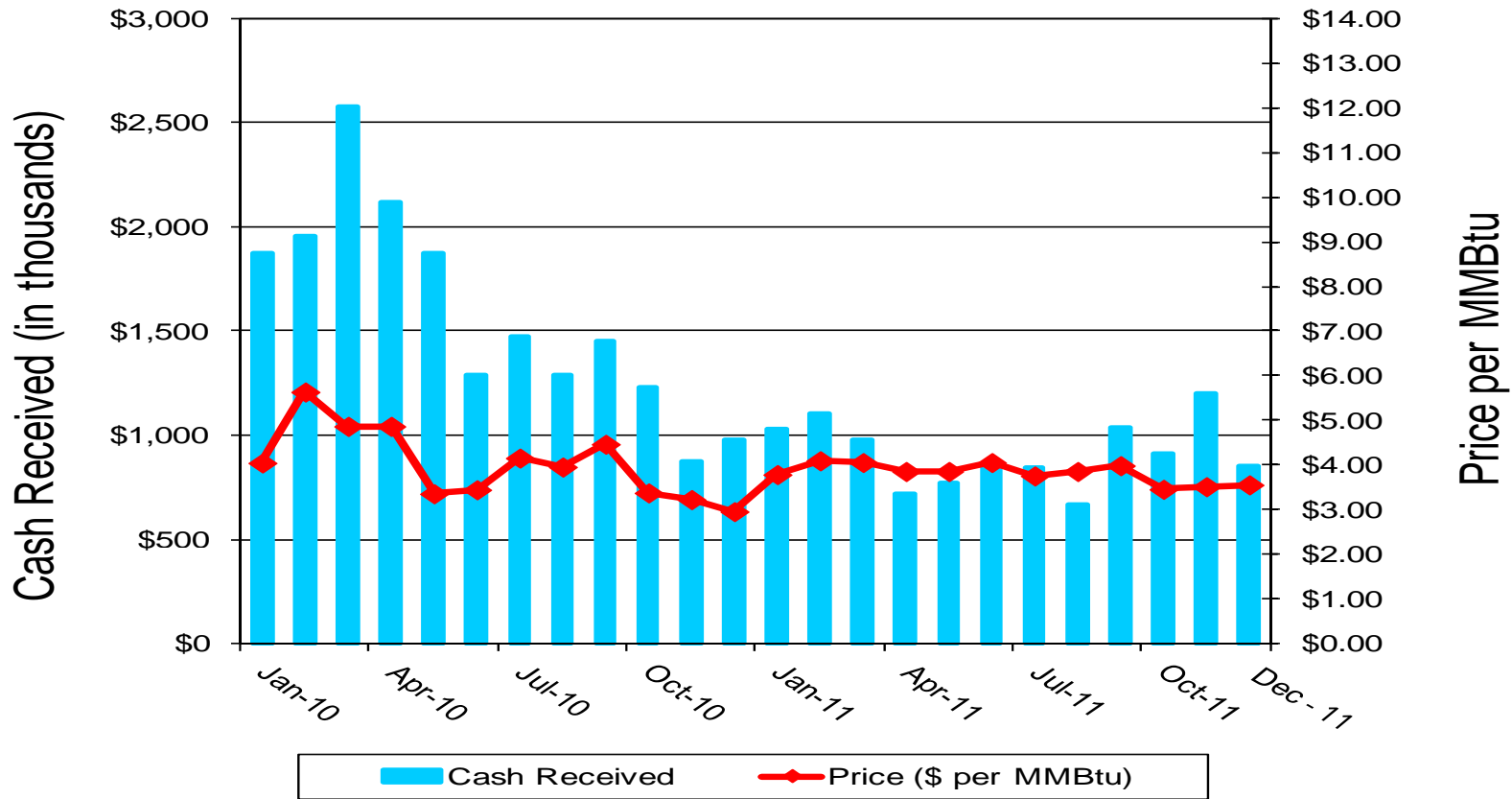
## Quarterly Report – Past Due Balances/Bankruptcies

Large past due balances greater than 40 days as of December 2011

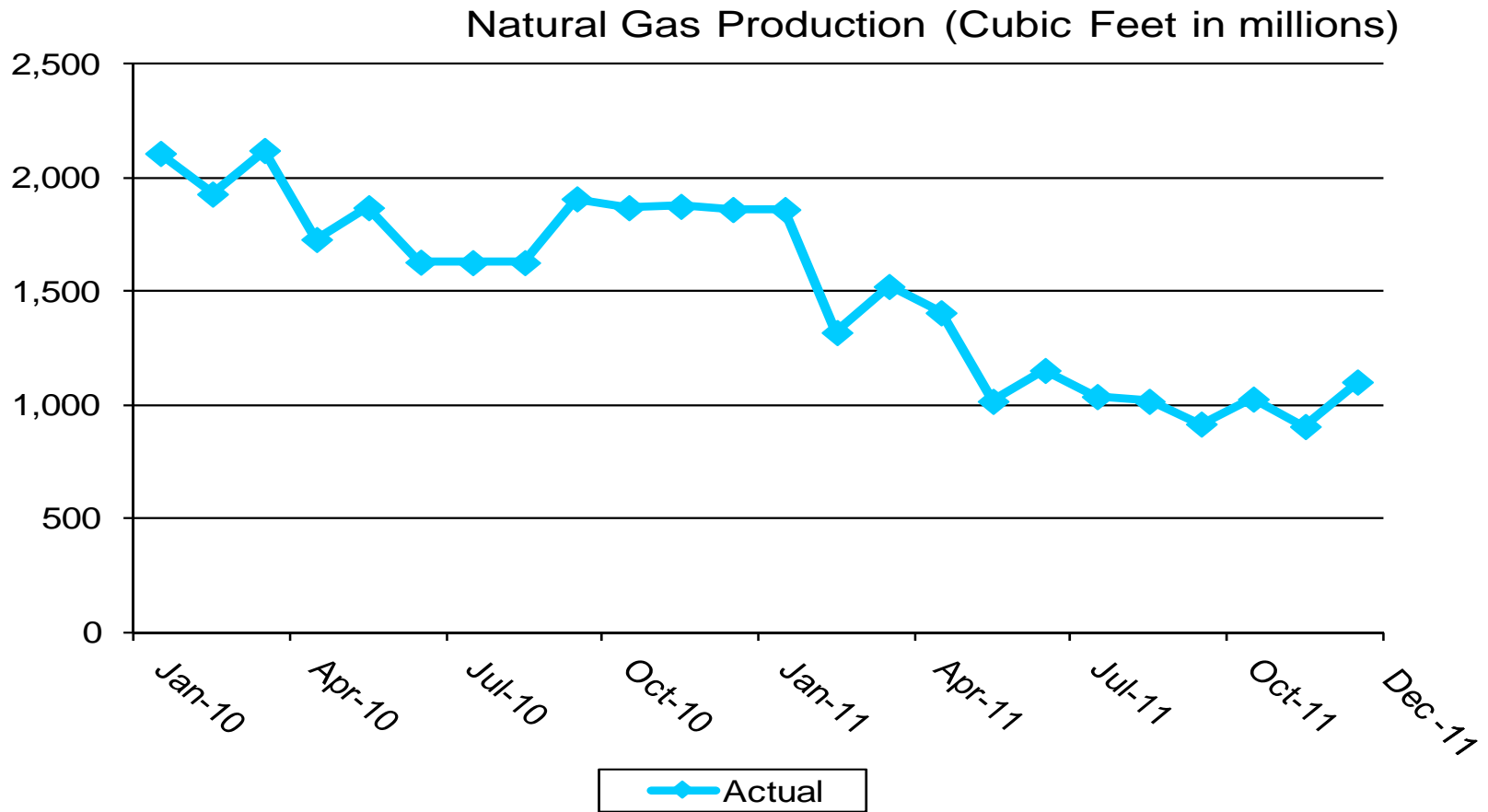
- Non-Airline related
  - Chesapeake, past due \$11.6 million, through August 2011
  - 2 customers with \$50K past due through December 2011
    - TSA \$101K
    - GSA \$63K (paid in January 2012)
  
- Bankruptcies (pre-petition balances):
  - CIA Mexicana (Aug 2010) - \$207K written off in December 2011
  - AMR Corp. (Nov 2011) - \$11.7 million
  - ATA Airlines (Apr 2008) - \$575K, fully reserved
  - Border Group (Feb 2011) - \$4K, fully reserved

# Natural Gas Royalty Summary

Natural Gas Cash Received



## Natural Gas Production Summary





# **Dallas/Fort Worth International Airport Quarterly Investment Report**

For the First Quarter Ended December 31, 2011





# MEMO

DALLAS/FORT WORTH INTERNATIONAL AIRPORT  
3200 EAST AIRFIELD DRIVE, P.O. BOX 619428  
DFW AIRPORT, TEXAS 75261-9428  
T 972-973-5400 F 972-973-5401

FINANCE

TO: DFW Airport Finance/Audit Committee

FROM: Christopher Poinsatte, CFO and  
Executive Vice President

DATE: January 20, 2012

SUBJECT: Quarterly Investment Report  
For the Quarter Ended December 31, 2011

Attached please find the Quarterly Investment Report. This report has been formulated with three goals in mind:

1. To provide the Finance/Audit Committee a complete and accurate picture of the invested assets of the Airport, as well as the context of the investing environment in place at the time the funds were invested.
2. Provide management with reports that will track performance, confirm compliance, and contain information valuable for future planning and strategizing.
3. To meet the prescribed reporting requirements of the Texas Public Funds Investment Act, Section 2256.023, Internal Management Reports.

The weighted average rate of return for the portfolio this quarter was .55% compared to last quarter's .79%. The Federal Funds target rate has been zero to .25% since December 2008 and the two year Treasury Note is yielding .25%. That is one quarter of one percent. While we still have high unemployment, the euro-zone debt crisis and partisan politics in Washington, some optimism has crept into the outlook. The housing market seems to be moderating, there are fewer unemployment claims coming in, and the Dow went up to over 12,000 and stayed.





# Investment Portfolio Report

For the Quarter Ended

December 31, 2011

Prepared by the  
Investment Officers of the Dallas/Fort Worth International Airport

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## Dallas/Fort Worth International Airport

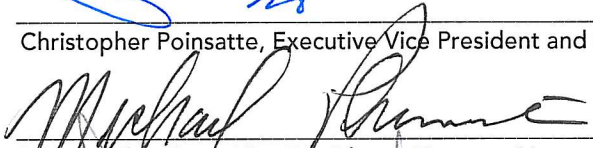
### Monthly Investment Report Investment Officers' Certification For the Quarter Ended December 31, 2011

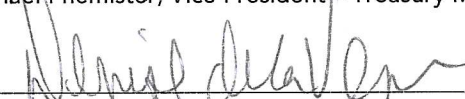
This investment report, prepared for the Dallas/Fort Worth International Airport (the "Airport"), is in accordance with Chapter 2256 of the Texas Public Funds Investment Act ("PFIA"). Section 2256.023(a) of the PFIA states, "Not less than quarterly, the investment officer shall prepare and submit to the governing body of the entity a written report of the investment transactions for all funds covered by this chapter for the preceding reporting period." This report was prepared and signed by the investment officers of the Airport and includes the disclosures required in the PFIA. Market Prices were obtained from independent pricing sources including Bloomberg and/or JP Morgan Chase Securities.

During this period, the investment portfolio and all investment transactions were made in full compliance with the PFIA and the Airport's approved Investment Policy and Strategy.

