



# **Fiscal Year 2026 Adopted Budget**

## **July 1, 2025 – June 30, 2026**

### **Louisville/Jefferson County**

### **Metropolitan Sewer District**

### **Louisville, KY**







*Louisville has an abundance of waterways that provide opportunities for activities from boating and kayaking to fishing and more.*

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Budget Presentation  
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**Louisville and Jefferson County Metropolitan Sewer District  
Kentucky**

For the Fiscal Year Beginning

**July 01, 2024**

*Christopher P. Morill*

**Executive Director**

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Louisville and Jefferson County Metropolitan Sewer District, for its fiscal year 2025 Budget for the fiscal year beginning July 1, 2023. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of fiscal year 2025 only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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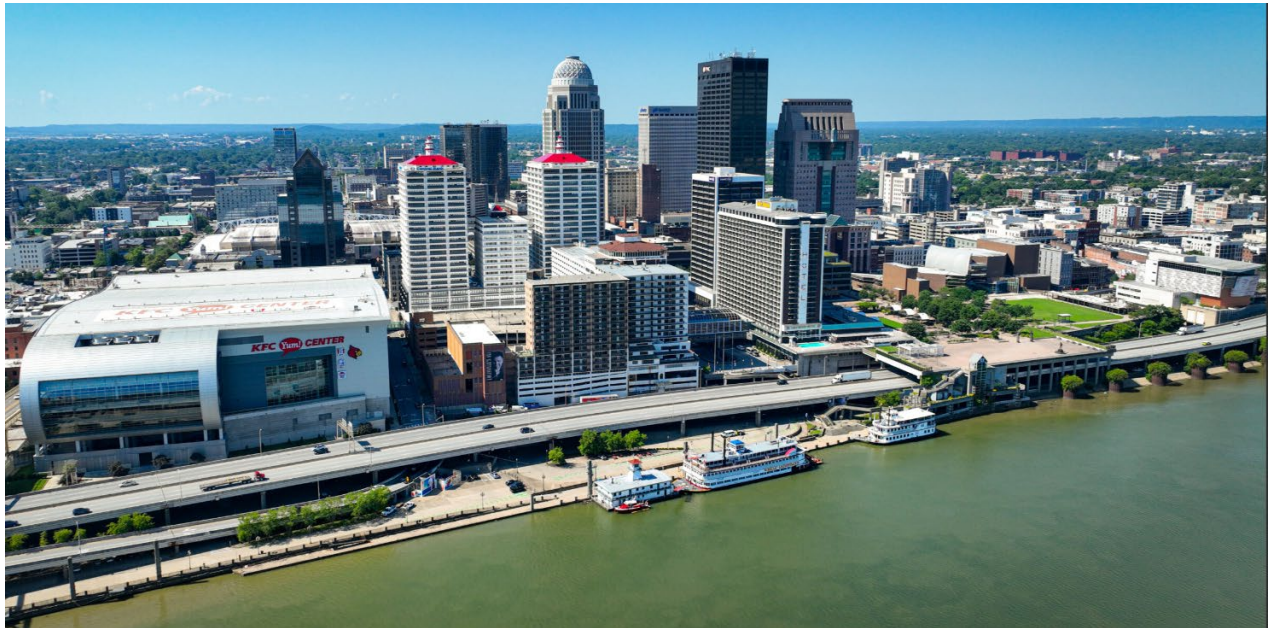
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*The following Budget Report is prepared and used by Louisville/Jefferson County MSD for purposes of communicating its annually adopted budget to customers and elected officials. The Report is not prepared to help investors decide whetherto purchase or sell financial obligations of Louisville/Jefferson County MSD. As such, the Report contains unaudited financial information that may change after the date of the Report. In addition, the Report contains forward-looking statements in the form of financial and operating budgets, performance targets, and other information. These statements are not a guarantee of future performance, and actual results may differ. Investors should not consider the Report a recommendation to purchase or sell financial obligations of Louisville/Jefferson County MSD. The Report does not present a complete summary of Louisville/Jefferson County MSD's financial or operational position to investors and should not be used in that manner.*

## Introduction

*Our Vision:  
The Innovative Regional Utility for Safe, Clean Waterways*



*A view of downtown Louisville from the Ohio River.*



## Message from the Executive Director



I am pleased to present the Louisville/Jefferson County Metropolitan Sewer District budget for the fiscal year 2026. The budget reflects our commitment to provide quality wastewater, stormwater and flood protection services to protect public health and safety.

MSD's fiscal year 2026 capital budget will invest more than \$321 million to support 181 capital-improvement projects. MSD's investments will support three utility services under one organization: wastewater treatment, stormwater management and flood protection for the 800,000 people MSD serves. Over 90% of the capital budget goes to work required to meet federal and state environmental standards. This includes ongoing projects to significantly reduce sewer overflows that pollute local waterways during periods of heavy rain. Other work focuses on upgrading or replacing critical infrastructure and facilities that are decades, even a century old in the case of some underground sewer lines and are in urgent need of repair or replacement.

MSD's operating budget for fiscal year 2026 totals \$221.5 million and provides funding for day-to-day operations and administration.

### **Keeping rates as low as possible while protecting public health and safety**

MSD's rate-setting process includes oversight from its citizen board. The Board approved a reduced rate increase for fiscal year 2026 after community input, adopting a 3.9 percent increase for Jefferson County Residents, down from the initially proposed 4.9 percent. The fiscal year 2026 rate proposal adds \$3.11 to the average monthly Jefferson County residential bill and \$1.57 to the average monthly Oldham County residential bill, starting September 1, 2025.

MSD actively pursues federal and state grants, low-interest loans and innovative financing mechanisms to reduce overall project costs. For instance, the \$230 million replacement of Paddy's Run Flood Pumping Station is supported by a \$74 million Kentucky Infrastructure Authority low-interest loan, a \$6.2 million forgivable loan through the Clean Water State Revolving Fund and \$14 million in Cleaner Water grants. The budget is also supported by a \$150 million bond issue recently approved by the Louisville Metro Council.

The health and safety of our community depends on infrastructure that's often out of sight, but its importance is undeniable when it's put to the test. Over the past year we have met with community members, legislators, and other elected officials on the significant needs of MSD and affordability concerns. While we never like to raise rates, the flooding events we experienced this year underscored the need for systems that are resilient, reliable and ready. The fiscal year 2026 budget allows us to continue strengthening that infrastructure while also ensuring we continue to meet our federal environmental requirements for clean water.

### **Budget extends MSD rate-assistance programs**

MSD continues to provide financial assistance for customers who need help paying their bills. MSD offers two wastewater discount programs for qualifying customers. Additionally, our Drops of Kindness partnership with Louisville Water funds rate assistance programs through community nonprofits like the Association of Community Ministries. Additional information on customer assistance program can be found at <https://louisvillemsd.org/paymybill>.

### **Summary**

This budget, and the priorities it supports, demonstrates our ongoing commitment to preserving safe, clean waterways in the Louisville region as responsible stewards of the environment and of ratepayer dollars. I would like to thank all at MSD who participated in the preparation of this budget, along with the Executive Leadership Team and the Board of Directors, for their guidance throughout the process.

## Fiscal Year 2025 Review

Twin flood events highlighted fiscal year 2025. Heavy rainfall in February led to the Ohio River cresting on February 20<sup>th</sup> at 28.31 feet on the upper gauge and 59.63 feet on the lower gauge. Both levels are “minor floods” as determined by the U.S. Army Corps of Engineers. MSD workers engaged in a large range of activities including installing 39 floodgates and responding to more than 90 flood-related customer service requests. Twelve of the sixteen flood pump stations in Louisville’s flood protection system were placed into service deploying more than 170 MSD employees. During the event, approximately 4.18 billion gallons of stormwater were pumped out of the city and into the Ohio River.

Two months later, Louisville experienced a historic flood event when over seven inches of rain fell in only five days producing the eighth highest flood level on the upper gauge in recorded Louisville history. Although hundreds of homes and businesses were protected by the system, there were 311 sewer backups during this event. Our Customer Relations department fielded nearly 1,700 calls during the heavy rain period. The Ohio River crested on April 9<sup>th</sup> at 36.63 feet on the upper gauge with is three times the normal pool height. Sixty-five flood gates were closed and all sixteen flood pump stations were placed in service and pumped 12.1 billion gallons of water out of the city during the event.

These events taxed all three services MSD provides making for a very busy time across flood protection, wastewater treatment and stormwater drainage areas. In April, the sanitary system reached capacity, leading MSD to ask customers to temporarily refrain from using washing machines and other heavy water consumption activities until the system could catch up. Years of infrastructure investment paid off in preventing the flooding from being worse than it otherwise may have been. Since the devastating 1997 flood in Louisville, MSD has built infrastructure that has added around one billion gallons of stormwater and combined overflow storage to our system. Combined sewer overflow basins such as the four-mile-long Waterway Protection Tunnel capture overflows and store it until the wastewater treatment system regains capacity while our stormwater basins mitigate stream flooding. The basin system played a significant role in damage prevention during the 2025 floods. MSD remains in the process of inspecting the entire flood protection system and making repairs as needed so that we will be prepared for the next big flood.

In January, MSD celebrated the 10th anniversary of the annual Can You Dig It? event and the Community Benefits Program passing \$7 million in donations at the Kentucky Center for African American Heritage. The Can You Dig It? event provides contractors with details on upcoming capital projects and gives small businesses the opportunity to network with large contractors. MSD’s Community Benefits Program delivers social impacts by encouraging large contractors to assist nonprofits and schools through donations and special projects across MSD’s service area.

Nick Rodman Legacy Park opened in Southwest Louisville in June dedicated to an LMPD officer killed in the line of duty in 2017. MSD transferred 10 acres of property at the site in 2022 to Louisville Metro Government for the purpose of the park. During the ribbon cutting, MSD Executive Director, Tony Parrott, announced the transfer of 28 additional acres for expansion of the park. MSD is honored to have been a part of this project.



*Pond Creek Flood Pump Station in service during the April 2025 flood event*

Fiscal year 2025 Operating Income is expected to finish over the budgetary projection. A 6.9 percent rate increase to wastewater and drainage charges took effect on August 1, 2024, for Jefferson County customers. Wastewater revenues are expected to finish \$29.3 million above budget. Drainage service charges are expected to finish \$7.2 million above budget. Other Operating Income is expected to finish \$360 thousand below budget. Wastewater revenues were driven by a combination of one-time revenues from an industrial customer and billing cycle changes arising from the conversion of customers from bi-monthly to monthly billing. These changes were not accounted for in the fiscal year 2025 revenue budget.

<b>Operating Income - Jefferson County</b>		
<i>Dollars in 000's</i>		
	<b>FY25 Budget</b>	<b>FY25 Forecast</b>
Wastewater Service Charges	\$ 307,764	\$ 337,035
Drainage Service Charges	104,366	111,615
Other Operating Income	7,661	7,299
<b>Total Operating Income</b>	<b>\$ 419,791</b>	<b>\$ 455,949</b>

On August 1, 2024, MSD's wastewater rates for Oldham County customers were adjusted to \$78.42 per month based on an average usage of 4,000 gallons of water monthly in accordance with the terms of the Interlocal Agreement reached with the Oldham County Fiscal Court and the Oldham County Environmental Authority. Oldham County wastewater revenues are expected to finish \$381 thousand over budget for fiscal year 2025.

<b>Operating Income - Oldham County</b>		
<i>Dollars in 000's</i>		
	<b>FY25 Budget</b>	<b>FY25 Forecast</b>
Wastewater Service Charges	\$ 7,328	\$ 7,709
Other Operating Income	297	82
<b>Total Operating Income</b>	<b>\$ 7,625</b>	<b>\$ 7,791</b>

On January 1, 2025, MSD's wastewater rates for Bullitt County customers increased 12 percent in accordance with the terms of the Interlocal Agreement reached with the Bullitt County Fiscal Court and Bullitt County Sanitation District. Bullitt County wastewater revenues for fiscal year 2025 are expected to finish \$425 thousand above budget.

<b>Operating Income - Bullitt County</b>		
<i>Dollars in 000's</i>		
	<b>FY25 Budget</b>	<b>FY25 Forecast</b>
Wastewater Service Charges	\$ 4,930	\$ 5,355
Other Operating Income	200	46
<b>Total Operating Income</b>	<b>\$ 5,130</b>	<b>\$ 5,401</b>

Total Operating expenses for fiscal year 2025 are expected to finish \$5.3 million, or 3 percent, below budget. Savings in contractual services, chemicals and insurance are partially offset by higher materials and supplies and electric costs.

<b>FY25 Operating Budget &amp; Forecast</b>				
<i>Dollars in 000's</i>				
<b>Combined Service Area</b>				
	<b>FY25 Budget</b>	<b>FY25 Forecast</b>	<b>Budget / Forecast</b>	
Salaries & Wages	\$ 73,933	\$ 72,238	-2%	
Labor Related Overhead	29,575	30,254	2%	
<b>Total Salary &amp; LRO</b>	<b>103,508</b>	<b>102,492</b>	<b>-1%</b>	
Utilities	18,566	19,814	7%	
Materials & Supplies	10,161	10,824	7%	
Contractual Services*	43,683	41,474	-5%	
Chemicals	10,574	7,475	-29%	
Fuel	2,027	1,386	-32%	
Insurance Premiums & Claims	7,978	6,353	-20%	
Bad Debt	3,527	4,894	39%	
Other Operating Expense	2,586	2,610	1%	
<b>Total O&amp;M</b>	<b>99,102</b>	<b>94,830</b>	<b>-4%</b>	
<b>Total Operating Budget</b>	<b>\$ 202,610</b>	<b>\$ 197,322</b>	<b>-3%</b>	

\*Includes SBITA

The fiscal year 2025 Capital Budget was set at \$291.7 million for Jefferson, Bullitt, and Oldham County projects. The forecasted capital spend for the year is \$279.3 million, or 4 percent, below budget. The Paddy's Run Flood Pump Station Capacity Upgrade and Morris Forman Water Quality Treatment Center New Biosolids Facility projects led the way in Jefferson County spending. In Bullitt County, the West Triangle Pump Station Force Main and Interceptor was the largest spending project and in Oldham County planning and design for the KSR Wastewater Treatment Plant Expansion was a key initiative.

## About MSD

### History

MSD was created in 1946 as a public body corporate and subdivision of the Commonwealth of Kentucky. MSD has complete control, possession, and supervision of the sewer system within most of the Louisville Metro, which comprises all of Jefferson County, Kentucky. In addition, MSD has control, possession, and supervision of the sewer system in portions of Bullitt and Oldham counties. In 1986, MSD assumed responsibility for managing and maintaining public flood control and storm and surface water drainage services pursuant to the terms of an agreement with Louisville Metro. MSD provides these services to all of Jefferson County except for the cities of Shively, Jeffersontown, St Matthews, and Anchorage. Chapter 76 of the Kentucky Revised Statutes authorizes MSD to construct additions, betterments, and extensions within its service area and to recover the cost of its services in accordance with rate schedules adopted by its Board.

MSD is a component unit of the Louisville/Jefferson County Metro Government. The Louisville Metro Mayor appoints, with the approval of the Louisville Metro Council, the members to MSD's governing Board, its Executive Director, Chief Engineer, and Secretary/Treasurer. The Board, which has statutory authority to enter into contracts and agreements for the management, regulation, and financing of MSD, manages its business and activities. The Board has full statutory responsibility for approving and revising MSD's annual budgets for financing deficits and for disposition of surplus funds. MSD has no special financial relationship with the Louisville Metro Government.

## Board of Directors

MSD is governed by an eight-member Board of Directors appointed by the Louisville Metro Mayor and approved by Louisville Metro Council. Each member serves three-year overlapping terms and is eligible for reappointment. Board members are residents of Louisville Metro and represent State Senatorial Districts in our city ensuring a broad-based representation for the entire community. No more than five members of the Board can be affiliated with one political party. The MSD Board meets monthly and has established the following standing committees who meet as needed: Audit Committee, Customer Service Committee, Finance Committee, Infrastructure Committee, and the Personnel Committee.

The Board, which has statutory authority to enter into contracts and agreements for the management, regulation, and financing of MSD, manages MSD's business and activities. The Board has full statutory responsibility for approving and revising MSD's annual budgets, for financing deficits and for disposition of surplus funds.

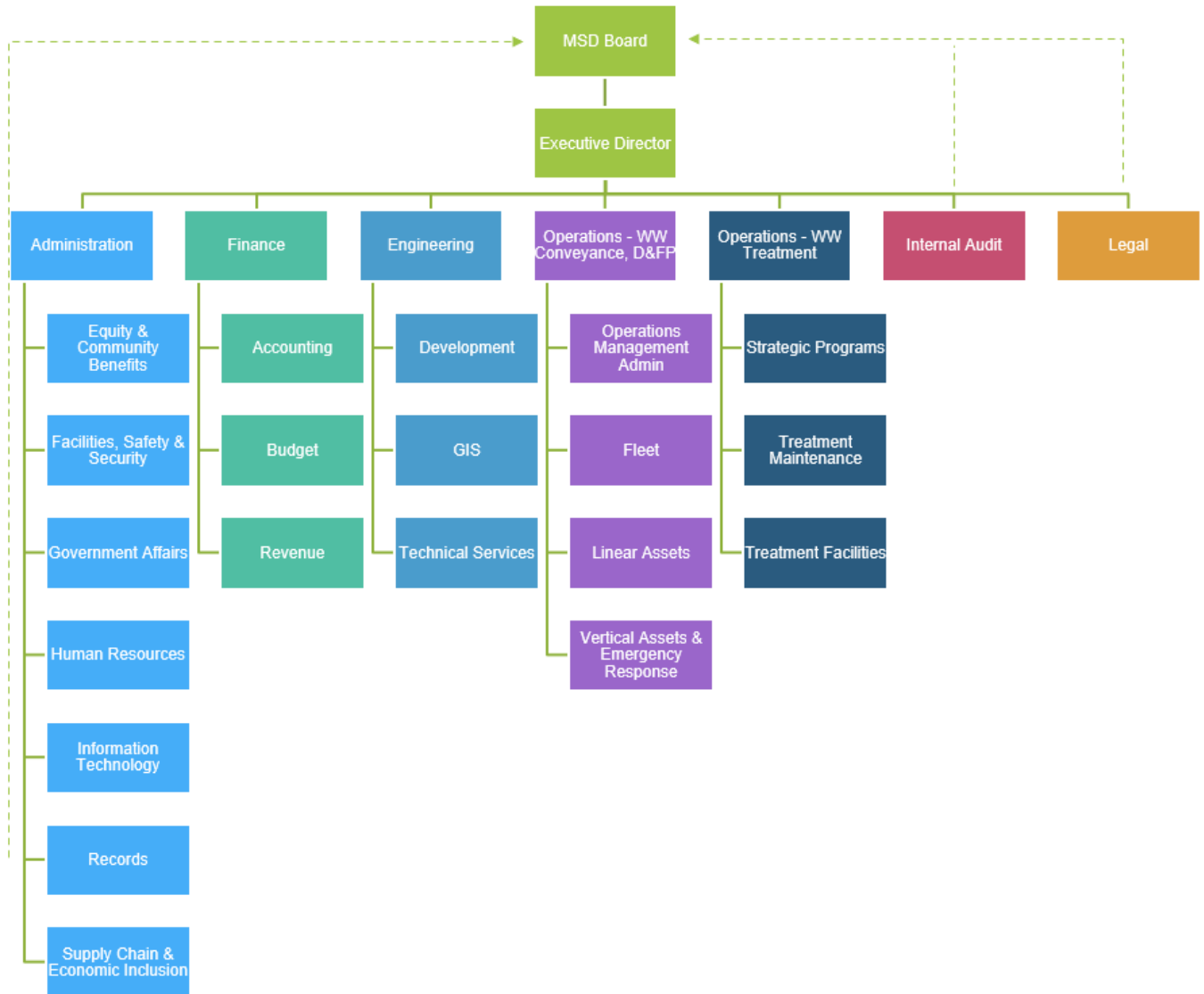
Current Board members are:

<b>Board Member</b>	<b>State Senate District</b>	<b>Political Party</b>	<b>Term Expires</b>
Ricky Mason, Chair	6th	Independent	July 31, 2025
John Selent, Vice Chair	6th	Democrat	July 31, 2027
Marita Willis	36th	Democrat	June 30, 2025
Lonnie Wright	7th	Republican	July 31, 2026
Jeff Mosley	26th	Independent	July 31, 2026
Gerald Joiner	33rd	Democrat	February 28, 2027
Brad Wilcox	36 <sup>th</sup>	Republican	July 31, 2027
Chris Burckle	19 <sup>th</sup>	Republican	July 31, 2026



## Organizational Chart

MSD's organizational structure consists of eight divisions. The Louisville Metro Mayor appoints the Executive Director, Chief Engineer, and Secretary/Treasurer. Within each division there are various departments who report to the Division Chief. There are four division chiefs and three directors who report to the Executive Director.



## Strategic Plan

MSD's Strategic Business Plan, branded as Blueprint 2025, was kicked off in 2019 and forms the foundational vision, mission, and critical success factors necessary for MSD's transformation into a Utility of the Future. Our aspirational vision under Blueprint 2025 is the driving force behind our mission to provide quality wastewater, drainage, and flood protection services to protect public health and safety through sustainable solutions, fiscal stewardship, and strategic partnerships. The framework for Blueprint 2025 follows:

**MSD Vision:** The innovative, regional utility for safe, clean waterways.

**MSD Mission:** Provide quality wastewater, drainage, and flood protection services to protect public health and safety through sustainable solutions, fiscal stewardship, and strategic partnerships.

### MSD Guiding Principles and Organizational Values

**Investing in People** - Ensuring a sustainable future by aligning organizational architecture and enhancing leadership development, succession planning, generational inclusion and employee career planning programs that provide staff opportunities for advancement and utilize the right people in the right places to achieve greater operational excellence for the community.

- Respect - We demonstrate high regard, value and consideration for each other, our customers, and the community.
- Excellence - We strive for personal excellence, recognize exemplary performance, and seek continuous improvement.

**Focusing on Performance** - Enhancing quality of life in the region by providing safe, clean waterways through consistent, reliable, and transparent delivery of our core business functions.

- Customer Focus - We provide value-added service to our internal and external customers.
- Integrity - We serve with high ethical standards, deliver on commitments, and maintain honesty as we advance the greater good.

**Innovating through Leadership** - Engaging in collaborative problem-solving with partners locally, regionally, and nationally to develop innovative solutions for managing our aging wastewater, drainage, and flood protection assets.

- Accountability - We account for our actions, address challenges promptly, and implement effective solutions.
- Stewardship - We manage the infrastructure, environment and resources entrusted to our care in a responsible and sustainable manner.

### Blueprint 2025 Desired Outcomes

- Guide alignment and allocation of organizational resources.
- Deliver MSD's three core business functions in a collaborative, efficient and innovative manner to meet regulatory requirements and community level of service through a sustainable, purpose-driven, and appropriately skilled workforce.
- Be the trusted regional provider of wastewater, stormwater, and flood protection services.

### Blueprint 2025 Critical Success Factors

- CSF1: Sustain Quality and Compliant Wastewater, Stormwater, and Flood Protection Services
- CSF2: Earn the Community's Trust Daily as the Leading Provider of Quality Wastewater, Stormwater & Flood Protection Services
- CSF3: Transform into an Employer of Purpose where Employees are Provided the Opportunity to Thrive

- CFS4: Ensure Financial Stewardship and Sustainability of Community Resources
- CSF5: Realize Operational Efficiencies and Revenue Generation through Strategic Partnerships and Innovation

Blueprint 2025 has provided a structured approach for MSD's success, positioning the organization to deliver our three core business services to the community with confidence by providing clarity for every employee about our vision, mission, and critical success factors.

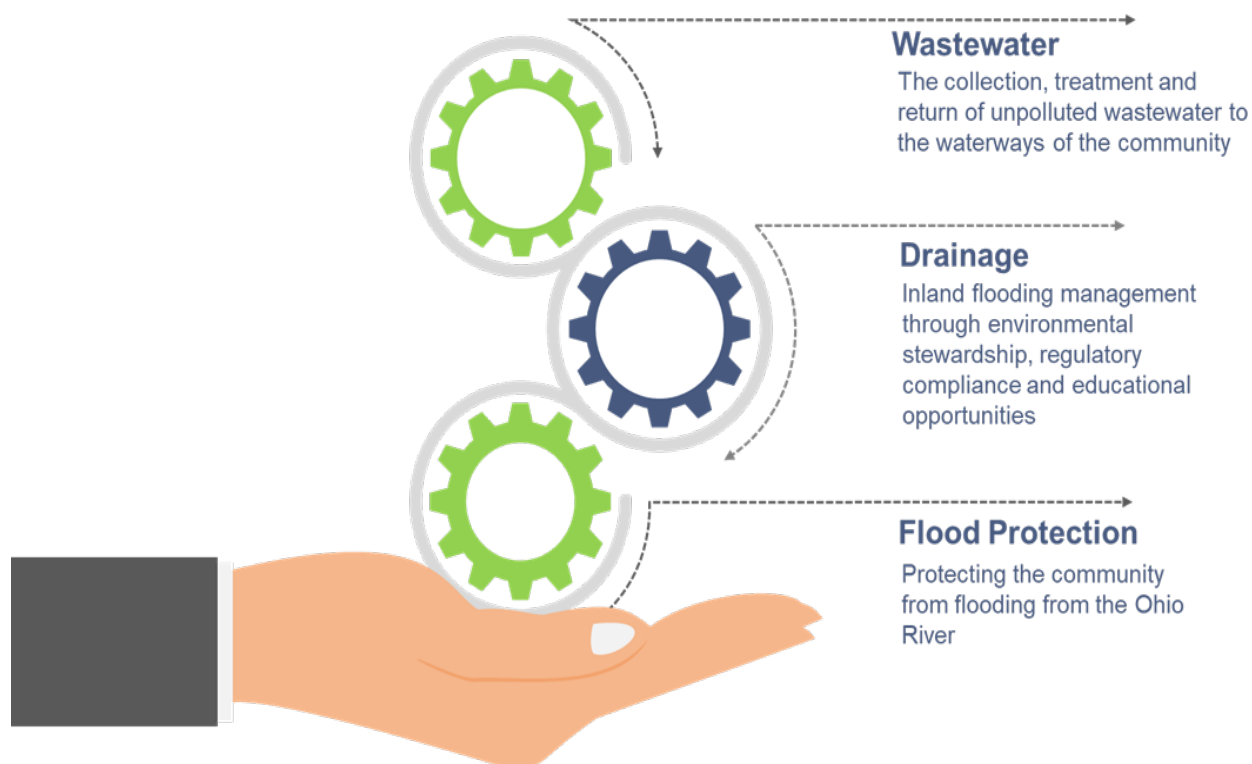
During fiscal year 2025 we have spent time as an organization reflecting on the culture shifts and accomplishments that have been realized as part of Blueprint 2025. Each MSD division summarized their successes in one document that was shared with all employees. A series of "Beyond the Blueprint" videos were produced internally that allowed leadership to communicate directly with all MSD employees. Each division chief viewed the videos with their teams and reflected on the success of their division and what areas should be focused on in the future. Major accomplishments identified include:

- Divisions are more customer centric and innovative in how we deliver services.
- We have migrated away from paper-based workflows and incorporated the use of technology to perform critical business functions.
- Critical business functions have been documented in Standard Operating Procedures, allowing staff to perform functions consistently and at a higher level of quality.
- Leadership and management skills have been enhanced across divisions.
- Data collection and benchmarking has been improved to inform better decision making.

