

PRESENTATION TO:

ST. LOUIS INTERNATIONAL AIRPORT

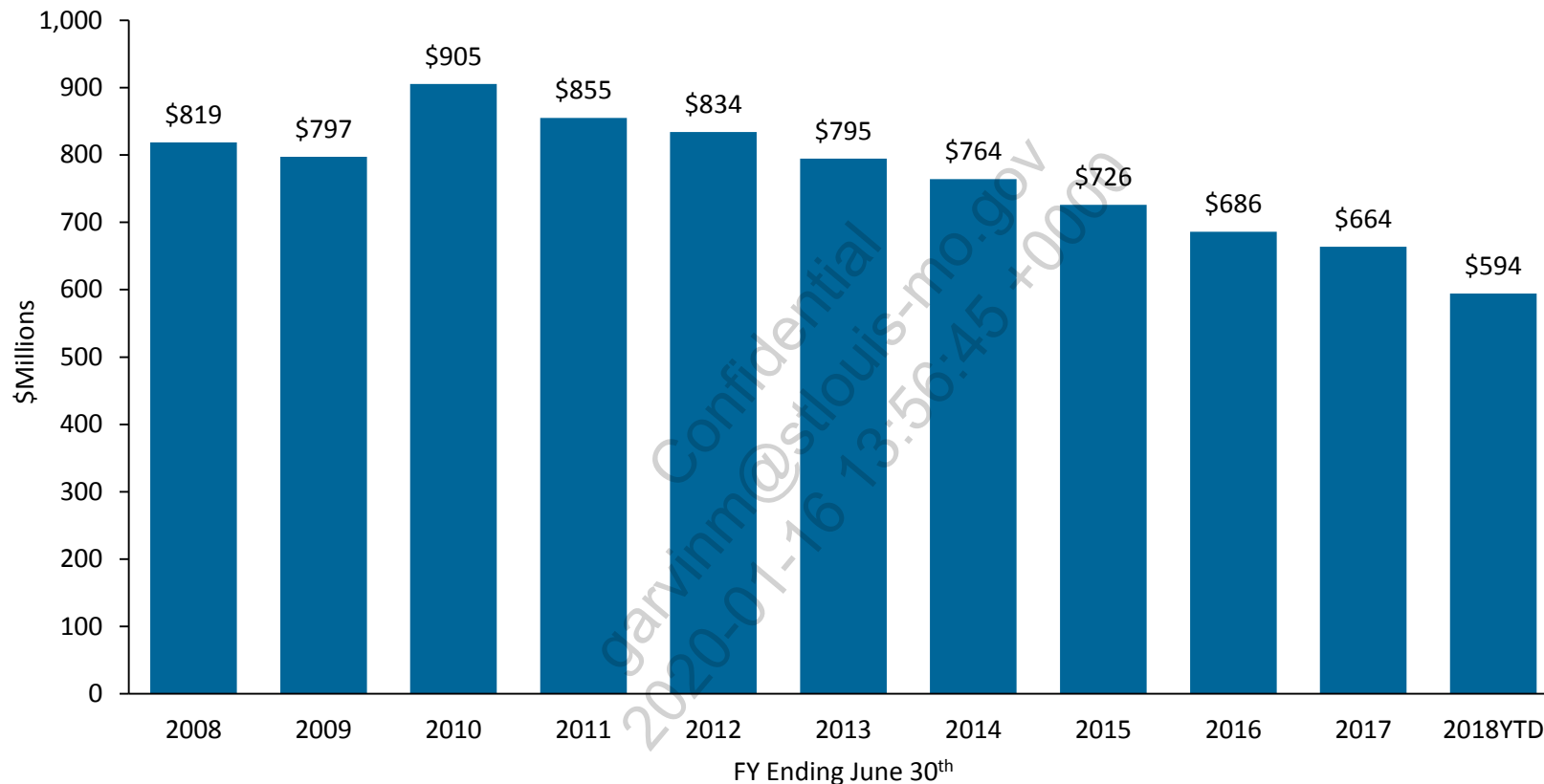
- FINANCING OPPORTUNITY UPDATE



STL AIRPORT REVENUE BOND OUTSTANDING DEBT SINCE 2008

- STL has \$594 million of bonds outstanding and the City's outstanding Airport debt has declined during the last decade

STL Airport Outstanding Principal Since 2008 (as of Fiscal Year ending June 30th)



Outstanding Par by Series 2018YTD (\$MM)