#### INVESTMENT OFFICERS:

  
\_\_\_\_\_  
Christopher Poinsatte, Executive Vice President and Chief Financial Officer

  
\_\_\_\_\_  
Michael Phemister, Vice President – Treasury Management

  
\_\_\_\_\_  
Denise de la Vega, Cash & Investment Manager

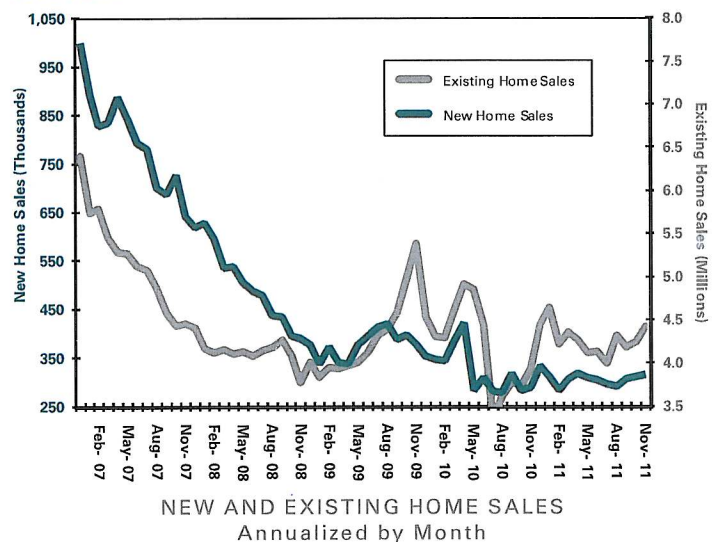
The overriding theme of the fourth quarter was improvement in the domestic economy. Although problems in Europe again dominated news headlines, a glimmer of hope emerged for the U.S. The housing market, after years of skimming along the bottom, is showing tentative signs of a rebound. Payroll gains and a declining unemployment rate suggest a recuperating job market. Measures of consumer confidence are improving and inflation has moderated as commodity prices have declined. The good news is tempered, however, by the sovereign debt crisis gripping Europe and over indebted consumers. For four consecutive years, households have been reducing their debt loads. Whether voluntary or involuntary, the effect was the same - the economy slowed when consumers curtailed their spending. From 2001 through 2006, household debt grew at a supercharged, perhaps reckless, 11% per year, before slowing and then falling at nearly a 2% rate for 2009 and 2010. The most recent Federal Reserve quarterly flow of funds statement showed that household debt decreased by an annual rate of 1.25% in the third quarter, roughly the same pace as in the first half, while home mortgage debt fell at an annual rate of 1.75%. The result was that total household debt had fallen to 119% of disposable income, down from a peak of 135% at the end of 2007. This is hardly lean, but the levels of debt are moving in the right direction and paving the way for future spending.

Bloomberg News reported in December that banks had increased their business loans at an average annual rate of almost 10% in the third quarter, compared with a 1.7% decline over the past four years. The most recent monthly numbers show seasonally adjusted loan growth of 15% in October, and 6.1% in November. The October survey of senior loan officers revealed that U.S. banks have now loosened lending standards for eight straight quarters. The recent lending increase seems to be the result of rising loan demand, another ingredient to recovery that had been missing for some time. At the November FOMC meeting, Fed officials said that business lending had “accelerated” beyond the “strong increases” seen in the first half of the year. Amid much criticism of Fed monetary policy, it seems to be gaining traction. And the economic recovery thus far is chipping away at the government shortfall. A 2.3% rise in Federal tax receipts along with a 3.2% reduction in government spending helped reduce the budget deficit to \$137 billion in November. A year ago, the November deficit was \$150 billion.

Economist Paul Krugman has said *even though we may have finally stopped digging, we're still at the bottom of a very deep hole*, but if it's any comfort, the economic challenges faced by the U. S. are shared by the majority of the world's developed countries. The Eurozone seems no closer to resolving its long-term sovereign debt crisis. The insurmountable problem is that the degree of belt-tightening required to get debt-to-GDP ratios back to the rule-of-thumb 60% mark is so severe that recession would be nearly inevitable. The debt-to-GDP ratio for Greece is almost 150% and is expected by many to rise to 160% in 2012. In October a haircut of 50% on privately held Greek debt was agreed upon at a European Summit in return for severe cutbacks in spending. By the beginning of 2012, as the Greek financial situation continued to deteriorate, the expected haircut number had increased by an additional 10%, and two-year Greek bonds were yielding a record 176% in the secondary market as investors demanded dramatically higher yields to compensate for the rising possibility of default. The debt problem isn't just restricted to Greece, Ireland and Portugal.

In recent months, the financial condition of Italy, the world's eighth largest economy has worsened, which has resulted in an untimely spike in borrowing costs, further compounding the problem. Analysts at Standard & Poor's believe recessions already impacting Greece, Portugal and Spain are likely to spread to larger European countries in the first half of 2012. This, along with a strengthening dollar, is almost certain to hurt U.S. exports to Europe, but the impact resulting from continued deterioration of the global economy is largely unknown.

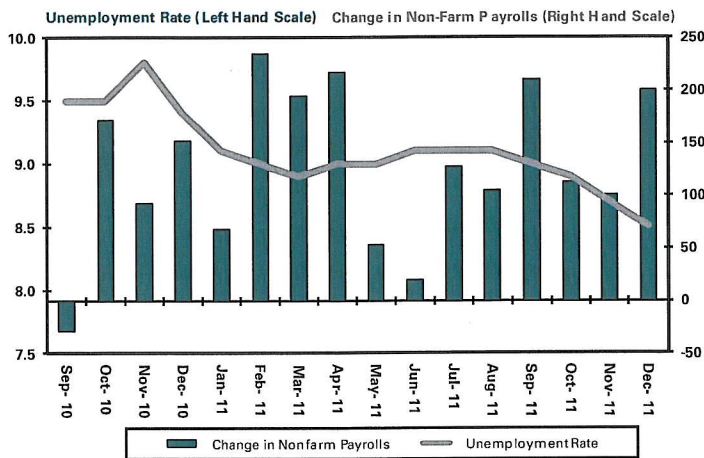
HOUSING



For reasons unclear, the U.S. housing market is starting to show signs of life. Part of the rebound may simply be that housing supply is more in line with demand. Existing home sales rose by 4.0% in November to a 4.42 million unit annual rate, the highest since January. The number of existing homes listed for sale fell to a 6 ½-year low, and the estimated supply at the current sales pace hit a two-year low of seven months, nearing a more normal level of six months. On top of the reduced supply, there remains an uncertain overhang of “shadow inventory” on the books of financial institutions, but even these estimates have been scaled back in recent months. New home sales rose 1.6% in November to a seven-month high of 315,000, leaving the total number of new homes available for sale at an all-time low of 158,000, representing just a six-month supply at the current sales pace. So maybe a bottom has finally been reached. An estimated 305,000 new homes were sold during 2011, less than 25% of the 1.28 million in 2005, but many of the leading housing indicators are flashing improvement. The November pending home sales index increased by 7.3% to the highest level in 19 months when Federal tax credits were still being offered to first-time and other qualified buyers. The National Association of Home Builders (NAHB) housing market index rose from 19 to 21 in December, the fourth consecutive month of improvement and the highest level since May 2010. Improved sales and a less dim outlook have boosted new construction. November housing starts were stronger than expected, with starts jumping by 9.3% to a 685k annual rate, the highest since April 2009. Multi-family starts were up 25% as the shift to apartments and rental units continued, but single family starts also rose, increasing by 2.3% to a five-month high. In a sign that the starts data may possibly have legs, building permits rose to a one-year high.

# FirstSouthwest Asset Management

## EMPLOYMENT



EMPLOYMENT  
Change in Non-Farm Payrolls

By the end of the summer, hiring by companies had come to a virtual standstill with zero gain in nonfarm payrolls being reported in the initial August employment reading. But things improved considerably after that point. Company payrolls grew by 200k in December and a total of 621k in the final four months of the year. Even the August job count was subsequently revised from zero to up 104k. For all of 2011, employers added more than 1.64 million new workers. Although this pace doesn't suggest a return to full employment anytime soon, it appears relatively healthy when compared to 5 million jobs *lost* in 2009. As businesses began hiring, the December unemployment rate fell to 8.5%, more than a point and a half below the 10.1% cycle high from October 2009 and the lowest level in more than 2½ years. But, this number has been viewed with a high degree of skepticism as the labor force participation rate has been dropping and currently hovers near its low point for the last decade. The U6 unemployment rate, a much broader measure that includes everyone who would accept a full-time job if one were offered to them (including all of the discouraged workers and involuntary part-timers) is still historically high, but also on the decline. The U6 measure fell from 15.6% to 15.2% in December. Just four months ago, this rate was 16.4%.

Going forward, it isn't clear that the pace of job growth will pick up significantly in 2012, but recent weekly initial claims data suggests that businesses should continue to add to payrolls. First-time filings for unemployment benefits fell to a 3½-year low in December, and the four-week moving average fell to its lowest point since the spring of 2008. Confidence readings are also flashing improvement in the labor market. The December Conference Board survey showed the percentage of consumers believing jobs were plentiful rose to the highest level in three years, while those who thought jobs were hard to get dropped to a three-year low.

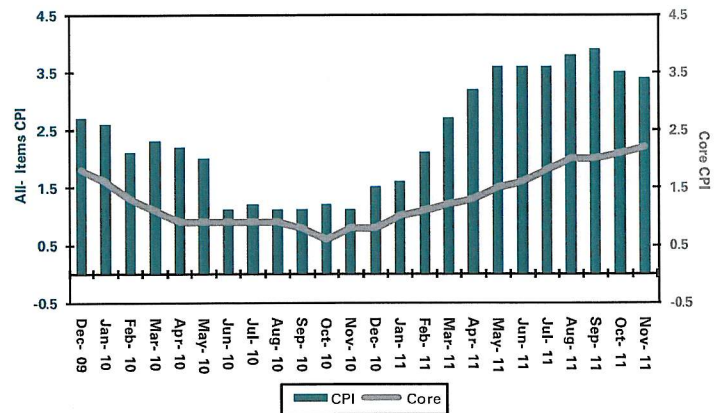
## CONSUMER SPENDING

November retail sales rose just 0.2%, a sharp decline from revised gains of 1.3% and 0.6% in September and October respectively, but a late month rally by holiday shoppers seemed to have put December's numbers back on track. Same store sales for businesses with doors open for a year or more were up 3.4% over last year, but there were clearly winners and losers amongst the 22 retailers tracked by the Reuters Index. Macy's celebrated a 6.2% year-over-year increase, while the Gap tumbled 4% from last year. Kmart and Sears are expected to close as many as 120 stores after dropping 4.4% and

6% year-over-year. ZDNet reported that online sales had jumped 15% in November and December to total \$37.2 billion in holiday season revenue for 2011. Strong online "Black Friday" shopping numbers in November were followed by even better "Cyber Monday" sales. Online revenues for the Monday after Thanksgiving exceeded \$1.25 billion, a 22% increase from last year. Online sales on the Friday after Thanksgiving were \$816 million, a 26% increase from the prior year.

But, like most indicators, recent improvement in consumer spending is from extremely low levels. American consumers have been cutting back on their spending for years. In fact, with one exception, total household debt has fallen every quarter for the past four years. This is very unusual. According to FTN Financial, this is the first sustained decline since the 1980's. At the risk of flying off on a tangent, it's worth mentioning that from 2003 to 2007, Americans withdrew \$2.1 trillion in equity from their homes. With this massive individual stimulus no longer available and tighter lending standards firmly in place it becomes clear why spending has slowed. The question is ...*when does the consumer feel confident enough to really ramp up their spending?* Maybe the answer is starting to show up in the monthly confidence numbers. The Conference Board's consumer confidence index jumped 9.3 points in December to 64.5, reflecting significant increases in both future expectations and the present situation components. During the low point of the cycle (and apparently the historical low) in February 2009, confidence dipped all the way to 25.3. By contrast, in November 2007, just before the recession began, it was 87.8.

## INFLATION



CONSUMER PRICE INDEX:  
Core Rate (Excluding Food & Energy), Year-Over-Year

The European crisis has resulted in a stronger dollar, and contributed to a global slowdown that has curtailed overall demand for commodities. Cotton and corn prices hit all-time highs in the first half of the year, before dropping along with virtually all commodities as the year progressed. Between the peak in April and the end of 2011, the DOW UBS Commodities Index fell 20%. Oil prices also peaked in April with WTI closing just under \$114 per barrel. By year-end, oil had closed at \$98.83, up 8.2% for the year. The average gasoline price, according to AAA was \$3.27 per gallon at year-end, approximately \$0.25 lower for the quarter, but still \$0.19 higher on the year. As food and energy prices abate, the consumer price index has moved gradually lower with headline CPI falling from 3.9% in September to 3.4% in November. But if food and energy prices are taken out of the equation, core CPI tells a different story, up from 0.8% a year earlier to a three-year high of 2.2%. In order for the Fed to justify its easy money policy, core consumer inflation will have to remain below 3.0%. Fortunately, most economists

and Fed officials are under the impression that significant slack in the labor market, along with a general decline in the global economy will result in a moderation of core inflation in the coming months.

