

**STATEMENT OF DISCLOSURES ON
GENERAL OBLIGATION BONDS**

The City Council of the City of Charlotte, North Carolina (the “City”) introduced and adopted the following bond order of the City at its June 10, 2024 meeting:

**“BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$70,000,000
GENERAL OBLIGATION REFUNDING BONDS OF THE CITY OF CHARLOTTE, NORTH CAROLINA”**

Section 159-55.1 of the General Statutes of North Carolina requires the City’s finance officer to file with the City Clerk after the bond order is introduced and before the public hearing¹, a statement of disclosures stating the following: (1) an estimate of the total amount of interest that will be paid on the general obligation bonds over the expected term of the bonds, if issued, and a summary of the assumptions on which the estimate is based, (2) an estimate of the increase in property tax rate, if any, necessary to service the proposed debt, and (3) the amount of two-thirds bonds capacity the unit has available for the current fiscal year, if any.

To satisfy the requirements of Section 159-55.1 of the General Statutes of North Carolina with respect to the proposed bonds to be issued under the bond order referenced, in light of the fact that the proposed bonds are expected to be used to refund the City’s General Obligation Refunding Bonds, Series 2014A (the “2014A Bonds”) and is expected to result in debt service savings for the City, the following statements of disclosure are made:

(1) An estimate of the total amount of interest that will be paid on the proposed bonds over the expected term of the bonds, if issued, is \$16,788,450. The assumptions upon which the estimate is based are:

(i) that the bonds will be issued in the aggregate principal amount of \$62,280,000 in August, 2024;

(ii) that the bonds will amortize on July 1 of each year from July 1, 2025 to July 1, 2034 in a manner consistent with generating approximately annual level cash flow savings on a fiscal year-end basis without extending the final maturity of the 2014A Bonds to be refunded with the proceeds of the proposed bonds;

(iii) that the bonds will be issued on an original issue premium basis with coupons of 5.00% and an all-in true interest cost of 3.766%, which represents a bond structure consistent with current market structure and rates and would result in the City achieving an approximately 3.00% net present value savings on the 2014A Bonds to be refunded with the proceeds of the proposed bonds.

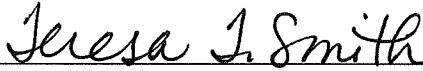
(2) No increase in the property tax rate is estimated to be needed for the proposed bonds because the existing projected revenues are expected to be sufficient to pay the principal and interest on the proposed bonds.

(3) The amount of two-thirds bonds capacity the City has available for the current fiscal year (Fiscal Year ending June 30, 2024) is \$0.00.

The information contained herein is preliminary and is for general informational purposes only. There is no assurance that the assumptions on which this disclosure is based will occur, and the actual occurrence of certain of the assumptions is beyond the City’s control. Differences between the actual

circumstances at the time the bonds are issued from the assumptions included in this disclosure could result in significant differences between the disclosures made herein and the actual occurrences. The validity of the bonds authorized by the bond order is not subject to challenge on the grounds that the actual occurrences when issued proved to be different than the disclosures set forth in this statement. This statement will be filed with the North Carolina Local Government Commission and the City Clerk, posted online on the City's website and maintained by the City Clerk.

June 11, 2024




Teresa T. Smith
Chief Financial Officer
City of Charlotte, North Carolina

¹ No public hearing is required pursuant to Section 159-68 of the General Statutes of North Carolina because the proposed bonds are refunding bonds that do not extend the final maturity of the debt or obligation to be refunded and the aggregate debt service over the life of the refunding bonds will be less than the aggregate debt service on the debt to be refunded.

STATE OF NORTH CAROLINA)
)
CITY OF CHARLOTTE)

SS:

I, Stephanie C. Kelly, City Clerk of the City of Charlotte, North Carolina, a municipal corporation of the State of North Carolina, hereby certifies that the foregoing statement was filed with the Local Government Commission of North Carolina, filed in my office and posted online on the City of Charlotte website on the 11th day of June, 2024.


Stephanie C. Kelly
City Clerk
City of Charlotte, North Carolina