Series 2005	Series 2007A	Series 2009A-1	Series 2012	Series 2015	Series 2017A	Series 2017B	Series 2017C	Series 2017D
\$167.70	\$34.11	\$97.16	\$22.14	\$17.31	\$125.41	\$72.35	\$31.70	\$26.61

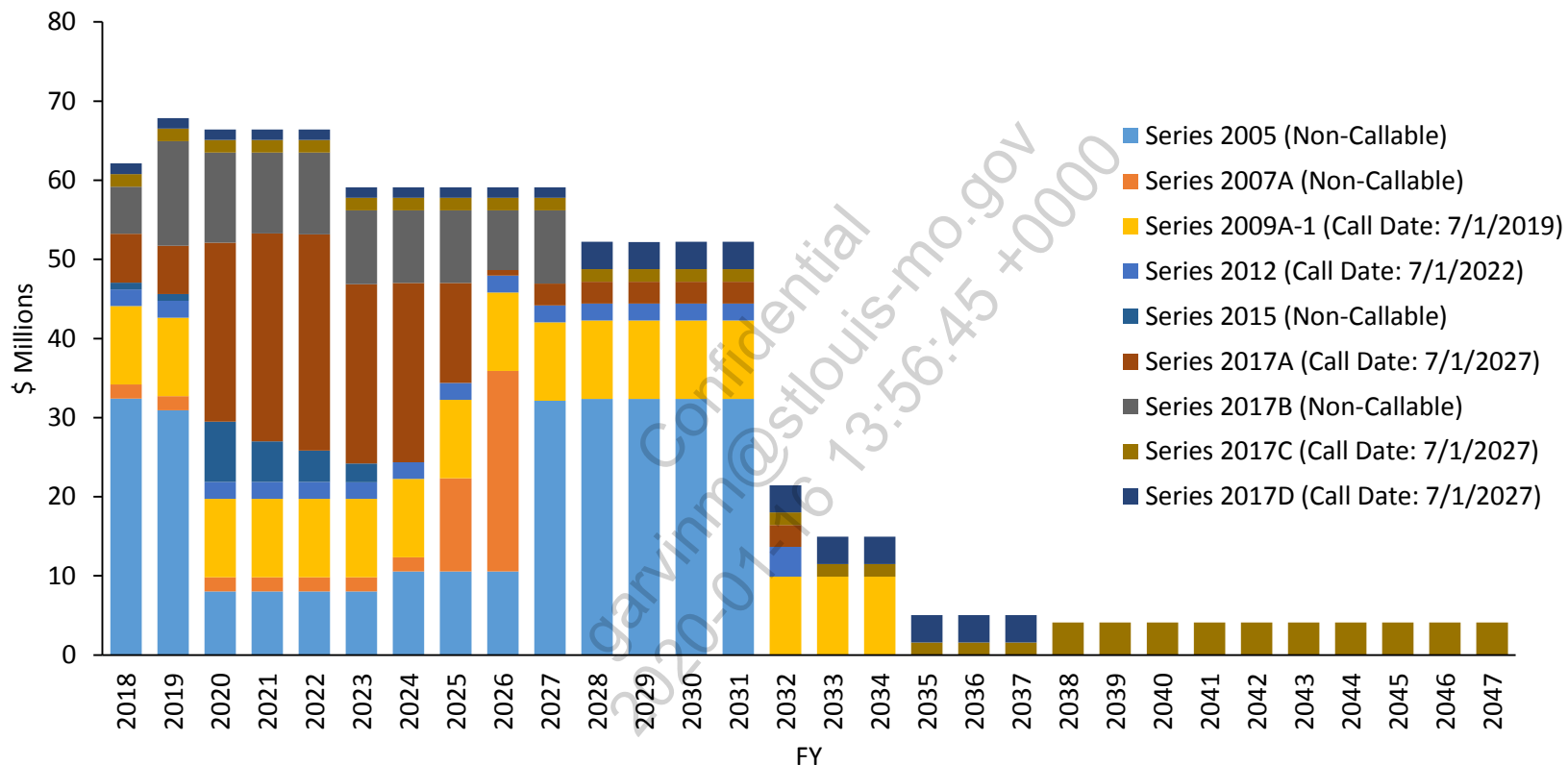
Source: STL Airport Financial Statements and CAFRs

Note: 2008-2016 principal as of June 30th ; 2017 total principal excludes \$242.4 million of refunded 2007A & 2007B bonds which were refunded by Series 2017A and 2017B; 2018YTD par reflects par outstanding as of 9/26/2018

