



August 16, 2018

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N.C. General Assembly
16 West Jones Street
Raleigh, North Carolina 27601

Fiscal Research Division
N.C. General Assembly
Suite 619
Legislative Office Building
300 North Salisbury Street
Raleigh, North Carolina 27603-5925

RE: The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health Series 2018
Revenue and Refunding Revenue Bonds

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, The Charlotte-Mecklenburg Hospital Authority d/b/a Atrium Health ("Atrium Health") hereby notifies you of its intent to issue Health Care Revenue and Refunding Revenue Bonds under North Carolina General Statute 131E-26(a) governing hospital authority borrowings. The Bonds will be issued to primarily refund outstanding Series 2009A bonds in the amount of \$164.2 million but the Bonds are also expected to include \$400 million of new money debt that will be used to: (i) reimburse Atrium Health for up to \$300 million of capital expenditures incurred over the past eighteen (18) months in connection with its August 2, 2016 Declaration of Official Intent to Reimburse Expenditures with Proceeds of Debt Pursuant to U.S. Department of Treasury Regulations; and (ii) fund a minimum of \$100 million of capital expenditures from Atrium Health's projected capital outlays of approximately \$1 billion in 2019-2020. Item (i) reimbursement capital is currently expected to include renovations to Carolinas

Page 2
August 16, 2018

HealthCare System NorthEast, Emergency Department renovations at Carolinas HealthCare System Stanly, lab renovations at Carolinas Medical Center and the acquisition and installation of health care, IT and other equipment and other routine capital expenditures. Item (ii) capital is currently expected to include multiple facility renovations and aesthetic upgrades and the installation of health care, IT and other equipment and other routine capital expenditures.

Atrium Health anticipates that the North Carolina Local Government Commission will consider approval of the issuance of this proposed debt at its meeting scheduled for October 2, 2018.

Highest regards,



R. Mark Keener, CPA
Vice President, Treasurer
Atrium Health

cc: Greg Gaskins
Deputy Treasurer, State and Local Finance Division
Local Government Commission
N.C. Department of State Treasurer
325 North Salisbury Street
Raleigh, North Carolina 27603-1385