## THE FED

The Fed lowered the overnight funds rate to a range of zero to 0.25% more than three years ago. At the time, most figured monetary policy was at an emergency level that would be in place for six-to 12-months. This hasn't turned out to be the case at all. In fact, last quarter Fed officials announced that they expected to leave the overnight funds target in place for another two years. As a result, yields inside of two years generally traded near record lows all quarter long. With an anchor set on the short end of the curve, the Fed continued "operation twist," a plan announced at the end of the third quarter intended to drive down longer-term yields by selling Fed portfolio holdings with short maturities and reinvesting proceeds into longer-term bonds. For the most part, this strategy has worked. The 10-year Treasury note yield closed the year at 1.87%, below the third quarter average of 2.40% and the fourth quarter average of 2.03%.

## STOCK MARKETS

It was nearly a complete reversal for stocks in the fourth quarter, with the DOW gaining more than 1,300 points, or 12% during the final three months, while the S&P 500 index gained over 11% in Q4 to close within 4/100th of a point of its 2010 close. The Dow finished up 246 points for 2011, but the volatility was extreme. Bloomberg News reported the average between

intraday highs and lows was 126 points through July, and more than doubled to 261 points for the last five months. Bloomberg News also reported that corporate profits had risen by just 6% in the final quarter of the year, the smallest year-over-year quarterly growth since September 2009. Despite this fact, and a very uncertain environment ahead, the median forecast from 16 of the nation's top equity managers as reported by Business Insider, shows a median forecasted stock market gain for 2012 of 8.3%, a seemingly attractive earnings rate at a time when cash pays nothing.

	DOW	S&P 500	NASDAQ
9/30/11	10,913	1,131	2,415
12/31/11	12,218	1,258	2,605
% Change for Q4-2011	12%	11%	8%

	Fed Funds	3 mo T-bill	6 mo T-bill	2 yr T-note	5 yr T-note	10 yr T-note	
<b>Last</b>	9/30/11	0.00%	0.02%	0.05%	0.25%	0.95%	2.00%
<b>High</b>		0.00%	0.02%	0.07%	0.31%	1.20%	2.40%
<b>Low</b>		0.00%	-0.01%	0.02%	0.22%	0.80%	1.76%
<b>End</b>	12/31/11	0.00%	0.01%	0.06%	0.24%	0.83%	1.88%

## ECONOMIC AND INTEREST RATE OUTLOOK

Although the economy finished the year on an upswing, there are many obstacles in its path, not the least of which is the housing market. A housing crash ignited the recession, and continued deterioration is stifling recovery. According to Bank of America Merrill Lynch, six million homes have been foreclosed on since 2007, and another eight million homes will be liquidated over the next four years. All told this would represent a quarter of all homes with mortgages. This glut of foreclosed properties is hammering home prices and by proxy, Americans' household net worth. The S&P Case-Shiller 20-city index reached the lowest point since March 2003, and in nine of the 19 cities with historical data going back to 1991, real prices are currently lower than they were 20 years ago. At the beginning of 2012 Fed officials sent a 26-page white-paper to congressional leaders addressing the housing problem and offering solutions. In it, Fed officials said that lending standards had become "extraordinarily tight," and urged more aggressive use of Fannie and Freddie to support housing recovery. The white-paper proposed that foreclosed single-family homes be converted to rentals to halt the decline in home prices. Recovery in housing is essential to sustained recovery, but people will need jobs before they are able to buy homes.

The labor market is gradually gaining momentum, but has a long way to go. Factory jobs are returning, and recent ISM surveys indicate that factory managers plan to hire additional workers in the coming months. Auto sales picked up significantly in 2011, and with the average age of vehicles on U.S. roads at a record 10.9 years, the outlook for 2012 sales is optimistic. With increased vehicle sales, come additional manufacturing jobs.

The possibility of another round of stimulus dollars is remote, unless that stimulus is a continuation of long-term unemployment benefits, the payroll tax cut beyond February and further extension of the Bush tax cuts at the end of 2012. But frankly, these measures are already firmly in place. Allowing

them to expire would subtract from GDP growth. In order to further goose the economy, the government would have to grant additional stimulus, an unlikely scenario when the nation's focus is squarely on reducing the deficit. The so-called "supercommittee" failed in its charge to reach a compromise agreement on how to reduce the Federal deficit by \$1.5 trillion over 10-years. As a result, automatic spending cuts will begin in 2013. In the glass-half-full realm, this delay is good news for 2012 growth. Energy prices could be another positive for the economy. Pump prices rose above \$4 per gallon briefly in May, but ended the year heading in the right direction with AAA reporting a nationwide average price of \$3.25 for regular unleaded as of December 29th. Lower gasoline prices are highly stimulative, and unless Iran blocks the Strait of Hormuz, decreased worldwide demand could nudge gasoline prices still lower.

With all of this factored in, the likelihood of a "double-dip recession" has nearly dissipated, and the median forecast for GDP growth in 2012 now falls between 2.0% and 2.5%. This would qualify as moderate growth at best, and at this pace high unemployment would linger for years. The Fed recognizes this, and has done everything it can to get the economy back on track. As part of this strategy, they've pledged to keep the overnight funds rates at record lows for at least another 18 months. Later in 2012, the FOMC will begin releasing its quarterly fed funds forecast to the public for the first time. This may further clarify the Fed's strategy, but few expect an earlier tightening date to emerge with the first release. In fact, the new consensus seems to be well into 2014.

**Scott McIntyre, CFA**  
**Senior Portfolio Manager**  
**January 6, 2012**



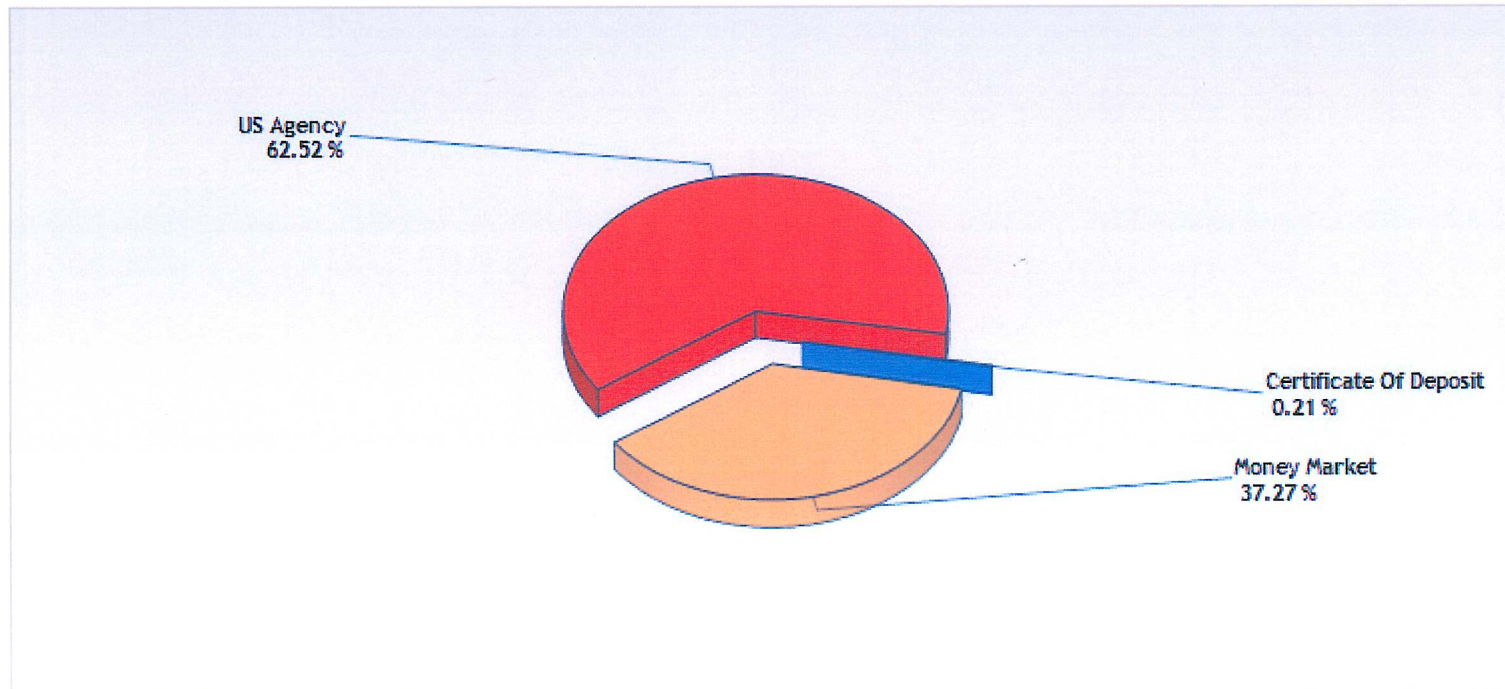
**DFW AIRPORT INVESTMENTS**  
**Strategy and Policy Compliance**  
 December 31, 2011

<b>DIVERSIFICATION</b>					
	Issuer	Target %	Max %	Actual	Compliant?
<b>BY TYPE OF INVESTMENT</b>					
US Treasury Notes		100%	100%	0%	Yes
US Agencies		100%	100%	63%	Yes
Callable Agencies		35%	40%	37%	Yes
Certificates of Deposit		100%	100%	0%	Yes
Money Market Funds		50%	55%	37%	Yes
<b>BY ISSUER</b>					
US Agencies	FNMA	25%	30%	25%	Yes

<b>STRATEGIES</b>	Target WAM	Actual WAM	Strategic Max Maturity	Actual Max Maturity	Compliant?
Operating	180 days	33 days	365 days	174 days	Yes
Operating Reserve	2 - 4 yrs	2.3 yrs	5.0 yrs	4.8 yrs	Yes
Operating Rolling Coverage	2 - 4 yrs	4.7 yrs	5.0 yrs	4.7 yrs	Yes
Passenger Facility Charges	1 - 2 yrs	0.4 yrs	3.0 yrs	1.9 yrs	Yes
Joint Capital Fund #320	.5 - 2 yrs	1.7 yrs	5.0 yrs	2.7 yrs	Yes
DFW Capital Fund #340	.5 - 2 yrs	0.8 yrs	3.0 yrs	1.9 yrs	Yes
Bond/Construction Funds	30-365 days	0.9 yrs	2.0 yrs	1.8 yrs	Yes
Debt Service Reserve	2 - 4 yrs	2.1 yrs	5.0 yrs	2.7 yrs	Yes

Portfolio / Report Group: OPERATING PORTFOLIO  
 Report Date: 12/31/2011  
 Group By: Security Sector  
 Average By: Face Amount/Shares