STL AIRPORT REVENUE BOND DEBT SERVICE

- STL has a conservative declining debt service profile

Existing Airport Revenue Bond Debt Service

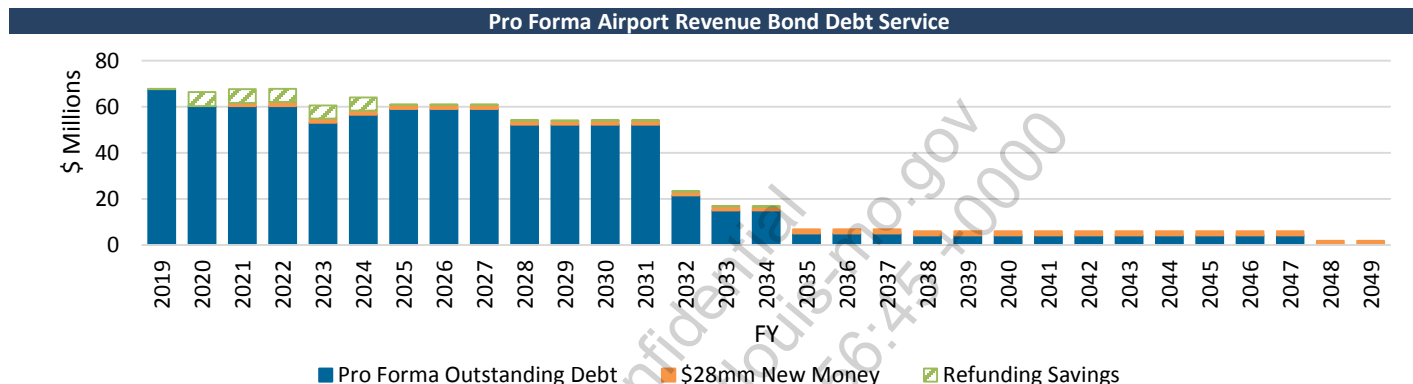


Existing Airport Revenue Bond Debt Service by Series (\$MM)

Series 2005	Series 2007A	Series 2009A-1	Series 2012	Series 2015	Series 2017A	Series 2017B	Series 2017C	Series 2017D
\$256.32	\$47.90	\$158.58	\$31.32	\$19.98	\$157.55	\$89.77	\$71.17	\$46.43

COMBINED PLAN OF FINANCE

- A combined refunding and new money financing that closes in May of 2019 will be efficient for the City
- Refunding is structured to produce upfront savings and new money is structured to lock-in relatively low cost long-term debt
- This structure reduces the impact on near-term debt service coverage and CPE



Summary of Financing Statistics				
Series	2009A-1 Current Refunding	New Money	Total	
Structure	Upfront Savings FY2019-24	Wrapped	-	
Tax Status*	Non-AMT	Non-AMT	Non-AMT	
Delivery Date	5/22/2019	5/22/2019	5/22/2019	
Maturities	2022-2034	2022-2049	2024-2048	
Par Amount (\$)	77,570,000	26,530,000	104,100,000	
DSRF Release (\$)	4,932,595	-	4,932,595	
Project Fund (\$)	-	28,000,000	28,000,000	
Capitalized Interest (\$)	-	1,470,204	1,470,204	
All-in TIC (%)	3.37%	4.13%	3.63%	
Average Life (years)	10.91	19.70	13.15	
Total Debt Service (\$)	119,901,921	52,658,204	172,560,125	
PV Savings (\$)	21,885,506	-	21,885,506	
PV Savings (%)	23.42%	-	23.42%	
Refunding Efficiency (%)	99.34%	-	99.34%	
Debt Service Coverage: FY2020	-	-	1.78x	
Debt Service Coverage: FY2021	-	-	1.76x	
Debt Service Coverage: FY2022	-	-	1.75x	

*Tax status is subject to review of use of proceeds by bond counsel.

Note: Assumes rates as of 9/26/2018; SLGS as of 9/26/2018; 10-year par call; DSRF release for refunding bonds; Surety cost of 3% of Reserve Requirement for new money bonds; Insurance cost of 45 basis points for maturities that produce greater savings with insurance; Capitalized Interest through 7/1/2020 for new money bonds; Debt Service Coverage assumes Net Revenues grow 1% per year from FY2017 and incorporate savings from refunding of Series 2009A-1

SERIES 2009A-1: REFUNDING ANALYSIS

Refundable Opportunities

Series	Credit	Callable Par	Call Date and Price	Callable Maturities
2009A-1	Airport Revenue Bonds (Private Activity)	\$93,435,000	7/1/2019 @ 100	2020 – 34