MSD is currently preparing to launch Blueprint 2030, which will serve as our strategic plan for the next five years. The framework will remain largely the same with a focus on continuous improvement.

## Program Descriptions

MSD can be programmatically segregated into the three core services we provide to the community:



### Wastewater

Protecting waterways throughout our service area is MSD's mission by collecting and treating wastewater before it is released back into our local waterways. MSD cleans nearly 154 million gallons of wastewater in Jefferson County every day at five regional Water Quality Treatment Centers (WQTC). In Oldham County, MSD cleans nearly 2 million gallons of wastewater each day at two regional WQTCs and five small package treatment centers. In Bullitt County, MSD operates and maintains smaller treatment plants for full compliance with all regulatory agencies. Planning is underway to decommission some smaller treatment plants that have passed their useful life and manage wastewater treatment through the Derek R. Guthrie WQTC in Jefferson County.

### Drainage

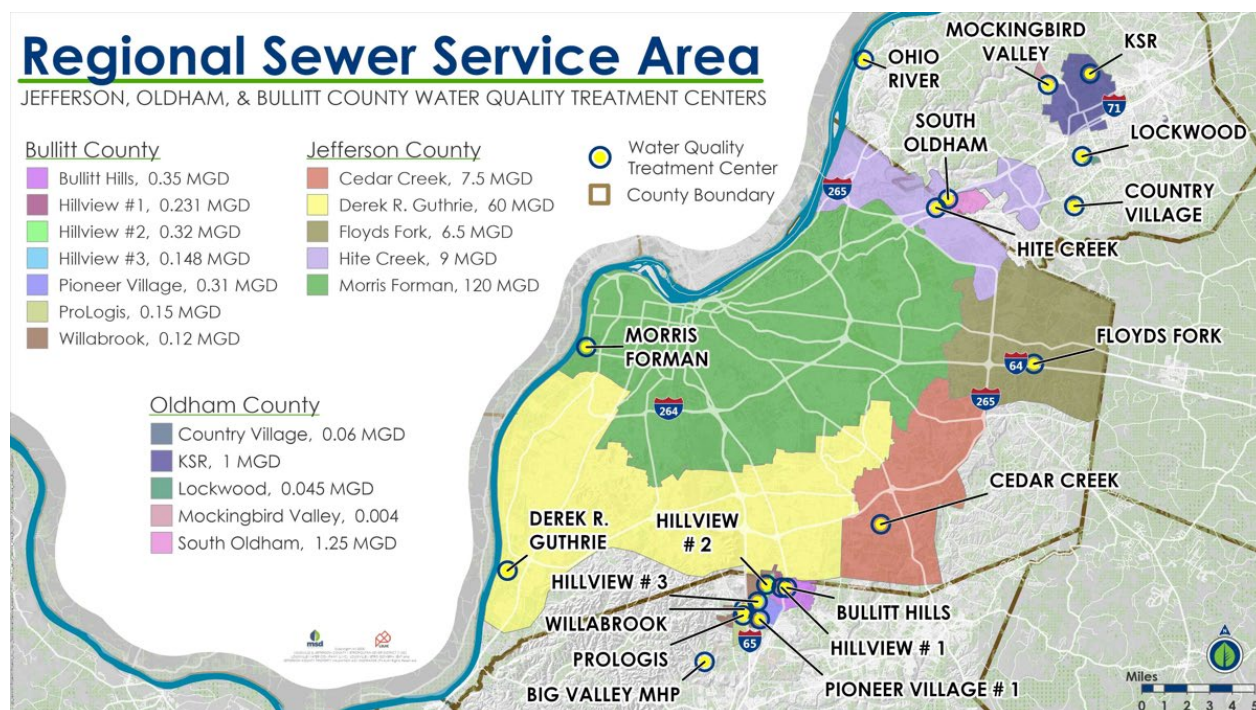
When it rains or snows the surface water runoff, known as stormwater, makes its way to drainage swales, channels, storm drains and pipes that carry it away from homes and businesses. It then flows into creeks and streams, then eventually the Ohio River. Along its journey, this stormwater runoff accumulates soil and pollutants which can harm local waterways. To help maintain safe, clean waterways MSD monitors for pollutants and removes illegal non-stormwater discharges in Jefferson County except for the cities of Anchorage, Jeffersontown, St. Matthews, and Shively which provide their own drainage services.

### Flood Protection

Since 1987, MSD has been responsible for maintaining Louisville Metro's Ohio River Flood Protection System that was built by the U.S. Army Corps of Engineers to keep the river at bay and out of the city. Where creeks and storm drains through the floodwall, gates can be closed to keep the river from flowing up the streams, and large pump stations at the flood pumping stations lift the water from the creeks and pump it into the river. Additional gates and pumping stations keep the river from backing up through storm drains and pipes, pumping stormwater into the river.

### Wastewater Service Area

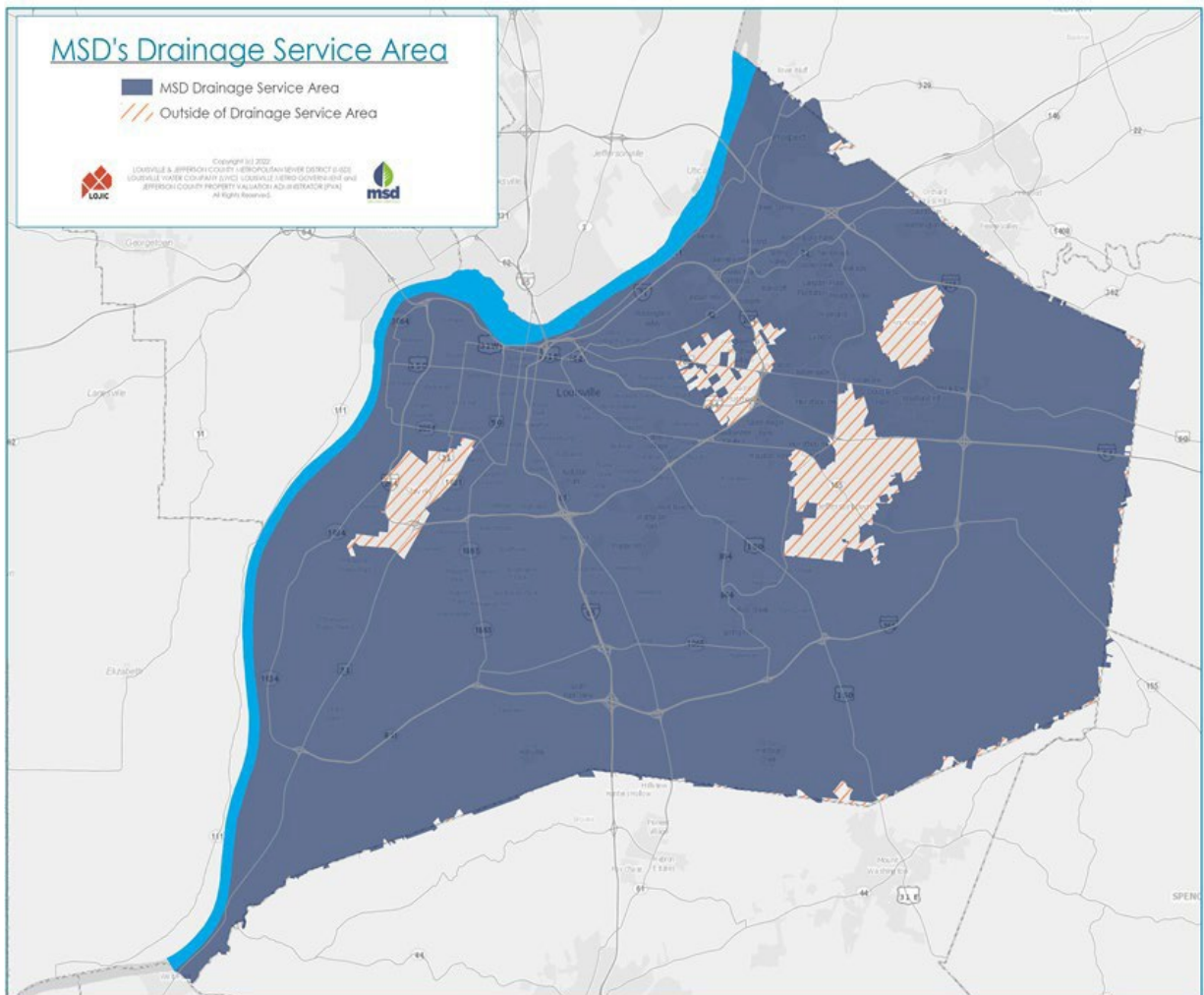
MSD operates and maintains a regional wastewater service area including substantially all of Jefferson County and portions of Bullitt and Oldham counties in Kentucky. MSD serves approximately 257,000 customers across the service area. The wastewater system is comprised of five water quality treatment centers, including Morris Forman, which is the largest treatment center in Kentucky, and 16 small treatment plants. MSD's plants can treat a total of 205.9 MGD of flow per day. Our collection system comprises over 3,600 miles of pipe.





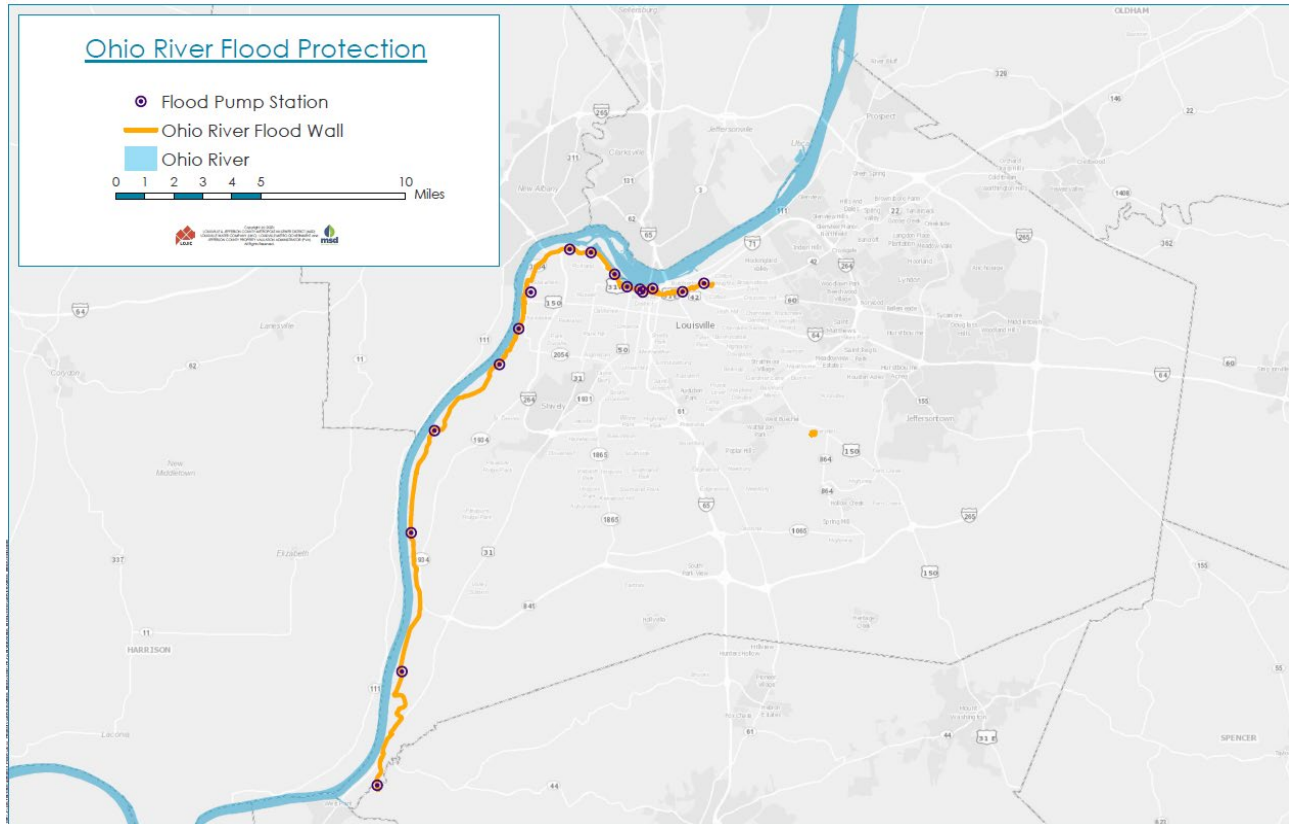
### Drainage Service Area

MSD's drainage service area includes substantially all of Jefferson County except for the cities of Shively, Jeffersonton, St Matthews, and Anchorage. Some portions of Jefferson County have a combined sewer and drainage system but outside of the Watterson Expressway there is a separate drainage system comprised of approximately 1,200 miles of dedicated drainage mains. MSD serves approximately 223,000 drainage customers.



## Flood Protection

MSD maintains Louisville Metro's Ohio River Flood Protection System. The system protects more than 200,000 people, 137,000 structures, and \$34 billion in property throughout 110 square miles of Louisville Metro. It includes 26.1 miles of floodwall and earthen levee, 16 pump stations, nearly 150 floodgates and 79 floodwall closures.



## Goals, Objectives, and Performance Measures

### Program Goals, Objectives, and Performance Measures

An enabling component of Blueprint 2025 is the establishment of an Organizational Performance Management Framework which integrates and coordinates performance accountability across MSD divisions. The foundation of the Organizational Performance Management Framework is a set of strategically chosen performance goals for the organization designed to focus on critical business activities and ensure timely completion of carefully sequenced transformational initiatives. Critical business activities are those activities that when performed well positively and directly impact the desired outcomes of a critical success factor. Performance goals for critical business activities involve moving a critical number in a favorable direction or achieving a favorable outcome. Transformational initiatives involve creating programs, processes and tools that did not previously exist. They may also involve the enhancement of existing programs, processes, and tools to improve effectiveness and overall efficiency.

The Organizational Performance Management Framework can be broken down into two types, Program Goals and Division Goals. Program Goals are specific to each of the three programmatic areas of MSD. Each goal and objective is assigned a performance measure. The following is a list of Program Goals along with the actual performance for fiscal year 2022, fiscal year 2023, fiscal year 2024 and estimated performance for fiscal year 2025:

Program Goals & Objectives						
Blueprint 2025						
Level 5		Performance significantly above the expected level				
Level 4		Performance above the expected level				
Level 3		Expected level of performance				
Level 2		Performance below the expected level				
Level 1		Performance significantly below the expected level				
Critical Success Factor	Component	Goal	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Estimate
1	1A	Reclaimed Water Effluent Quality	Level 5	Level 5	Level 5	Level 3
1	1B	Flood Protection Pump Readiness	Level 5	Level 5	Level 5	Level 5
1	2A	Sanitary Pumping Station Capacity Availability	Level 5	Level 5	Level 5	Level 5
1	2B	Planned Preventive Maintenance Completion Rate	Level 5	Level 5	Level 5	Level 5
1	2C	Systems Inspection Completion Rate	Level 5	Level 5	Level 5	Level 5
1	3A	CSF 1 Transformational Initiatives Completed	Level 4	Level 5	Level 5	Level 3

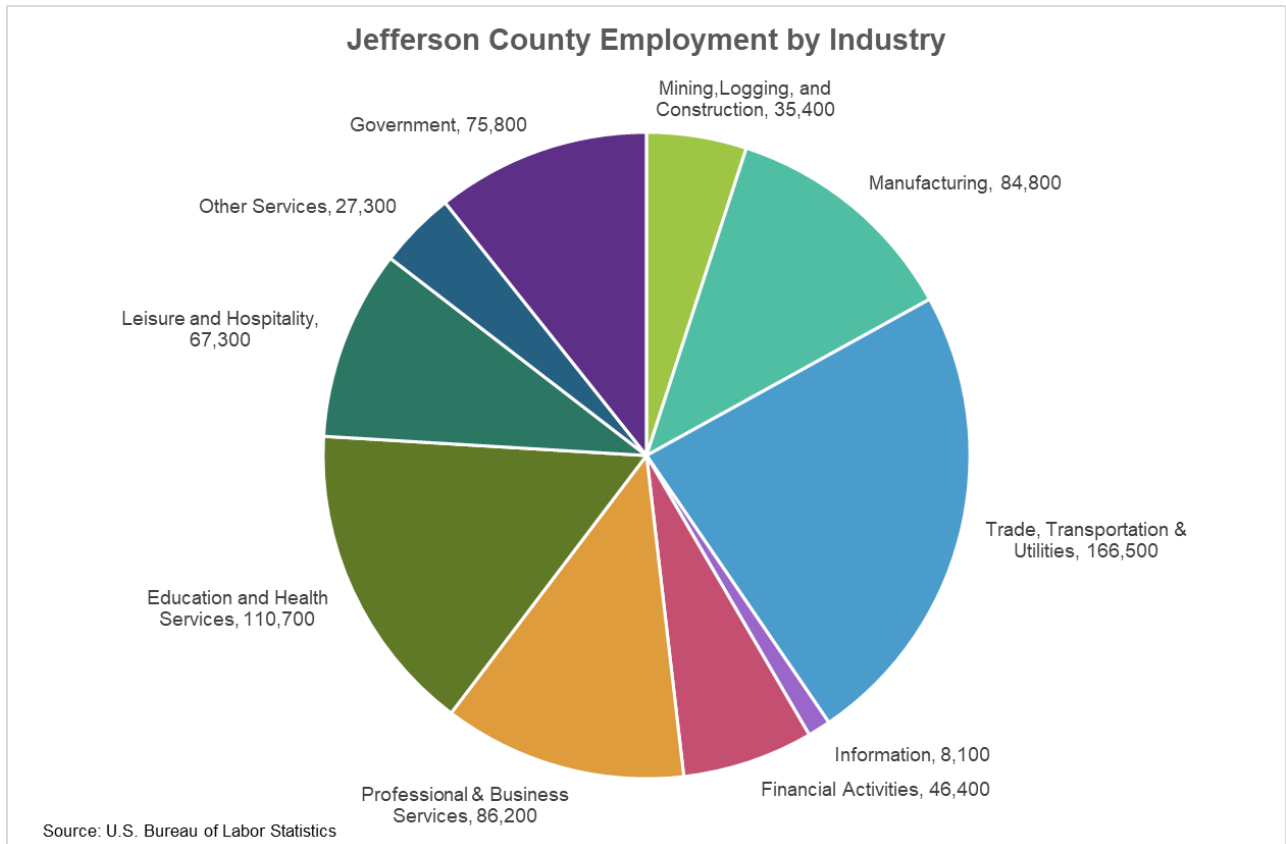
### Division Goals, Objectives, and Performance Measures

Division Goals are specific to the administrative functions of MSD. Each goal and objective are assigned a performance measure. The following is a list of Program Goals along with the actual performance for fiscal year 2022, fiscal year 2023, fiscal year 2024 and estimated performance for fiscal year 2025:

Division Goals, Objectives & Performance Measures						
Blueprint 2025						
Level 5		Performance significantly above the expected level				
Level 4		Performance above the expected level				
Level 3		Expected level of performance				
Level 2		Performance below the expected level				
Level 1		Performance significantly below the expected level				
Critical Success Factor	Component	Goal	FY22 Actual	FY23 Actual	FY24 Actual	FY25 Estimate
2	1A	Customer Service Request Responsiveness	Level 5	Level 5	Level 5	Level 5
2	1B	Customer Service Call Quality	Level 5	Level 5	Level 5	Level 5
2	1C	Odor Mitigation Responsiveness and Reporting	N/A	N/A	N/A	Level 5
2	2A	Vendor Invoice Payment Timeliness	Level 3	Level 5	Level 5	Level 5
2	2B	Development Plan Review Responsiveness	Level 5	Level 4	Level 3	Level 4
2	2C	Supplier Diversity Commitment	Level 2	Level 5	Level 4	Level 5
2	3A	CSF 2 Transformational Initiatives Completed	Level 5	Level 5	Level 4	Level 3
3	1A	Total Number of Vacant Positions	N/A	N/A	Level 3	Level 3
3	1B	Total Number of Positions Filled	N/A	N/A	Level 5	Level 3
3	1C	Enhancements to Minimize the Number of Vacancies	N/A	N/A	Level 2	N/A
3	2A	Policy/Compliance Training Completion	Level 5	Level 5	Level 5	Level 5
3	2B	Performance Management Goals	Level 5	Level 3	Level 5	Level 5
3	2C	Non-Union Performance Appraisals	Level 5	Level 5	Level 5	Level 5
3	2D	Union Performance Appraisals	Level 5	Level 5	Level 5	Level 5
3	3A	CSF 3 Transformational Initiatives Completed	Level 5	Level 4	Level 4	Level 3
4	1A	Capital Schedules Management	Level 4	Level 3	Level 4	Level 5
4	1B	Capital Spend Management	Level 4	Level 4	Level 5	Level 4
4	1C	Capital Construction Change Orders	Level 4	Level 3	Level 3	Level 5
4	2A	Operating Spend Management	Level 5	Level 4	Level 4	Level 4
4	3A	CSF 4 Transformational Initiatives Completed	Level 4	Level 5	Level 5	Level 3
4	3B	CSF 5 Transformational Initiatives Completed	Level 5	N/A	N/A	N/A

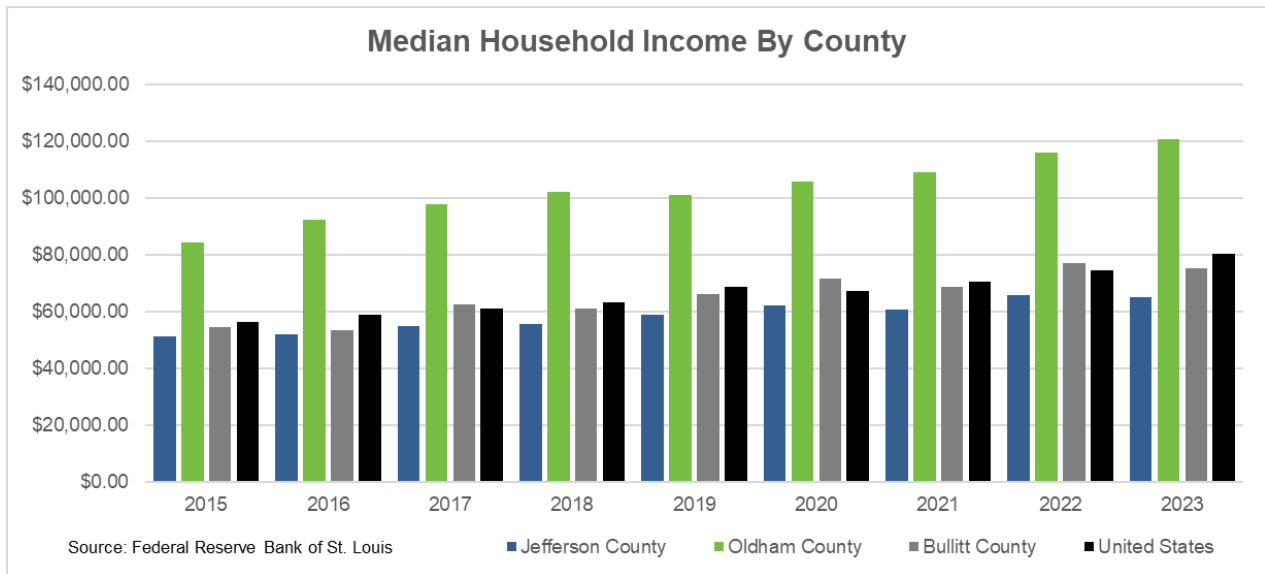
## Demographics

Employment: According to the U.S. Bureau of Labor Statistics, total nonfarm employment in Louisville/Jefferson County was 708,500 in January 2025. The unemployment rate was 4.5 percent. The following chart shows the distribution of employment by industry. Significant 12-month changes include a 7.95 increase in information employment, a 4.95 percent reduction in manufacturing employment, a 4.93 percent reduction in education and health services and 14.94 percent reduction in mining, logging, and construction.

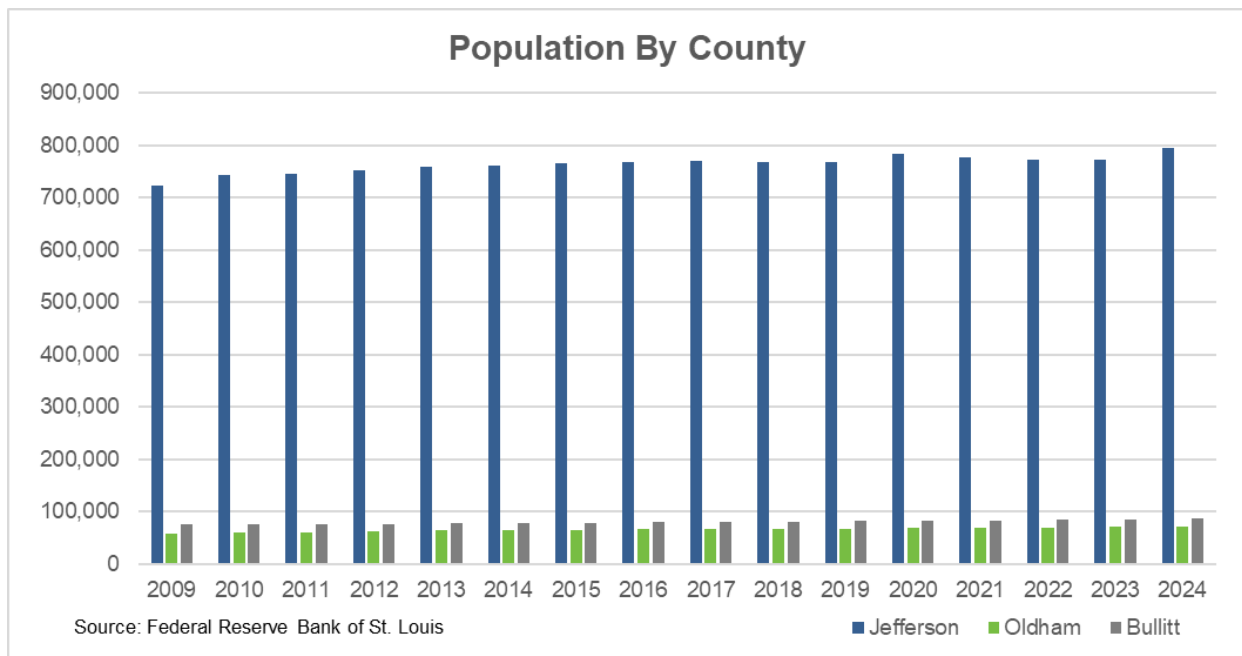




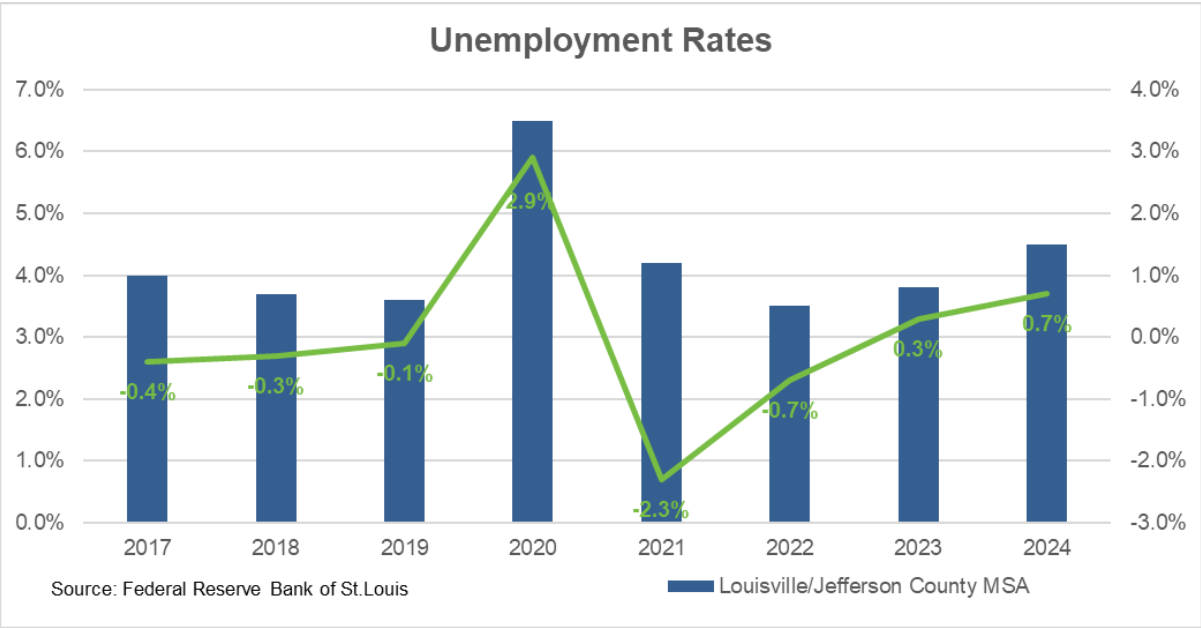
**Median Household Income:** Median Household Income in Jefferson County lags the national average, while Bullitt County remains on pace with the national average. However, Oldham County median household income far outpaces the national average. For 2022, Oldham County median household income was 39.92 percent higher than the national average. The following data was compiled by the U.S. Bureau of Labor Statistics and retrieved from Federal Reserve Bank of St. Louis FRED, *federal reserve economic data*.



