



CITY OF CHARLOTTE
FINANCE DEPARTMENT
TREASURY DIVISION

January 29, 2025

From: City of Charlotte, North Carolina
Reporting for the fiscal year ended June 30, 2024

Information relates to the following securities issued by the issuer having the six digits CUSIP numbers 161036:

Airport Revenue Bonds

Number of pages of attached information: 7

Enclosed is information the City of Charlotte has undertaken to provide to purchasers on the above referenced bonds in accordance with Rule 15c2-12 of the Securities and Exchange Commission, consisting of the following items:

1. Annual Comprehensive Financial Report for year ended June 30, 2024.
2. Information required in the Undertaking, i.e. Combined Budget for the Current Fiscal Year, Debt Information, Financial and Statistical data under the captions "Airlines Serving the Airport, Air Service Area, Operating Statistics, Projected Air Traffic, Air Cargo and Airline Market Share."

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City of Charlotte, North Carolina

DEBT INFORMATION

LEGAL DEBT LIMIT

Please refer to page 197 of the City of Charlotte, North Carolina Annual Comprehensive Financial Report (ACFR), dated June 30, 2024.

LATEST BONDS ISSUED

FY 2023-2024:

- \$367,160,000 Airport Revenue Bonds, Series 2023A (NON_AMT) & 2023B (AMT), 29 Installments, interest at 5.00 – 5.25 percent.
- \$280,000,000 Airport Revenue Bond Anticipation Note (Draw Program), Series 2023, Interest at 79% Daily SOFR, plus applicable spread.

AIRLINES SERVING THE AIRPORT

The Airport is served by seven domestic carriers, ten regional carriers and four foreign flag carriers. The Airport is also served by three cargo airlines and is the base for approximately 62 general aviation aircrafts. The Airport operates the single fixed base operator at the Airport. A unit of the North Carolina Air National Guard and other aviation support facilities are also located at the Airport.

The major passenger airlines which serve the Airport are American Airlines, Delta Air Lines, United Airlines, Frontier Airlines, JetBlue Airways, Southwest Airlines and Spirit Airlines. All major airlines have signed Aviation Agreements.

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City of Charlotte, North Carolina

AIR SERVICE AREA

The Airport serves a significant and growing air service area. The City is the core of the Charlotte-Concord, NC-SC Combined Statistical Area (CSA), a region with over 2.8 million people in 2023, that includes the Charlotte-Concord-Gastonia, NC-SC Metropolitan Statistical Area (MSA), the Albemarle, NC micropolitan statistical areas, and the Shelby, NC micropolitan statistical area. The City is also part of a larger geographic area, identified by the Bureau of Economic Analysis as the Charlotte-Gastonia-Salisbury, NC-SC Economic Area, which encompasses 20 counties in North Carolina and South Carolina. This 20-county area has been identified as the primary air service area (ASA) for the Airport.

The City and the ASA have experienced significant population growth over the past several decades. The population of the City and the ASA have been estimated to be as follows:

	<u>2015</u>	<u>2020</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
City	809,958	940,144	979,096	1,001,046	1,028,689
ASA	3,126,193	3,349,449	3,423,543	3,463,043	3,463,043

Sources:

City population – City of Charlotte Annual Comprehensive Financial Report

ASA population – Woods & Poole Economics (Newton & Associates, Inc. Report of the Airport Consultant)

The combination of population growth and location reinforces the City's role as a regional center in the Southeast. The nature and location of the major cities of origin and destination for passengers using the Airport underline the central location of the Airport. The 25 major markets listed on the following page represent 69.5 percent of total origin and destination enplanements at the Airport in FY 2024.

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City of Charlotte, North Carolina

	City	FY 2024 O&D Enplanements	Percent of Total Domestic Enplanements	Distance from Airport (miles)
1	New York Area ¹	757,414	9.90%	543
2	South Florida ²	367,463	4.80%	650
3	Chicago ³	331,485	4.40%	599
4	Washington, DC Area ⁴	328,175	4.30%	360
5	Orlando, FL	325,417	4.30%	468
6	Boston, MA	307,460	4.00%	727
7	Dallas ⁵	297,982	3.90%	937
8	Los Angeles ⁶	278,914	3.70%	2,125
9	Denver, CO	228,658	3.00%	1,338
10	Philadelphia, PA	228,240	3.00%	447
11	Las Vegas, NV	216,909	2.80%	1,917
12	Houston ⁷	187,042	2.50%	913
13	Phoenix, AZ	164,139	2.20%	1,774
14	Tampa, FL	148,919	2.00%	508
15	Minneapolis/Saint Paul, MN	139,293	1.80%	930
16	Detroit, MI	133,173	1.70%	500
17	Nashville, TN	131,713	1.70%	329
18	San Francisco ⁸	129,502	1.70%	2,296
19	San Diego, CA	90,227	1.20%	2,077
20	Seattle, WA	87,887	1.20%	2,279
21	Austin, TX	86,622	1.10%	1,033
22	Salt Lake City, UT	86,441	1.10%	1,727
23	Atlanta, GA	82,355	1.10%	227
24	Saint Louis, MO	79,991	1.10%	575
25	Cleveland, OH	76,192	1.00%	430
Total Top 25 O&D		5,291,614	69.5%	

