

Debt Financing Update

BUDGET, GOVERNANCE AND INTERGOVERNMENTAL RELATIONS COUNCIL COMMITTEE

MAY 6, 2024

Agenda

- Comprehensive Capital Planning
- Types and Use of Debt
- Proposed Calendar
- General Obligation Bond Referendum Process

Comprehensive Capital Planning Program

CITY of CHARLOTTE









Long-Term Debt Profile

Financing Method	Pledge	Repayment Source	Approvals Required
General Obligation (GO) Bonds	City's full faith and credit with no limit on ad valorem tax levy	Property tax and general revenue of the city	Voter referendum and City Council approvals
Revenue Bonds	Specific revenue (i.e., airport/water/sewer/stormwater fee revenues)	Specific source of revenue	City Council approvals
Certificates of Participation (COPs)	Secured by collateral Subject to annual appropriation	Property tax and other revenue of the city	City Council approvals
Bond Anticipation Notes (BANs)	Retired upon receipt of long-term bond proceeds	By credit entity	City Council approvals

Debt by Credit Entity

* Ratings As of April 2024

Credit Entity	Use	General Obligation	COPs	BANs
	Affordable Housing, Street and Neighborhood Infrastructure, and Facilities	Aaa/AAA/AAA	Aa1/AA+/AA+	Not Rated
CHARIETTE ON ENTION ENTER	Convention Center Facility, convention and visitor promotion, hospitality/tourism marketing, amateur sports facilities, stadiums over 60,000 seats		Aa2/AA+/AA+	
	Marketing and visitor promotion, programs that generate visitors, construction and maintenance of convention centers, civic centers, auditoriums and museums		Aa1/AA+/AA+ Tourism Aa2/AA+/AA+ Cultural Facilities	Not Rated
HALL OF CHARLOTTE	Constructing and maintenance of NASCAR Hall of Fame, NASCAR Hall of Fame/ Convention Center Crown Ballroom, and parking facilities		Aa2/AA+/AA+	

Debt by Credit Entity

* Ratings As of April 2024

Credit Entity	Use	Revenue Bonds	COPs	BANs
CHARLOTTE DOUGLAS DATE INTERNATIONAL AIRPORT	Capital for Airport	Aa1/AA+/AA+		Not Rated
WUTER	Capital for Water and Sewer Systems	Aaa/AAA/NR	Aa1/AA+/AA+	Not Rated
STORM WATER Services	Capital for Storm Water	Aaa/AAA/NR		Not Rated
GT5	Capital for Transit System		Aa1/AA+/AA+	

Council Actions/Debt Funding Process

Project Budget Approved by Council Financing Approvals by Council Based on Type of Debt Cash Provided for Project Construction by Reimbursement or New Money











Responsible
Department
Executes Project
Planning, Design,
Construction

Financing
Approvals by
North Carolina
Local Government
Commission
(LGC)

Proposed Financing Calendar * Preliminary, subject to change

Water & Sewer Revenue Bond

Not to Exceed \$610M

Sale Date June 5, 2024



Water & Sewer Bond **Anticipation Note**

Not to Exceed \$500M

Closing Date June 26, 2024



GO Refunding Bond

Not to Exceed \$70M

Sale Date July 24, 2024



Storm Water Revenue Bond

Not to Exceed \$205M

Sale Date August 22, 2024



Council **Actions** Required

April 22, 2024 May 13, 2024



April 22, 2024 May 13, 2024



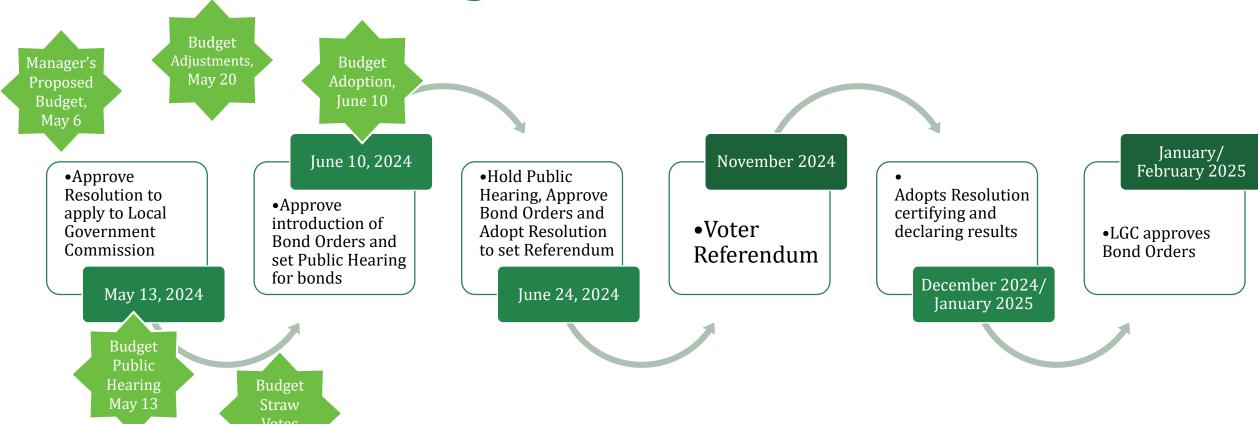
May 13, 2024 June 10, 2024



June 10, 2024 June 24, 2024

^{*} In addition, Referendum Actions will be required on May 13, June 10, and June 24, 2024

General Obligation Bond Referendum



May 30