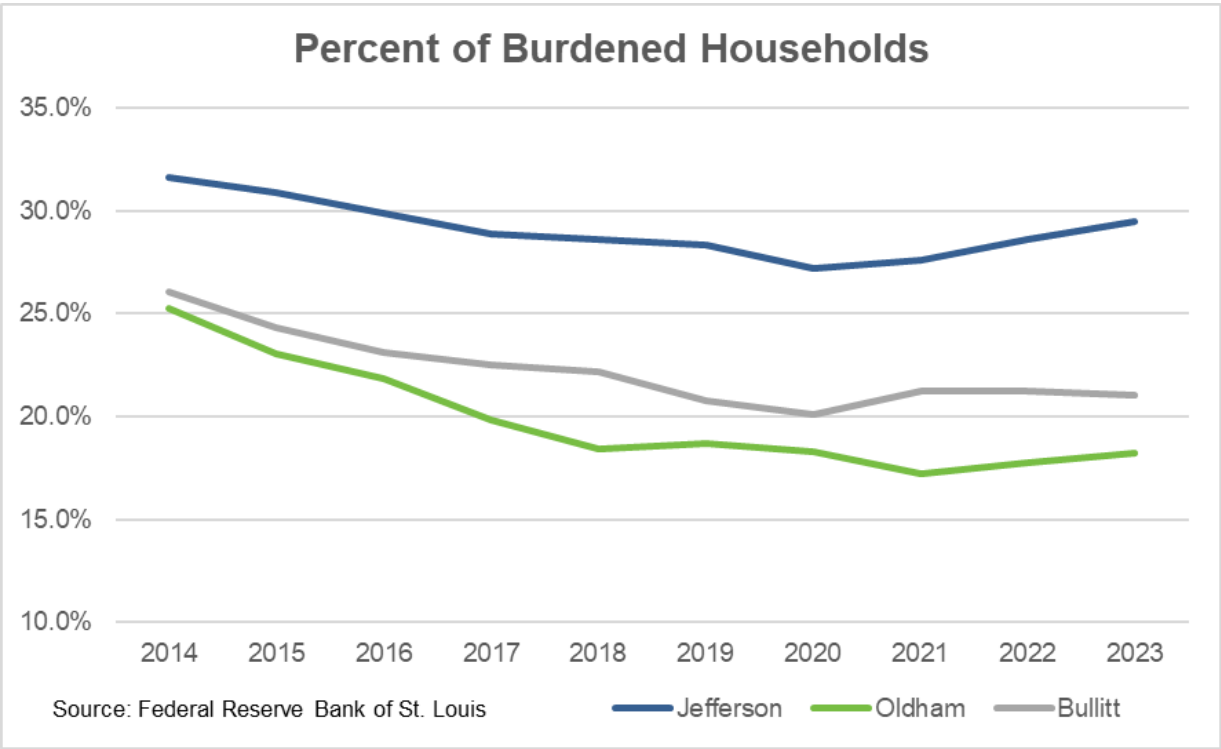
**Population:** The following data was compiled by the U.S. Census Bureau and retrieved from Federal Reserve Bank of St. Louis FRED, *federal reserve economic data*. Population estimates are updated annually using current data on births, deaths, and migration to calculate population change since the most recent decennial census.



**Unemployment Rate:** The annual unemployment rate in the Louisville/Jefferson County MSA in 2024 was 4.5 percent which is slightly higher than the U.S. average rate at the time, 4.0 percent. The unemployment rate rose 0.7 percent from the prior year. The following data was compiled by the U.S. Bureau of Labor Statistics and retrieved from Federal Reserve Bank of St. Louis FRED, *federal reserve economic data*.



**Burdened Households:** Burdened households are those who pay 30 percent or more of their household income on housing, such as rent or mortgage expenses. The annual percentage of burdened households in Jefferson County, Kentucky in December 2024 for observation year 2023 was 29.5. percent which is nearly a percent higher than 2022 at 28.6 percent. The percentage of burdened households is lower in both Bullitt and Oldham Counties at 21.0 percent and 18.2 percent in 2023 respectively. The following data was compiled by the U.S. Census Bureau and retrieved from Federal Reserve Bank of St. Louis FRED, *federal reserve economic data*.



## Customer Composition Statistical Information

MSD classifies wastewater customers into three classes, Residential, Commercial, and Industrial. The following chart shows wastewater customers by county as of April 30, 2025.



The ten largest Jefferson County wastewater customers based on fiscal year 2024 billings are listed in the table below:

Rank	Customer Name	FY24 Wastewater Billed	Percent Total Wastewater Revenue
1	Early Times Distillery	\$ 6,534,824	2.17%
2	Heaven Hill Distilleries Inc	5,636,792	1.87%
3	Lubrizol Advanced Material	2,468,843	0.82%
4	The Chemours Company FC LLC	2,033,380	0.67%
5	Swift Pork Co.	1,790,382	0.59%
6	Ford Motor Co.	1,383,171	0.46%
7	Rohm & Haas	1,213,630	0.40%
8	Clariant Corporation	1,185,797	0.39%
9	Haier US Appliance Solutions	1,184,904	0.39%
10	Ford Motor Co.	843,681	0.28%
<b>Total</b>		<b>\$ 24,275,403</b>	<b>8.04%</b>
Total FY24 Wastewater Revenue:		\$ 301,829,059	

The ten largest Oldham County wastewater customers based on fiscal year 2024 billings are listed in the table below:

Rank	Customer Name	FY24 Wastewater Billed	Percent Total Wastewater Revenue
1	Oldham County Board of Education*	95,351	1.31%
2	Prospect Glen Villas Condo*	72,100	0.99%
3	Oldham County Board of Education**	51,587	0.71%
4	Ridgeway Prop Mgmt LLC*	44,982	0.62%
5	Oldham County Detention Center**	31,709	0.44%
6	Aquatic Center**	25,139	0.35%
7	Oldham County Board of Education*	25,058	0.35%
8	Gardens of Hunters Ridge HOA*	24,345	0.34%
9	Oldham County High School**	21,988	0.30%
10	Green Valley**	21,409	0.29%
<b>Total</b>		<b>\$ 413,667</b>	<b>5.70%</b>
Total FY24 Wastewater Revenue:		\$ 7,259,936	

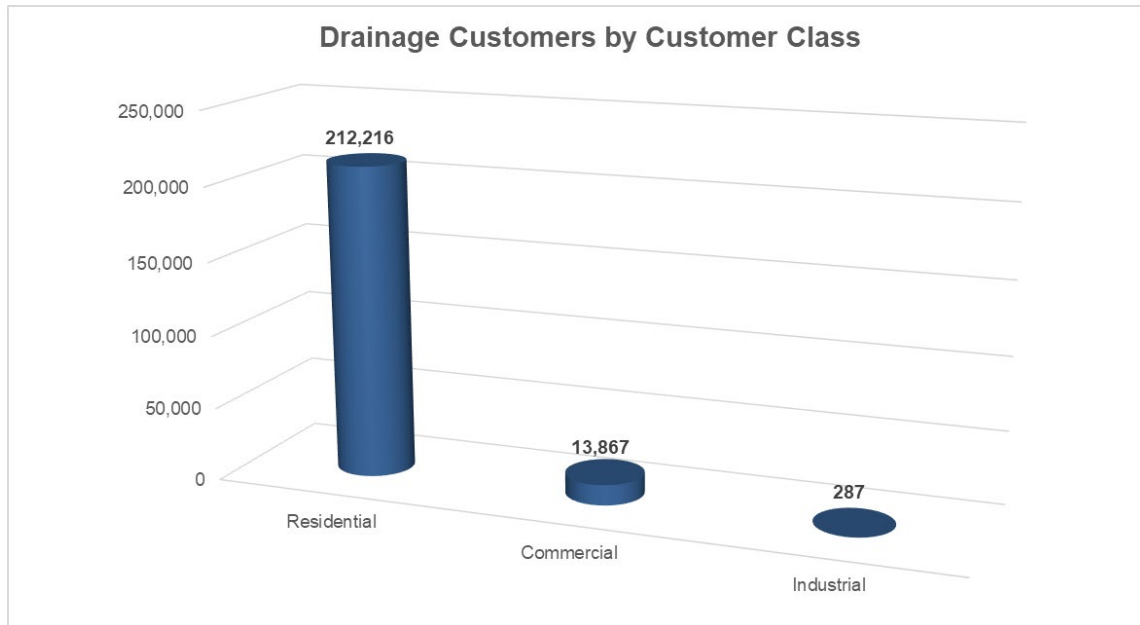
\*Louisville Water customer

\*\*Oldham County Water customer

The ten largest Bullitt County wastewater customers based on fiscal year 2024 billings are listed in the table below:

Rank	Customer Name	FY24 Wastewater Billed	Percent Total Wastewater Revenue
1	Jewish Hospital	378,300	7.98%
2	Sabert Corporation	311,384	6.57%
3	Noltemeyer Capital LLLp	255,398	5.39%
4	A M H C	171,026	3.61%
5	PC Tanyard Park LLC	129,072	2.72%
6	Prologisna2 KY V Gp	93,595	1.98%
7	True By Hilton LLC	72,314	1.53%
8	Pilot Travel Centers LLC	62,041	1.31%
9	Home 2 Suites	61,784	1.30%
10	Linda's Place LLLP	61,561	1.30%
<b>Total</b>		<b>\$ 1,596,475</b>	<b>33.69%</b>
Total FY24 Wastewater Revenue:		\$ 4,738,101	

MSD classifies drainage customers into three classes, Residential, Commercial, and Industrial. The following chart shows the distribution of drainage customers in Jefferson County as of April 30, 2025.



The ten largest drainage customers based on fiscal year 2024 billings are listed in the table below:

Rank	Customer Name	FY24 Drainage Billed	Percent Total Drainage Revenue
1	Regional Airport Authority	\$ 1,827,709	1.82%
2	United Parcel Service	1,618,170	1.61%
3	Jefferson County Board of Education	1,004,293	1.00%
4	Ford Motor Co.	509,895	0.51%
5	LIT Industrial Limited Partner	380,899	0.38%
6	Kentucky State Fair Board	360,472	0.36%
7	Regional Airport Authority	357,407	0.36%
8	Haier US Appliance Solutions	343,115	0.34%
9	The University of Louisville Campus	331,978	0.33%
10	Churchill Downs Inc	327,715	0.33%
<b>Total</b>		<b>\$ 7,061,654</b>	<b>7.04%</b>
Total FY24 Drainage Revenue:		\$ 100,364,808	



## Budget Process and Policies

### Budget Process



A primary objective of Blueprint 2025 is for critical business activities to be performed the same way across MSD Divisions. Development of budget requests is one of those critical business activities. MSD continuously analyzes financial reports and key performance indicators throughout the year to monitor our actual performance. However, the formal budget development process begins in January of each year. Revenue forecasts for the current and upcoming fiscal years are updated by analyzing wastewater and drainage service charge data. Operating expense projections are updated including labor and benefit rates, anticipated changes in pricing for materials and other supplies and operational changes created by the CIP or other factors. Debt service assumptions are validated, and interest rate projections are updated. CIP forecasts are reviewed to update assumptions about the timing of debt issuances.

All changes are recorded in MSD's long-term financial model and the effect on key ratios is analyzed to ensure financial objectives and covenants can be met. The model is used to establish revenue requirements for the next fiscal year that provide sufficient funding for MSD to pay 110 percent of our outstanding revenue bond debt service, all operating expenses, all subordinated debt service, and to cash-fund a portion of the annual CIP.

In February, work begins to develop line-item expenditure budgets. For the Operating budget, Budget Preparers are identified for each division and are trained in the use of the software prior to the start of budget development. The Budget and Financial Reporting Manager creates a baseline budget in the budget system by rolling forward the current year budget into the new fiscal year budget template and reloading the current headcount, including vacancies. After the baseline budget is prepared, the budget software will open to Budget Preparers to enter departmental budgets in accordance with the budget calendar. Budget Preparers submit budget requests to their Division Chief in accordance with the budget calendar. The Budget Department schedules budget review meetings with each Division Chief, the Executive Director,

and the Chief Financial Officer. Each Division Chief presents their budget request for review and consideration. The final operating budget is approved by the Executive Director and Chief Financial Officer prior to the presentation to the Finance Committee.

The Chief Engineer oversees the development of the CIP starting in January. The capital planning process begins with an evaluation of the capital needs of the system, typically identified as part of a comprehensive facilities master plan. The master plan is used to model long-term capital spending needs. A CIP is produced based on the results of the master plan and updated annually. The capital budget process includes meeting with all capital budget stakeholders to discuss priority projects. All ongoing capital projects are reviewed, and a re-assessment is made of funding requirements for the next fiscal year. A five-year project-level budget is prepared and presented to the CIP Management Team. The CIP Management Team is tasked with the review of the annual CIP and makes major project and program change decisions. Voting members are the Executive Director, Chief Engineer, Chief of Operations, Chief Strategy Officer for Business Transformation and Regulatory Compliance and the Chief Financial Officer.

In March, updates are made to the Jefferson County and Oldham County preliminary Schedule of Rates, Rentals and Charges including any necessary rate increase based on the revenue requirements identified by the long-term financial model.

In May, the operating budget, CIP budget and the Jefferson & Oldham County preliminary rate resolutions are first presented to the applicable MSD Board Committee and then to the MSD Board for approval. Budgets become final after Board approval. Budgets may be amended during the fiscal year using a similar process. The Jefferson & Oldham County preliminary rate resolutions become final following a sixty-day notification period and final approval by the MSD Board at their July meeting. Bullitt County preliminary rate resolutions follow a similar process but are recommended to the Board in November and become effective January 1 annually.

Beginning in July and continuing throughout the entire fiscal year ending in June, CIP and revenue budget monitoring and reporting occur monthly.

The Capital Program Controls department facilitates a monthly update process that provides data regarding the periodic changes occurring within each project. This data is used to:

- Identify and record schedule and estimate changes as projects move through the design life cycle – this provides data for metric/goal tracking, as well as highlighting program/project risks, bottlenecks and other challenges. Fresh data is also used as the starting point in the annual CIP development process.
- Update the program cashflow and record the variance against the approved budget – this supports decision-making related to approving or rejecting new project and change requests coming from project manager.
- Track the overall progress of the program with respect to annual budget execution, infrastructure investment levels, regulatory deadlines, effectiveness of preliminary schedules/scopes/estimates.

The Budget department also facilitates quarterly budget meetings with Chiefs/Directors and the CFO and Executive Director. During this time, if the need for budget amendments arises the CFO will bring forth a recommendation to the Finance Committee and upon approval of that recommendation, the recommendation is taken to the full MSD Board for approval.

## Budget Calendar

FISCAL YEAR 2026 BUDGET CALENDAR		
PHASE	STARTING	ENDING
BUDGET FRAMEWORK MEETING	1/8/2025	1/8/2025
TRAINING	1/28/2025	1/31/2025
CIP KICKOFF MEETING	2/3/2025	2/14/2025
OPERATING BUDGET DEVELOPMENT	2/3/2025	2/28/2025
CIP DEVELOPMENT MEETINGS	2/14/2025	3/7/2025
RATE DEVELOPMENT MEETINGS	3/6/2025	4/7/2025
OPERATING BUDGET REVIEW MEEINGS	3/17/2025	3/31/2025
FINALIZE FY26 OPERATING RECOMMENDATION	4/1/2025	4/23/2025
FINALIZE FY26 CIP RECOMMENDATION	4/1/2025	4/22/2025
FINALIZE FY26 RATE RECOMMENDATION	4/25/2025	4/25/2025
JOINT INFRASTRUCTURE & FINANCE COMMITTEE	5/14/2025	5/14/2025
BOARD APPROVAL - OPERATING & CIP BUDGET	5/27/2025	5/27/2025
BOARD APPROVAL - PRELIMINARY RATES	5/27/2025	5/27/2025
PUBLIC COMMENT PERIOD	5/30/2025	7/4/2025
FY26 BUDGET YEAR BEGINS	7/1/2025	7/1/2025
BOARD APPROVAL - FINAL RATES	7/28/2025	7/28/2025

## Rate Setting Process

A preliminary rate resolution is passed by the MSD Board detailing proposed rates for Jefferson County. Rate increase recommendations more than 4 percent but less than 7 percent require a sixty-day written notice to the Louisville Metro Mayor and Louisville Metro Council prior to final MSD Board approval and implementation. MSD advertises a thirty-day public comment period for the Jefferson County preliminary rate resolution during the month of June. Public comments are received at MSD, summarized, and presented to the Board prior to approval of the final rate resolution. The final rate resolution is voted on by the Board at its July meeting following the expiration of the sixty-day notification requirement. If approved, new rates become effective as prescribed in the resolution. Rate increases in Jefferson County of more than 7 percent require Louisville Metro Council approval.

Rates for MSD's Bullitt County wastewater service area are authorized by the Interlocal Cooperation Agreement between the County and MSD. A preliminary rate resolution is passed by the MSD Board detailing new proposed rates. A thirty-day written notice of the proposed rate change is delivered to the Bullitt County Judge Executive. MSD advertises a thirty-day public comment period for the preliminary rate resolution. Public comments are received at MSD, summarized, and presented to the Board prior to approval of the final rates resolution. The final rate resolution is voted on by the Board at its December meeting. If approved, new rates become effective as prescribed in the resolution.

Rates for MSD's Oldham County wastewater service area are authorized by the Interlocal Cooperation Agreement between the County and MSD. A preliminary rate resolution is passed by the MSD Board detailing new proposed rates. A sixty-day written notice of a proposed rate change is delivered to the Oldham County Judge Executive. MSD advertises a thirty-day public comment period for the preliminary rate resolution during the month of June. Public comments are received at MSD, summarized, and presented to the Board prior to approval of the final rate resolution. The final rate resolution is voted on by

the Board at its July meeting. If approved, new rates become effective as prescribed in the resolution.

## **Financial Policies and Standard Operating Procedures**

Following is a summary of the financial policies and procedures that are integral to the budget development process at MSD.

### **Billing and Collection Policy**

Board Adoption Date: October 21, 2018

Last Updated: November 14, 2022

Key Components:

- All fees, rates, rentals, charges, and assessments for MSD services shall be established, billed, administered, and collected in accordance with all applicable local, state and federal rules, statutes and regulations.
- Whenever any sewer rates, rentals, or charges for services rendered remain unpaid for a period of 30 days after the same becomes due and payable, MSD shall declare the property, the owner thereof, and the user of the service, delinquent until such time as all sewer rates, rentals and charges are fully paid and may cut off the sewer connection and service.

### **Debt Issuance Policy**

Board Adoption Date: August 30, 2021

Last Updated: November 18, 2024

Key Components:

- MSD will incur debt in accordance with federal, state, and local law under an MSD Board authorizing resolution and using only legally authorized debt instruments. The incurrence of senior revenue debt shall first be authorized by the Legislative Council of Louisville Metro Government and Louisville Metro Mayor.
- The incurrence of revenue debt is not subject to statutory debt limitation and is not subject to voter approval, however, may be limited by debt service coverage ratios and other bond provisions contained in bond covenants. It is the policy of MSD to review these limitations prior to authorizing additional bonds. MSD shall seek to structure debt to achieve the lowest cost of capital reasonably available and shall take advantage of opportunities to refinance debt at favorable terms when practical.
- The Finance Division will update the long-term financial model with actual results, forecasts, and other changes on an annual basis. The long-term financial model will be used to develop and evaluate scenarios for funding debt service, operating expenses, and the CIP. The model will be used to support debt financings that are fiscally responsible.

### **Investment Policy**

Board Adoption Date: November 29, 2012

Last Updated: May 28, 2024

Key Components:

- MSD's investment program is operated in conformance with KRS 66.480.
- The MSD Board of Directors, as the governing body, will retain ultimate fiduciary responsibility for all investment portfolios.

### **Procurement Regulation Policy**

Board Adoption Date: September 22, 2014

Last Updated: September 26, 2022

Key Components:

- MSD procurement activities are governed by KRS 45A.345 – KRS 45A.460.
- It is the policy of the MSD Board to ensure maximum practicable competition in all procurement activities.

### **Reserve Policy**

Board Adoption Date: November 14, 2022

Last Updated: November 13, 2023

Key Components:

- MSD will maintain an unrestricted reserve in the Revenue Fund equal to at least 150 days of annual Operating and Maintenance expenses.
- MSD will establish and maintain a Rate Stabilization Fund.
- MSD will establish and maintain a Renewal and Replacement account.

#### **Financial Statement Standard Operating Procedure**

Adoption Date: June 29, 2021

Last Updated: May 31, 2025

Key Components:

- MSD is a component unit of Louisville/Jefferson County Metro Government.
- MSD prepares financial statements in conformity with GAAP.
- MSD uses proprietary fund accounting (enterprise fund). Due to the election as a regulated operation under Governmental Accounting Standards Board (GASB) 62, to meet industry accounting standards and follow transactional intent, MSD uses, as applicable, Accounting Standards Codification (ASC) 980, Regulated Accounting.
- MSD will issue audited financial statements no later than six months following the end of the fiscal year.

#### **Budget Framework Standard Operating Procedure**

Adoption Date: May 31, 2022

Last Updated: September 4, 2024

Key Components:

- MSD will adopt Board-approved budgets prior to the beginning of the fiscal year.
- MSD will follow Louisville Metro Ordinance 50.24 for debt service adjustments in Jefferson County.
- MSD will follow Interlocal agreements for rate adjustments in Bullitt and Oldham counties.

## Budget Summary

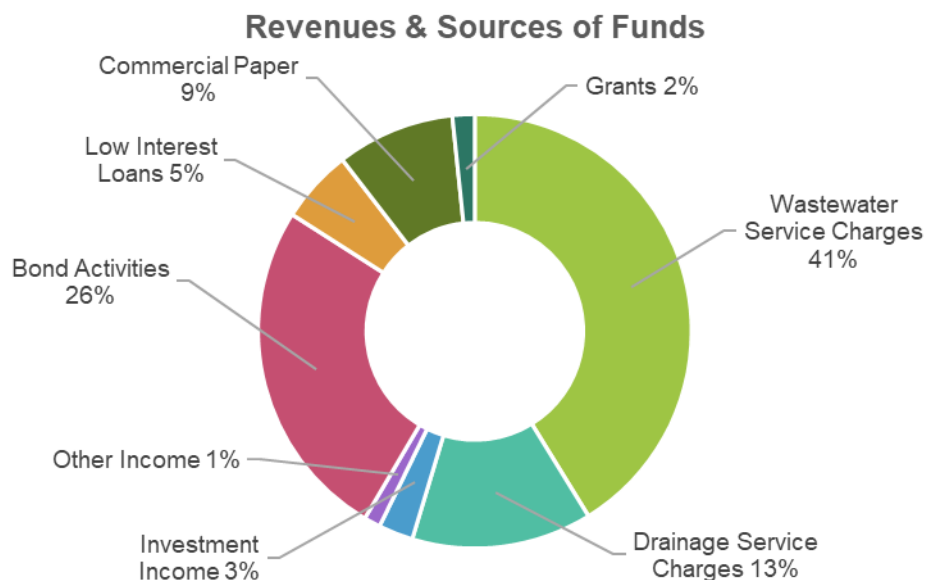
The fiscal year 2026 budget is \$851.1 million or \$158.7 million more than fiscal 2025. Details of the operating, CIP, and debt service budgets can be found in the corresponding sections of this document.

<b>Budget Summary</b>				
<i>Dollars in 000's</i>				
	<b>FY 2025 Budget</b>	<b>FY 2026 Budget</b>	<b>Budgeted Difference</b>	
<b>Revenues &amp; Sources of Funds</b>				
Wastewater Service Charges	\$ 320,022	\$ 350,761	\$ 30,739	
Drainage Service Charges	104,366	114,512	10,146	
Investment Income	18,451	21,981	3,530	
Other Income	8,401	10,500	2,099	
Proceeds from Bond Activities	-	217,475	217,475	
Proceeds from Low Interest Loan Programs	97,189	46,626	(50,563)	
Proceeds from Commercial Paper	119,480	75,000	(44,480)	
Proceeds from Grants	14,400	14,205	(195)	
Debt Service Reserve Release	10,000	-	(10,000)	
Cash on Hand	-	-	-	
<b>Total Revenue &amp; Source of Funds</b>	<b>\$ 692,309</b>	<b>\$ 851,060</b>	<b>\$ 158,751</b>	
<b>Expenses &amp; Uses of Funds</b>				
Salaries & Labor Related Overhead	\$ 103,508	\$ 111,791	\$ 8,283	
Operating & Maintenance Expenses	99,102	109,695	10,593	
Senior Debt Service	156,671	173,699	17,028	
Subordinate Debt Service	28,693	31,223	2,530	
Defeasance of Commercial Paper	-	100,000	100,000	
Capital Improvement Program (CIP)	298,831	321,221	22,390	
Increase Cash Reserves	5,504	3,431	(2,073)	
<b>Total Expense &amp; Use of Funds</b>	<b>\$ 692,309</b>	<b>\$ 851,060</b>	<b>\$ 158,751</b>	



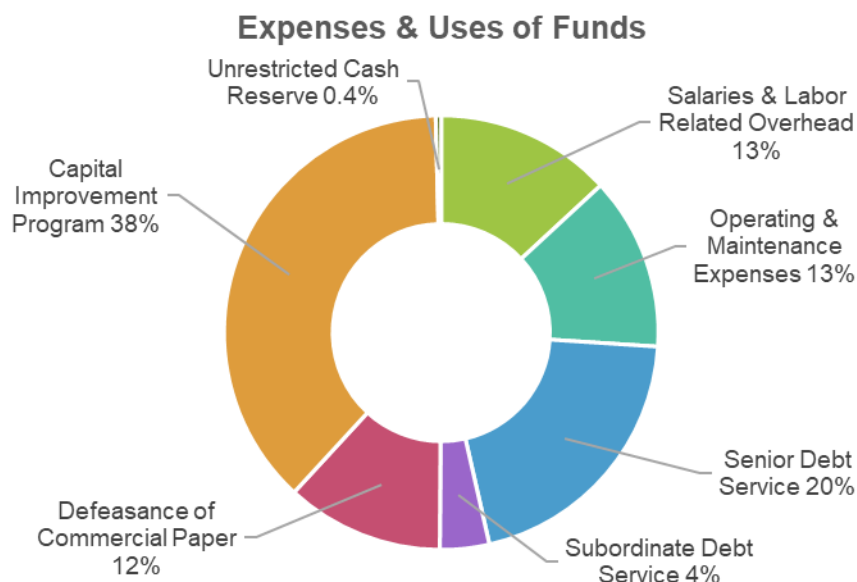
## Revenue & Sources of Funds

The chart below shows budgeted revenue and sources of funds. Budgeted user service charges are \$465.3 million, or 55 percent, of the revenue and sources of funds. Capital related sources of funds total \$353.3 million, or 42 percent.