CITY LEGEND
¹LaGuardia (LGA), John F. Kennedy (JFK) and Newark (EWR) Airports
²Fort Lauderdale (FLL) and Miami (MIA) Airports
³O'Hare (ORD) and Midway (MDW) Airports
⁴Ronald Reagan (DCA), Dulles (IAD) and Baltimore (BWI) Airports
⁵Dallas/Ft. Worth (DFW) and Dallas Love Field (DAL) Airports
⁶Los Angeles (LAX), John Wayne (SNA), Ontario (ONT), Long Beach (LGB) and Burbank (BUR) Airports
⁷George Bush Intercontinental (IAH) and Hobby (HOU) Airports
⁸San Francisco (SFO), San Jose (SJC) and Oakland (OAK) Airports

Source: Charlotte Douglas International Airport Annual Comprehensive Financial Report Draft, Fiscal Year ended June 30, 2024.

OPERATING STATISTICS

From Fiscal Year (FY) 2015 through FY 2024, the number of enplaned originating passengers grew from approximately 5.6 million to 9.2 million, resulting in a compound annual growth rate of approximately 5.0 percent. Operations experienced significant growth from FY 2015 through FY 2024 as shown in Table IV-4.

The Airport continued to benefit from American Airline's continued strategy to focus on connectivity. The Airport remains American Airlines second largest hub as measured by destination and daily flights, behind only Dallas Fort Worth International Airport. From FY 2015 through FY 2024, the Airport grew as a transfer point with a compound annual growth rate was approximately 2.0 percent.

Total enplanements (origin, connecting and destination passengers) at the Airport have increased at a compound annual growth rate of approximately 2.9 percent from FY 2015 through FY 2024.

During the FY ended June 30, 2024, American Airlines and its code-share regional affiliates enplaned approximately 25.4 million domestic and international passengers at the Airport, representing 88.8 percent of the total number of passengers enplaned at the Airport during the fiscal year. American Airlines enplaned approximately 2.2 million international passengers at the Airport, representing 94.6 percent of the total number of international commercial aviation passengers enplaned at the Airport during the fiscal year.

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HISTORICAL PASSENGER TRAFFIC

As depicted in the following table, **Table IV-4, Historical Originating and Connecting Passenger Enplanements U.S. and Foreign Flag Carriers**, the estimated number of total originating passenger enplanements at the Airport experienced growth from 5.6 million in FY 2015 to 9.2 million in FY 2024, representing a compound annual growth rate of 5.0 percent. Originating passenger enplanements represented 32.0 percent of total enplanements at the Airport in FY 2024.

<p>TABLE IV-4</p> <p>CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT</p> <p>HISTORICAL ORIGINATING and CONNECTING PASSENGER ENPLANEMENTS</p> <p>US & FOREIGN FLAG CARRIERS</p>							
Fiscal Year	Total Airport Enplanements				Total United States Enplanements ³	Total CLT Enplanements as Percentage of United States	
	Originating ¹	Percent of Total	Connecting ²	Percent of Total			
2015	5,643,056	26.10%	15,979,533	73.90%	21,622,589	888,959,095	2.49%
2016	6,142,560	28.11%	15,710,732	71.89%	21,853,292	917,693,369	2.38%
2017	6,554,972	30.30%	15,079,588	69.70%	21,634,560	948,013,554	2.28%
2018	6,850,834	30.90%	15,318,490	69.10%	22,169,324	988,845,281	2.24%
2019	7,280,789	31.56%	15,785,923	68.44%	23,066,712	1,033,319,082	2.23%
2020	5,731,681	30.75%	12,908,339	69.25%	18,640,020	767,398,856	2.43%
2021	3,878,946	24.08%	12,227,724	75.92%	16,106,670	448,916,492	3.59%
2022	6,951,000	31.2%	15,344,304	68.8%	22,295,304	861,080,696	2.59%
2023	8,104,000	31.9%	17,338,869	68.1%	25,442,869	1,006,013,056	2.53%
2024	9,157,000	32.0%	19,483,000	68.0%	28,640,000	1,087,348,192	2.63%
Compound Annual Growth Rates:							
2015-2024	4.96%		2.00%		2.85%		
¹ Source: https://www.dbphub.com/#/od/summary . ² Airport Total less Airport Originating. ³ Source: USDOT Form 41; Schedule T-100 Tables from BTS Transstats.							
Compiled by Newton & Associates, Inc.						01/03/25	

AIR CARGO

In addition to airline passenger traffic, the Airport serves a domestic and international air cargo market. Total weight of domestic air cargo enplaned at the Airport increased 46.7 percent between FY 2015 and FY 2024. The airlines enplaning the largest amount of air cargo weight for FY 2024 were Federal Express (34.5%), Air Transport International (34.2%), American Airlines (13.9%) and United Parcel Service (13.7%)

The following table reflects the air cargo activity for FY 2015 through FY 2024.