### Portfolio Holdings Distribution by Security Sector

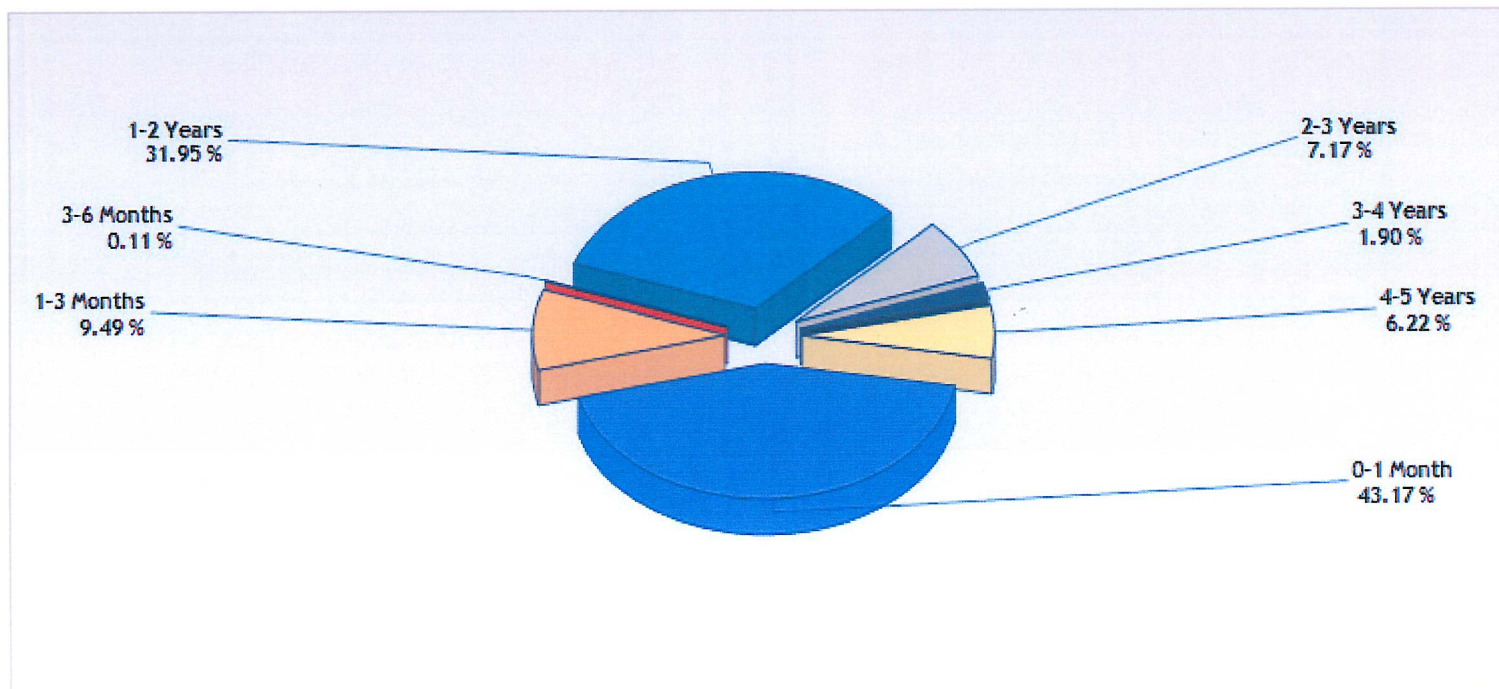


Security Sector	Face Amount/Shares	YTM @ Cost	Days To Maturity	% of Portfolio	Market Value	Book Value
Certificate Of Deposit	2,000,000.00	0.30000	96	0.21	2,000,000.00	2,000,000.00
Money Market	353,485,838.50	0.19224	1	37.27	353,485,838.50	353,485,838.50
US Agency	593,000,000.00	0.60509	631	62.52	592,930,340.00	592,856,185.35
<b>Total / Average</b>	<b>948,485,838.50</b>	<b>0.45058</b>	<b>395</b>	<b>100</b>	<b>948,416,178.50</b>	<b>948,342,023.85</b>



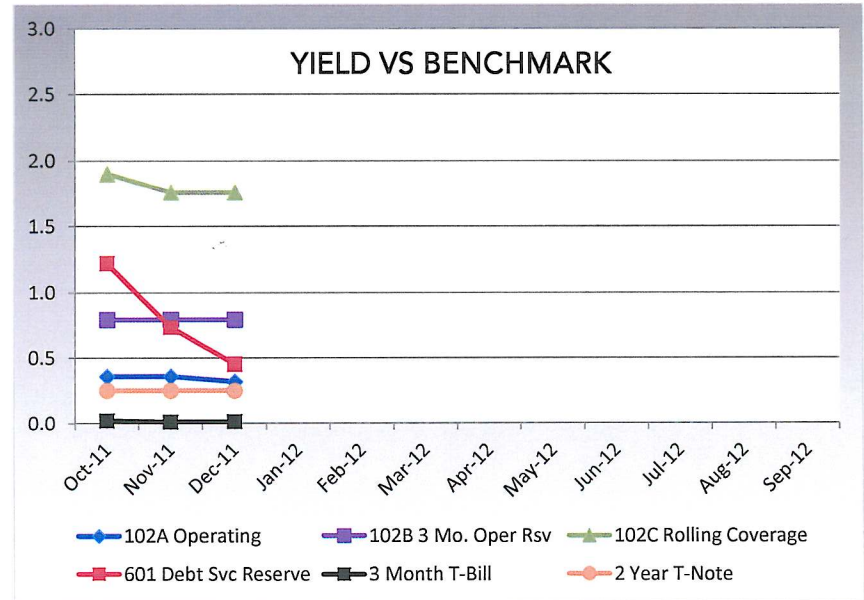
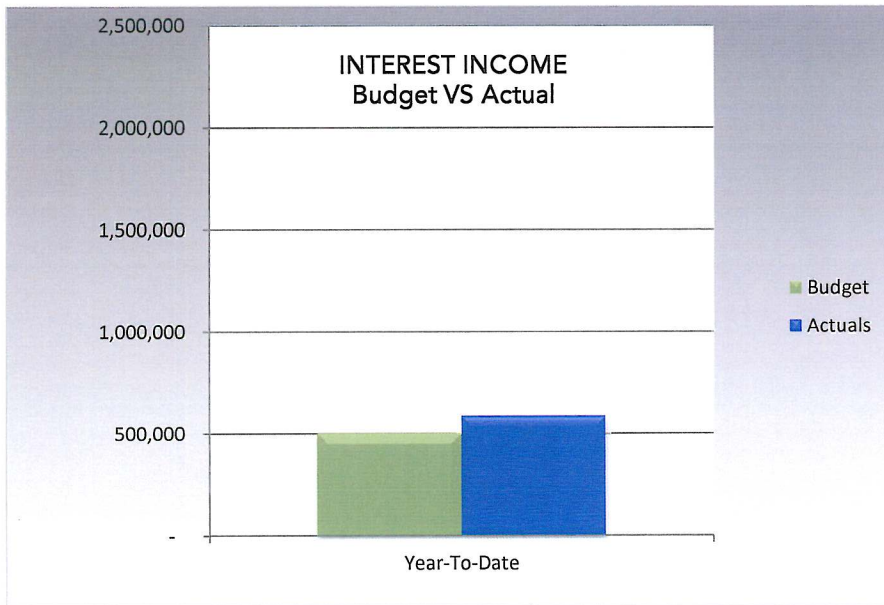
Portfolio / Report Group: OPERATING PORTFOLIO  
 Report Date: 12/31/2011  
 Group By: Maturity Range  
 Average By: Face Amount/Shares

### Portfolio Holdings Distribution by Maturity Range



Maturity Range	Face Amount/Shares	YTM @ Cost	Days To Maturity	% of Portfolio	Market Value	Book Value
0-1 Month	409,485,838.50	0.20986	4	43.17	409,467,138.50	409,473,616.28
1-3 Months	90,000,000.00	0.32000	32	9.49	90,013,500.00	90,000,000.00
3-6 Months	1,000,000.00	0.50000	174	0.11	1,000,000.00	1,000,000.00
1-2 Years	303,000,000.00	0.46795	582	31.95	302,980,120.00	302,868,407.57
2-3 Years	68,000,000.00	0.70000	993	7.17	67,866,720.00	68,000,000.00
3-4 Years	18,000,000.00	1.07000	1368	1.90	17,962,200.00	18,000,000.00
4-5 Years	59,000,000.00	1.75407	1721	6.22	59,126,500.00	59,000,000.00
<b>Total / Average</b>	<b>948,485,838.50</b>	<b>0.45058</b>	<b>395</b>	<b>100</b>	<b>948,416,178.50</b>	<b>948,342,023.85</b>

## Operating Funds Group



Note: The benchmark for the 102A Operating Fund is the 3 Month Treasury.  
 The benchmark for the 102B Operating Reserve, the 102C Rolling Coverage and the 601 Debt Service Reserve Funds is the 2 Year Treasury.

**Dallas Fort Worth International Airport**  
**DETAILED INVESTMENT HOLDINGS**  
Report Format: By Transaction  
Group By: Portfolio Name  
**Portfolio/Report Group: OPERATING FUNDS GROUP**  
As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>102A Operating Fund</b>													
CD2501004360E	OPR-02E	AMERICAN FIRST NATIONAL BANK 0.1 1/18/2012	10/12/2011		1/18/2012	1,000,000.00	1,000,000.00	1,000,000.00	219.18	18	18	0.100	0.10000
31315KSF8	OPR-14	FAMC 0 1/25/2012	8/12/2011		1/25/2012	15,000,000.00	14,996,666.67	14,994,900.00	0.00	25	25	0.000	0.32492
313372K94	CDP-19-30M	FHLB 0.32 2/1/2012	7/28/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
CD1WB200091	OPR-10A	One World Bank 0.5 6/22/2012	6/23/2011		6/22/2012	1,000,000.00	1,000,000.00	1,000,000.00	2,616.44	174	174	0.500	0.50000
						<b>22,000,000.00</b>	<b>21,996,666.67</b>	<b>21,995,650.00</b>	<b>9,502.29</b>	<b>33</b>	<b>33</b>	<b>0.100</b>	<b>0.32154</b>
<b>102B Three Month Opr Rsv Fund</b>													
313372K94	OPRRSV-58-30M	FHLB 0.32 2/1/2012	2/14/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
313375QH3	OPRRSV-63	FHLB Step 9/30/2016-11	9/30/2011	3/30/2012	9/30/2016	9,000,000.00	9,000,000.00	9,004,500.00	0.00	1735	90	0.750	1.74345
3134G2Q62	OPRRSV-65	FHLMC 0.5 10/3/2013-12	10/3/2011	4/3/2012	10/3/2013	20,000,000.00	19,991,217.51	19,973,000.00	24,444.44	642	94	0.500	0.52521
3134G2UC4	OPRRSV-62	FHLMC 0.5 2/8/2013-12	8/8/2011	2/8/2012	2/8/2013	20,000,000.00	20,000,000.00	20,003,200.00	39,722.22	405	39	0.500	0.50000
3136FR5G4	OPRRSV-64	FNMA 1.07 9/29/2015-12	9/29/2011	3/29/2012	9/29/2015	18,000,000.00	18,000,000.00	17,962,200.00	49,220.00	1368	89	1.070	1.07000
						<b>72,000,000.00</b>	<b>71,991,217.51</b>	<b>71,943,650.00</b>	<b>120,053.33</b>	<b>852</b>	<b>73</b>	<b>0.661</b>	<b>0.79247</b>
<b>102C Rolling Coverage Fund</b>													
3136FRS20	RC-03	FNMA Step 9/14/2016-12	9/14/2011	9/14/2012	9/14/2016	50,000,000.00	50,000,000.00	50,122,000.00	148,611.11	1719	258	1.000	1.75598
						<b>50,000,000.00</b>	<b>50,000,000.00</b>	<b>50,122,000.00</b>	<b>148,611.11</b>	<b>1719</b>	<b>258</b>	<b>1.000</b>	<b>1.75598</b>
<b>601 Debt Service Reserve Fund</b>													
31315KSF8	RSV-44	FAMC 0 1/25/2012	1/25/2011		1/25/2012	30,000,000.00	29,993,333.33	29,989,800.00	0.00	25	25	0.000	0.32524
313376GT6	RSV-51	FHLB 0.35 5/30/2013	11/30/2011		5/30/2013	40,000,000.00	40,000,000.00	40,002,800.00	11,666.67	516	516	0.350	0.35000