## Expenses & Uses of Funds

The chart below shows budgeted expenses and uses of funds. The Operating budget totals \$221.5 million, or 26 percent. The CIP totals \$321.2 million, or 85 percent. Debt service totals \$304.9 million, or 36 percent.



## Fiscal Year

MSD's fiscal year runs from July 1 through June 30. Fiscal year 2026 begins July 1, 2025, and ends June 30, 2026.

## Basis of Accounting

MSD's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. MSD follows GASB Pronouncements as codified under GASB 62, including electing to report as a regulated operation. MSD uses proprietary fund accounting (enterprise fund). Due to the election as a regulated operation under GASB 62, to meet industry accounting standards and follow transactional intent, MSD uses, as applicable, ASC 980, Regulated Accounting.

The sewer and drainage system owned and operated by MSD is accounted for using a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of the system are included in the Statement of Net Position. Total net position is segregated into net investment in capital assets, restricted for payment of bond principal and interest and unrestricted. Operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net position. MSD utilizes the accrual basis of accounting wherein revenues are recorded when earned and expenses are recorded at the time the liability is incurred.

## Basis of Budgeting

MSD prepares its budget on a modified accrual basis. Revenues are recognized when earned and expenses are recognized when a liability is incurred. Proceeds from debt are treated like revenues and identified as a source of funds. Depreciation and other non-cash expenses such as GASB 68 (pension) and GASB 75 (OPEB) are not included in the budget. Capital expenditures and principal payments on debt are treated as expenses.

## Key Assumptions

- 100 percent of the rate increase for wastewater service is assumed to be realized.
- MSD's required contributions to the County Employee Retirement System (CERS) for fiscal year 2026 decreased from 19.71 percent to 18.62 percent.
- Health Insurance reflects an 11 percent premium increase.
- Salaries and wages expense for vacant positions include a salary salvage component based on historical trend.
- The flooding events of April 2025 increased demand charges on LG&E bills, which will last for a 12-month period. \$2.5 million was added to the FY26 budget to account for higher charges.
- Inflationary impacts to chemicals and contractual services in the operating budget have been assessed using the applicable CPI or PPI price index.

## Financial Key Performance Indicators

MSD has established and documented a set of financial key performance indicators (KPIs) that are used to guide budgetary decisions. Actual KPI results for fiscal year 2023 are presented for context along with forecast and target results for fiscal year 2024 and fiscal year 2025 in the following table.

Key Financial Metrics					
Metric	Fiscal Year 2024	Fiscal Year 2025 Forecast	Board Policy Minimum	Management Target	FY26 Budget
Days Cash on Hand (excluding RSF)	335 Days	323 Days	150 Days	250 Days	289 Days
Days Cash on Hand (Total)	335 Days	382 Days	150 Days	275 Days	340 Days
Total Debt Service Coverage	1.81	1.95			1.64
Senior Debt Service Coverage	2.25	2.14			1.96
Debt to Capitalization	0.71	0.69			0.7
Net Leverage	8.64	7.92			8.54
Debt to Operating Revenue	5.54	5.05			5.45
Debt Per Customer	\$3,665	\$3,640			\$3,797

## Funds Description and Structure

Revenue Fund: MSD's general, operating Revenue Fund. All revenues are deposited in this fund and are used to pay all MSD expenses except for bond issuance costs. It is MSD's practice to use revenue from operations to finance construction and to reimburse the Revenue fund from the Construction and Acquisition fund. MSD may, for accounting or allocation purposes, establish one or more additional or subaccounts within the Revenue Fund. MSD maintains separate Revenue funds for Bullitt and Oldham counties.

Operating Reserve Fund: It is MSD's policy to maintain unrestricted cash and cash equivalents in reserve in the Revenue Fund equal to at least 150 days of annual Operating and Maintenance expenses. Amounts more than the minimum will be considered for contingencies. The Operating Reserve Fund is a subaccount of the Revenue Fund.

Rate Stabilization Fund: The Rate Stabilization fund was created to accumulate designated unrestricted reserves. Monies in the fund may be used to meet a portion of MSD's revenue requirements to mitigate impacts of prospective rate adjustments. The Rate Stabilization Fund is a subaccount of the Revenue Fund.

Debt Service Fund: The Debt Service Fund is authorized by MSD's Sewer and Drainage System Bond Resolution and used to hold the monthly sinking fund installments of the annual principal and interest due on MSD's outstanding revenue bonds.

Debt Service Reserve Fund: MSD's General Bond Resolution sets a debt service reserve requirement equal to at least 10 percent of the face amount of all bonds issued under the resolution, 100 percent of the maximum aggregate net debt service in the current or any future fiscal year or 125 percent of the average aggregate net debt service in the current or any future fiscal year. MSD funds its debt service reserve at 100 percent of the maximum aggregate net debt service in the current or any future fiscal year. The General Bond Resolution allows, in lieu of cash and investments in that amount, a letter of credit or policy of bond insurance payable in the required amount. The cash portion of the reserve requirement is held in the Debt Service Reserve fund.

Construction Fund: Construction Funds are authorized by MSD's Sewer and Drainage System Bond Resolution and Program Note Resolution and are typically used to hold debt proceeds until needed for their intended use.

Renewal and Replacement Fund: The Renewal and Replacement fund is authorized by the MSD's Sewer and Drainage System Bond Resolution. Monies in the Renewal and Replacement Account may be applied to the cost of major replacements, repairs, renewals, maintenance, betterments, improvements, reconstructions, or extensions of MSD's systems as determined by the MSD Board. MSD may, for accounting or allocation purposes, establish one or more additional or subaccounts within the Revenue and Replacement Fund

## Revenue

### Revenue Requirements

Pursuant to the provisions of Chapter 76 of the Kentucky Revised Statutes, MSD has adopted a Revenue Bond Resolution (the Resolution) and has pledged to the payment of the principal and interest on outstanding revenue bonds all revenues of the system. MSD has covenanted, pursuant to the Resolution, to fix, establish, maintain and collect rates, fees, rents and charge for services of the system so that Available Revenues are sufficient for each fiscal year to pay the sum of (i) 110% of aggregate net debt service for such fiscal year; (ii) the amount, if any, to be paid into the Reserve Account of the bond fund; (iii) all operating expenses for such fiscal year as estimated in the annual budget; (iv) an amount equal to the debt service on senior subordinated debt and any other subordinated debt of such fiscal year; and (v) amounts necessary to pay and discharge all liens payable out of Available Revenues when due and enforceable. The Resolution defines Available Revenues as "revenues from all rates, rents and charges and other operating income, any other amounts received from any other source and pledged as security for

the payment on bonds, and interest received or to be received on any moneys or securities held pursuant to the Sewer and Drainage System Bond Resolution”.

Wastewater and drainage service charges make up the largest component of Available Revenues, but it also includes Other Operating Income, the current portion of assessment payments and Non-Operating Income. Other Operating Income consists of fees for various services and fines assessed. Major categories of Other Operating Income include capacity charges, inspection fees, inflow & infiltration fees, and regional facility fees. Current assessment payments represent the portion of MSD’s assessment loans that are due and receivable in the current fiscal year. Non-operating income consists of investment income earned on MSD’s operating and debt service reserve accounts and the federal interest subsidy on MSD’s Build America Bonds.

The following is the budgeted Available Revenues for fiscal year 2026.

<b>Available Revenues</b>	
<b>Combined Service Area</b>	
<i>Dollars in 000's</i>	
	<b>FY26 Budget</b>
Wastewater Service Charges	\$ 350,761
Drainage Service Charges	114,512
Other Operating Income	10,330
Current Portion of Assessments	170
Investment Income	10,995
Build America Bond Subsidy	10,986
<b>Total Available Revenues</b>	<b>\$ 497,754</b>

### Historical Available Revenues

The following table provides a five-year history of Available Revenues along with forecast data for fiscal year 2025 and budget data for fiscal year 2026.

<b>Historical Available Revenues</b>		<i>Dollars in 000's</i>						
		<b>FY20</b>	<b>FY21</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	<b>FY25 F</b>	<b>FY26 B</b>
Revenues								
Service Charges	\$	312,859	\$ 325,717	\$ 356,870	\$ 385,163	\$ 414,192	\$ 451,465	\$ 465,273
Other Operating Income		6,198	3,701	8,497	6,863	12,083	8,587	10,330
Assessments		909	799	583	429	304	190	170
Investment Income		15,600	12,175	8,877	18,603	23,063	13,766	10,995
<b>Total Available Revenues</b>	<b>\$</b>	<b>335,566</b>	<b>\$ 342,392</b>	<b>\$ 374,827</b>	<b>\$ 411,058</b>	<b>\$ 449,642</b>	<b>\$ 474,008</b>	<b>\$ 486,768</b>

### Jefferson County Fiscal Year 2026 Rate Resolution

Louisville Metro Ordinance §50.24 requires that whenever MSD's net revenues are less than 1.1 times the debt service on MSD's outstanding revenue bonds for any consecutive six-month period, by order of the Board of MSD, the schedule of wastewater and drainage service charges shall be amended in order to maintain a 1.10 debt service coverage required by MSD's 1971 Revenue Bond Resolution, provided the aggregate of such adjustments for any 12-month period shall not generate additional revenue from wastewater and drainage service charges in excess of 7 percent. MSD performs this debt service calculation every year during the rate planning process. For the six-month period ending March 31, 2024, the debt service coverage ratio was 0.86 percent. Following is the Metro Ordinance Debt Service Coverage calculation for the period of October 1, 2024, through April 30, 2025.

<b>Metro Ordinance Debt Service Coverage Calculation</b>		
<i>Dollars in 000's</i>		
		<b>Six Months Ending April 30, 2025</b>
Service Charge Revenues	\$	219,743
Operating Expenses		(95,676)
Subordinate Debt Service		(15,875)
<b>Net Revenues</b>	<b>\$</b>	<b>108,192</b>
Revenue Bond Principal Maturities	\$	52,595
Revenue Bond Interest Expense		51,662
<b>Net Debt Service</b>	<b>\$</b>	<b>104,257</b>
<b>Metro Ordinance Debt Service Coverage Ratio</b>		<b>1.04</b>

On May 27, 2025, the MSD Board approved a preliminary rate resolution amending MSD's fiscal year 2025 Schedule of Rates, Rentals, and Charges for Jefferson County. The proposed fiscal year 2026 rate schedule, which was recommended pursuant to the debt service adjustment provisions of \$50.24, includes a 4.9 percent rate increase in wastewater and drainage charges. This rate increase is necessary to produce available revenues to MSD sufficient for the payment of interest on and principal of all revenue bonds and other debt of the district, the expenses of operating and maintaining the sewer and drainage system, and for the payment of capital improvements to the system. The preliminary rate resolution was posted on the MSD website at [LouisvilleMSD.org/Rates](https://LouisvilleMSD.org/Rates) and notice of the rate increase was published in the Courier Journal on May 30, 2025. MSD accepted written comments on the preliminary rate resolution until July 4, 2025. Comments from the public were delivered to the MSD Board on July 28, 2025, at which time the Board adopted a final rate resolution adjusting rates by 3.9 percent.

MSD defines an average residential customer as a single-family household that uses 4,000 gallons of water per month. The monthly wastewater bill for the average residential customer in Jefferson County will increase on September 1, 2025, from \$65.50 to \$68.05 or by \$2.55. The monthly residential drainage charge will increase from \$14.25 to \$14.81 or by \$0.56. The total monthly increase for the average residential customer is \$3.11.

<b>Average Residential Bill</b>		
<b>Jefferson County Service Area</b>	<b>8/1/2024</b>	<b>9/1/2025</b>
Wastewater	\$ 65.50	\$ 68.05
Drainage & Flood Protection	14.25	14.81
<b>Total Monthly Average Bill</b>	<b>\$ 79.75</b>	<b>\$ 82.86</b>
Monthly Wastewater Adjustment	\$ 3.76	\$ 2.55
Monthly Drainage & Flood Protection Adjustment	0.92	0.56
<b>Total Monthly Adjustment</b>	<b>\$ 4.68</b>	<b>\$ 3.11</b>
Annual Wastewater Cost	786.00	816.60
Annual Drainage & Flood Protection Cost	171.00	177.72
<b>Total Annual Average MSD Bill</b>	<b>\$ 957.00</b>	<b>\$ 994.32</b>

### Oldham County Fiscal Year 2026 Rate Resolution

On July 1, 2020, MSD acquired the wastewater system of Oldham County Environmental Authority (OCEA) pursuant to the terms of an Interlocal Cooperation Agreement (ILA) entered on November 18, 2019. Section 11.3 of the ILA states that for fiscal year 2023 and years thereafter, MSD will raise existing OCEA customer rates no more than 5% per year until the rates equalize with the rates of MSD's other customers. A preliminary rate resolution for fiscal year 2025 was drafted to generate sufficient revenue to maintain debt service coverage, to continue the proper operation and maintenance of MSD's existing sewerage system in Oldham County, and to pay for the cost of capital improvements to the system.

On May 27, 2025, the MSD Board approved the preliminary rate resolution amending MSD's fiscal year 2025 Schedule of Rates, Rentals, and Charges for Oldham County. The proposed fiscal year 2026 rate schedule includes a 2 percent rate increase in wastewater charges. The preliminary rate resolution was posted on the MSD website at [LouisvilleMSD.org/Rates](https://LouisvilleMSD.org/Rates) and notice of the rate increase was published in the Oldham Era on May 30, 2025. MSD accepted written comments on the preliminary rate resolution until July 4, 2025. Comments from the public were delivered to the MSD Board on July 28, 2025, at which time the Board adopted a final rate resolution.

The monthly wastewater bill for the average residential customer in Oldham County will increase on September 1, 2025, from \$78.42 to \$79.99 or by \$1.57.

Average Residential Bill		
Oldham County Service Area	8/1/2024	9/1/2025
Wastewater	\$ 78.42	\$ 79.99
<b>Total Monthly Average Bill</b>	<b>\$ 78.42</b>	<b>\$ 79.99</b>
Monthly Wastewater Adjustment	\$ 3.74	\$ 1.57
<b>Total Monthly Adjustment</b>	<b>\$ 3.56</b>	<b>\$ 1.57</b>
<b>Total Annual Average MSD Bill</b>	<b>\$ 941.04</b>	<b>\$ 959.88</b>

### Bullitt County Fiscal Year 2026 Rate Resolution

On December 1, 2021, MSD acquired the wastewater system of the Bullitt County Sanitation District (BCSD), including the Big Valley and Hunters Hollow systems, pursuant to the terms of an ILA dated May 6, 2021, as amended. Article XII of the ILA provides that, beginning January 1, 2022, and each calendar year thereafter through January 1, 2026, MSD will increase wastewater charges in the former BCSD service area 12% each calendar year. A preliminary rate resolution for fiscal year 2026 will be drafted to generate sufficient revenue to maintain debt service coverage, to continue the proper operation and maintenance of MSD's existing sewerage system in Bullitt County, and to pay for the cost of capital improvements to the system.

The preliminary rate resolution amending MSD's fiscal year 2025 Schedule of Rates, Rentals and Charges for Bullitt County will be taken up by the MSD Board in November of 2025. The proposed fiscal year 2026 rate schedule will include a 12 percent increase in wastewater charges. The preliminary rate resolution will be posted on the MSD website at [LouisvilleMSD.org/Rates](https://LouisvilleMSD.org/Rates) and notice of the rate increase will be published in the Courier Journal and Pioneer News. MSD will accept written comments on the preliminary rate resolution for a period of 30 days. Comments from the public will be delivered to the MSD Board at the December 2025 Board meeting, at which time the Board will consider adoption of a final rate resolution.

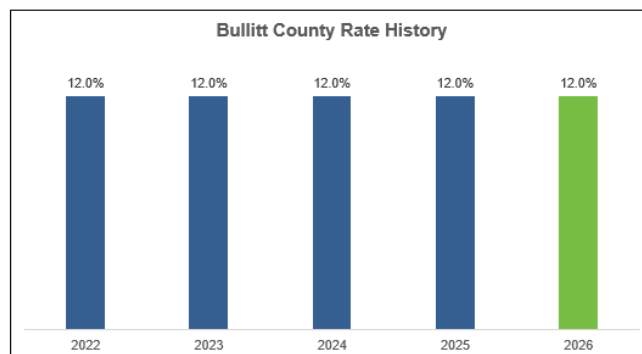
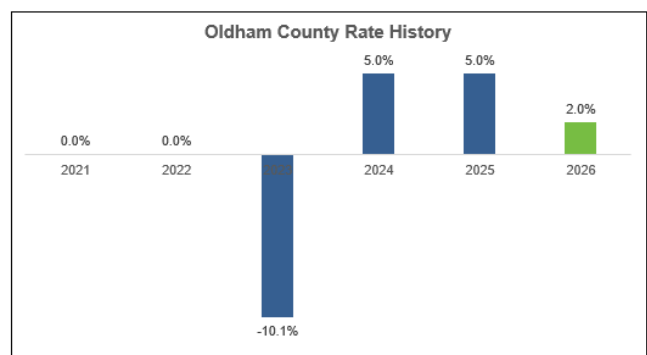
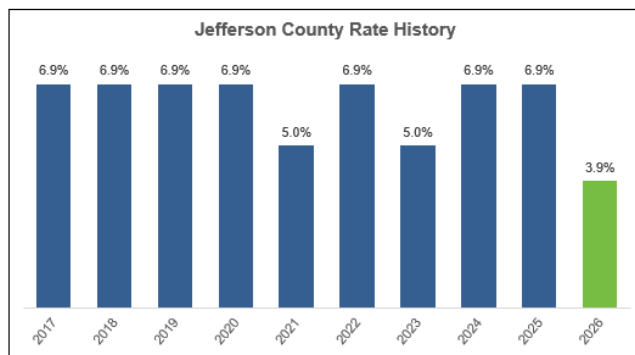
The monthly wastewater bill for the average residential customer in Bullitt County will increase on January 1, 2026, from \$79.07 to \$88.56 or by \$9.49.



Average Residential Bill		
Bullitt County Service Area*	1/1/2025	1/1/2026
Wastewater	\$ 79.07	\$ 88.56
<b>Total Monthly Average Bill</b>	<b>\$ 79.07</b>	<b>\$ 88.56</b>
Monthly Wastewater Adjustment	\$ 8.47	\$ 9.49
<b>Total Monthly Adjustment</b>	<b>\$ 8.47</b>	<b>\$ 9.49</b>
<b>Total Annual Average MSD Bill</b>	<b>\$ 948.84</b>	<b>\$ 1,062.72</b>
*Rates vary for Big Valley & Hunters Hollow through 1/1/2026		

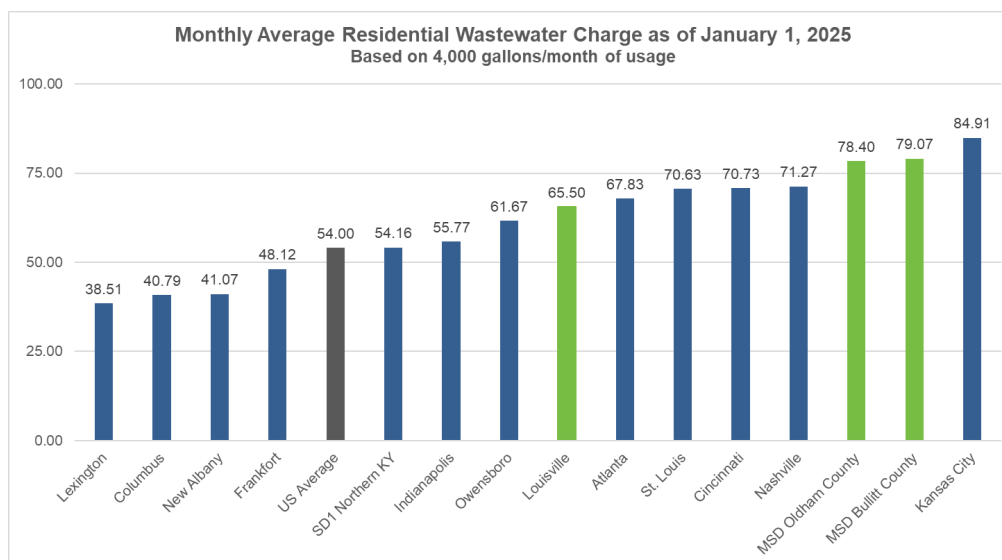
### Rate Increase History

The following tables show a 10-year history of rate increases along with the fiscal year 2025 preliminary rate increases.



## Rate Comparability

The National Association of Clean Water Agencies (NACWA) collects data from around the country on wastewater rates. Based on information collected as of January 1, 2025, MSD's Jefferson County wastewater rates remain comparable to area regional cities like Cincinnati and St. Louis.



## Customer Affordability

MSD recognizes that the affordability of the essential services it provides is a concern for many. We have implemented the following programs to aid the most vulnerable in our community. MSD expects to provide over \$1,900,000 in total customer assistance in fiscal year 2026.

### EW RAP

MSD implemented the Emergency Wastewater Rate Assistance Program (EW RAP) on August 1, 2020. EW RAP provides a 30 percent discount on MSD wastewater services to customers with a total household income at or below 175 percent of the federal poverty line. Customers cannot qualify for both the Senior Discount and EW RAP discount. The fiscal year 2026 EW RAP program begins on November 1, 2025. Once a customer is approved for EW RAP, the discount will continue through October 31, 2026. Applications require household information and income verification. Program participants must re-apply for the discount annually. MSD has budgeted \$500,000 in funding for EW RAP in fiscal year 2026.

### Senior Citizens Discount

MSD offers a Senior Citizens discount program for customers 65 years old or older with an annual income of \$40,000 or less. Qualifying customers receive a 30 percent discount on wastewater services. Customers cannot qualify for both the Senior discount and EW RAP discount. Applications require household information and income verification. Program participants must re-certify periodically. MSD has budgeted \$1,400,000 in funding for the Senior Citizens discount in fiscal year 2026.

### Drops of Kindness

MSD customers can access additional payment assistance through our partnership with Louisville Water. Drops of Kindness is an umbrella assistance program that encompasses both MSD discount programs along with the Louisville Water Foundation, federal and state utility funds (when available), and residential customer payment plans. The Louisville Water Foundation provides water and wastewater funding assistance to the Association of Community Ministries, Tri-County Community Action Partnership, Multi-Purpose Community Action Agency, and Neighbor Helping Neighbor. MSD has budgeted a \$150,000 donation to the Louisville Water Foundation in fiscal year 2026. Drops of Kindness can be accessed by visiting [Drops of Kindness](#).

Questions about our customer assistance programs can be directed to [revnuegroup@louisvillemsd.org](mailto:revnuegroup@louisvillemsd.org).

## Operating Budget

MSD's operating budget provides funding to operate and maintain its wastewater, drainage, and flood protection systems.

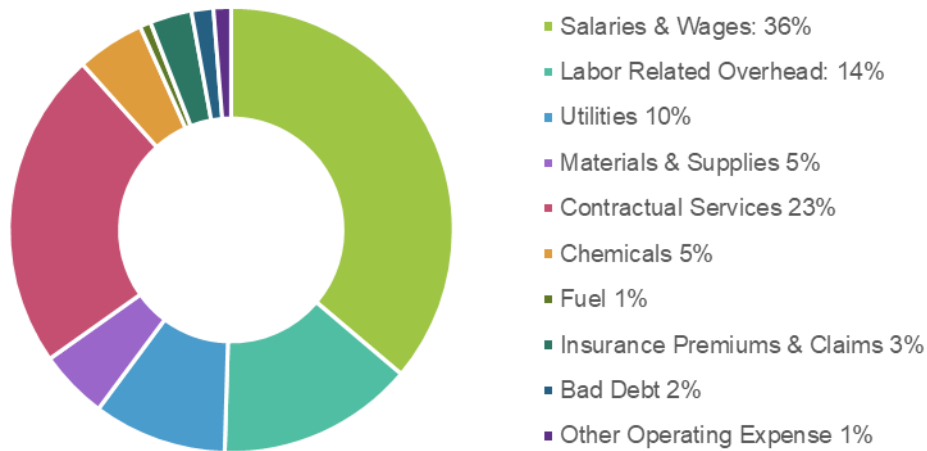
### Operating Budget Summary

The following is a summary of the total Board-approved fiscal year 2026 operating budget.

<b>FY26 Operating &amp; Maintenance Budget Request</b>						
<i>Dollars in 000's</i>						
<b>Combined Service Area</b>						
	<b>FY25 Budget</b>	<b>FY25 Forecast</b>	<b>FY26 Budget</b>	<b>Budget / Budget</b>	<b>Budget / Forecast</b>	
Salaries & Wages	\$ 73,933	\$ 73,570	\$ 80,116	8%	9%	
Labor Related Overhead	29,575	31,573	31,674	7%	0%	
<b>Total Salary &amp; LRO</b>	<b>103,508</b>	<b>105,143</b>	<b>111,790</b>	<b>8%</b>	<b>6%</b>	
Utilities	18,566	18,239	21,514	16%	18%	
Materials & Supplies	10,161	10,767	11,105	9%	3%	
Contractual Services	43,683	38,429	51,257	17%	33%	
Chemicals	10,574	7,353	10,937	3%	49%	
Fuel	2,027	1,402	1,766	-13%	26%	
Insurance Premiums & Claims	7,978	5,974	6,742	-15%	13%	
Bad Debt	3,527	3,854	3,527	0%	-8%	
Other Operating Expense	2,586	2,767	2,848	10%	3%	
<b>Total O&amp;M</b>	<b>99,102</b>	<b>88,785</b>	<b>109,696</b>	<b>11%</b>	<b>24%</b>	
<b>Total Operating Budget</b>	<b>\$ 202,610</b>	<b>\$ 193,928</b>	<b>\$ 221,486</b>	<b>9%</b>	<b>14%</b>	

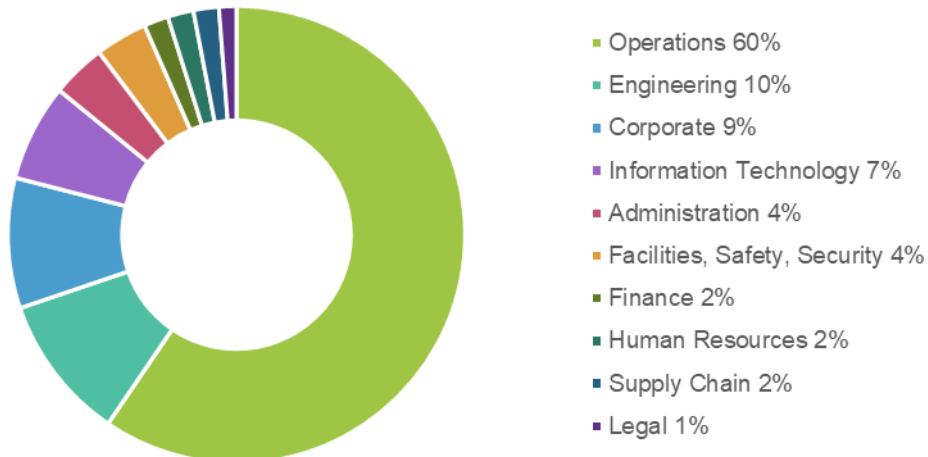
Labor and labor related overhead represent 50 percent of the operating budget which is consistent with the fiscal year 2026 Budget. Operating and maintenance expenses represent 50 percent of the operating budget.