Historical Air Cargo Weights
Charlotte Douglas International Airport
(In pounds)

<u>Fiscal Year</u>	<u>Lbs. Enplaned in Thousands</u>
<u>2015</u>	<u>130,382</u>
<u>2016</u>	<u>134,618</u>
<u>2017</u>	<u>160,607</u>
<u>2018</u>	<u>184,741</u>
<u>2019</u>	<u>178,559</u>
<u>2020</u>	<u>161,054</u>
<u>2021</u>	<u>160,827</u>
<u>2022</u>	<u>196,802</u>
<u>2023</u>	<u>201,166</u>
<u>2024</u>	<u>191,217</u>

City of Charlotte, North Carolina

AIRLINE MARKET SHARE ENPLANEMENTS

The following table, **Table IV-5, Historical Enplaned Passengers and Airline Market Share by Brand** depicts passenger enplanements and market share by major carrier from FY 2019 to FY 2024. American Airlines had a market share of 88.8 percent of total origin and destination (O&D) passenger enplanements in FY 2024. Delta Airlines had the second highest market share of FY 2024 enplanements with 2.9 percent of the total market.

TABLE IV-5													
CHARLOTTE DOUGLAS INTERNATIONAL AIRPORT													
HISTORICAL ENPLANED PASSENGERS AND AIRLINE MARKET SHARE BY BRAND													
AIRLINE	Actual FY 2019	Market Share	Actual FY 2020	Market Share	Actual FY 2021	Market Share	Actual FY 2022	Market Share	Actual FY 2023	Market Share	Actual FY 2024	Market Share	CAGR FY 20-24
SIGNATORY AIRLINES													
American Airlines ¹	21,828,003	91.1%	17,882,466	91.1%	15,703,982	94.3%	21,175,318	91.0%	22,960,478	90.2%	25,438,110	88.8%	7.5%
Delta Air Lines ²	812,468	3.4%	596,152	3.1%	327,873	2.0%	733,033	3.2%	754,855	3.0%	844,554	2.9%	7.2%
United Airlines ³	510,821	2.1%	371,272	1.9%	221,597	1.3%	349,302	1.5%	545,117	2.1%	632,822	2.2%	11.3%
Southwest Airlines ⁴	351,053	1.5%	249,584	1.3%	177,028	1.1%	299,731	1.3%	365,118	1.4%	389,621	1.4%	9.3%
Frontier Airlines	198,465	0.8%	186,914	1.0%	102,390	0.6%	194,040	0.8%	244,108	1.0%	354,890	1.2%	13.7%
JetBlue Airways	133,312	0.6%	90,691	0.5%	12,304	0.1%	48,116	0.2%	60,342	0.3%	60,366	0.2%	-7.8%
Spirit Airlines	6,279	0.0%	146,152	0.8%	82,531	0.5%	162,555	0.7%	347,198	1.4%	724,206	2.5%	37.7%
Total Signatory	23,840,401	98.7%	19,323,231	99.6%	16,627,705	99.9%	22,962,095	99.7%	25,286,216	99.4%	28,444,569	99.3%	8.0%
NON-SIGNATORY													
Lufthansa German Airlines	73,829	0.3%	50,285	0.3%	-	0.0%	39,061	0.2%	70,964	0.3%	70,690	0.2%	7.1%
Air Canada	26,165	0.1%	17,434	0.1%	-	0.0%	3,207	0.0%	23,722	0.1%	37,723	0.1%	16.7%
Other Domestic	12,955	0.1%	13,550	0.1%	15,884	0.1%	26,127	0.1%	54,164	0.2%	85,358	0.3%	44.5%
AS/O/Charter	6,050	0.0%	4,133	0.0%	1,336	0.0%	3,052	0.0%	7,803	0.0%	1,282	0.0%	-20.9%
Total non-Signatory	119,009	0.5%	85,403	0.4%	17,220	0.1%	71,447	0.3%	156,653	0.6%	195,253	0.7%	18.0%
AIRPORT TOTAL	23,959,410	100.0%	19,408,634	100.0%	16,644,925	100.0%	23,033,542	100.0%	25,442,869	100.0%	28,639,822	100.0%	8.1%
¹ Including former US Airways. ² Including former Northwest Airlines. ³ Including former Continental Airlines. ⁴ Including former Air Tran Airways.													
Source: Charlotte Douglas International Airport Compiled by Newton & Associates, Inc.													01/03/25

SEE ALSO THE FOLLOWING SEPARATE FILE ATTACHMENTS

Exhibit 1A: “Combined Schedule of Estimated Revenues, Appropriations and Appropriated Fund Balance for Year Ending 6/30/25” as per City of Charlotte Finance Department as of 7/1/24

Exhibit 2A: “Schedule MB080G - Outstanding Debt Annual Requirements & Debt Limitations for City of Charlotte, NC” as per North Carolina Department of State Treasurer State and Local Government Finance Division as of 9/10/2024.