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
313376GT6	RSV-52	FHLB 0.35 5/30/2013	11/30/2011		5/30/2013	24,000,000.00	24,000,000.00	24,001,680.00	7,000.00	516	516	0.350	0.35000
3136FTBH1	RSV-50	FNMA 0.466 10/25/2013- 12	10/25/2011	10/25/2012	10/25/2013	35,000,000.00	35,000,000.00	35,028,700.00	29,901.67	664	299	0.466	0.46600
3135G0DF7	RSV-49	FNMA 0.7 9/19/2014- 12	9/19/2011	9/19/2012	9/19/2014	38,000,000.00	38,000,000.00	37,925,520.00	75,366.67	993	263	0.700	0.70000
						<b>167,000,000.00</b>	<b>166,993,333.33</b>	<b>166,948,500.00</b>	<b>123,935.01</b>	<b>567</b>	<b>325</b>	<b>0.391</b>	<b>0.44951</b>
						<b>311,000,000.00</b>	<b>310,981,217.51</b>	<b>311,009,800.00</b>	<b>402,101.74</b>	<b>781</b>	<b>235</b>	<b>0.531</b>	<b>0.72991</b>

Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: 102D Pooled Operating Funds**  
 As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>102D Pooled Operating Funds</b>													
3003279001	HIGH YIELD INT.SAVINGS ACCT	JPM CHASE MKTS MM	11/30/2011	N/A	N/A	145,000,000.00	145,000,000.00	145,000,000.00	N/A	1	1	0.170	0.17000
4812A0367	55951507M	JPM CHASE MONEY MKTS MM	3/31/2009	N/A	N/A	63,900,000.00	63,900,000.00	63,900,000.00	N/A	1	1	0.130	0.13000
3002444911	STABLE BALANCE ACCT	JPM CHASE MONEY MKTS MM	7/20/2011	N/A	N/A	135,000,000.00	135,000,000.00	135,000,000.00	N/A	1	1	0.250	0.25000
						<b>343,900,000.00</b>	<b>343,900,000.00</b>	<b>343,900,000.00</b>	<b>0.00</b>	<b>1</b>	<b>1</b>	<b>0.194</b>	<b>0.19397</b>
						<b>343,900,000.00</b>	<b>343,900,000.00</b>	<b>343,900,000.00</b>	<b>0.00</b>	<b>1</b>	<b>1</b>	<b>0.194</b>	<b>0.19397</b>

Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: 252 Passenger Facility Charges Fund**  
 As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>252 Passenger Facility Charges Fund</b>													
313372K94	PFC-33	FHLB 0.32 2/1/2012	2/14/2011		2/1/2012	30,000,000.00	30,000,000.00	30,004,500.00	40,000.00	32	32	0.320	0.32000
3137EACZ0	PFC-36	FHLMC 0.375 11/27/2013	11/18/2011		11/27/2013	5,000,000.00	4,981,727.30	4,991,950.00	3,125.00	697	697	0.375	0.56757
3134G2UC4	PFC-35	FHLMC 0.5 2/8/2013-12	8/8/2011	2/8/2012	2/8/2013	10,000,000.00	10,000,000.00	10,001,600.00	19,861.11	405	39	0.500	0.50000
4812A0367	558252M	JPM CHASE MONEY MKTS MM	3/31/2009	N/A	N/A	9,585,838.50	9,585,838.50	9,585,838.50	N/A	1	1	0.130	0.13000
						<b>54,585,838.50</b>	<b>54,567,565.80</b>	<b>54,583,888.50</b>	<b>62,986.11</b>	<b>156</b>	<b>89</b>	<b>0.325</b>	<b>0.34221</b>
						<b>54,585,838.50</b>	<b>54,567,565.80</b>	<b>54,583,888.50</b>	<b>62,986.11</b>	<b>156</b>	<b>89</b>	<b>0.325</b>	<b>0.34221</b>

**Dallas Fort Worth International Airport**  
**DETAILED INVESTMENT HOLDINGS**  
Report Format: By Transaction  
Group By: Portfolio Name  
**Portfolio/Report Group: JOINT CAPITAL FUND**  
As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>316 ATSAC Bond Fund</b>													
313372K94	ATSAC-13-30M	FHLB 0.32 2/1/2012	2/14/2011		2/1/2012	10,000,000.00	10,000,000.00	10,001,500.00	13,333.33	32	32	0.320	0.32000
313372K94	SF316-07-30M	FHLB 0.32 2/1/2012	2/14/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
3137EACZ0	ATSAC-16-25M	FHLMC 0.375 11/27/2013	11/18/2011		11/27/2013	10,000,000.00	9,963,454.60	9,983,900.00	6,250.00	697	697	0.375	0.56757
3134G2UC4	CAP2-49	FHLMC 0.5 2/8/2013-12	10/28/2011	2/8/2012	2/8/2013	20,000,000.00	20,000,000.00	20,003,200.00	39,722.22	405	39	0.500	0.50000
3135G0DF7	ATSAC-15-30M	FNMA 0.7 9/19/2014-12	9/19/2011	9/19/2012	9/19/2014	30,000,000.00	30,000,000.00	29,941,200.00	59,500.00	993	263	0.700	0.70000
						<b>75,000,000.00</b>	<b>74,963,454.60</b>	<b>74,930,550.00</b>	<b>125,472.22</b>	<b>604</b>	<b>215</b>	<b>0.527</b>	<b>0.55300</b>
<b>320 Joint Capital Fund</b>													
3137EACZ0	JCF-08-25M	FHLMC 0.375 11/27/2013	11/18/2011		11/27/2013	5,000,000.00	4,981,727.30	4,991,950.00	3,125.00	697	697	0.375	0.56757
3134G2Q62	JCF-06	FHLMC 0.5 10/3/2013-12	10/3/2011	4/3/2012	10/3/2013	30,000,000.00	29,986,826.26	29,959,500.00	36,666.67	642	94	0.500	0.52521
3136FTBH1	JCF-07-65M	FNMA 0.466 10/25/2013-12	10/25/2011	10/25/2012	10/25/2013	20,000,000.00	20,000,000.00	20,016,400.00	17,086.67	664	299	0.466	0.46600
						<b>55,000,000.00</b>	<b>54,968,553.56</b>	<b>54,967,850.00</b>	<b>56,878.34</b>	<b>655</b>	<b>223</b>	<b>0.476</b>	<b>0.50751</b>
						<b>130,000,000.00</b>	<b>129,932,008.16</b>	<b>129,898,400.00</b>	<b>182,350.56</b>	<b>626</b>	<b>218</b>	<b>0.506</b>	<b>0.53375</b>

Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**

Report Format: By Transaction

Group By: Portfolio Name

Portfolio/Report Group: **BOND/CONSTRUCTION FUNDS GROUP**

As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>321 Bond Issue Series 2010</b>													
31315KSF8	CAP1-06	FAMC 0 1/25/2012	6/15/2011		1/25/2012	10,000,000.00	9,997,777.78	9,996,600.00	0.00	25	25	0.000	0.32499
313372K94	TCAP-13-30M	FHLB 0.32 2/1/2012	2/14/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
313372K94	NG-47-30M	FHLB 0.32 2/1/2012	6/15/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
313372K94	CAP2-49-30M	FHLB 0.32 2/1/2012	3/23/2011		2/1/2012	5,000,000.00	5,000,000.00	5,000,750.00	6,666.67	32	32	0.320	0.32000
3136FTBH1	TCAP-24-65M	FNMA 0.466 10/25/2013-12	10/25/2011	10/25/2012	10/25/2013	25,000,000.00	25,000,000.00	25,020,500.00	21,358.33	664	299	0.466	0.46600
						<b>50,000,000.00</b>	<b>49,997,777.78</b>	<b>50,019,350.00</b>	<b>41,358.34</b>	<b>347</b>	<b>164</b>	<b>0.329</b>	<b>0.39400</b>
						<b>50,000,000.00</b>	<b>49,997,777.78</b>	<b>50,019,350.00</b>	<b>41,358.34</b>	<b>347</b>	<b>164</b>	<b>0.329</b>	<b>0.39400</b>



Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: DFW CAPITAL FUND**  
 As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>301 Capl Improve-General Fund</b>													
3137EACZ0	CAPI-12-25M	FHLMC 0.375 11/27/2013	11/18/2011		11/27/2013	10,000,000.00	9,963,454.60	9,983,900.00	6,250.00	697	697	0.375	0.56757
3134G2UC4	CAPI-11	FHLMC 0.5 2/8/2013-12	8/8/2011	2/8/2012	2/8/2013	4,000,000.00	4,000,000.00	4,000,640.00	7,944.44	405	39	0.500	0.50000
						<b>14,000,000.00</b>	<b>13,963,454.60</b>	<b>13,984,540.00</b>	<b>14,194.44</b>	<b>613</b>	<b>509</b>	<b>0.411</b>	<b>0.54821</b>
<b>313 Capl Devel Bond Fund</b>													
3134G2UC4	CDP-21	FHLMC 0.5 2/8/2013-12	8/8/2011	2/8/2012	2/8/2013	5,000,000.00	5,000,000.00	5,000,800.00	9,930.56	405	39	0.500	0.50000
						<b>5,000,000.00</b>	<b>5,000,000.00</b>	<b>5,000,800.00</b>	<b>9,930.56</b>	<b>405</b>	<b>39</b>	<b>0.500</b>	<b>0.50000</b>
<b>340 DFW Capital Fund</b>													
313372K94	DCF-01-30M	FHLB 0.32 2/1/2012	11/16/2011		2/1/2012	20,000,000.00	20,000,000.00	20,003,000.00	26,666.67	32	32	0.320	0.32000
						<b>20,000,000.00</b>	<b>20,000,000.00</b>	<b>20,003,000.00</b>	<b>26,666.67</b>	<b>32</b>	<b>32</b>	<b>0.320</b>	<b>0.32000</b>
						<b>39,000,000.00</b>	<b>38,963,454.60</b>	<b>38,988,340.00</b>	<b>50,791.67</b>	<b>288</b>	<b>204</b>	<b>0.376</b>	<b>0.42488</b>

Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: 907 Rental Car Center Operating**  
 As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>907 Rental Car Center Operating</b>													
3136FTBH1	RAC-04-65M	FNMA 0.466 10/25/2013-12	10/25/2011	10/25/2012	10/25/2013	20,000,000.00	20,000,000.00	20,016,400.00	17,086.67	664	299	0.466	0.46600
						<b>20,000,000.00</b>	<b>20,000,000.00</b>	<b>20,016,400.00</b>	<b>17,086.67</b>	<b>664</b>	<b>299</b>	<b>0.466</b>	<b>0.46600</b>
						<b>20,000,000.00</b>	<b>20,000,000.00</b>	<b>20,016,400.00</b>	<b>17,086.67</b>	<b>664</b>	<b>299</b>	<b>0.466</b>	<b>0.46600</b>

Dallas Fort Worth International Airport  
**DETAILED INVESTMENT HOLDINGS**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: 910 PFIC Hotel Trust Fund**  
 As of 12/31/2011

CUSIP/Ticker	Transaction ID	Description	Settlement Date	Next Call Date	Maturity Date	Face Amount/Shares	Book Value	Market Value	Accrued Interest	Days To Maturity	Days To Call/Maturity	Coupon Rate	YTM @ Book
<b>910 PFIC Hotel Trust Fund</b>													
JPMORGAN3757	753757	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	3,079,299.00	3,079,299.00	3,079,299.00	N/A	1	1	0.010	0.01000
JPMORGAN3743	753743	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	1,910.45	1,910.45	1,910.45	N/A	1	1	0.010	0.01000
JPMORGAN3750	753750	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	7,948,913.56	7,948,913.56	7,948,913.56	N/A	1	1	0.010	0.01000
JPMORGAN3755	753755	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	499,176.33	499,176.33	499,176.33	N/A	1	1	0.010	0.01000
JPMORGAN3756	753756	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	569,237.75	569,237.75	569,237.75	N/A	1	1	0.010	0.01000
JPMORGAN3754	753754	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	3,232,624.98	3,232,624.98	3,232,624.98	N/A	1	1	0.010	0.01000
JPMORGAN3753	753753	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	1,401,277.63	1,401,277.63	1,401,277.63	N/A	1	1	0.010	0.01000
JPMORGAN3746	753746	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	794.26	794.26	794.26	N/A	1	1	0.010	0.01000
JPMORGAN3747	753747	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	1,392,646.67	1,392,646.67	1,392,646.67	N/A	1	1	0.010	0.01000
JPMORGAN3748	753748	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	2,793,221.12	2,793,221.12	2,793,221.12	N/A	1	1	0.010	0.01000
JPMORGAN3749	753749	JPM - Government Fund 9880 MM	4/30/2009	N/A	N/A	200,166.79	200,166.79	200,166.79	N/A	1	1	0.010	0.01000
JPMORGAN3752	753752	JPM - Government Fund 9880 MM	4/1/2009	N/A	N/A	4,693,272.50	4,693,272.50	4,693,272.50	N/A	1	1	0.010	0.01000
S86515550	753751	JPMorgan Chase Bank 6.059 1/15/2031	5/16/2001		1/15/2031	6,843,261.00	6,843,261.00	6,843,261.00	191,191.97	6955	6955	6.059	6.05900
						<b>32,655,802.04</b>	<b>32,655,802.04</b>	<b>32,655,802.04</b>	<b>191,191.97</b>	<b>1458</b>	<b>1458</b>	<b>1.278</b>	<b>1.27761</b>
						<b>32,655,802.04</b>	<b>32,655,802.04</b>	<b>32,655,802.04</b>	<b>191,191.97</b>	<b>1458</b>	<b>1458</b>	<b>1.278</b>	<b>1.27761</b>