### FY26 Operating Budget by Type of Expense



The Operations division represents 60 percent of the total fiscal year 2026 operating budget, which is an 8 percent increase from fiscal year 2025 operating budget.

### FY26 Operating Budget by Division



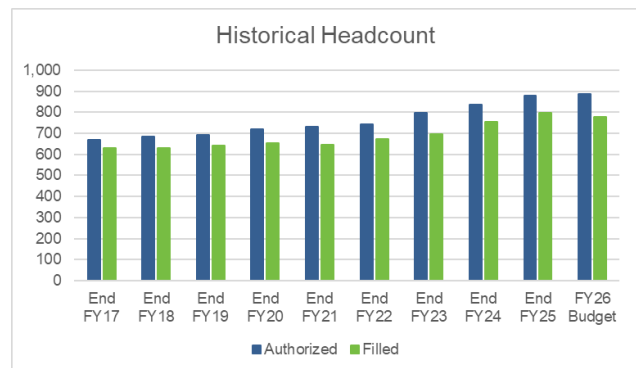
## Labor

MSD budgets for authorized headcount considering vacancy rates, performance and contractual pay adjustments, and reclassifications. MSD has contracts with two labor unions; LIUNA which represents 180 authorized positions (20.3 percent) and NAGE which represents 178 authorized positions (20 percent). The table to the right breaks down the total authorized headcount by division and department.

At the time of budget development there were 108 vacation positions at MSD as shown in the following table.

FY26 Budget Vacancies by Division	
Administration	4
Corporate (Reserve)	10
Engineering	9
Finance	3
Facilities, Safety & Security	16
Human Resources	1
Information Technology	-
Legal	1
Operations	62
Supply Chain & Economic Inclusion	2
<b>Total Vacant Positions</b>	<b>108</b>

Historical authorized and filled positions at the end of each fiscal year and the budget for fiscal year 2026.

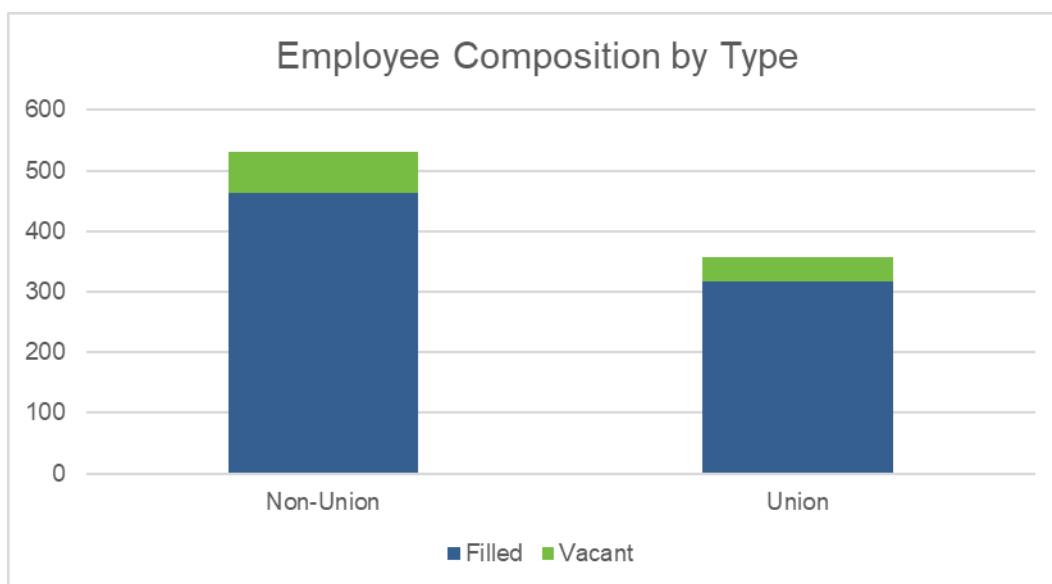
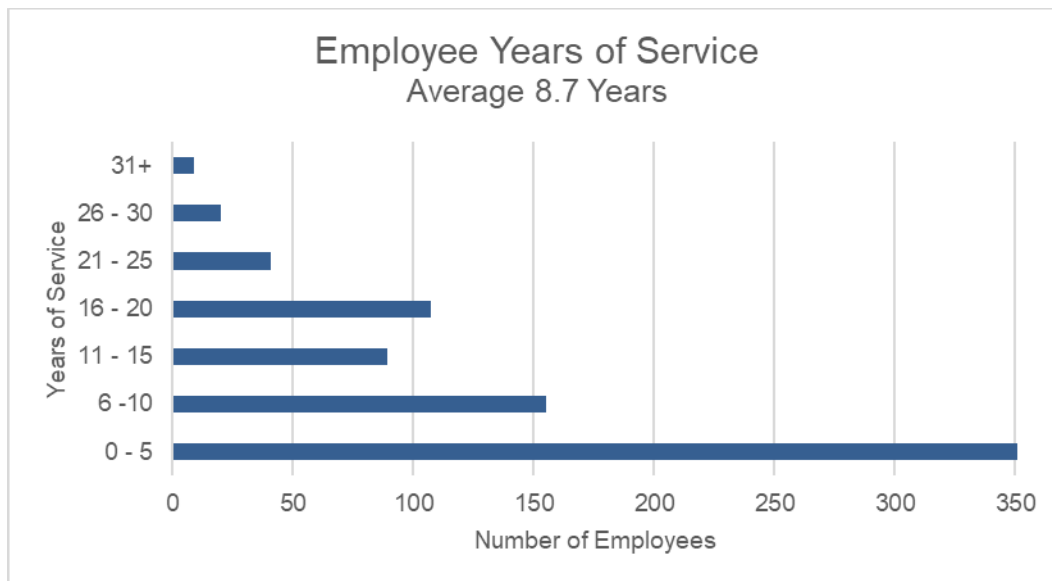


## Labor Related Overhead

Labor-related overhead includes all employer-paid payroll taxes as well as benefits including medical, dental and vision insurance and employer-paid pension contributions. MSD budgeted for a 11.23 percent increase in employer-paid medical insurance premiums. MSD employees participate in the County Employees Retirement System (CERS). Employer-paid contributions for fiscal 2026 are 18.62 percent of eligible employee creditable compensation.

FY26 Authorized Headcount by Division		
<b>Administration</b>		
Community Benefits & Partnerships	8	
Corporate	10	
Executive Office	6	
Government & Public Affairs	6	
Internal Audit	4	
Records & Information Governance	10	
<b>Total</b>		<b>44</b>
<b>Engineering</b>		
Development & Stormwater Services	32	
Regulatory Compliance, Records & GIS	20	
Technical Services	54	
<b>Total</b>		<b>106</b>
<b>Facilities, Safety &amp; Security</b>		
Facilities	10	
Safety & Security	38	
<b>Total</b>		<b>48</b>
<b>Finance</b>		
Administration & Budget	9	
General Accounting	7	
Revenue	9	
<b>Total</b>		<b>25</b>
<b>Human Resources</b>		
HR Services	14	
Training	10	
<b>Total</b>		<b>24</b>
<b>Information Technology</b>		
Information Systems	6	
LOJIC	10	
Support Services	17	
<b>Total</b>		<b>33</b>
<b>Legal</b>		
<b>Total</b>	11	<b>11</b>
<b>Operations - Wastewater Conveyance, Drainage &amp; Flood Protection</b>		
Administration	9	
Fleet	23	
Linear Assets	254	
Vertical Assets & Emergency Response	94	
<b>Total</b>		<b>380</b>
<b>Operations - Wastewater Treatment Operations</b>		
Strategic Programs	7	
Treatment Maintenance	57	
Treatment Facilities	126	
<b>Total</b>		<b>190</b>
<b>Supply Chain &amp; Economic Inclusion</b>		
Procurement	11	
Warehouse	10	
Supplier Diversity & SBE Program	6	
<b>Total</b>		<b>27</b>
<b>Total Authorized Positions</b>		<b>888</b>

## Workforce Analysis



## Operating and Maintenance Expenses

Operating and maintenance expenses in the fiscal 2026 operating budget are projected to increase 9 percent in total over the fiscal 2025 budget. While there are some incremental increases in some expense line items, the most significant budgetary increases are being driven by contractual services and utility expenses. Contractual Services expense is expected to increase 17 percent, which is the result of changing where we budget for certain Engineering professional service contracts. Utility expense is expected to increase by 19 percent, which is the result of higher electricity and water charges. The increase in electricity is a direct result of the 2025 flood which reset demand charges for our flood pumping stations through May of 2026. Fuel costs will decrease by 13 percent. MSD uses the U.S. Energy Information Administration's Short Term Energy Outlook for gasoline and diesel prices along with historical demand data to project fuel costs for the upcoming fiscal year. Liability and property insurance costs will decrease by 15 percent. This decrease is driven by MSD's claim history improvement over prior periods. The fiscal year 2026 Operating budget also includes a \$1.25 million Management Reserve for contingencies.



## Division Operating Budgets

The following pages provide details on the Divisions of MSD and a summary of fiscal year 2026 Operating budgets for each.

### Administration Division

#### Mission

To support the organization's mission, operations, and strategic goals by delivering quality services through collaborative, transparent, and strategic partnerships with our internal and external stakeholders.

#### Departments

Community Benefits and Partnerships: Leads the development and management of intentional, equitable partnerships within MSD's service area to deliver meaningful social impact and public benefits. This includes initiatives such as community benefit programs, local labor engagement, and strategic partnerships. Additionally, oversees workforce development efforts—such as internships and educational programs—to inspire and prepare the next generation for careers in the water sector.

Executive Offices: Office of the Executive Director and support staff. Responsible for the oversight of all MSD divisions.

Government and Public Affairs: Provides organizational support of the MSD brand through strategic internal and external communications. Facilitates discussions with elected officials, customers, and stakeholders to build community trust. Oversee regionalization and economic development strategies.

Internal Audit: Provides independent and objective reviews and assessments of the business activities of MSD.

Records and Information Governance: Provides guidance for records and information governance standards and collaborates with all divisions ensuring the organization's records meet accepted standards. Creates, reviews, and maintains records retention schedule. Manages open records requests, MSD's policy and procedures framework, and management of MSD's Board.

#### FY25 Project Status & Accomplishments

- Community Benefits & Partnerships secured \$7 million in firm commitments to support education, workforce, and small business development.
- Expanded the Women's ERG, increasing engagement and opportunities.
- Social media reach multiplied by 600 percent and produced a viral post during flooding.
- Secured the first earmarks for projects in Bullitt County through Chairman Guthrie's Office.
- Implemented organizational training through eLearning for Open Records Request.
- Successfully implemented centralized contracts, streamlining workflows, and retaining contracts in MSD's electronic records repository eBALIM.

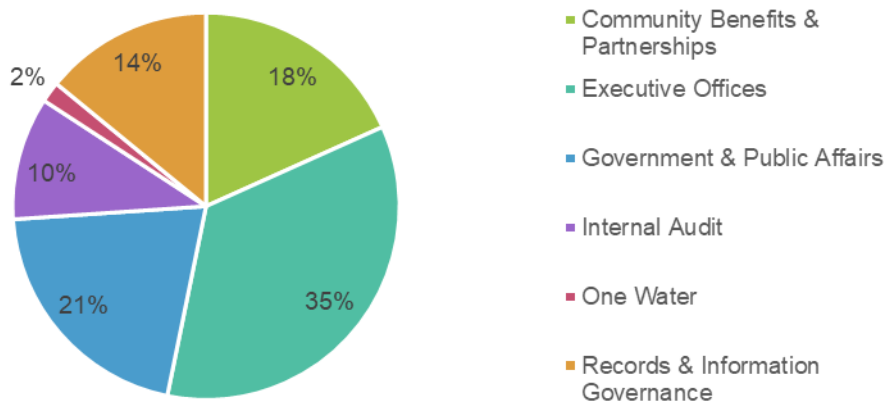
#### FY26 Budget Highlights

- Continued engagement with State, Local, and Federal elected officials on MSD governance and funding needs
- Deepen community engagement and expand beneficiary impact with local stakeholders and increase the number of Community Benefits Beneficiaries through targeted outreach,
- More aggressive alternative funding approaches with Congressional partners and EDA to supplement "at-risk" funding sources.
- Enhanced internal communications, branding, and employee focused engagement.
- Implement recommendation from the external communications study performed in FY25.

## Administration Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$3,913,508	\$4,270,015	\$356,506	9.1%
51130 - Overtime	\$30,000	\$0	(\$30,000)	-100.0%
51300 - Payroll Taxes	\$276,088	\$298,087	\$21,999	8.0%
51400 - Unemployment Insurance	\$1,508	\$0	(\$1,508)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$348,261	\$410,565	\$62,304	17.9%
51600 - Retirement Contributions	\$760,223	\$718,524	(\$41,699)	-5.5%
	\$5,329,587	\$5,697,190	\$367,603	6.9%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$97,304	\$104,200	\$6,896	7.1%
51700 - Uniforms	\$0	\$4,000	\$4,000	100.0%
52140 - Professional Services	\$1,275,288	\$1,243,696	(\$31,592)	-2.5%
52180 - Temporary Services	\$0	\$232,299	\$232,299	-100.0%
52195 - Other Contractual Services	\$443,392	\$433,180	(\$10,212)	-2.3%
54110 - General Liability Insurance	\$6,900	\$0	(\$6,900)	-100.0%
54250 - Contributions	\$284,750	\$249,350	(\$35,400)	-12.4%
54400 - Advertising	\$117,500	\$91,000	(\$26,500)	-22.6%
54500 - Travel & Meetings	\$166,096	\$148,647	(\$17,449)	-10.5%
54550 - Training	\$93,000	\$62,900	(\$30,100)	-32.4%
54600 - Dues, Fees and Subscriptions	\$108,204	\$236,271	\$128,067	118.4%
54700 - Board Members	\$14,400	\$14,400	\$0	0.0%
	\$2,606,834	\$2,819,943	\$213,109	8.2%
<b>Total O&amp;M Budget</b>	<b>\$7,936,421</b>	<b>\$8,517,134</b>	<b>\$580,712</b>	<b>7.3%</b>

## Administration FY26 Budget by Department



## Corporate Division

### Departments

Corporate: Captures district-wide expenses such as billing and collection, bad debt, liability insurance, property insurance, liability claims, workers compensation insurance, and workers compensation claims. This division also includes funding for the Management Reserve used to address unbudgeted expenses incurred throughout the Fiscal Year.

### FY25 Project Status & Accomplishments

- Donated an additional 28 acres of land to the city of Louisville for the expansion of the Nick Rodman Legacy Park in southwest Louisville. MSD initially donated 10 acres of land in 2022 to kickstart the park project.
- Donated five acres of land near the Ohio River to pave the way for the westward expansion of Waterfront Park and the creation of an innovative playground on the land.

### FY26 Budget Highlights

- \$1.25 Million included to fund the Management Reserve.



*The ribbon cutting at the grand opening of Nick Rodman Legacy Park in Southwest Louisville.*

## Corporate Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$351,328	\$650,541	\$299,213	85.2%
51147 - Service & Safety Incentive Awards	\$28,568	\$28,568	\$0	0.0%
51220 - Workers' Compensation Insurance	\$300,000	\$300,000	\$0	0.0%
51225 - Workers' Compensation Claims	\$960,000	\$960,000	\$0	0.0%
51230 - Long-Term Disability	\$60,000	\$60,000	\$0	0.0%
51240 - Group Life - AD&D Insurance	\$39,992	\$39,992	\$0	0.0%
51250 - Tuition Assistance	\$60,000	\$60,000	\$0	0.0%
51260 - Empl Assistance & Wellness Program	\$14,000	\$14,000	\$0	0.0%
51300 - Payroll Taxes	\$27,381	\$50,606	\$23,226	84.8%
51500 - Med Ins: MSD's port. of prem for grp	\$17,460	\$30,556	\$13,096	75.0%
	\$1,858,729	\$2,194,263	\$335,534	18.1%
<b>NON-LABOR</b>				
52110 - Billing & Collection	\$6,736,500	\$6,718,878	(\$17,622)	-0.3%
52195 - Other Contractual Services	\$1,400,000	\$1,250,000	(\$150,000)	-10.7%
54200 - Bad Debts	\$3,500,000	\$3,500,000	\$0	0.0%
54110 - General Liability Insurance	\$4,405,081	\$3,911,240	(\$493,841)	-11.2%
54130 - Property Insurance	\$2,991,300	\$2,256,000	(\$735,300)	-24.6%
54140 - General Liability Claims	\$575,004	\$575,004	\$0	0.0%
	\$19,607,885	\$18,211,122	(\$1,396,763)	-7.1%
<b>Total O&amp;M Budget</b>	<b>\$21,466,614</b>	<b>\$20,405,385</b>	<b>(\$1,061,229)</b>	<b>-4.9%</b>

## Engineering Division

### Mission

To enhance the internal and external customer experience through the delivery of high-quality services to achieve MSD's vision of safe, clean waterways.

### Departments

Administration: Coordinates the division, assigning short and long-term goals for successful completion of the mission of MSD while monitoring projects to ensure they stay on budget and within the projected time scheduled. Responsible for the development and implementation of each fiscal year capital budget and the five-year rolling capital budget. Coordinates with all local, state, and federal regulators, as well as government and non-government entities as needed.

Capital Program Controls: Manages the district-wide annual CIP through project and program data capture, analysis, and reporting. Drives the development activities of the annual refresh of the five-year plan, as well as the change management process for each project. Performs cash flow forecasting monthly and is the facilitator of CIP Management Team meetings. Leads continuous improvement initiatives for efficient CIP performance and delivery.

Development and Stormwater Services: Oversees the design, review and permitting of private development projects constructing and connecting to MSD assets to ensure compliance with MSD's policies, design guidelines, as well as local, state, and federal environmental laws and regulations. Provides inspection, permitting and enforcement of Louisville Metro's floodplain and ESPC ordinances along with administering MSD's MS4 (water quality) programs to ensure compliance with local, state, and federal environmental laws and regulations. Manages and administers MSD's DRI capital drainage program, plumbing modification program and the flood protection capital repair and rehabilitation.

Regulatory Compliance, Records and GIS: Responsible for Asset Management Program and works throughout MSD to build and improve efficient workflows in IPS. Manages Consent Decree activities and reporting deadlines to ensure regulatory compliance. Manages all the spatial data related to MSD's drainage, sewer and flood protection assets including data maintenance, map production and spatial analysis.

Technical Services: The Engineering Technical Services department oversees the planning, design, construction, and implementation of the CIP Program capital projects. This includes renewal/replacement and new construction of the District's wastewater, stormwater and flood protection assets. Planning staff ensures MSD is in compliance with all current regulatory activities and deadlines as well as future ever-changing regulatory guidelines and budget needs through regionalized facility planning and hydraulic modeling. Design and construction staff work to ensure each project is completed so that the final product supports MSD core services for our customers. Projects are implemented through construction and supported by inspection staff, with final coordination of MSD operations staff to ensure the performance of each project meets planning and design goals. The department also supports the budget planning for each fiscal year and regularly provides subject matter experts to consult and provide guidance in projects and special requests throughout MSD. Some examples include submissions for alternative funding, electrical technical support, and Real Time Control (RTC) System integration.



## FY25 Project Status & Accomplishments

- Construction continued on the Morris Forman Water Quality Treatment Center Biosolids Processing Solution project to implement the thermal hydrolysis process (total GMP cost \$256 million). Project milestones completed to date include: the renovation of the Administration Building 2<sup>nd</sup> Floor; construction of a new storage warehouse; commissioning of a new cake loadout facility; and construction of two (2) new cake storage silos.
- Construction continued on the Paddy's Run Flood Pump Station Capacity Upgrade project. The total project cost \$239 million.
- Over \$225 million awarded through low interest loans and grants.
- Completed impervious measurements on all single-family properties in Jefferson County.
- Implemented a Private Property Illicit Discharge elimination program.
- Elimination of Cypress Springs, St. Patrick's, Beckley Station, Worthing Court, and Lake Forest Drive pump stations.

## FY26 Budget Highlights

- Management of MSD's largest Capital Improvement Budget of \$321 million.
- Completion of the Morris Forman Water Quality Treatment Center's Sediment Basin Rehabilitation will be completed (total project cost is \$43 million).
- Completion of Cedar Creek WQTC re-rate to 9 MGD (\$9.5 million).
- Award a Progressive Design-Build Agreement for the Upper Middle Fork Pump Station and Conveyance Project (projected cost of \$247 million).
- Continue construction on the new Cedar Creek Administration Building (projected cost of \$9 million).
- Start implementation of technical asset management program.
- Elimination of the Olde Copper Court, Lantana Drive No. 1, Club Drive, Leven Drive, and Carslaw Court pump stations.
- Replacement of the Cliffwood Drive and Cardinal Harbour pump stations.



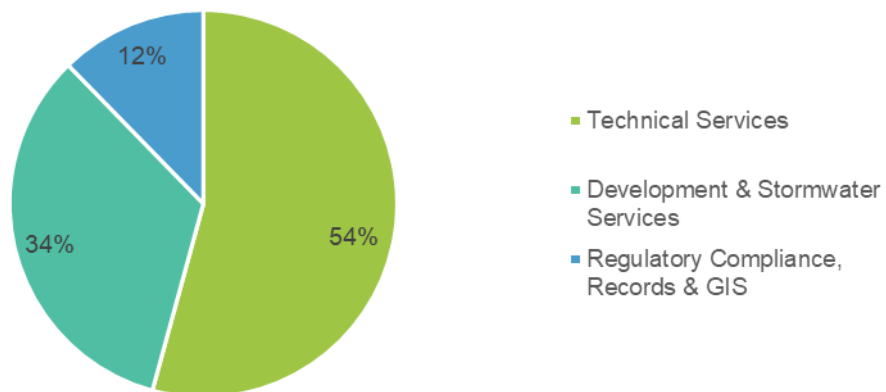
*Engineering staff members volunteered to plant two rain gardens in front of MSD's main office.*



## Engineering Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$9,864,536	\$11,126,653	\$1,262,117	12.8%
51130 - Overtime	\$46,196	\$46,196	\$0	0.0%
51135 - Special Event Compensation	\$996	\$996	\$0	0.0%
51300 - Payroll Taxes	\$749,507	\$845,420	\$95,914	12.8%
51400 - Unemployment Insurance	\$4,860	\$0	(\$4,860)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$1,354,754	\$1,555,028	\$200,274	14.8%
51600 - Retirement Contributions	\$1,826,132	\$1,950,649	\$124,517	6.8%
	\$13,846,980	\$15,524,943	\$1,677,962	12.1%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$52,568	\$120,364	\$67,796	129.0%
52140 - Professional Services	\$2,071,000	\$6,794,914	\$4,723,914	228.1%
52160 - Maintenance & Repairs	\$197,000	\$244,200	\$47,200	24.0%
54500 - Travel & Meetings	\$53,775	\$53,775	\$0	0.0%
54550 - Training	\$22,250	\$23,525	\$1,275	5.7%
54600 - Dues, Fees and Subscriptions	\$55,630	\$37,845	(\$17,785)	-32.0%
	\$2,452,223	\$7,274,623	\$4,822,400	196.7%
<b>Total O&amp;M Budget</b>	<b>\$16,299,203</b>	<b>\$22,799,565</b>	<b>\$6,500,362</b>	<b>39.9%</b>

## Engineering FY26 Budget by Department



## Facilities, Safety & Security Division

### Mission

To ensure the safety of all MSD employees, contractors, vendors and visitors through safe work practices, reducing internal and external threats and providing safe, clean buildings and workspaces for proficient execution of MSD's overall mission.

### Departments

**Facilities:** Responsible for managing and oversight of building, grounds, and equipment to ensure workspaces are clean, safe and functional by managing service contracts and building systems. Supports day-to-day operations, coordinates renovation and updates, space and facility planning, parking and access management and control.

**Safety & Security:** Provides a safe working environment by eliminating hazards from all facilities, job sites, equipment and infrastructure through audits and accident investigation and teaching employees to follow all safe practices, regulations, and standards to ensure their wellbeing. Provides a safe working environment that is free from threats, violence, and vandalism by ensuring all facilities and infrastructure are secured through guards, physical barriers, deterrence, video surveillance and access control and through investigation of incidents to prevent future occurrences and limit liability.

### FY25 Project Status & Accomplishments

- Ongoing projects to remodel the new Hill Street Main Office site.
- Continued insourcing of maintenance and repairs to reduce costs and improve effectiveness.

### FY26 Budget Highlights

- New contracts for fencing/gates, HVAC, and janitorial to align costs with revised expectations.
- Budget for Pond Creek Pump Station security/access control hardware and main gates at two WQTCs.

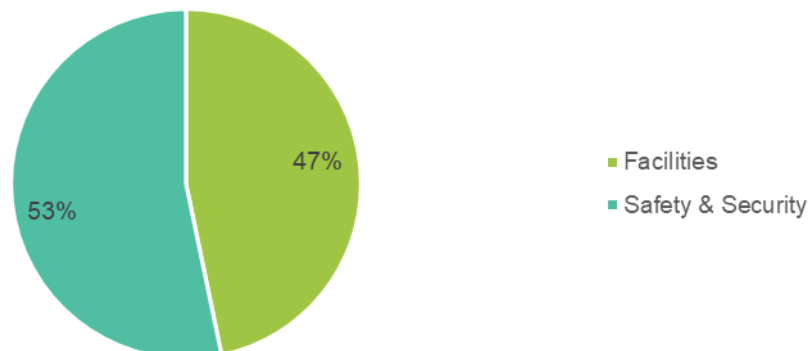


*Safety & Security department table at MSD's 2025 Field Day networking event.*

## Facilities, Safety & Security Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$3,398,287	\$3,475,148	\$76,860	2.3%
51130 - Overtime	\$39,000	\$53,500	\$14,500	37.2%
51300 - Payroll Taxes	\$259,075	\$265,213	\$6,137	2.4%
51400 - Unemployment Insurance	\$276	\$0	(\$276)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$240,323	\$294,156	\$53,834	22.4%
51600 - Retirement Contributions	\$553,633	\$522,698	(\$30,935)	-5.6%
	\$4,490,594	\$4,610,715	\$120,121	2.7%
<b>NON-LABOR</b>				
53310 - Electric	\$660,465	\$450,000	(\$210,465)	-31.9%
53320 - Natural Gas	\$123,478	\$100,000	(\$23,478)	-19.0%
53330 - Water	\$60,060	\$70,000	\$9,940	16.6%
53140 - Materials & Supplies	\$230,779	\$277,500	\$46,721	20.2%
51700 - Uniforms	\$117,260	\$117,260	\$0	0.0%
52130 - Custodial & Watchmen	\$843,951	\$772,744	(\$71,207)	-8.4%
52140 - Professional Services	\$72,500	\$105,000	\$32,500	44.8%
52160 - Maintenance & Repairs	\$1,158,758	\$1,240,502	\$81,744	7.1%
52180 - Temporary Services	\$26,832	\$15,600	(\$11,232)	-41.9%
52195 - Other Contractual Services	\$0	\$225,000	\$225,000	100.0%
53410 - Equipment Rental	\$12,000	\$9,000	(\$3,000)	-25.0%
53430 - Leased Parking	\$79,540	\$60,000	(\$19,540)	-24.6%
54500 - Travel & Meetings	\$17,000	\$17,000	\$0	0.0%
54550 - Training	\$71,829	\$78,529	\$6,700	9.3%
54600 - Dues, Fees and Subscriptions	\$14,156	\$8,366	(\$5,790)	-40.9%
	\$3,488,607	\$3,546,501	\$57,894	1.7%
<b>Total O&amp;M Budget</b>	<b>\$7,979,202</b>	<b>\$8,157,216</b>	<b>\$178,014</b>	<b>2.2%</b>

Facilities, Safety & Security FY26 Budget by  
Department



## Finance Division

### Mission

To ensure the fiscal integrity of Louisville MSD and provide the highest level of service to our internal and external customers.