- We recommend that the City continue its conservative and prudent past practice of current refunding its Airport Revenue Bonds
- Based on review by bond counsel and assuming current rates, the City can lock-in up to \$21.9 million of NPV Savings, or 23.4% of refunded par by current refunding the 2009A-1 Bonds on a Non-AMT basis

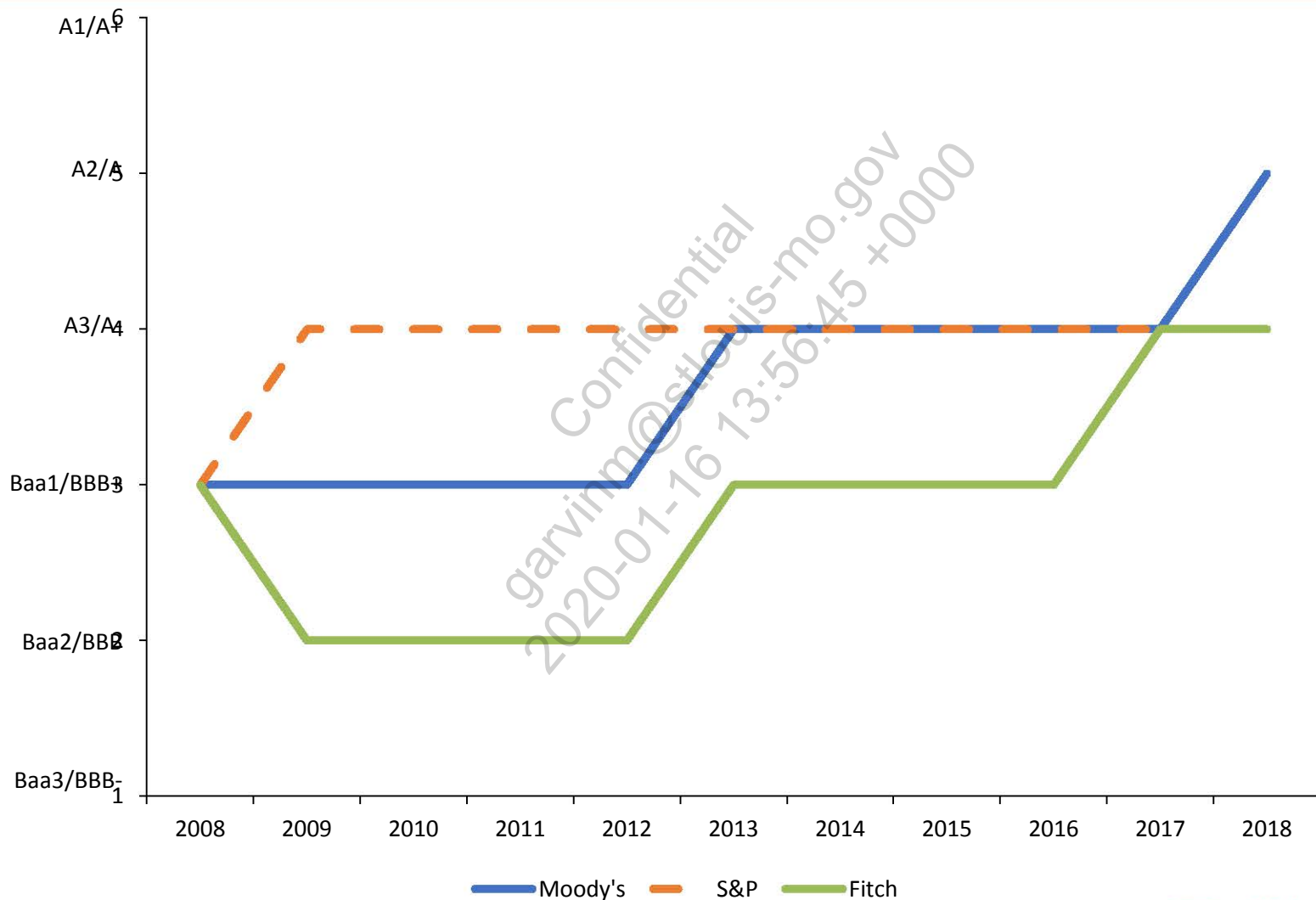
Summary of Refunding Results	
Tax Status	Non-AMT
Delivery Date	5/22/2019
Refunding Par (\$)	77,570,000
Refunded Par (\$)	93,435,000
All-in TIC (%)	3.37%
Average Life (years)	10.91
Negative Arbitrage (\$)	111,482
NPV Savings (\$)	21,885,506
NPV Savings (%)	23.42%
Refunding Efficiency (%)	99.49%
Projected Annual Savings (\$)	
2019	226,119
2020	6,032,256
2021	6,030,625
2022	5,694,294
2023	5,694,038
2024	5,692,994
2025	5,188
2026	2,313
2027	4,000
2028	4,563
2029	3,438
2030	5,063
2031	6,725
2032	6,088
2033	2,244
2034	4,044