Dallas Fort Worth International Airport  
BUY-MATURE-CALL-SELL.  
Portfolio/Report Group: OPERATING PORTFOLIO  
From 10/1/2011 To 12/31/2011

Broker/Dealer	Portfolio Name	Description	CUSIP/Ticker	Transaction ID	Settlement Date	Face Amount/Shares	Principal	Purchase Price	YTM @ Cost	
<b>BUY</b>										
JPMorgan Securities	102B Three Month Opr Rsv Fund	FHLMC 0.5 10/3/2013-12	3134G2Q62	OPRRSV-65	10/3/2011	20,000,000.00	19,990,000.00	99.95	0.52521	
JPMorgan Securities	320 Joint Capital Fund	FHLMC 0.5 10/3/2013-12	3134G2Q62	JCF-06	10/3/2011	30,000,000.00	29,985,000.00	99.95	0.52521	
JPMorgan Securities	321 Bond Issue Series 2010	FNMA 0.466 10/25/2013-12	3136FTBH1	TCAP-24-65M	10/25/2011	25,000,000.00	25,000,000.00	100	0.46600	
JPMorgan Securities	907 Rental Car Center Operating	FNMA 0.466 10/25/2013-12	3136FTBH1	RAC-04-65M	10/25/2011	20,000,000.00	20,000,000.00	100	0.46600	
JPMorgan Securities	601 Debt Service Reserve Fund	FNMA 0.466 10/25/2013-12	3136FTBH1	RSV-50	10/25/2011	35,000,000.00	35,000,000.00	100	0.46600	
JPMorgan Securities	320 Joint Capital Fund	FNMA 0.466 10/25/2013-12	3136FTBH1	JCF-07-65M	10/25/2011	20,000,000.00	20,000,000.00	100	0.46600	
Internal Sale	316 ATSAC Bond Fund	FHLMC 0.5 2/8/2013-12	3134G2UC4	CAP2-49	10/28/2011	20,000,000.00	20,000,000.00	100	0.50000	
JPMorgan Securities	316 ATSAC Bond Fund	FHLMC 0.375 11/27/2013	3137EACZ0	ATSAC-16-25M	11/18/2011	10,000,000.00	9,961,200.00	99.612	0.56757	
JPMorgan Securities	301 Capl Improve-General Fund	FHLMC 0.375 11/27/2013	3137EACZ0	CAP1-12-25M	11/18/2011	10,000,000.00	9,961,200.00	99.612	0.56757	
JPMorgan Securities	320 Joint Capital Fund	FHLMC 0.375 11/27/2013	3137EACZ0	JCF-08-25M	11/18/2011	5,000,000.00	4,980,600.00	99.612	0.56757	
JPMorgan Securities	252 Passenger Facility Charges Fund	FHLMC 0.375 11/27/2013	3137EACZ0	PFC-36	11/18/2011	5,000,000.00	4,980,600.00	99.612	0.56757	
Internal Sale	320 Joint Capital Fund	FHLB 0.9 2/3/2014-11	313374WB2	DCF-02	10/28/2011	10,000,000.00	9,999,547.00	99.99547	0.90196	
Internal Sale	340 DFW Capital Fund	FHLB 0.32 2/1/2012	313372K94	DCF-01-30M	11/16/2011	20,000,000.00	20,000,000.00	100	0.32000	
1st Int Bank Plano, TX	102A Operating Fund	AMERICAN FIRST NATIONAL BANK 0.1 1/18/2012	CD2501004360E	OPR-02E	10/12/2011	1,000,000.00	1,000,000.00	100	0.10000	
Stifel - Nicolaus & Co	601 Debt Service Reserve Fund	FHLB 0.35 5/30/2013	313376GT6	RSV-52	11/30/2011	24,000,000.00	24,000,000.00	100	0.35000	
Stifel - Nicolaus & Co	601 Debt Service Reserve Fund	FHLB 0.35 5/30/2013	313376GT6	RSV-51	11/30/2011	40,000,000.00	40,000,000.00	100	0.35000	
							<b>295,000,000.00</b>	<b>294,858,147.00</b>		

**CALLED**

Called	316 ATSAC Bond Fund	FNMA Step 5/10/2016-11	3136FRKG7	ATSAC-13-26M	11/10/2011	5,000,000.00	5,000,000.00	0	0.00000
Called	601 Debt Service Reserve Fund	FNMA Step 5/10/2016-11	3136FRKG7	RSV-46	11/10/2011	49,000,000.00	49,000,000.00	0	0.00000
Called	320 Joint Capital Fund	FNMA Step 5/10/2016-11	3136FRKG7	JCF-03-26M	11/10/2011	3,000,000.00	3,000,000.00	0	0.00000
Called	320 Joint Capital Fund	FNMA Step 5/10/2016-11	3136FRKG7	JCF-01-26M	11/10/2011	3,000,000.00	3,000,000.00	0	0.00000
Called	320 Joint Capital Fund	FNMA Step 5/10/2016-11	3136FRKG7	TCAP-18-26M	11/10/2011	4,000,000.00	4,000,000.00	0	0.00000
Called	320 Joint Capital Fund	FNMA Step 5/10/2016-11	3136FRKG7	JCF-02-26M	11/10/2011	4,000,000.00	4,000,000.00	0	0.00000

Broker/Dealer	Portfolio Name	Description	CUSIP/Ticker	Transaction ID	Settlement Date	Face Amount/Shares	Principal	Purchase Price	YTM @ Cost
Called	102C Rolling Coverage Fund	FNMA Step 5/10/2016-11	3136FRKG7	RC-02-26M	11/10/2011	7,000,000.00	7,000,000.00	0	0.00000
Called	316 ATSAC Bond Fund	FHLMC Step 7/27/2016-11	3134G2RH7	SF316-08	10/27/2011	50,000,000.00	50,000,000.00	0	0.00000
Called	601 Debt Service Reserve Fund	FHLMC Step 7/27/2016-11	3134G2RH7	RSV-47	10/27/2011	15,000,000.00	15,000,000.00	0	0.00000
Called	907 Rental Car Center Operating	FHLB 0.9 2/3/2014-11	313374WB2	RAC-03	11/3/2011	5,175,000.00	5,175,000.00	0	0.00000
Called	320 Joint Capital Fund	FHLB 0.9 2/3/2014-11	313374WB2	DCF-02	11/3/2011	10,000,000.00	10,000,000.00	0	0.00000
Called	321 Bond Issue Series 2010	FHLMC 0.75 7/25/2013-11	3134G2QW5	TCAP-19	10/25/2011	50,000,000.00	50,000,000.00	0	0.00000
						<b>205,175,000.00</b>	<b>205,175,000.00</b>		

**SELL**

External Sale	321 Bond Issue Series 2010	FHLMC 0.55 9/30/2013-12	3134G2L34	TCAP-23	12/21/2011	20,000,000.00	20,002,000.00	0	0.00000
External Sale	321 Bond Issue Series 2010	FHLMC 0.55 9/30/2013-12	3134G2L34	TCAP-22	12/21/2011	35,000,000.00	35,003,500.00	0	0.00000
External Sale	321 Bond Issue Series 2010	FHLMC 0.55 9/30/2013-12	3134G2L34	TCAP-21	12/21/2011	45,000,000.00	45,004,500.00	0	0.00000
External Sale	102B Three Month Opr Rsv Fund	FAMC 1 4/18/2013	31315PUG2	OPRRSV-60	11/16/2011	5,000,000.00	5,031,250.00	0	0.00000
Internal Sale	302 Capl Improve-Discr Fund	FHLMC 0.5 2/8/2013-12	3134G2UC4	CAP2-49	10/28/2011	20,000,000.00	20,000,000.00	0	0.00000
External Sale	316 ATSAC Bond Fund	FNMA 0.5 10/30/2012	3136FPUC9	ATSAC-14-50M	11/16/2011	10,000,000.00	10,025,400.00	0	0.00000
External Sale	321 Bond Issue Series 2010	FNMA 0.5 10/30/2012	3136FPUC9	TCAP-17-50M	11/16/2011	5,000,000.00	5,012,700.00	0	0.00000
External Sale	313 Capl Devel Bond Fund	FNMA 0.5 10/30/2012	3136FPUC9	CDP-20-50M	11/16/2011	5,000,000.00	5,012,700.00	0	0.00000
External Sale	301 Capl Improve-General Fund	FNMA 0.5 10/30/2012	3136FPUC9	CAP1-10-50M	11/16/2011	20,000,000.00	20,050,800.00	0	0.00000
External Sale	320 Joint Capital Fund	FNMA 0.5 10/30/2012	3136FPUC9	NG-48-50M	11/16/2011	10,000,000.00	10,025,400.00	0	0.00000
External Sale	252 Passenger Facility Charges Fund	FAMC 0.45 4/25/2012	31315PPA1	PFC-32	11/16/2011	8,000,000.00	8,006,880.00	0	0.00000
Internal Sale	340 DFW Capital Fund	FHLB 0.9 2/3/2014-11	313374WB2	DCF-02	10/28/2011	10,000,000.00	9,999,547.00	0	0.00000
External Sale	102A Operating Fund	FAMC 0.52 6/29/2012	31315PSA8	CAP1-0810M	11/16/2011	4,000,000.00	4,006,080.00	0	0.00000
External Sale	102B Three Month Opr Rsv Fund	FAMC 0.52 6/29/2012	31315PSA8	OPRRSV-59-10M	11/16/2011	6,000,000.00	6,009,120.00	0	0.00000
Internal Sale	102A Operating Fund	FHLB 0.32 2/1/2012	313372K94	DCF-01-30M	11/16/2011	20,000,000.00	20,000,000.00	0	0.00000
						<b>223,000,000.00</b>	<b>223,189,877.00</b>		

Dallas Fort Worth International Airport  
**CHANGE IN VALUE**  
 Report Format: By Transaction  
 Group By: Portfolio Name  
**Portfolio/Report Group: OPERATING PORTFOLIO**  
**Begin Date: 9/30/2011, End Date: 12/31/2011**