### Departments

Administration & Budget: Ensures sound financial management through rate setting, budget development, debt issuance, debt management, cash management, investments and compliance.

General Accounting: Provides Accounts Payable and payment processing services, issues monthly financial statements in accordance with GAAP, manages the external financial audit and produces the Annual Comprehensive Financial Report (ACFR). Responsible for the internal control environment in SAP.

Revenue: Responsible for ensuring customers are billed correctly for wastewater and drainage service and responds to customer bill inquiries. Administer MSD's Private Meter program. Administers MSD's Senior Citizen and EWRAP discount programs.

### FY25 Project Status & Accomplishments

- Recipient of second consecutive Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for the publication of the fiscal year 2025 Budget Book.
- Received the GFOA Certificate of Achievement for Excellence in Financial Reporting Program for the fiscal year 2024 ACFR.
- Successfully implemented Profit Center Accounting and Document Splitting functionality to S/4 HANA.
- Provided more than \$1.8 million in EWRAP and Senior discounts in fiscal year 2025.
- We received approximately \$18.7 million in grant reimbursements in fiscal year 2025.

### FY26 Budget Highlights

- Funding to support the standup of an Enterprise Risk Management Program.
- Funding for a Cost-of-Service Study.
- Increased the threshold for EWRAP from 150 percent of the Federal Poverty Level to 175 percent to reach more customers.
- Increased the threshold of Senior Citizen Discount eligibility from \$35,000 to \$40,000 income ceiling. The threshold had not been adjusted since the program's inception in 2007.

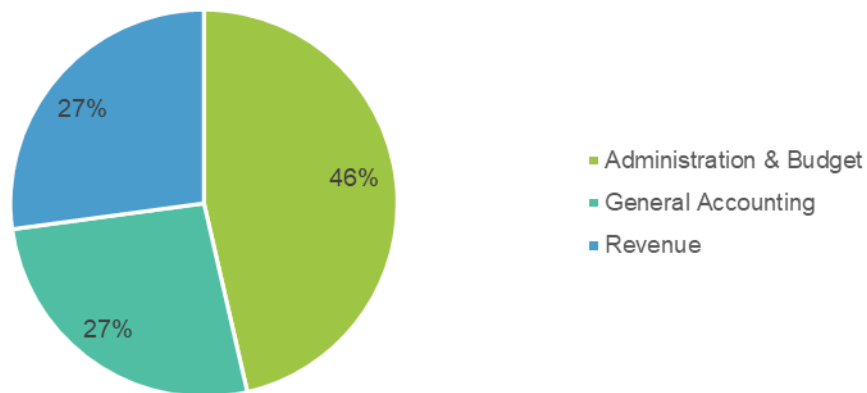


*Finance Staff helping customers apply for assistance programs at a local community event.*

## Finance Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$2,033,657	\$2,299,689	\$266,032	13.1%
51130 - Overtime	\$7,500	\$0	(\$7,500)	-100.0%
51300 - Payroll Taxes	\$152,545	\$173,157	\$20,612	13.5%
51400 - Unemployment Insurance	\$892	\$0	(\$892)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$208,442	\$249,680	\$41,238	19.8%
51600 - Retirement Contributions	\$402,312	\$389,852	(\$12,460)	-3.1%
	\$2,805,347	\$3,112,377	\$307,030	10.9%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$5,560	\$4,952	(\$608)	-10.9%
51700 - Uniforms	\$0	\$300	\$300	0.0%
52140 - Professional Services	\$214,119	\$605,765	\$391,646	182.9%
52155 - Banking Services	\$14,676	\$21,660	\$6,984	47.6%
52195 - Other Contractual Services	\$26,200	\$24,600	(\$1,600)	-6.1%
54400 - Advertising	\$8,300	\$9,000	\$700	8.4%
54500 - Travel & Meetings	\$17,484	\$17,992	\$508	2.9%
54550 - Training	\$10,400	\$11,225	\$825	7.9%
54600 - Dues, Fees and Subscriptions	\$8,779	\$19,925	\$11,146	127.0%
	\$305,518	\$715,419	\$409,901	134.2%
<b>Total O&amp;M Budget</b>	<b>\$3,110,865</b>	<b>\$3,827,796</b>	<b>\$716,931</b>	<b>23.0%</b>

## Finance FY26 Budget by Department





## Human Resources Division

### Mission

To attract, retain, and develop diverse top talent by fostering a workplace where every employee has the opportunity to thrive.

### Departments

HR Services: Manages the entire employee life cycle, from recruiting the best talent, to onboarding, maintaining employee records, promotions, processing weekly payroll, setting compensation levels, communication and enforcing MSD policies, keeping up with regulations, promoting positive labor and employee relations, developing, overseeing, and administering employee benefits, and keeping up with employment laws and regulations.

Organizational Development and Training: Promotes employee career development and provides technical as well as non-technical job training through in-person and eLearning courses. Provides Utility Program training through our federally registered CDL training program as well as hands-on equipment training.

### FY25 Project Status & Accomplishments

- Developed and delivered “Living Our Values” Management Development Programing to promote value aligned competency development.
- Added second cohort (5 apprentices) to the Electrician Apprenticeship program.
- Evaluated Utility Program structure to identify opportunities to mitigate vacancy rates and propose recommendations for changes.
- Developed eLearning support for Records & Information Governance, and IT related board approved procedures.
- Approval for a Learning & Development Training position.

### FY26 Budget Highlights

- Continued delivery of Management Development Program to support rollout of Blueprint 2030.

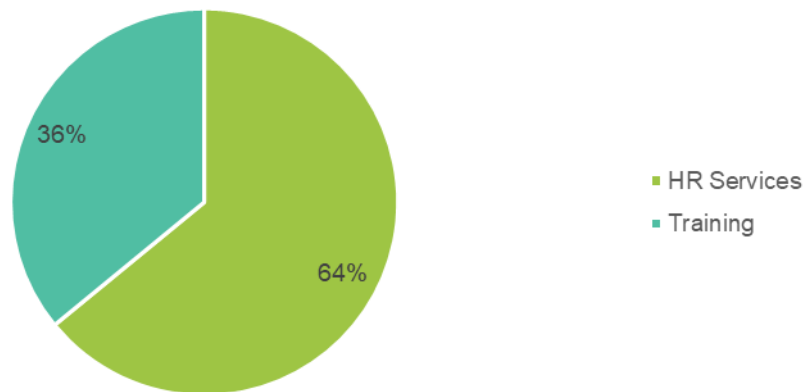


*MSD showcased career opportunities at the Junior Achievement Inspire to Hire event*

## Human Resources Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$2,236,961	\$2,588,437	\$351,476	15.7%
51130 - Overtime	\$2,225	\$0	(\$2,225)	-100.0%
51300 - Payroll Taxes	\$167,570	\$197,534	\$29,963	17.9%
51400 - Unemployment Insurance	\$1,040	\$0	(\$1,040)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$228,056	\$284,791	\$56,735	24.9%
51600 - Retirement Contributions	\$411,883	\$463,639	\$51,757	12.6%
	\$3,047,735	\$3,534,401	\$486,666	16.0%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$14,950	\$17,100	\$2,150	14.4%
51700 - Uniforms	\$1,750	\$3,500	\$1,750	100.0%
52140 - Professional Services	\$371,798	\$385,478	\$13,680	3.7%
52160 - Maintenance & Repairs	\$192	\$192	\$0	0.0%
54250 - Contributions	\$5,000	\$5,000	\$0	0.0%
54400 - Advertising	\$22,110	\$22,110	\$0	0.0%
54500 - Travel & Meetings	\$13,100	\$29,000	\$15,900	121.4%
54550 - Training	\$28,575	\$28,575	\$0	0.0%
54600 - Dues, Fees and Subscriptions	\$18,632	\$22,367	\$3,735	20.0%
	\$476,107	\$513,322	\$37,215	7.8%
<b>Total O&amp;M Budget</b>	<b>\$3,523,842</b>	<b>\$4,047,723</b>	<b>\$523,881</b>	<b>14.9%</b>

## Human Resources FY26 Budget by Department





## Information Technology Division

### Mission

To empower MSD and the LOJIC partnership through innovative technology solutions, exceptional support, and strategic guidance. We are committed to fostering a culture of excellence, collaboration, and continuous improvement, driving security, efficiency, and agility across the IT Division.

### Departments

Information Systems: Responsible for developing, maintaining, and supporting custom software solutions for end users across the enterprise. Provides support and management of critical third-party systems.

IT Infrastructure and Support: Maintains and supports the technology infrastructure at MSD that includes, but is not limited to, cybersecurity, network, servers, storage, and databases. Provides first and second level support and desktop engineering for end user equipment and technology.

Louisville/Jefferson County Information Consortium (LOJIC): Responsible for building, maintaining, and supporting a comprehensive geographic information system (GIS) that serves a multi-agency partnership that includes MSD, Louisville/Jefferson County Metro Government, Louisville Water Company, and the Property Valuation Administrator (PVA).

### FY25 Project Status & Accomplishments

- No significant cybersecurity incidents.
- On target to achieve 99.9 percent reliability on key infrastructure components.
- Reduced critical and high cybersecurity vulnerabilities to lowest levels since starting monthly scans.
- Completed effort to modernize custom MSD applications and migrate them from Oracle to SQL Server.
- Updated LiDAR and 2024 imagery and integrated into the LOJIC system.
- Conducted successful GIS DAY event with UofL and the GeoTech Center.
- Completed successful pilots for a new LOJIC On Demand system and for migrating LOJIC from Oracle to SQL Server database management system.
- LOJIC Director retired after 39 years of service and a new Director was hired and integrated into the team in 2025.
- Completed 24 new hire training classes (118 new employees) on cybersecurity and technology basics.
- Improved cellular coverage at Morris Forman and DRG treatment plants.
- On target for on meeting service level agreement objectives on 96.5 percent of support tickets.

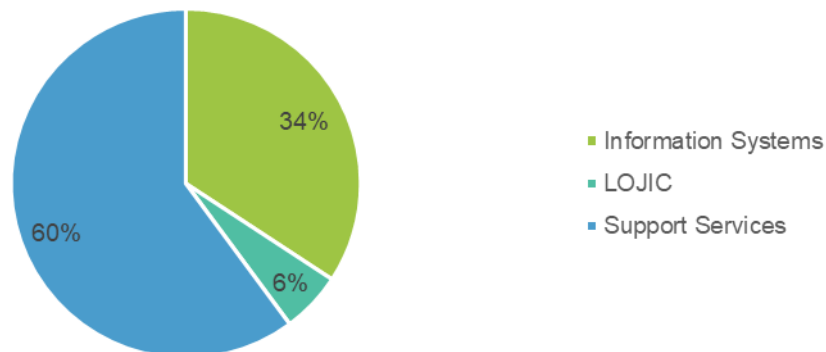
### FY26 Budget Highlights

- Negotiated new network design and service with AT&T that should save MSD between \$30-50K in FY26.
- Negotiated \$220K in savings over five years on annual costs for a critical business system.
- Identified over 30 power desktops that could be replaced with standard laptops which reduce equipment costs from \$3K per unit to \$1.9K per unit.

## Information Technology Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$3,693,818	\$4,034,265	\$340,447	9.2%
51130 - Overtime	\$16,200	\$11,200	(\$5,000)	-30.9%
51135 - Special Event Compensation	\$5,000	\$5,000	\$0	0.0%
51300 - Payroll Taxes	\$278,768	\$306,008	\$27,240	9.8%
51400 - Unemployment Insurance	\$1,908	\$0	(\$1,908)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$431,766	\$505,799	\$74,033	17.1%
51600 - Retirement Contributions	\$725,021	\$754,197	\$29,176	4.0%
	\$5,152,481	\$5,616,469	\$463,988	9.0%
<b>NON-LABOR</b>				
53340 - Telephone	\$296,800	\$308,000	\$11,200	3.8%
53345 - Data Communications	\$1,040,280	\$1,070,280	\$30,000	2.9%
53140 - Materials & Supplies	\$551,866	\$562,539	\$10,673	1.9%
51700 - Uniforms	\$1,000	\$1,000	\$0	0.0%
52140 - Professional Services	\$1,456,828	\$1,560,709	\$103,881	7.1%
52160 - Maintenance & Repairs	\$1,137,909	\$842,196	(\$295,713)	-26.0%
52180 - Temporary Services	\$5,000	\$5,000	\$0	0.0%
52195 - Other Contractual Services	\$1,064,370	\$1,465,578	\$401,208	37.7%
54500 - Travel & Meetings	\$33,500	\$25,500	(\$8,000)	-23.9%
54550 - Training	\$75,500	\$69,500	(\$6,000)	-7.9%
54600 - Dues, Fees and Subscriptions	\$7,140	\$6,253	(\$887)	-12.4%
53615 - Amortization of Subscription Based IT Assets	\$3,171,058	\$3,679,818	\$508,760	100.0%
	\$8,841,251	\$9,596,374	\$755,122	8.5%
<b>Total O&amp;M Budget</b>	<b>\$13,993,733</b>	<b>\$15,212,843</b>	<b>\$1,219,110</b>	<b>8.7%</b>

## Information Technology FY26 Budget by Department



## **Legal Division**

### **Mission**

To ensure that quality wastewater, stormwater, and flood protection services are provided through diligent legal counsel, safeguarding environmental integrity, and ensuring regulatory compliance within MSD.

### **Departments**

Legal Regulatory/Real Estate: Responsible for providing advice, counsel, and representation of MSD in all regulatory and real estate matters (e.g., Clean Water Act compliance, KPDES and MS4 permitting issues, EPSC, Hazardous Materials and Floodplain Ordinance permitting/violations, Fee Simple (including FEMA Buyouts and Easement Acquisitions, etc.) Responsible for related transactional matters (e.g., contract review) and matters requiring real estate related services and/or necessary to regulatory/environmental compliance, including matters arising out of MSD's construction contracts, planning and development approvals and regionalization.

Legal Litigation: Responsible for providing advice, counsel, and representation of MSD in all tort claims (e.g., personal injury, property damage, etc.), non-regulatory and non-construction contract disputes, foreclosures, collections, employment/labor, worker's compensation, governance, procurement, and matters involving issues related to information and/or cyber security; Responsible for matters related to budgeted, outside counsel management, Board governance, municipal bonds.

### **FY25 Project Status & Accomplishments**

- Created Division Standard Operating Procedures.
- Continued and ongoing support/implementation of easements and when necessary, condemnations.

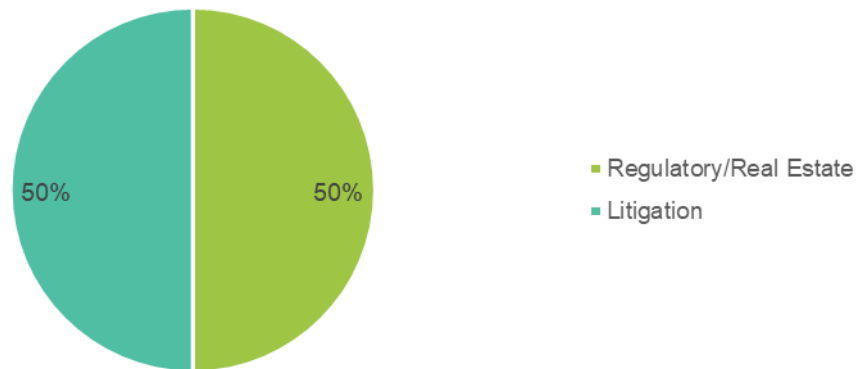
### **FY26 Budget Highlights**

- Continued use and expansion of Xakia software to intake and manage legal matters.
- Funding for Paralegal position

## Legal Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$1,504,765	\$1,533,822	\$29,057	1.9%
51130 - Overtime	\$3,600	\$0	(\$3,600)	-100.0%
51300 - Payroll Taxes	\$109,512	\$112,165	\$2,653	2.4%
51400 - Unemployment Insurance	\$648	\$0	(\$648)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$120,360	\$138,424	\$18,063	15.0%
51600 - Retirement Contributions	\$248,741	\$281,981	\$33,240	13.4%
	\$1,987,626	\$2,066,392	\$78,766	4.0%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$5,000	\$5,000	\$0	0.0%
52140 - Professional Services	\$182,700	\$100,000	(\$82,700)	-45.3%
52145 - Legal	\$600,000	\$500,000	(\$100,000)	-16.7%
54500 - Travel & Meetings	\$30,000	\$30,000	\$0	0.0%
54550 - Training	\$10,000	\$10,000	\$0	0.0%
54600 - Dues, Fees and Subscriptions	\$50,918	\$13,751	(\$37,167)	-73.0%
	\$878,618	\$658,751	(\$219,867)	-25.0%
<b>Total O&amp;M Budget</b>	<b>\$2,866,244</b>	<b>\$2,725,143</b>	<b>(\$141,101)</b>	<b>-4.9%</b>

## Legal FY26 Budget By Department



## Operations Division

### Mission

To ensure public health and the communities MSD serves are protected through the collection, transportation, and treatment of wastewater, drainage and stormwater management and maintaining the flood protection system.

### Wastewater Conveyance, Drainage, and Flood Protection

**Administration:** Responsible for the administration, oversight, and management of the Wastewater Conveyance, Drainage, and Flood Protection Division. Including, but not limited to, vision, long-term planning, implementation and regulatory compliance for MSD's sanitary sewers, drainage, and flood protection services.

**Fleet:** Responsible for an inventory of vehicles and equipment used in support of the district's divisions and department's operational goals and objectives. Fleet programs include preventive and corrective maintenance, roadside assistance, capital replacement, disposal, fuel, and radio activities.

**Linear Assets:** Responsible for the maintenance and service of wastewater and sanitary assets, drainage assets and combined sewer overflows (CSOs). Respond to wet weather flooding and sewer backups. Responsible for TVI inspection of sewer assets. Includes the customer relations and operations performance metrics departments which serve as the primary point of contact for information and support for MSD services. Creates service orders and coordinates with field staff to address customer concerns.

**Vertical Assets & Emergency Response:** Manages operations and maintenance of the sewer pump stations in the collection system that conveys flows to WQTC. Oversee the odor and corrosion control programs for sewer pump stations and force mains to maintain air quality. Responsible for managing industrial automated processes and ensures collection and storage of historical and regulatory data for compliance and analysis. Oversee the operations and maintenance of flood pump stations, flood levees, and floodwall closures. Operates and maintains the Real-Time Controls System which stores excess storm flows within the combined sewer system to reduce overflows into local waterways, then releases the stored flows back into the system for treatment when capacity becomes available.

### FY25 Project Status & Accomplishments

- The Barbour Lane PS experienced a catastrophic failure, and operations teams successfully rebuilt pumps and motors and replaced critical electrical supply components to restore full functionality.
- Onboarded a Managed Services Security Provider (MSSP) to support Operational Technology (OT) cybersecurity efforts aligned with NIST standards.
- Practice installation of 32 floodwall closures was completed, ensuring operational readiness.

### FY26 Budget Highlights

- The Full-Service Odor and Corrosion Control contract will be re-bid and an odor control alternate technology study and polit recommendation for Grand Ave PS is planned for completion.
- Continued work on OT cybersecurity with the MSSP. Complete SIEM and standup 24/7 Security Operations Center. Install firewalls with VPN, IPS, IDS, and MFA at all facilities with OT networks.
- Continued repair and replacement of floodwalls, floodgates, and floodwall closures to maintain structural integrity and readiness. Proceed with Beargrass Creek FPS bank restoration to stabilize and protect the surrounding areas. Continued asphalt restoration along the Flood Levee / Louisville Loop to improve access and safety.

## Wastewater Treatment Operations

Strategic Programs: Responsible for overseeing and managing key organizational initiatives, specifically the Innovation Program and Odor Mitigation Program. The Innovation Program focuses on fostering creative solutions, implementing new technologies, and driving continuous improvement across operations. The Odor Mitigation Program is dedicated to identifying, monitoring, and mitigating odor-related issues to ensure environmental compliance and maintain community trust.

Treatment Maintenance: Is responsible for the maintenance (preventative, predictive, and corrective) of Water Quality Treatment Centers assets, making sure WQTCs are operational to meet permit requirements.

Treatment Facilities: Responsible for the operations and management of the Water Quality Treatment Centers, which treat wastewater generated from Jefferson, Oldham, and Bullitt counties to meet permits limits and standards before discharging the treated water back into Ohio River and area creeks.

## FY25 Project Status & Accomplishments

- Entered into the Second Amended Agreed Board Order (ABO) with the Louisville Metro Air Pollution Control Board.
- Pursuant to the provisions of the ABO, developed and submitted the Short-Term Action Plan for odor mitigation projects covering FY25 and FY26.
- Pursuant to the provisions of the ABO, developed and submitted the Mid-Year Odor Mitigation Report covering activities from July 1, 2024, to December 31, 2025.
- Enhanced customer response to odor concerns through callbacks, letters, on-site meetings, and improvements to the online reporting system.
- Replaced the biofilter at the Main Diversion Structure to reduce odors in the area.
- Completed Odor Control Master Plan for DRGWQTC.
- Southwest Pump Station Gas Monitoring and Odor control project construction and performance testing was completed. This will help address/reduce odors.
- Technical design of THP was completed, construction is underway.
- Upgrade of CCWQTC tertiary filter from sand to aqua aerobics cloth media filters completed. This allows for additional flow through CCWQTC during high flow conditions, and improved polishing/removal of suspended solids.

## FY26 Budget Highlights

- Finalize the Wastewater Aerobic/Anaerobic Transformations Sewers (WATS) model for the Western Outfall to simulate treatment scenarios.
- Identify a partner to support implementation of Robotic Process Automation (RPA) tools for process improvement.
- Launch a just-in-time customer survey following completed service requests to measure satisfaction.
- Continued Primary Sedimentation Basin Rehab project, with completion by third quarter of FY26, allowing more efficient operation of MFWQTC removal of Total Suspended Solids (TSS) and Biochemical Oxygen Demand (BOD).
- Hydrogen Sulfide Removal System installation will be completed by the end of FY26, which will allow MSD to utilize digester gas to operate the rotary drum dryer, reducing the use of natural gas resulting in energy cost savings.
- Two anaerobic digesters rehabilitation will be completed and the first train for the THP will be in service.
- Re-rate 2024202 of CCWQTC to 9.0 MGD will be completed, providing additional capacity for development.

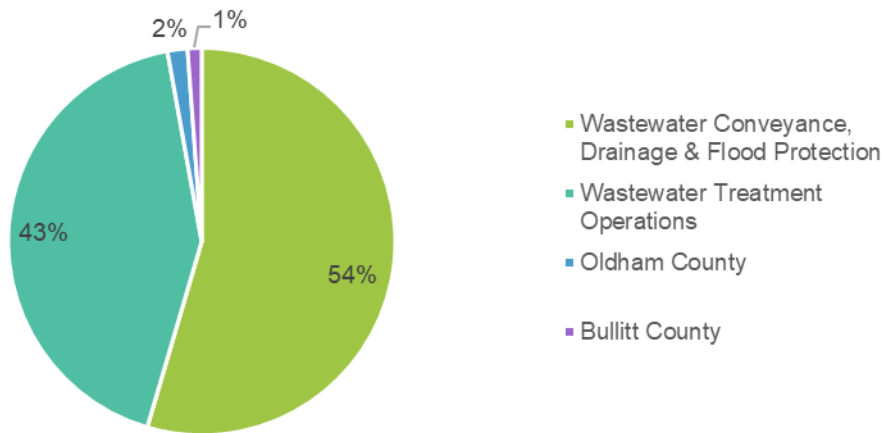
## Operations Division Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$41,550,913	\$43,793,972	\$2,243,059	5.4%
51130 - Overtime	\$2,413,325	\$3,225,625	\$812,300	33.7%
51135 - Special Event Compensation	\$387,659	\$402,900	\$15,241	3.9%
51300 - Payroll Taxes	\$3,184,351	\$3,354,077	\$169,726	5.3%
51400 - Unemployment Insurance	\$20,236	\$0	(\$20,236)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$6,514,710	\$7,310,018	\$795,309	12.2%
51600 - Retirement Contributions	\$7,564,508	\$7,807,898	\$243,391	3.2%
	\$61,635,701	\$65,894,491	\$4,258,790	6.9%
<b>NON-LABOR</b>				
53310 - Electric	\$13,133,880	\$15,918,085	\$2,784,205	21.2%
53320 - Natural Gas	\$1,099,667	\$1,092,957	(\$6,710)	-0.6%
53330 - Water	\$1,789,979	\$2,153,009	\$363,030	20.3%
53345 - Data Communications	\$361,600	\$351,300	(\$10,300)	-2.8%
53100 - Tires & Tire Service Expense	\$365,603	\$365,603	\$0	0.0%
53140 - Materials & Supplies	\$8,261,447	\$9,012,157	\$750,710	9.1%
53160 - Landfill Cost of fill dirt	\$546,000	\$600,300	\$54,300	9.9%
51700 - Uniforms	\$271,834	\$249,613	(\$22,221)	-8.2%
52110 - Billing & Collection	\$54,810	\$54,810	\$0	0.0%
52140 - Professional Services	\$1,037,102	\$2,084,494	\$1,047,392	101.0%
52160 - Maintenance & Repairs	\$2,847,994	\$3,068,267	\$220,273	7.7%
52170 - Sludge & Grit Disposal	\$3,408,529	\$2,982,789	(\$425,740)	-12.5%
52180 - Temporary Services	\$50,100	\$47,500	(\$2,600)	-5.2%
52195 - Other Contractual Services	\$13,305,199	\$13,894,823	\$589,624	4.4%
54200 - Bad Debts	\$26,400	\$26,400	\$0	0.0%
53205 - Peracetic Acid	\$100,000	\$50,000	(\$50,000)	-50.0%
53210 - Chlorine	\$7,050	\$0	(\$7,050)	-100.0%
53215 - Sodium Hypochlorite	\$3,104,790	\$3,340,833	\$236,043	7.6%
53220 - Polymer	\$3,566,730	\$3,973,730	\$407,000	11.4%
53225 - Sodium Aluminate	\$246,200	\$172,000	(\$74,200)	-30.1%
53230 - Liquid Oxygen	\$333,516	\$333,516	\$0	0.0%
53235 - Liquid Nitrogen	\$148,400	\$148,400	\$0	0.0%
53240 - Other Chemicals	\$87,606	\$89,750	\$2,144	2.4%
53250 - Dechlorination	\$422,100	\$473,100	\$51,000	12.1%
53275 - Defoamer	\$37,040	\$34,690	(\$2,350)	-6.3%
53280 - Bioxide	\$2,520,000	\$2,320,000	(\$200,000)	-7.9%
53285 - Sodium Hydroxide	\$750	\$750	\$0	0.0%
53120 - Gasoline	\$783,976	\$741,000	(\$42,976)	-5.5%
53130 - Diesel Fuel	\$1,243,582	\$1,024,541	(\$219,041)	-17.6%
53410 - Equipment Rental	\$248,150	\$438,100	\$189,950	76.5%
53420 - Space Rent	\$36,000	\$36,000	\$0	0.0%
54400 - Advertising	\$1,700	\$1,700	\$0	0.0%
54500 - Travel & Meetings	\$123,930	\$179,627	\$55,697	44.9%
54550 - Training	\$257,603	\$388,913	\$131,310	51.0%
54600 - Dues, Fees and Subscriptions	\$310,570	\$245,485	(\$65,085)	-21.0%
	\$60,139,837	\$65,894,243	\$5,754,406	9.6%
<b>Total O&amp;M Budget</b>	<b>\$121,775,538</b>	<b>\$131,788,734</b>	<b>\$10,013,196</b>	<b>8.2%</b>

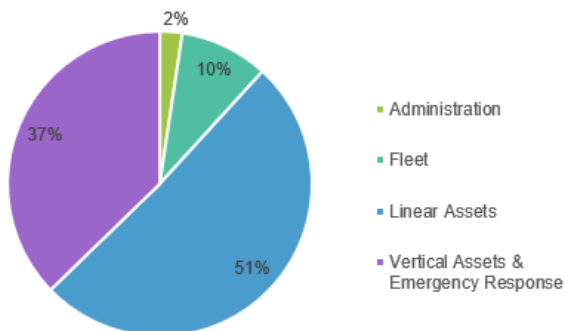


## Operations Division Operating Budget (continued)

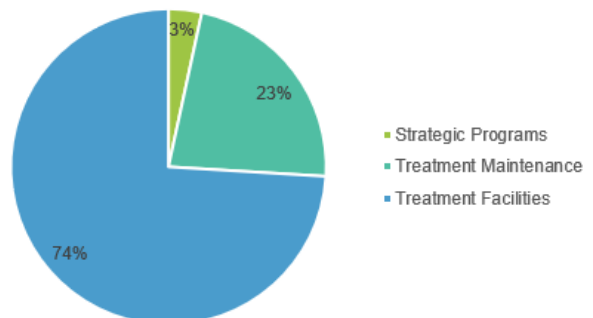
### Operations FY26 Budget by Department



### Wastewater Conveyance, Drainage & Flood Protection FY26 Budget by Department



### Wastewater Treatment Operations FY26 Budget by Department



*A 1,120-horsepower pump and motor from Lower Mill Creek Flood Pumping Station was shipped to Kansas City to be rebuilt after damage sustained during the April Flood in Louisville*

## Supply Chain & Economic Inclusion Division

### Mission

To ensure responsible stewardship of Louisville MSD's resources, while providing the highest level of quality, customer-focused services, innovation, integrity and diversity, equity and inclusion in our supply chain processes, while supporting our business operations, vendors, and our customers.