Note: Assumptions for taxable and Non-AMT scenarios include rates as of 9/26/2018; SLGS as of 9/26/2018; 10-year par call; DSRF release; Insurance cost of 45 basis points for maturities that produce greater savings with insurance

STL AIRPORT REVENUE BOND CREDIT RATINGS SINCE 2008

- STL's Airport Revenue Bond underlying credit ratings currently stand at a decade high of A2/A-/A-

STL Airport Revenue Bond Credit Ratings since 2008



COMPARING STL TO PEER AIRPORTS

- STL has maintained a strong enplanement growth compared to its peers
- STL's financial performance is stable and expected to further improve, with support from a declining debt service schedule

Key Credit Metric Comparison

	Median	St. Louis	Kansas City	Indianapolis	Nashville	New Orleans	Sacramento	Chicago Midway	San Antonio
Fiscal Year End		2017	2017	2017	2017	2017	2017	2017	2016
Rate Making Methodology		Hybrid	Hybrid	Residual	Hybrid	Residual	Hybrid	Residual	Compensatory
Airport Type		O&D	O&D	O&D	O&D	O&D	O&D	O&D	O&D
Senior Most Underlying Ratings (M/S/F)		A2/A-/A-	A1/A+/NR	A1/A/A	A1/A+/NR	A3/A-/A-	A2/A+/NR	NR/A/A	A1/A+/A+
Enplanements ('000)	5,815	7,187	5,625	4,376	6,790	6,005	5,198	11,232	4,302
Enplanement Annual Growth	5.3%	7.7%	5.4%	3.2%	10.6%	7.6%	5.2%	-1.0%	1.0%
Primary Carrier Market Share	50.3%	57.2%	49.1%	33.0%	53.8%	36.7%	51.5%	92.7%	40.0%
Gross Revenue (\$ mm)	168.86	187.21	149.74	182.91	154.81	81.53	199.05	242.14	81.93
Net Revenue (\$ mm)	86.66	104.23	65.78	109.38	71.48	35.47	110.53	101.84	24.49
Days Cash on Hand	673	788	533	791	573	831	773	368	552
Long Term Debt (\$ mm)	794.97	690.45	171.91	899.48	251.73	1,062.09	989.34	1,755.84	308.78
Debt per O&D Enplaned Passenger	\$124	\$96	\$25	\$186	\$33	\$152	\$171	\$209	\$64
Total GARB Coverage (Bond Ordinance)	1.8x	1.4x	2.5x	1.8x	2.6x	3.1x	1.7x	1.2x	1.4x
Airline Payment per Enplanement	\$9	\$11	\$7	\$10	\$5	\$6	\$15	\$11	\$7

CAPITAL IMPROVEMENT PROGRAMS FOR MEDIUM HUB AIRPORTS

- Certain medium hub airports have implemented large capital programs over the last several years
 - Indianapolis: \$389.8 million of Airport Authority Project Bonds issued in June, 2006
 - Chicago Midway: In 2004, Midway completed the airport's Terminal Development Program, which was funded mainly from bond proceeds, PFCs and federal funds
 - Sacramento: \$480.1 million of Senior and Subordinate Airport System and PFC/Grant Revenue Bonds issued in July, 2009
 - New Orleans: \$420.7 million of General Airport Revenue Bonds issued in May, 2017 and approximately \$110 million of Special Facility Revenue Bonds are to be issued in October, 2018
- Additional airports are starting or in mid-course of capital programs in order to meet continued strong enplanement growth
 - Kansas City: Design-Build contract in place; planning to issue \$1 billion in airport revenue bonds
 - Nashville: Developing \$1.3 billion BNA Vision for long term capital plan; anticipates funding a majority of airport projects through bond issuances
 - San Antonio: Undergoing development of Airport Master Plan

Disclaimer

The information contained in this presentation is believed to be accurate as of September 26, 2018. This presentation contains hypothetical scenarios which may or may not come to pass and it is presented solely to St. Louis Lambert International Airport for their consideration and discussion.

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