Transaction ID	CUSIP/Ticker	Description	Beginning MV	Buy Principal	Sell Principal	Change in MV	Ending MV	Beginning BV	Ending BV	Beginning Book Accrued Interest	Difference in Accrued Interest	Ending Book Accrued Interest
<b>102A OPERATING FUND</b>												
OPR-02D	CD2501004360D	1st Int. BANK CD 0.7 10/11/2011	1,000,000.00	0.00	0.00	0.00	0.00	1,000,000.00	0.00	1,342.47	-1,342.47	0.00
OPR-02E	CD2501004360E	AMERICAN FIRST NATIONAL BANK 0.1 1/18/2012	0.00	1,000,000.00	0.00	0.00	1,000,000.00	0.00	1,000,000.00	0.00	219.18	219.18
OPR-14	31315KSF8	FAMC 0 1/25/2012	14,999,100.00	0.00	0.00	-4,200.00	14,994,900.00	14,984,400.00	14,996,666.67	0.00	0.00	0.00
CAP1-08-10M	31315PSA8	FAMC 0.52 6/29/2012	4,007,360.00	0.00	4,006,080.00	-1,280.00	0.00	4,000,000.00	0.00	5,257.78	-5,257.78	0.00
DCF-01-30M	313372K94	FHLB 0.32 2/1/2012	20,013,800.00	0.00	20,000,000.00	-13,800.00	0.00	20,000,000.00	0.00	10,488.89	-10,488.89	0.00
CDP-19-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67
OPR-10A	CD1WB200091	One World Bank 0.5 6/22/2012	1,000,000.00	0.00	0.00	0.00	1,000,000.00	1,000,000.00	1,000,000.00	1,356.16	1,260.28	2,616.44
			<b>46,023,710.00</b>	<b>1,000,000.00</b>	<b>24,006,080.00</b>	<b>-21,980.00</b>	<b>21,995,650.00</b>	<b>45,984,400.00</b>	<b>21,996,666.67</b>	<b>21,067.52</b>	<b>-11,565.23</b>	<b>9,502.29</b>
<b>102B THREE MONTH OPR RSV FUND</b>												
OPRRSV-59-10M	31315PSA8	FAMC 0.52 6/29/2012	6,011,040.00	0.00	6,009,120.00	-1,920.00	0.00	6,000,000.00	0.00	7,886.67	-7,886.67	0.00
OPRRSV-60	31315PUG2	FAMC 1 4/18/2013	5,018,900.00	0.00	5,031,250.00	12,350.00	0.00	5,000,000.00	0.00	22,500.00	-22,500.00	0.00
OPRRSV-58-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67
OPRRSV-63	313375QH3	FHLB Step 9/30/2016-11	9,000,000.00	0.00	0.00	4,500.00	9,004,500.00	9,000,000.00	9,000,000.00	0.00	0.00	0.00
OPRRSV-65	3134G2Q62	FHLMC 0.5 10/3/2013-12	0.00	19,990,000.00	0.00	-17,000.00	19,973,000.00	0.00	19,991,217.51	0.00	24,444.44	24,444.44
OPRRSV-62	3134G2UC4	FHLMC 0.5 2/8/2013-12	19,996,600.00	0.00	0.00	6,600.00	20,003,200.00	20,000,000.00	20,000,000.00	14,444.44	25,277.78	39,722.22
OPRRSV-64	3136FR5G4	FNMA 1.07 9/29/2015-12	17,883,180.00	0.00	0.00	79,020.00	17,962,200.00	18,000,000.00	18,000,000.00	535.00	48,685.00	49,220.00
			<b>62,913,170.00</b>	<b>19,990,000.00</b>	<b>11,040,370.00</b>	<b>80,850.00</b>	<b>71,943,650.00</b>	<b>63,000,000.00</b>	<b>71,991,217.51</b>	<b>47,988.33</b>	<b>72,065.00</b>	<b>120,053.33</b>
<b>102C ROLLING COVERAGE FUND</b>												
RC-02-26M	3136FRKG7	FNMA Step 5/10/2016-11	7,001,960.00	0.00	7,000,000.00	-1,960.00	0.00	7,000,000.00	0.00	30,625.00	-30,625.00	0.00
RC-03	3136FRS20	FNMA Step 9/14/2016-12	49,982,000.00	0.00	0.00	140,000.00	50,122,000.00	50,000,000.00	50,000,000.00	22,222.22	126,388.89	148,611.11
			<b>56,983,960.00</b>	<b>0.00</b>	<b>7,000,000.00</b>	<b>138,040.00</b>	<b>50,122,000.00</b>	<b>57,000,000.00</b>	<b>50,000,000.00</b>	<b>52,847.22</b>	<b>95,763.89</b>	<b>148,611.11</b>

Transaction ID	CUSIP/Ticker	Description	Beginning MV	Buy Principal	Sell Principal	Change in MV	Ending MV	Beginning BV	Ending BV	Beginning Book Accrued Interest	Difference in Accrued Interest	Ending Book Accrued Interest
<b>102D POOLED OPERATING FUNDS</b>												
HIGH YIELD INT.SAVINGS ACCT	3003279001	JPM CHASE MKTS MM	0.00	165,000,000.00	20,000,000.00	0.00	145,000,000.00	0.00	145,000,000.00	0.00	0.00	N/A
STABLE BALANCE ACCT	3002444911	JPM CHASE MONEY MKTS MM	215,001,491.64	0.00	80,001,491.64	0.00	135,000,000.00	215,001,491.64	135,000,000.00	N/A	0.00	N/A
55951507M	4812A0367	JPM CHASE MONEY MKTS MM	130,029,000.00	24,590,000.00	90,719,000.00	0.00	63,900,000.00	130,029,000.00	63,900,000.00	N/A	0.00	N/A
			<b>345,030,491.64</b>	<b>189,590,000.00</b>	<b>190,720,491.64</b>	<b>0.00</b>	<b>343,900,000.00</b>	<b>345,030,491.64</b>	<b>343,900,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>252 PASSENGER FACILITY CHARGES FUND</b>												
PFC-32	31315PPA1	FAMC 0.45 4/25/2012	8,008,880.00	0.00	8,006,880.00	-2,000.00	0.00	8,000,000.00	0.00	15,500.00	-15,500.00	0.00
PFC-33	313372K94	FHLB 0.32 2/1/2012	30,020,700.00	0.00	0.00	-16,200.00	30,004,500.00	30,000,000.00	30,000,000.00	15,733.33	24,266.67	40,000.00
PFC-36	3137EACZ0	FHLMC 0.375 11/27/2013	0.00	4,980,600.00	0.00	11,350.00	4,991,950.00	0.00	4,981,727.30	0.00	3,125.00	3,125.00
PFC-35	3134G2UC4	FHLMC 0.5 2/8/2013-12	9,998,300.00	0.00	0.00	3,300.00	10,001,600.00	10,000,000.00	10,000,000.00	7,222.22	12,638.89	19,861.11
558252M	4812A0367	JPM CHASE MONEY MKTS MM	13,187,902.39	1,145,576.11	4,747,640.00	0.00	9,585,838.50	13,187,902.39	9,585,838.50	N/A	0.00	N/A
			<b>61,215,782.39</b>	<b>6,126,176.11</b>	<b>12,754,520.00</b>	<b>-3,550.00</b>	<b>54,583,888.50</b>	<b>61,187,902.39</b>	<b>54,567,565.80</b>	<b>38,455.55</b>	<b>24,530.56</b>	<b>62,986.11</b>
<b>301 CAPL IMPROVE-GENERAL FUND</b>												
CAP1-12-25M	3137EACZ0	FHLMC 0.375 11/27/2013	0.00	9,961,200.00	0.00	22,700.00	9,983,900.00	0.00	9,963,454.60	0.00	6,250.00	6,250.00
CAP1-11	3134G2UC4	FHLMC 0.5 2/8/2013-12	3,999,320.00	0.00	0.00	1,320.00	4,000,640.00	4,000,000.00	4,000,000.00	2,888.89	5,055.55	7,944.44
CAP1-10-50M	3136FPUC9	FNMA 0.5 10/30/2012	20,020,400.00	0.00	20,050,800.00	30,400.00	0.00	19,964,557.66	0.00	41,666.67	-41,666.67	0.00
			<b>24,019,720.00</b>	<b>9,961,200.00</b>	<b>20,050,800.00</b>	<b>54,420.00</b>	<b>13,984,540.00</b>	<b>23,964,557.66</b>	<b>13,963,454.60</b>	<b>44,555.56</b>	<b>-30,361.12</b>	<b>14,194.44</b>
<b>302 CAPL IMPROVE-DISCR FUND</b>												
CAP2-49	3134G2UC4	FHLMC 0.5 2/8/2013-12	19,996,600.00	0.00	20,000,000.00	3,400.00	0.00	20,000,000.00	0.00	14,444.44	-14,444.44	0.00
			<b>19,996,600.00</b>	<b>0.00</b>	<b>20,000,000.00</b>	<b>3,400.00</b>	<b>0.00</b>	<b>20,000,000.00</b>	<b>0.00</b>	<b>14,444.44</b>	<b>-14,444.44</b>	<b>0.00</b>
<b>313 CAPL DEVEL BOND FUND</b>												
CDP-21	3134G2UC4	FHLMC 0.5 2/8/2013-12	4,999,150.00	0.00	0.00	1,650.00	5,000,800.00	5,000,000.00	5,000,000.00	3,611.11	6,319.45	9,930.56
CDP-20-50M	3136FPUC9	FNMA 0.5 10/30/2012	5,005,100.00	0.00	5,012,700.00	7,600.00	0.00	4,991,139.42	0.00	10,416.67	-10,416.67	0.00
			<b>10,004,250.00</b>	<b>0.00</b>	<b>5,012,700.00</b>	<b>9,250.00</b>	<b>5,000,800.00</b>	<b>9,991,139.42</b>	<b>5,000,000.00</b>	<b>14,027.78</b>	<b>-4,097.22</b>	<b>9,930.56</b>
<b>316 ATSAC BOND FUND</b>												

Transaction ID	CUSIP/Ticker	Description	Beginning MV	Buy Principal	Sell Principal	Change in MV	Ending MV	Beginning BV	Ending BV	Beginning Book Accrued Interest	Difference in Accrued Interest	Ending Book Accrued Interest
SF316-07-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67
ATSAC-13-30M	313372K94	FHLB 0.32 2/1/2012	10,006,900.00	0.00	0.00	-5,400.00	10,001,500.00	10,000,000.00	10,000,000.00	5,244.44	8,088.89	13,333.33
ATSAC-16-25M	3137EACZ0	FHLMC 0.375 11/27/2013	0.00	9,961,200.00	0.00	22,700.00	9,983,900.00	0.00	9,963,454.60	0.00	6,250.00	6,250.00
CAP2-49	3134G2UC4	FHLMC 0.5 2/8/2013-12	0.00	20,000,000.00	0.00	3,200.00	20,003,200.00	0.00	20,000,000.00	0.00	39,722.22	39,722.22
SF316-08	3134G2RH7	FHLMC Step 7/27/2016-11	50,015,500.00	0.00	50,000,000.00	-15,500.00	0.00	50,000,000.00	0.00	91,875.00	-91,875.00	0.00
ATSAC-14-50M	3136FPUC9	FNMA 0.5 10/30/2012	10,010,200.00	0.00	10,025,400.00	15,200.00	0.00	9,982,278.83	0.00	20,833.33	-20,833.33	0.00
ATSAC-15-30M	3135G0DF7	FNMA 0.7 9/19/2014-12	29,865,000.00	0.00	0.00	76,200.00	29,941,200.00	30,000,000.00	30,000,000.00	6,416.67	53,083.33	59,500.00
ATSAC-13-26M	3136FRKG7	FNMA Step 5/10/2016-11	5,001,400.00	0.00	5,000,000.00	-1,400.00	0.00	5,000,000.00	0.00	21,875.00	-21,875.00	0.00
			<b>109,902,450.00</b>	<b>29,961,200.00</b>	<b>65,025,400.00</b>	<b>92,300.00</b>	<b>74,930,550.00</b>	<b>109,982,278.83</b>	<b>74,963,454.60</b>	<b>148,866.66</b>	<b>-23,394.44</b>	<b>125,472.22</b>