### Departments

Procurement: In accordance with the MSD Procurement Regulations, the Procurement Department is responsible for procurement of goods and services, construction, and professional services for all departments at the best value for our customers, while promoting an open and fair competitive process.

Warehouse: Responsible for the inventorying, reordering, safeguarding, and tracking of all Warehouse equipment materials and supplies; while ensuring adequate stock levels for maintenance, repair, and operation (MRO) assets are on hand, and available for use.

Supplier Diversity – MBE/WBE Program and SBE Program: Responsible for ensuring meaningful opportunities for qualified Minority and Woman Business Enterprises and encouraging and facilitating full and equitable business opportunities for Small Local Business Enterprises to compete and participate in MSD's procurements across all business units.

### FY25 Project Status & Accomplishments

- MSD has awarded nearly \$2.5 million dollars to SBEs in the SBE program since its inception.
- MSD spent approximately \$61.1 million dollars with minority and woman-owned businesses across all business units.

### FY26 Budget Highlights

- Continued funding for consulting services for design layout at regional warehouses.
- Included funding for SAP S/4 HANA consultant to assist in warehouse.

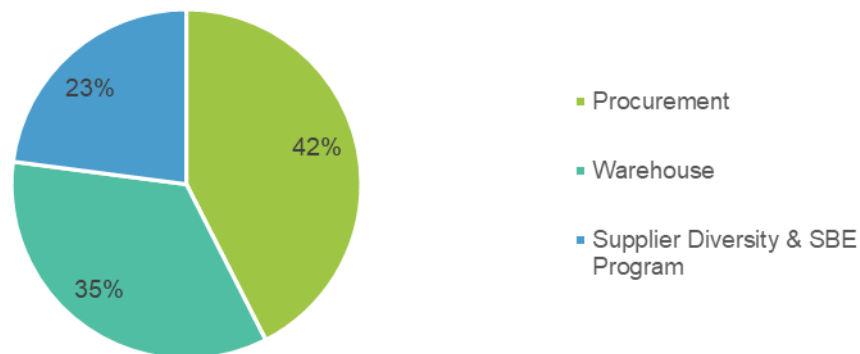


*Attendees at MSD's Can You Dig It? Event meant to connect small, women-owned, and minority-owned business to connect with prime contractors.*

## Supply Chain & Economic Inclusion Operating Budget

O&M Budget Total	FY2025 Budget	FY2026 Budget	\$ Increase	% Increase
<b>LABOR</b>				
51120 - Regular Salaries & Wages	\$2,376,878	\$2,541,928	\$165,051	6.9%
51130 - Overtime	\$28,000	\$28,000	\$0	0.0%
51300 - Payroll Taxes	\$178,687	\$191,532	\$12,845	7.2%
51400 - Unemployment Insurance	\$992	\$0	(\$992)	-100.0%
51500 - Med Ins: MSD's port. of prem for grp	\$314,548	\$320,597	\$6,049	1.9%
51600 - Retirement Contributions	\$453,878	\$442,578	(\$11,300)	-2.5%
	\$3,352,982	\$3,524,635	\$171,653	5.1%
<b>NON-LABOR</b>				
53140 - Materials & Supplies	\$29,600	\$35,700	\$6,100	20.6%
51700 - Uniforms	\$3,000	\$3,000	(\$0)	0.0%
52140 - Professional Services	\$98,000	\$262,500	\$164,500	167.9%
52160 - Maintenance & Repairs	\$15,000	\$15,000	\$0	0.0%
52195 - Other Contractual Services	\$1,020	\$1,020	\$0	0.0%
54250 - Contributions	\$17,500	\$17,500	\$0	0.0%
54400 - Advertising	\$30,498	\$29,300	(\$1,198)	-3.9%
54500 - Travel & Meetings	\$40,300	\$36,100	(\$4,200)	-10.4%
54550 - Training	\$46,477	\$45,422	(\$1,055)	-2.3%
54600 - Dues, Fees and Subscriptions	\$24,150	\$19,350	(\$4,800)	-19.9%
	\$305,545	\$464,892	\$159,347	52.2%
<b>Total O&amp;M Budget</b>	<b>\$3,658,527</b>	<b>\$3,989,527</b>	<b>\$331,000</b>	<b>9.0%</b>

## Supply Chain & Economic Inclusion FY26 Budget by Department



## Capital Budget

### Capital Budget Summary

The capital budget for fiscal year 2026 totals \$321.2 million. Many projects in this budget span multiple years and will continue spending beyond fiscal year 2026. Total five-year CIP spending is projected to be \$1.32 billion. The following table summarizes five-year CIP spending by Service Type.

The five-year CIP shown below will be re-balanced in subsequent years to align with the revised financial plan following the Board's decision to implement a lower rate increase for Jefferson County in fiscal year 2026. Some capital projects will likely be deferred beyond the five-year period.

<b>Five-Year CIP</b>							
<i>Dollars in 000's</i>							
Service Type	FY26	FY27	FY28	FY29	FY30	Total	
Wastewater	\$ 224,872	\$ 198,400	\$ 252,153	\$ 227,196	\$ 150,658	\$ 1,053,279	
Drainage	\$ 8,284	\$ 8,695	\$ 9,428	\$ 2,971	\$ 8,719	\$ 38,097	
Flood Protection	\$ 73,244	\$ 23,005	\$ 20,259	\$ 12,880	\$ 19,148	\$ 148,536	
Support Systems	\$ 13,236	\$ 13,401	\$ 9,107	\$ 8,803	\$ 18,284	\$ 62,831	
Management Reserve	\$ 1,585	\$ 569	\$ 5,100	\$ 5,100	\$ 5,100	\$ 17,454	
<b>Total</b>	<b>\$ 321,221</b>	<b>\$ 244,070</b>	<b>\$ 296,047</b>	<b>\$ 256,950</b>	<b>\$ 201,909</b>	<b>\$ 1,320,197</b>	

The Wastewater, Drainage and Flood Protection service types support the core functions of MSD and, comprise most of any annual CIP. The Support Systems service type includes improvements needed to keep MSD's non-process infrastructure operating as intended including vehicles and large equipment, buildings and structures, information technology hardware and software, and general facility improvements. Management Reserve funds are set aside to compensate for unforeseen circumstances.

The following table summarizes five-year CIP spending by county.

<b>Five-Year CIP Jefferson County</b>						
<i>Dollars in 000's</i>						
FY26	FY27	FY28	FY29	FY30	Total	
\$ 302,670	\$ 215,595	\$ 251,161	\$ 237,840	\$ 196,138	\$ 1,203,404	

<b>Five-Year CIP Oldham County</b>						
<i>Dollars in 000's</i>						
FY26	FY27	FY28	FY29	FY30	Total	
\$ 6,411	\$ 4,883	\$ 13,283	\$ 6,781	\$ 1,091	\$ 32,449	

<b>Five-Year CIP Bullitt County</b>						
<i>Dollars in 000's</i>						
FY26	FY27	FY28	FY29	FY30	Total	
\$ 12,140	\$ 23,592	\$ 31,603	\$ 12,329	\$ 4,680	\$ 84,344	

## Sources and Uses of Funds

The CIP is funded with a mixture of cash funding, provided by operations, and debt. MSD utilizes its commercial paper program to provide short-term CIP financing. Periodically, commercial paper is redeemed with proceeds from the issuance of thirty-year revenue bonds which provide fixed-rate, long-term financing. MSD pursues low-cost financing opportunities through the Kentucky Infrastructure Authority's (KIA) State Revolving Fund loan program and the Environmental Protection Agency's Water Infrastructure Finance and Innovation Act (WIFIA). MSD utilizes federal grant programs to purchase homes in flood prone areas. Additionally, MSD pursues budget earmarks, grant and partnership opportunities for wastewater and flood protection projects, such as the USACE P3 204 and 221 Programs.

The following table summarizes CIP funding sources for fiscal year 2026.

<b>FY26 CIP - Combined Service Area</b>	
<i>Dollars in 000's</i>	
	<b>FY26 CIP</b>
Capital Improvement Plan	\$ 321,221
Funding Sources:	
Cash Funded	\$ 67,915
Grant Funded	14,205
Debt	239,101

The following table summarized CIP funding sources for fiscal years 2026 through 2030.

<b>Five Year CIP - Combined Service Area</b>					
<i>Dollars in 000's</i>					
	<b>FY26 Budget</b>	<b>FY27 Plan</b>	<b>FY28 Plan</b>	<b>FY29 Plan</b>	<b>FY30 Plan</b>
Capital Improvement Plan	321,221	245,122	209,265	209,704	206,844
Funding Sources:					
Cash Funded	67,915	72,090	74,636	72,972	96,844
Grant Funded	14,205	902	144	-	-
Debt	239,101	172,130	134,485	136,732	110,000

## Impacts of Capital Investments on Operating Budget

When new capital projects, like facility expansions or infrastructure improvements, are completed, they can affect how much it costs to run our systems. These changes might increase or decrease expenses or even help bring in more revenue. Successful integrated planning can help avoid rate increases or taking on more debt than necessary.

In the past, many large projects were required by a federal Consent Decree. These often involved constructing new facilities to minimize overflows to the creeks and streams, which led to higher operating costs, such as utility costs, or the need for more staff. These costs were absorbed as part of doing what was required.

Now, we're focusing more on rehabilitating or replacing older infrastructure. These types of projects are expected to save money over time. While some smaller, routine projects don't have a big impact on the budget, they often help us run more efficiently by cutting down on energy use, reducing maintenance needs, and improving reliability and safety.



### Table of Projects Closed in Fiscal Year 2024

The following table identifies the number of assets by asset class and the total asset value for capital projects that were completed in fiscal year 2024.

Assets Placed in Service in Fiscal Year 2024		
Asset Class	# of Assets	Asset Value
Sewer Lines	37	\$ 54,938,378.66
Pump Stations	19	\$ 20,672,591.14
Wastewater Treatment Facilities	44	\$ 139,198,904.45
Administrative Facilities	15	\$ 16,214,234.57
Stormwater Construction Assets	174	\$ 59,286,208.71
Maintenance Facilities	1	\$ 473,582.22
Fleet	117	\$ 15,047,706.94
Communications Equipment	3	\$ 768,140.43
Data Processing Hardware	3	\$ 5,331,386.03
Data Processing Programs	2	\$ 566,039.99
LOJIC Equipment	1	\$ 37,113.82
Miscellaneous Assets	1	\$ 191,930.93
<b>Total</b>	<b>417</b>	<b>\$ 312,726,217.89</b>



*Emergency sewer line replacement on East Liberty Street of a brick sewer dating back to 1872*

## Fiscal Year 2026 Large Project Profiles

### Jefferson County

The following are project profiles for the largest Jefferson County projects in the fiscal year 2026 CIP:

#### Paddy's Run Pump Station Capacity Improvements

**Project Description:** This project will construct a new flood pumping station that shall provide a total estimated pumping capacity of 1,900 MGD. The project will include six new flood pumps, motors, and discharge pipes. This project will also install all necessary SCADA, electrical, and mechanical components to operate the new flood pumps, in addition to the required aesthetic, plumbing, and HVAC equipment. This project is being completed using a progressive design-build project delivery approach.

**Project Justification:** The Paddy's Run FPS was designed by USACE and put into service in 1953 to protect both the public and many critical assets within MSD's combined sewer system from river related flooding. Paddy's Run FPS pumps from the largest pipe in the Louisville combined sewer system, the Southwestern Outfall. The Paddy's Run FPS routinely pumps combined sewer overflows during wet weather events when the river is elevated, further protecting the public from contact with flood waters impacted by combined sewers. In 2017 MSD placed the Bells Lane Wet Weather Treatment Facility into service. Under some operating conditions the Paddy's Run FPS becomes the effluent pump station for the Bells Lane Facility. As such in addition to providing critical flood protection, the Paddy's Run FPS serves as essential wastewater infrastructure for combined sewer overflow control.

**Service Type:** Flood Protection

**Driver:** AEAP - SRP

**Program:** Consent Decree - 2nd Amendment

**Project Type:** Flood Pump Station

CIP Project Financials						
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget	
\$ 148,195,649	\$ 70,185,000	\$ 14,279,000	\$ 12,615,000	\$ -	\$ -	
<b>Current Estimate at Completion:</b>		<b>\$ 239,235,357</b>				

CIP Project Schedule
Construction NTP: May 3, 2023
Substantial Completion: December 31, 2026
Final Completion: June 30, 2028
Regulatory Deadline: December 31, 2026



Construction underway at Paddy's Run Flood Pump Station.



## Morris Forman WQTC New Biosolids Facility

**Project Description:** In 2019, MSD commissioned preparation of a District-Wide Biosolids Master Plan. The Master Plan confirmed the new Biosolids Facility to be constructed via the WIFIA loan program is the recommended long-term solution. The Master Plan identified short-term improvements that would help MSD achieve permit compliance and support construction of the new facility. The short-term improvements include replacing outdated equipment at the Morris Forman WQTC (centrifuges and dryers) and offloading regional biosolids. All six centrifuges were sent to the manufacturer for refurbishment in a phased approach. An emergency certification project was issued in 2019 to replace

**Project Justification:** This project will construct a modern biosolids processing facility at the Morris Forman WQTC that utilizes a thermal hydrolysis pretreatment process (THP) to create a useable biogas. Benefits of the new facility include improved effluent quality; production of 4 MW of decreased consumption of natural gas; and reduced landfill utilization capacity.

**Service Type:** Wastewater  
**Driver:** AEAP - SRP

**Program:** Consent Decree - 2nd Amendment  
**Project Type:** WQTC

CIP Project Financials					
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
\$ 154,628,139	\$ 83,500,000	\$ 58,500,000	\$ 27,964,000	\$ -	\$ -
<b>Current Estimate at Completion:</b>		<b>\$ 315,191,022</b>			

CIP Project Schedule
Construction NTP: January 1, 2024
Substantial Completion: December 8, 2027
Final Completion: August 7, 2028
Regulatory Deadline: December 31, 2030



*The installation of the roof on digester #3, part of the Morris Forman WQTC Biosolids Facility project.*

## CCWQTC Solids Dewatering Facility

**Project Description:** Cedar Creek WQTC is experiencing growth in its service area and is subsequently producing additional solids. The proposed dewatering facility will increase sludge production from 8,000 lb./day to 22,300 lb./day in order to keep up with the additional solids. Construction will consist of a new dewatering building, electrical & sludge pump building, installation of new odor control unit, and sludge screen & pumps.

**Project Justification:** Dewatered sludge solids will feed MSD's internal supply chain for Louisville Green through the THP system. Additionally, without expanding Cedar Creek's processing capacity, excess solids could result in permit violations.

**Service Type:** Wastewater  
**Driver:** Asset Management

**Program:** CMOM  
**Project Type:** WQTC

CIP Project Financials					
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
\$ 8,375,367	\$ 16,118,000	\$ 4,146,000	\$ -	\$ -	\$ -
<b>Current Estimate at Completion:</b>		<b>\$ 26,150,000</b>			

CIP Project Schedule
Construction NTP: March 5, 2025
Substantial Completion: June 28, 2026
Final Completion: September 26, 2026



*Construction underway at the Cedar Creek Water Quality Treatment Center.*

## MFWQTC DAFT Rehabilitation

**Project Description:** This project will demolish and replace in kind the existing process equipment located within each of the eight DAFT tanks. In the DAFT pump room, the recirculation pumps, PVC piping, and thickened sludge valving will be demolished and replaced with upgraded materials and equipment. The storage and mixing polymer tanks, polymer delivery pumps, polymer skids, and polymer piping within the DAFT polymer room will be demolished and replaced in a fashion that will improve functionality and provided better operational control. The structural improvements will address the severe pitting, exposed rebar, cracks, and any unsound areas of each DAFT tank concrete structure. The architectural improvements will address the severe pitting, exposed rebar, cracks, and any unsound areas of each DAFT tank concrete structure. The architectural improvements are to provided better door seals at the entry and exit points of the DAFT tank room, as well as installing DAVIT ports, swing gates, and entry ladders to each tank to address safety concerns. HVAC equipment will be demolished and replaced and, new odor control equipment will be installed to treat the hazardous and foul air within the DAFT tank room. The electrical and I&C equipment associated with the DAFT process equipment is to be demolished and replaced with modernized equipment and designed to relocate certain equipment to a more centralized location.

**Project Justification:** The Morris Forman Water Quality Treatment Center Dissolved Air Flotation Thickening (DAFT) process was constructed in the 1970s during the original construction of the Main Equipment Building and rehabilitated in the 1990s. Due to the corrosive environment and age of equipment, DAFT tanks and various ancillary thickening equipment have reached the end of their service life and performance is unreliable. Rehabilitation of the DAFT process equipment will extend the service life for the next 20 years. The reliability of the DAFT process equipment is necessary as it will support the THP process that is to be implemented at Morris Forman. Additional rehabilitation to the polymer room, pump room, HVAC ventilation and ductwork, electrical and I&C infrastructure will improve process functionality, and more importantly the quality of life of the operations and maintenance personnel.

**Service Type:** Wastewater

**Program:** NMC

**Driver:** Asset Management

**Project Type:** WQTC

CIP Project Financials					
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
\$ 1,134,569	\$ 9,507,000	\$ 8,440,000	\$ 4,207,000	\$ -	\$ -
<b>Current Estimate at Completion:</b>		<b>\$ 23,408,662</b>			

CIP Project Schedule
Construction NTP: September 4, 2025
Substantial Completion: December 23, 2027
Final Completion: January 22, 2028

## Oldham County

The following are project profiles for the largest Oldham County projects in the fiscal year 2026 CIP:

### KSR WWTP Expansion 1.2 MGD

**Project Description:** This project will expand the KY State Reformatory (KSR) WWTP (KPDES Permit #:KY004016) from 1 MGD to 1.2 MGD. The expansion includes influent upgrades, upgrades to secondary treatment, disinfection upgrades, and the sludge handling improvements. This expansion will also include a new electrical building that includes upgrades to VFDs and SCADA for major equipment such as aerators to improve energy efficiency. Hypochlorite disinfection will be replaced with peracetic acid, which will mitigate the occurrence of disinfection byproducts such as Chlorodibromomethane that have resulted in past NOV's. Electrical upgrades to controls will allow cybersecurity improvements at the WWTP. Upgrades to sludge storage will thicken sludge and reduce fuel consumption for hauling waste.

**Project Justification:** There is a growing demand for residential, commercial, and industrial growth within the KSR Treatment Plant service area that will require additional treatment capacity to serve. Adding to the demand on the KSR WWTP is the need to eliminate the nearby Mockingbird Valley WWTP, which is aging and has required major structural reinforcement to corroded tanks in 2022 to remain in operation. Expanding KSR WWTP would, resolve issues identified by MSD's asset management program, provide capacity for MSD to serve projected growth in the area, and eliminate Mockingbird Valley WWTP.

**Service Type:** Wastewater

**Program:** CMOM

**Driver:** Regulatory

**Project Type:** WQTC

CIP Project Financials						
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget	
\$ 142,317	\$ 1,868,000	\$ 2,322,000	\$ 9,259,000	\$ 4,091,000	\$ -	
<b>Current Estimate at Completion:</b>		<b>\$ 17,747,000</b>				

CIP Project Schedule
Construction NTP: February 10, 2027
Substantial Completion: August 15, 2028
Final Completion: October 14, 2028



## Ohio River Service Area Lift Station Rehabilitation

**Project Description:** This "Ohio River Service Area Lift Station Rehabilitation" project has identified three lift stations out of the 69 throughout the Oldham County wastewater collection system that are in direr need of either total rehabilitation or replacement. These lift stations are Club Drive, Cliffwood Drive, and Cardinal Harbor. Cardinal Harbor will be replaced, Cliffwood Drive will be replaced at a new location, and Club Drive will be eliminated.

**Project Justification:** Properly sized and functioning lift stations are critical to the operations of the wastewater system and will eliminate overflows and basement backups due to lift station failures.

**Service Type:** Wastewater

**Program:** CMOM

**Driver:** Asset Management

**Project Type:** PS - FM

CIP Project Financials					
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
\$ 261,532	\$ 3,002,000	\$ 581,000	\$ -	\$ -	\$ -
<b>Current Estimate at Completion:</b>		<b>\$ 3,698,700</b>			

CIP Project Schedule
Construction NTP: April 7, 2025
Substantial Completion: July 1, 2026
Final Completion: September 29, 2026

## Bullitt County

The following are project profiles for the largest Bullitt County projects in the fiscal year 2026 CIP:

### Bullitt Hills & Hillview #1 WWTP Elimination

**Project Description:** This project will eliminate the Hillview #1 and Bullitt Hills WWTP's along with the Zoneton Road PS. The WWTP's being eliminated are older than 25-years and have had NOV's in the last 2 fiscal years. This project will also include the construction of a new pump station, referred to as the "New Zoneton Road PS" in place of a WWTP and flow will be diverted to the DRG treatment plant in Jefferson County. In order to reroute flows from the eliminated WWTP's and pump station, approximately 3,000 LF of collector sewer and 6,300 LF of interceptor sewer will be constructed.

This project is additionally necessary to improve capacity assurance and overflow abatement needs in this area. The elimination of these treatment plants and pump station will mitigate existing SSOs in Bullitt County and is required by the Bullitt County Agreed Order. It also aligns with System Capacity Assurance Plan (SCAP) and Capacity, Management, Operations, and Maintenance (CMOM) regulatory commitments.

**Project Justification:** This project will be needed to eliminate aging and problematic wastewater treatment plants and associated pump station. With building one centralized pump station to direct flow to a WWTP capable of handling the flow, the system is able to be more reliable and efficient.

**Service Type:** Wastewater

**Driver:** BCSD

**Program:** Agreed Order

**Project Type:** Gravity Conveyance

CIP Project Financials					
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget
\$ 829,252	\$ 5,000,000	\$ 10,323,000	\$ 1,352,000	\$ -	\$ -
<b>Current Estimate at Completion:</b>		<b>\$ 17,665,000</b>			

CIP Project Schedule
Construction NTP: April 14, 2026
Substantial Completion: September 30, 2027
Final Completion: November 29, 2027
Regulatory Deadline: December 31, 2035



*Bullitt Hills WWTP prior to elimination to make way for a new pump station*

## Pioneer Village WWTP Expansion 2.5 MGD

**Project Description:** This project will expand the existing 0.31 MGD Pioneer Village Wastewater Treatment Plant to a 2.5 MGD Water Quality Treatment Center. Additionally, the project will update equipment at the existing influent pump station. The upgraded treatment plant with greater capacity will allow for the future elimination of existing upstream wastewater treatment plants and provide adequate capacity for growth. This project is additionally necessary to improve capacity assurance and overflow abatement needs in this area. The upgrade of the influent pump station will mitigate existing SSOs in Bullitt County. It also aligns with System Capacity Assurance Plan (SCAP) and Capacity, Management, Operations, and Maintenance (CMOM) regulatory commitments.

**Project Justification:** This project will replace an existing problematic wastewater treatment plant and provide adequate capacity for existing and future conditions. Expanding this wastewater treatment plant will allow for future elimination of existing upstream wastewater treatment plants.

**Service Type:** Wastewater  
**Driver:** Asset Management

**Program:** Agreed Order  
**Project Type:** WQTC

CIP Project Financials						
Lifetime Actuals	FY26 Budget	FY27 Budget	FY28 Budget	FY29 Budget	FY30 Budget	
\$ 274,570	\$ 3,000,000	\$ 10,384,000	\$ 29,488,000	\$ 11,323,000	\$ -	
<b>Current Estimate at Completion:</b>		<b>\$ 54,682,600</b>				

CIP Project Schedule
Construction NTP: July 29, 2027
Substantial Completion: June 30, 2029
Final Completion: August 29, 2029
Regulatory Deadline: December 31, 2030



*The Pioneer Village WWTP prior to expansion*



## Consent Decree

MSD entered into a Consent Decree with the Commonwealth of Kentucky's Environmental and Public Protection Cabinet (KEPPC) and the U.S. Environmental Protection Agency (EPA) on August 12, 2005. The Consent Decree called for MSD to submit a final Long-Term Control Plan (LTCP) to the KEPPC and EPA for review and joint approval. The final Sanitary Sewer Discharge Plan (SSDP) and the LTCP were certified on December 19, 2008, under the title of the Integrated Overflow Abatement Plan (IOAP). The SSDP included schedules and deadlines for capital projects to be completed by the end of 2024. The LTCP included schedules, and deadlines for combined sewer overflow projects to be completed by December 31, 2020.

