

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE

WHEREAS, the City Council is considering the issuance of bonds of the City of Charlotte, North Carolina (the “*City*”) which shall be for the following purposes and in the following maximum amount:

Not to exceed \$235,000,000 of General Obligation Refunding Bonds to pay the costs of refunding the outstanding principal amount of the City’s General Obligation Bond, Series 2021B (the “*2021B Bond*”) and refunding all or a portion of the outstanding principal amount of the City’s General Obligation Refunding Bonds, Series 2013B (the “*2013B Bonds*”).

WHEREAS, the City Council must make certain findings of fact to enable the Local Government Commission of the State of North Carolina (the “*Commission*”) to make certain determinations as set forth in Section 159-52 of the General Statutes of North Carolina.

NOW, THEREFORE, BE IT RESOLVED that the City Council, meeting in open session on the 28th day of August, 2023, has made the following factual findings in regard to this matter:

A. ***Facts Regarding Necessity of Proposed Financing.*** The proposed bonds are necessary and expedient to fix the debt service costs related to the projects financed with the 2021B Bond and to lower the City’s debt service costs related to projects refinanced with the 2013B Bonds.

B. ***Facts Supporting the Amount of Bonds Proposed.*** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. ***Past Debt Management Policies.*** The City’s debt management procedures and policies are good and have been carried out in compliance with law. The City employs a finance officer to oversee compliance with applicable laws relating to debt management. The City Council requires annual audits of City finances. In connection with these audits, compliance with laws is reviewed. The City is not in default in any of its debt service obligations. The City Attorney’s office reviews all debt-related documents for compliance with laws.

D. ***Past Budgetary and Fiscal Management Policies.*** The City’s budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the City Council before final approval of budget

ordinances. Budget amendments changing a function total or between functions are presented to the City Council at regular City Council meetings. The finance officer presents financial information to City Council which shows budget to actual comparisons annually and otherwise as the City Manager deems necessary or as a member of the City Council may request.

E. **Retirement of Debt.** The schedule for issuing the bonds does not require a property tax increase.

F. **Marketing of Bonds.** The proposed bonds can be marketed at reasonable rates of interest.

G. **Estimated Interest.** The assumptions to be used by the finance officer in preparing the statement of estimated interest to be filed with the City Clerk pursuant to Section 159-55.1(a) of the General Statutes of North Carolina (the "*Statement of Disclosure*") are reasonable.

H. **Financing Team.** The City Manager and the City's Chief Financial Officer, with advice from the City Attorney, are hereby authorized and directed to (1) retain Parker Poe Adams & Bernstein LLP, as bond counsel, (2) retain PNC Capital Markets LLC, as the managing underwriter for the Bonds and (3) retain DEC Associates, Inc., as financial advisor. The City Manager and the Chief Financial Officer are authorized to retain and approve the services of co-managing underwriters and other professionals that they deem necessary related to the issuance of the proposed bonds. The filing of an application by the Chief Financial Officer, or her designee, with the Commission for its approval of the proposed bonds is hereby ratified and confirmed.

NOW, THEREFORE, BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA that the public hearing on the bond order shall be held at the City Council's meeting on the 11th day of September, 2023. The City Clerk is hereby directed to cause a copy of said bond order to be published with a notice of such hearing in the form prescribed by law in a newspaper of general circulation in the City on or before six days before the public hearing. The Chief Financial Officer, or her designee, is hereby directed to (1) file a sworn statement of debt as prescribed by law and (2) file the Statement of Disclosure with the Commission and the City Clerk, which will be maintained by the City Clerk and posted online on the City's website, as prescribed by law.

PASSED, ADOPTED AND APPROVED this 28th day of August, 2023.