**320 JOINT CAPITAL FUND**

DCF-02	313374WB2	FHLB 0.9 2/3/2014-11	0.00	9,999,547.00	10,000,000.00	453.00	0.00	0.00	0.00	0.00	0.00	0.00
JCF-08-25M	3137EACZ0	FHLMC 0.375 11/27/2013	0.00	4,980,600.00	0.00	11,350.00	4,991,950.00	0.00	4,981,727.30	0.00	3,125.00	3,125.00
JCF-06	3134G2Q62	FHLMC 0.5 10/3/2013-12	0.00	29,985,000.00	0.00	-25,500.00	29,959,500.00	0.00	29,986,826.26	0.00	36,666.67	36,666.67
JCF-07-65M	3136FTBH1	FNMA 0.466 10/25/2013-12	0.00	20,000,000.00	0.00	16,400.00	20,016,400.00	0.00	20,000,000.00	0.00	17,086.67	17,086.67
NG-48-50M	3136FPUC9	FNMA 0.5 10/30/2012	10,010,200.00	0.00	10,025,400.00	15,200.00	0.00	9,982,278.83	0.00	20,833.33	-20,833.33	0.00
JCF-03-26M	3136FRKG7	FNMA Step 5/10/2016-11	3,000,840.00	0.00	3,000,000.00	-840.00	0.00	3,000,000.00	0.00	13,125.00	-13,125.00	0.00
JCF-01-26M	3136FRKG7	FNMA Step 5/10/2016-11	3,000,840.00	0.00	3,000,000.00	-840.00	0.00	3,000,000.00	0.00	13,125.00	-13,125.00	0.00
TCAP-18-26M	3136FRKG7	FNMA Step 5/10/2016-11	4,001,120.00	0.00	4,000,000.00	-1,120.00	0.00	4,000,000.00	0.00	17,500.00	-17,500.00	0.00
JCF-02-26M	3136FRKG7	FNMA Step 5/10/2016-11	4,001,120.00	0.00	4,000,000.00	-1,120.00	0.00	4,000,000.00	0.00	17,500.00	-17,500.00	0.00
			<b>24,014,120.00</b>	<b>64,965,147.00</b>	<b>34,025,400.00</b>	<b>13,983.00</b>	<b>54,967,850.00</b>	<b>23,982,278.83</b>	<b>54,968,553.56</b>	<b>82,083.33</b>	<b>-25,204.99</b>	<b>56,878.34</b>

**321 BOND ISSUE SERIES 2010**

CAP1-06	31315KSF8	FAMC 0 1/25/2012	9,999,400.00	0.00	0.00	-2,800.00	9,996,600.00	9,989,600.00	9,997,777.78	0.00	0.00	0.00
CAP2-49-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67
NG-47-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67
TCAP-13-30M	313372K94	FHLB 0.32 2/1/2012	5,003,450.00	0.00	0.00	-2,700.00	5,000,750.00	5,000,000.00	5,000,000.00	2,622.22	4,044.45	6,666.67



Transaction ID	CUSIP/Ticker	Description	Beginning MV	Buy Principal	Sell Principal	Change in MV	Ending MV	Beginning BV	Ending BV	Beginning Book Accrued Interest	Difference in Accrued Interest	Ending Book Accrued Interest
TCAP-22	3134G2L34	FHLMC 0.55 9/30/2013-12	35,000,000.00	0.00	35,003,500.00	3,500.00	0.00	34,986,000.00	0.00	0.00	0.00	0.00
TCAP-23	3134G2L34	FHLMC 0.55 9/30/2013-12	20,000,000.00	0.00	20,002,000.00	2,000.00	0.00	19,992,000.00	0.00	0.00	0.00	0.00
TCAP-21	3134G2L34	FHLMC 0.55 9/30/2013-12	45,000,000.00	0.00	45,004,500.00	4,500.00	0.00	44,982,000.00	0.00	0.00	0.00	0.00
TCAP-19	3134G2QW5	FHLMC 0.75 7/25/2013-11	50,009,500.00	0.00	50,000,000.00	-9,500.00	0.00	50,000,000.00	0.00	67,708.34	-67,708.34	0.00
TCAP-24-65M	3136FTBH1	FNMA 0.466 10/25/2013-12	0.00	25,000,000.00	0.00	20,500.00	25,020,500.00	0.00	25,000,000.00	0.00	21,358.33	21,358.33
TCAP-17-50M	3136FPUC9	FNMA 0.5 10/30/2012	5,005,100.00	0.00	5,012,700.00	7,600.00	0.00	4,991,139.42	0.00	10,416.67	-10,416.67	0.00
			<b>180,024,350.00</b>	<b>25,000,000.00</b>	<b>155,022,700.00</b>	<b>17,700.00</b>	<b>50,019,350.00</b>	<b>179,940,739.42</b>	<b>49,997,777.78</b>	<b>85,991.67</b>	<b>-44,633.33</b>	<b>41,358.34</b>

**340 DFW CAPITAL FUND**

DCF-01-30M	313372K94	FHLB 0.32 2/1/2012	0.00	20,000,000.00	0.00	3,000.00	20,003,000.00	0.00	20,000,000.00	0.00	26,666.67	26,666.67
DCF-02	313374WB2	FHLB 0.9 2/3/2014-11	10,003,500.00	0.00	9,999,547.00	-3,953.00	0.00	9,999,531.69	0.00	14,250.00	-14,250.00	0.00
			<b>10,003,500.00</b>	<b>20,000,000.00</b>	<b>9,999,547.00</b>	<b>-953.00</b>	<b>20,003,000.00</b>	<b>9,999,531.69</b>	<b>20,000,000.00</b>	<b>14,250.00</b>	<b>12,416.67</b>	<b>26,666.67</b>

**601 DEBT SERVICE RESERVE FUND**

RSV-44	31315KSF8	FAMC 0 1/25/2012	29,998,200.00	0.00	0.00	-8,400.00	29,989,800.00	29,968,800.00	29,993,333.33	0.00	0.00	0.00
RSV-52	313376GT6	FHLB 0.35 5/30/2013	0.00	24,000,000.00	0.00	1,680.00	24,001,680.00	0.00	24,000,000.00	0.00	7,000.00	7,000.00
RSV-51	313376GT6	FHLB 0.35 5/30/2013	0.00	40,000,000.00	0.00	2,800.00	40,002,800.00	0.00	40,000,000.00	0.00	11,666.67	11,666.67
RSV-47	3134G2RH7	FHLMC Step 7/27/2016-11	15,004,650.00	0.00	15,000,000.00	-4,650.00	0.00	15,000,000.00	0.00	27,562.50	-27,562.50	0.00
RSV-50	3136FTBH1	FNMA 0.466 10/25/2013-12	0.00	35,000,000.00	0.00	28,700.00	35,028,700.00	0.00	35,000,000.00	0.00	29,901.67	29,901.67
RSV-49	3135G0DF7	FNMA 0.7 9/19/2014-12	37,829,000.00	0.00	0.00	96,520.00	37,925,520.00	38,000,000.00	38,000,000.00	8,127.78	67,238.89	75,366.67
RSV-46	3136FRKG7	FNMA Step 5/10/2016-11	49,013,720.00	0.00	49,000,000.00	-13,720.00	0.00	49,000,000.00	0.00	214,375.00	-214,375.00	0.00
559520	4812A0367	JPM CHASE MONEY MKTS MM	35,000,000.00	0.00	35,000,000.00	0.00	0.00	35,000,000.00	0.00	N/A	0.00	0.00
			<b>166,845,570.00</b>	<b>99,000,000.00</b>	<b>99,000,000.00</b>	<b>102,930.00</b>	<b>166,948,500.00</b>	<b>166,968,800.00</b>	<b>166,993,333.33</b>	<b>250,065.28</b>	<b>-126,130.27</b>	<b>123,935.01</b>

**907 RENTAL CAR CENTER OPERATING**

RAC-03	313374WB2	FHLB 0.9 2/3/2014-11	5,176,811.25	0.00	5,175,000.00	-1,811.25	0.00	5,174,757.65	0.00	7,374.38	-7,374.38	0.00
RAC-04-65M	3136FTBH1	FNMA 0.466 10/25/2013-12	0.00	20,000,000.00	0.00	16,400.00	20,016,400.00	0.00	20,000,000.00	0.00	17,086.67	17,086.67
Airport	JPMORGAN8309	JPM - Treasury Fund 9570 MM	403,768.00	0.00	403,768.00	0.00	0.00	403,768.00	0.00	N/A	0.00	0.00

Transaction ID	CUSIP/Ticker	Description	Beginning MV	Buy Principal	Sell Principal	Change in MV	Ending MV	Beginning BV	Ending BV	Beginning Book Accrued Interest	Difference in Accrued Interest	Ending Book Accrued Interest
			5,580,579.25	20,000,000.00	5,578,768.00	14,588.75	20,016,400.00	5,578,525.65	20,000,000.00	7,374.38	9,712.29	17,086.67
			1,122,558,253.28	485,593,723.11	659,236,776.64	500,978.75	948,416,178.50	1,122,610,645.53	948,342,023.85	822,017.72	-65,342.63	756,675.09



# **Dallas/Fort Worth International Airport Compliance Reporting**

For the Three Months Ended December 31, 2011



# AR Trending Summary 2009-2011

## Amounts in thousands

	<u>FY 2010</u> (Period of Sept 2010)	<u>FY 2011</u> (Period of Sept 2011)	<u>FY 2012</u> (Period of Dec 2011)
Revenue (invoiced AR)	\$ 23,074	\$ 18,271	\$ 30,894
Accounts Receivable Total (excludes bankruptcy)	\$ 18,570	\$ 6,938	\$ 20,543
DSO* (excludes bankruptcy)	19	16	22
Current Aging	\$ 16,821	\$ 3,315	\$ 15,300
% of total	91%	48%	74%
Over 40 days past due (excludes bankruptcy)	\$ 18	\$ 307	\$ 340
% of total	0%	4%	2%
Write-Offs- billed receivables	\$ 115,821	\$ 1	\$ 211,932
Write-Offs as a % of revenue	0.04%	0.00%	0.07%

\*Days Sales Outstanding represents the number of days an invoice ages prior to payment.

DSO is calculated as follows:  $30 \text{ (days)} / (\text{Net sales}/\text{Average Account Receivable})$

DFW bills net 20 days

Collection Summary Report  
December 31, 2011

Airlines

As of December 31, 2011, no airline customer had an account balance which exceeded \$100,000 with invoices greater than 40 days outstanding.

Bankruptcy Airlines:

AMR Corporation filed for bankruptcy on November 29, 2011. Included in the bankruptcy filing were the following DFW customers: American Airlines, American Eagle, Executive Airlines, American Real Estate, and American Credit Union. The collective pre petition debt is approximately \$11.7M.

DFW expects the vast majority of this amount will ultimately be collected, therefore, DFW reserved \$200K in the first quarter of FY 2012.

ATA Airlines filed for bankruptcy on April 3, 2008. ATA owes DFW pre-petition debt of \$575,202 and post petition debt of zero. The pre-petition debt has been fully reserved in the DFW's Allowance for Doubtful Accounts.

Non-Airlines

As of December 31, 2011, there were two non-airline customers with an account balance which exceeded \$50,000 with invoices greater than 40 days outstanding.

DOT/ FAA TSA reduced its reimbursement rate for DFW's DPS coverage in the terminals. A billing adjustment will be recognized in the second quarter of FY 2012 for the \$101,259 balance greater than 40 days outstanding.

General Services Administration's over 40 days balance of \$63,155 was received on January 13, 2012.

Bankruptcy Concessionaire:

Border's Group filed for bankruptcy on February 16, 2011. Border's Group owes DFW pre-petition debt of \$4,234 and post petition debt of zero. The pre-petition has been fully reserved in the DFW's Allowance for Doubtful Accounts and payment was received in January 2012.

Based on contract terms, Chesapeake remits royalty payments within 60 days after month of production. There is a current dispute between DFW and Chesapeake on the pricing terms on royalties that have been submitted. The amount of this deficiency that is greater than 40 days past due is \$11,602,868 for natural gas production through August 2011. DFW and Chesapeake are actively discussing this issue.

In the quarter ending December 31, 2011, an airline account greater than \$25,000 was written off.

CIA Mexicana filed for bankruptcy on August 03, 2010. CIA Mexicana owed DFW pre-petition debt of \$207,810 which was written off in December 2011 as CIA Mexicana is no longer operating.



## Quarterly Compliance Reporting

### Change in Funding Source

Board Meeting	Resolution #	Subject	Amount	Original Funding Source	Revised Funding Source
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### Business Travel

Date	Traveler	Explanation	Pre-approval
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No exceptions