On April 10, 2009, MSD entered into an Amended Consent Decree with the KEPPC and the EPA. The Amended Consent Decree resolved all pending claims of violations of the Federal Water Pollution Control Act and the Water Quality Act of 1987. The Amended Consent Decree superseded and replaced the original Consent Decree entered on August 12, 2005. The Amended Consent Decree contains stipulated penalties for MSD's failure to comply with the provisions contained therein. The IOAP was amended in 2012 and 2014 to improve compliance and adjust capital project schedules.

Since entry of the 2009 Amended Consent Decree, MSD has spent over \$1.6 billion designing and constructing many of the IOAP projects (including required projects and programs in the Second Amended Consent Decree mentioned below). To date, all schedule milestones on IOAP projects to mitigate sewer overflows across the service area have been met. Local waterways are safer and cleaner today because of these expenditures. Spending on the Amended Consent Decree work has consumed the majority of MSD's capital expenditures since 2009. However, the IOAP projects have only addressed a fraction of the wastewater, drainage, and flood protection assets under MSD's purview. An unintended consequence of compliance with the Amended Consent Decree has been deferred asset management on the remaining infrastructure.

MSD proactively approached the EPA in 2019 to renegotiate the timing for completing the remaining projects required by the Amended Consent Decree to reprioritize capital dollars for replacing MSD's aging biosolids systems, investing \$70 million in critical large diameter interceptor rehabilitation, and reliability and capacity upgrades to the 70-year Paddy's Run Flood Pump Station. As a result, MSD, the EPA, and the Commonwealth of Kentucky have negotiated the Second Amended Consent Decree, which adds the above suite of projects and grants a time extension for completing the remaining separate sewer system projects through 2035. MSD also agreed to invest a minimum of \$25 million annually for asset management projects through 2035. The United States District Court granted final approval of the Second Amended Consent Decree on September 14, 2022. In 2022, MSD's final LTCP project, the Waterway Protection Tunnel, was completed, which captures up to 50 million gallons of combined sewer overflow volume per rain event that would have otherwise flowed to Beargrass Creek and the Ohio River. The remaining IOAP projects are on schedule with Asset Management spend targets being met.

During negotiations with the EPA on the Second Amended Consent Decree, MSD engaged Black & Veatch to conduct a long-term financial analysis and financial capability analysis to evaluate the impact of required capital improvements on MSD's financial stability and customer affordability. The projected average annual residential bill for wastewater and drainage was calculated each year to evaluate the near-term and long-term impact of the capital improvements required by the Second Amended Consent Decree. The financial capability analysis showed that financing the Second Amended Consent Decree was achievable within the MSD Board's rate-setting authority.

More in-depth detail on the regulatory projects in the fiscal year 2026 and five-year CIP can be found in the following Capital Improvement Plan section.

# Capital Improvement Plan

## Capital Improvement Plan Overview

The fiscal year 2026 CIP includes 181 active and proposed projects totaling \$321.2 million, including \$1.6 million in Management Reserve funds. The projects included in the plan represent investment in MSD's highest priority assets with a particular focus on those projects needed for regulatory compliance. Emergencies and other events can lead to changes in priorities throughout the year. When these needs occur, the CIP will evolve as necessary.

## Process for Developing the FY26-30 CIP

### Priorities

CIP working groups comprised of the Chief Engineer, Chief of Operations, Chief Financial Officer, Infrastructure Planning, Operations and Engineering Division staff held a series of workshops to discuss capital priorities for the fiscal year 2026 and five-year CIP.

Meetings are held with staff from various Divisions across MSD to discuss current projects and future needs. The following Division and Departments were included in these meetings: Operations (Vertical Assets, Linear Assets and Fleet), Supply Chain and Economic Inclusion, Information Technology (Information Systems, LOJIC), Facilities, Safety & Security, Administration (Community Benefits, Government & Public Affairs and Innovation) and Engineering (Development and Stormwater Services, Regulatory Compliance, Records and GIS and Technical Services). While regulatory programs continue to drive most of the five-year CIP, it is critical to ensure that high priorities in other areas are identified and included as well. Leadership approval of the recommendations occurs during one-on-one meetings, ad-hoc budget meetings and monthly CIP Management Team meetings.

For a full list of all projects in the five-year CIP see Appendix A.

### CIP Assumptions

The budget development process attempts to anticipate and "build in" a variety of assumptions that could impact project progress.

- Equipment delivery – Long lead times for electrical equipment, vehicles and certain pumps continues impact projects.
- Contractor demand – MSD continues to face competition from public and private capital projects. This can lead to construction delays and increased bid prices. Additionally, contractor workforce issues can delay construction starts.
- Easement acquisitions – Anticipated delays are now built into each schedule to try and mitigate this impact on the CIP delivery.
- Anticipated Regulatory changes – Garnering final permits from regulatory agencies can still be a lengthy process with undetermined consequences.
- Loss of alternative funding opportunities – Changes to State and Federal programs have limited potential opportunities to pursue grants to supplement the CIP.

## Processes for Managing the CIP

Throughout the year there are two tracks of CIP management efforts taking place to ensure that necessary program changes are fully endorsed.

- Project-Level Change Management – Throughout the life cycle of the project, major changes are presented, discussed and approved by the Gateway team. This team includes both engineering and operations leadership so that changes are fully vetted and understood.
- Program-Level change Management – A monthly cycle of project and program review takes place beginning with the project manager report of schedule and estimate changes leading to a Variance Meeting of Program Controls and Engineering Managers. This information is then fed into an Engineering and Operations Division leadership meeting to discuss the current year CIP progress and the cycle ends with the CIP Management Team meeting which focusses on progress metrics, high level risks and approvals of major changes.

## Regulatory Compliance

MSD's Regulatory Compliance program includes mandates per federal, state, or local regulation, rule, code, permit, Consent Decree, Agreed Order or Administrative Order. MSD has several Regulatory Compliance programs requiring capital investment during fiscal year 2026 and throughout the five-year CIP. Nearly 85 percent of Jefferson County's capital investment is allocated, making it the primary driver of the five-year CIP. In Bullitt and Oldham Counties the regulatory driver is even higher at 99 percent and 98 percent of the five-year CIP, respectively.

<b>Regulatory CIP Summary</b>			
<i>Dollars in 000's</i>			
	<b>FY26 CIP</b>		<b>Five-Year CIP</b>
Consent Decree	\$	171,561	\$ 547,916
State Agreed Orders		33,600	111,910
CMOM Program		60,047	316,953
NMC Program		26,030	159,261
MS4 Program		665	3,005
	<b>\$</b>	<b>291,903</b>	<b>\$ 1,139,045</b>

## CIP by Service Type

### Wastewater

The Wastewater program is a vital core component of MSD. It provides the critical front line of the health and safety of all Jefferson County, Bullitt County and Oldham County residents that it serves. The five-year CIP includes mainly funding for regulatory projects. Additional projects support planning studies, development coordination and emergency projects. Annual appropriation projects provide funding for emergencies, equipment replacement and other repair and replacement type projects. Appropriations also fund support efforts for MSD programs.

<b>Wastewater Programs</b>			
<i>Dollars in 000's</i>			
	<b>FY26 CIP</b>		<b>Five-Year CIP</b>
Consent Decree	\$	101,376	\$ 450,837
Agreed Order		33,425	111,735
CMOM		60,047	316,953
Facilities		73	1,473
NMC		26,030	159,261
Support Services		3,921	13,020
	<b>\$</b>	<b>224,872</b>	<b>\$ 1,053,279</b>

### Agreed Orders

Agreed Orders between MSD and state or local regulatory agencies require improvements in the MSD system to address outstanding issues. A summary of active agreed orders follows:

#### *Kentucky Department of Environmental Protection's Energy and Environmental Cabinet (KDEP)*

- Jefferson County: MSD entered into an Agreed Order with the KDEP to complete the \$175 million Corrective Action Plan (CAP) for mitigating permit non-compliance at the Morris Forman WQTC. MSD has been working on the CAP projects since 2015. Only one project remains, the rehabilitation of the MFWQTC Sedimentation Basins is underway with a forecasted completion date in fiscal year 2026.
- Bullitt County: An Agreed Order was signed in 2021 with KDEP related to the wastewater treatment and collection system in the Bullitt County service area. The projects associated with this Agreed

Order are forecasted to commit nearly \$76 million in the 5-Year CIP.

**Louisville Metro Air Pollution Control Board**

MSD entered into an Agreed Order with the Louisville Metro Air Pollution Control Board related to odors from its collection system. An Odor Management Plan continues to be developed, and specific improvements are underway in several communities.

<b>Wastewater   Agreed Order Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
C24139	Shawnee Trap Catch Basin Replacement	\$ 820	\$ 820
D17039	MFWQTC DAFT Rehabilitation	9,507	22,154
D17042	MFWQTC Sedimentation Basin RR	4,750	4,750
D24149	MFWQTC Digester Gas Hydrogen Sulfide (H2S) Removal	6,792	6,921
H25031	Neighborhood Odor Control Catch Basin Inspections	333	666
H25059	Taylor-Berry Catch Basin Replacement	160	160
H25083	Starkey PS Odor Mitigation Chemical Use Assessment	50	50
H25277	Chickasaw Trap Catch Basin Rehab, Phase 1	250	250
Y22124	West Triangle PS FM and Interceptor	1,000	1,543
Y22146	Bullitt Hills and Hillview #1 WWTP Elimination	5,000	16,675
Y24090	BC Lower Mud Lane Interceptor	1,763	2,351
Y24134	Pioneer Village WWTP Expansion 1.25 MGD	3,000	54,195
		<b>\$ 33,425</b>	<b>\$ 110,535</b>

**Capacity, Management, Operation & Maintenance (CMOM) Program**

Better known as "CMOM", this regulatory program focusses on projects that lead to better management, operations and maintenance of the collection system in the sanitary portion of the MSD service area. The goal of this program is to avoid any sanitary sewage overflow in the system.

<b>Wastewater   CMOM Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
A24133	West Goose Creek PS Rehab	\$ 80	\$ 80
A25278	Hunters Hollow Excess Cost	116	116
D18090	CCWQTC Solids Dewatering Facility	16,118	20,264
D18132	DRGWQTC WWPS WWSB HVAC & Roof and U3 & U4 Transformer	331	331
D20149	CCWQTC Admin Building Expansion	4,413	4,425
D20351	Floyds Fork Interceptor	100	18,800
D21079	Fairmount Road Pump Station Force Main Extension - Phase 2	6,000	7,268
D22080	DRG Clarifier 4-6 Mechanism Update	2,957	2,957
D22098	CCWQTC Re-rating to 9.0 MGD	650	650
D22213	CCWQTC Tertiary Filtration	379	379
D24015	CCWQTC UV Improvements	847	847
D24022	FFWQTC Sludge Storage Tank Improvements	2,622	6,118
D24106	CCWQTC South Electrical Service	212	212
D25023	CCWQTC Sludge Storage Blower Upgrade	622	753
D25055	DRGWQTC Raw Water PS Pump Rebuild	350	350
D25056	DRGWQTC Process Water Pump Strainer System	931	931
D25279	FFWQTC Orbital Upgrades	500	500
D26002	DRGWQTC Sludge Screens	1,140	11,103
D26029	FY26 Vertical Infrastructure Rehab - Regional WQTC	1,000	1,000
D26053	FY26/27 Regional WQTC Controls Upgrades	250	500

<b>Wastewater   CMOM Projects (cont'd)</b>				
<i>Dollars in 000's</i>				
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>	
D26065	DRGWQTC WWPS Automation	200	200	
D26066	DRGWQTC Substations U1/U2 Replacement	500	2,000	
E22223	Lantana Drive PS No. 1 Elimination	1,414	1,414	
E26007	FY26 Linear Assets RR	250	250	
E26010	FY26 Linear Infrastructure Rehab	1,250	1,250	
E26028	FY26 Vertical Infrastructure Rehab - Collections	750	750	
E26055	Goose Creek PS & West Goose Creek PS FM Valve and ARV Reh	111	1,899	
E26060	Barbour Ln PS Improvements	170	1,000	
G26030	FY26 Renewal & Replacement	1,000	1,000	
H18168	CRRP - Five Year Update	625	1,250	
H20021	Admiral Rd Storage	1,000	36,896	
H22015	Water Reuse Study	36	36	
H23018	Cedar Creek Main Interceptor	2,297	2,693	
H24193	Goose Creek I&I Rehab	2,841	2,841	
H26027	FY26 Plumbing Modification Program	275	275	
H26059	FY26 Private Property Illicit Discharge Program	250	250	
W21126	Ohio River Service Area Lift Station Rehabilitation	3,002	3,583	
W25027	Buckner PS Upgrade	250	1,500	
W25030	KSR WWTP Expansion 1.2 MGD	1,868	17,540	
W26033	FY26 OC Vertical Infrastructure Rehab - Collections	150	150	
W26034	FY26 OC Linear Infrastructure Rehab	75	75	
W26036	FY26 OC Plumbing Modification Program	50	50	
W26037	FY26 OC Vertical Infrastructure Rehab - WQTC	50	50	
W26072	Ohio River WQTC Collector Arm Rehab	816	1,000	
W26073	OC WQTC Disinfection Upgrade Study	50	50	
Y25306	Willabrook WWTP Elimination	200	1,200	
Y26040	FY26 BC Vertical Infrastructure Rehab - Collections	100	100	
Y26041	FY26 BC Linear Infrastructure Rehab	350	350	
Y26042	Critical Pump Station Backup Power	99	681	
Y26044	FY26 BC Vertical Infrastructure Rehab - WQTC	50	50	
Y26045	FY26 BC Plumbing Modification Program	50	50	
Y26074	Jewish Hospital PS Elimination	300	1,122	
		<b>\$ 60,047</b>	<b>\$ 159,139</b>	

### **Consent Decree**

#### ***Long-Term Control Plan Projects (LTCP)***

The mandated projects required to control overflows in the combined system have all been completed.

#### ***Green Infrastructure Projects (GI)***

The GI investment required by the Consent Decree has been satisfied. Going forward GI projects are funded under the MS4 program.

#### ***Sanitary Sewer Discharge Plan Projects (SSDP)***

SSDP projects are required to mitigate overflows that occur in the sanitary system, usually due to capacity limitations. MSD has 12 remaining SSDP projects associated with the Consent Decree. Four are in progress, with the remaining eight due to begin within the 5-year CIP window.

### *Specific Remedial Projects*

The Second Amended Consent Decree (2021) specified two projects – the Morris Forman WQTC Biosolids Facility and the Paddy's Run FPS Improvements. These design-build projects alone anticipate \$153.7 million in expenditures in fiscal year 2026, constituting 48% of the CIP.

### *Consent Decree Critical Sewer Projects*

Large diameter sewer rehab projects were included in the Second Amended Consent Decree. With nine projects identified, the last project was completed in fiscal year 2025.

### *Consent Decree Asset Management Projects*

This regulatory category was also included in the Second Amended Consent Decree which requires \$375 million be invested by June 30, 2035, through wastewater projects not already included in the Decree. These projects are identified and reported annually from the list of CIP projects in progress and completed during the fiscal year.

<b>Wastewater   Consent Decree Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
A24011	Asset Management Program Implementation - \$25M AM	\$ 81	\$ 81
D22100	Morris Forman WQTC New Biosolids Facility	83,500	169,964
H09171	Kavanaugh Road PS Elimination	7,300	8,978
H09186	Upper Middle Fork Pump Station, Forcemain and Interceptor	4,000	243,489
H09196	Leven Pump Station Elimination	1,495	1,495
H09242	Gunpowder PS Elimination	5,000	8,327
		<b>\$ 101,376</b>	<b>\$ 432,334</b>

### **Facilities**

Improvements to buildings directly related to Wastewater collection and treatment are funded within this budget category.

<b>Wastewater   Facilities Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
E25047	Muddy Fork PS Roof Replacement	\$ 73	\$ 73
		<b>\$ 73</b>	<b>\$ 73</b>

### Nine Minimum Controls (NMC) Program

This program represents system controls that must be implemented by each CSO permittee to maximize the efficiency of existing facilities to limit the duration and impact of CSO discharges. These projects support the efficient workings of treatment plants, basins, and pump station in the CSO portion of the MSD service area.

Wastewater   NMC Projects			
Dollars in 000's			
Project ID	Project Name	FY26 CIP	Five-Year CIP
A25284	CSO Fall Protection	\$ 198	\$ 198
D18160	MFQWTC Mixed Liquor Channel and HPO Batteries A, B, C Improv	4,500	31,800
D18161	MFQWTC Chlorine Contact Tanks & FEPS Structural Repairs	3,800	6,730
D20007	Peabody Gate Structure Rehabilitation	41	41
D20012	SGC RTC Enhancements	3,080	10,156
D21247	MFQWTC MEB HVAC Replacement	494	494
D23194	MFQWTC Emergency Elevator Project	112	112
D24104	MFQWTC Secondary Load Centers Replacement	1,932	2,603
D24187	North Galt Ave. Sewer Repair	967	967
D25229	Bells Lane Wet Weather Treatment Facility Peracetic Acid Chemica	1,200	1,249
D26021	FY26 Vertical Infrastructure Rehab - MFQWTC	1,000	1,000
E25065	Inflatable Dam Replacement - SWOR2, MDS, Sneads Branch	450	450
E25217	Park Hill Neighborhood Catch Basin Replacement	323	1,500
E25240	SED2 Sluice Gate 3 Replacement	320	320
F23052	Flood Gate 114 Replacement	4,535	4,535
H22038	Sneads Branch Pump Replacement	40	40
H23147	MFQWTC Planning Assistance	75	75
H25032	Chickasaw Trap Catch Basin Rehab, Phase 2	522	550
H25053	Bells Lane Odor Mitigation - HRT	1,802	1,802
H25241	W. Main St. Catch Basin Replacement	14	14
H25276	Park Hill Neighborhood Catch Basin Replacement, Phase 1	400	400
H26024	FY26 NMC RTC	225	225
		\$ 26,030	\$ 65,261

### Support Services

Miscellaneous services that enable and/or develop one or more core business functions.

Wastewater   Support Services Projects			
Dollars in 000's			
Project ID	Project Name	FY26 CIP	Five-Year CIP
A26058	FY26 PSC Program Support	\$ 500	\$ 500
D25052	MFQWTC Lab HVAC Upgrades	1,179	1,293
E25050	OT PLC Network Upgrades	250	500
H26022	FY26 System Planning and Regulatory Compliance Support	1,250	1,250
H26061	Overflow Sampling and Monitoring Equipment Replacement	567	567
W26071	FY26 OC System Planning and Reg. Support	50	50
Y26038	FY26 BC Collection System Modeling	25	25
Y26039	FY26 BC System Planning and Reg. Support	100	100
		\$ 3,921	\$ 4,285



### Drainage

In addition to managing wastewater, MSD is responsible for managing drainage and inland flooding in portions of Jefferson County. MSD's strategy has been to address localized problems throughout the Drainage Response Initiative (DRI) and Municipal Separate Storm Sewer System (MS4) Programs. Larger problem areas are the focus of the Floodplain Management Program.

The following table provides the fiscal year 2026 and five-year CIP drainage programs by type.

<b>Drainage Programs</b>			
<i>Dollars in 000's</i>			
	<b>FY26 CIP</b>		<b>Five-Year CIP</b>
Drainage	\$	3,724	\$ 26,611
Floodplain Management		3,595	7,281
Stormwater Quality (MS4)		665	3,005
Support Services		300	1,200
	\$	<b>8,284</b>	\$ <b>38,097</b>

### Drainage Projects

Since 2003, MSD has been implementing an aggressive DRI program to address a wide variety of drainage issues that focuses on problems ranging from structural flooding to alleviating minor standing water problems. The fiscal year 2026 CIP includes \$2 million dollars dedicated to DRI projects.

MSD is developing an immense drainage/stormwater asset inventory. The fiscal year 2026 work will continue collecting field inventory data and stream monitoring activities. The information collected will support drafting the Stormwater Master Plan. This plan will aid MSD in determining the best options for managing drainage/stormwater throughout Jefferson County. Projects identified in the Stormwater Master Plan will be subsequently prioritized to fit within MSD's long-term CIP.

<b>Drainage   Drainage Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
C25234	Rustic Way Pipe Replacement	\$ 17	\$ 17
C26015	FY26 DRI	2,000	2,000
H24117	Bass-Shirley Stormwater Improvements	681	681
H24118	West Indian Trail Stormwater Improvements	900	900
H24119	Lynnview Stormwater Improvements	126	126
		\$ <b>3,724</b>	\$ <b>3,724</b>

### Floodplain Management Programs

Since 1997, MSD has purchased homes located in flood prone areas through federal grant programs (particularly FEMA). Following several spring flooding events in 2015, the mayor formed a multiagency Flood Mitigation Workgroup to address impacted residents who were unable, for a variety of reasons, to get back in their homes after the floodwaters receded. The Flood Mitigation Workgroup recommended several mitigation approaches, including establishment of a "quick-buy" program to allow property owners to sell flood-impacted property in a much shorter time than would typically be possible. The Workgroup recommended an annual fund be established to provide timely relief to property owners impacted by future extreme storm events.

Drainage   Floodplain Management Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
C24174	400 Shelby Station Basin Repairs	\$ 380	\$ 380
H20158	Orville Drive Grant	319	319
H21196	GRANT 2018 MEDFORD LANE RL FMA 2018-013	402	402
H21197	Grant Waldoah Beach Buyout	450	450
H23199	Grant Sandstone DR4358-0006	250	250
H23200	Grant Medford DR4358-0026	260	260
H23203	Grant Waldoah Beach DR4361-0012	345	834
H23204	Grant Indian Trail DR4428-0042	250	500
H23206	Grant Elba DR4428-0043	350	350
H24191	GRANT 2018 TRANSYLVANIA BEACH RL FMA	410	410
H25064	Floyds Fork Tributary Modeling	38	38
H25280	Brooklawn Tributary Floodplain Map Update	21	21
H26069	Mud Creek Floodplain Map Update	100	100
H26070	Pope Lick Tributary Floodplain Map Update	20	20
		<b>\$ 3,595</b>	<b>\$ 4,334</b>

#### Municipal Separate Storm Sewer System Program (MS4)

A Municipal Separate Storm Sewer System is a publicly owned system of conveyances designed to collect and convey stormwater to surface waters of the State. With that environmental responsibility comes a host of regulatory permit requirements and considerations. MSD's annual capital investments provide funding for green infrastructure installations, installing and improving monitoring sites and partnering with local entities to make improvements on their property.

Drainage   Stormwater Quality (MS4) Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
A24192	Oakmount Dr. RFF Basin	\$ 100	\$ 100
A26054	Monitoring Site Safety Improvements Phase 2	200	200
H24128	Goodwill Green Infrastructure Stipend	125	125
H26052	FY26 Urban Reforestation	240	240
		<b>\$ 665</b>	<b>\$ 665</b>

#### Support Services

Miscellaneous services that enable and/or develop one or more core business functions.

Drainage   Support Services Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
C26068	FY26 Stormwater Asset Inventory & Analysis	\$ 300	\$ 300
		<b>\$ 300</b>	<b>\$ 300</b>

### Flood Protection

Flood protection is a critical public health service that MSD provides. As the fiscal year 2026 CIP was being developed, MSD identified the elevated risk components of the Flood Protection Program. Given the fact that most of the Flood Pump Stations (FPS) have original electrical and switchgear systems and original gates dating back to the 1950s or 1960s, MSD is advancing several projects to replace outdated parts and systems.

MSD continues to coordinate with the United States Army Corps of Engineers (USACE) to garner federal support through various funding programs. Significant federal dollars are needed to update, provide redundancy and/or increase capacity at the 16 major flood pumping stations.

<b>Flood Protection Programs</b>			
<i>Dollars in 000's</i>			
	<b>FY26 CIP</b>		<b>Five-Year CIP</b>
Consent Decree	\$	70,185	\$ 97,079
Facilities		309	309
Ohio River Flood Protection		2,750	51,148
	<b>\$</b>	<b>73,244</b>	<b>\$ 148,536</b>

### Consent Decree

The Second Amended Consent Decree (2021) specified one flood protection project - the Paddy's Run FPS Improvements.

<b>Flood Protection   Consent Decree Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
F18515	Paddy's Run FPS Capacity Upgrade	\$ 70,185	\$ 97,079
		<b>\$ 70,185</b>	<b>\$ 97,079</b>

### Facilities

Improvements to buildings directly related to Flood Protection are funded within this budget category.

<b>Flood Protection   Facilities Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
F25074	FPS Roof Repairs Phase 2 - 4th, 10th, Bingham, Starkey, Beargras	\$ 165	\$ 165
F25076	FPS Roof Repairs Phase 3 - 17th, 27th, 34th	144	144
		<b>\$ 309</b>	<b>\$ 309</b>

### Ohio River Flood Protection

Rehabilitation, repair, and replacement of the complex levee, floodwall, and pump station system that provides riverine flood protection. Much of that system was built in the 1940s and 1950s and continues to operate with original parts that are no longer available for direct replacement.

<b>Flood Protection   Ohio River Flood Protection Projects</b>			
<i>Dollars in 000's</i>			
<b>Project ID</b>	<b>Project Name</b>	<b>FY26 CIP</b>	<b>Five-Year CIP</b>
F20107	Starkey FPS Electrical Service Improvements	\$ 500	\$ 2,000
F20110	Upper Mill Creek FPS Transformer and MCC Replacement	1,250	4,500
F26018	FY26 Flood Structures RR	800	800
F26047	27th Street FPS Transformer Replacement	200	250
		<b>\$ 2,750</b>	<b>\$ 7,550</b>

## Support Systems

The funding provided for this category of capital improvements broadly supports the core wastewater, stormwater, and flood protection services through facility improvements, computer systems, and vehicle acquisitions.

Support Systems Programs			
Dollars in 000's			
	FY26 CIP		Five-Year CIP
Agreed Order	\$	175	\$ 175
Capital Equipment		6,240	31,882
Facilities		3,513	18,840
IT		3,038	11,248
LOJIC		104	520
Support Services		166	166
	\$	13,236	\$ 62,831

## Agreed Order

Agreed Orders between MSD and state or local regulatory agencies require improvements in the MSD system to address outstanding issues.

Support Systems   Agreed Order Projects				
Dollars in 000's				
Project ID	Project Name	FY26 CIP		Five-Year CIP
A24012	Asset Management Program Implementation - Non \$25M AM	\$	175	\$ 175
		\$	175	\$ 175

## Capital Equipment

MSD owns approximately 600 vehicles and portable equipment ranging from passenger vehicles and pick-up trucks to large excavators and sewer-cleaning trucks. Supply-chain issues still plague vehicle delivery so many vehicles are ordered in one fiscal year, and MSD takes delivery in the subsequent fiscal year.

Support Systems   Capital Equipment Projects				
Dollars in 000's				
Project ID	Project Name	FY26 CIP		Five-Year CIP
K26032	FY26 Vehicles & Equipment	\$	5,500	\$ 5,500
K26048	FY26 New Fleet Additions		100	100
K26049	FY26 Fleet Repair		150	150
K26056	FY26 Fleet Renewal & Replacement		200	200
K26062	Fleet Maintenance Drive-On Lift Replacement		290	290
		\$	6,240	\$ 6,240

### Facilities Improvement Projects

MSD maintains more than 200 buildings as part of its infrastructure. Administration buildings and other buildings not directly related to treatment or collection processes are funded within this budget category.

Support Systems   Facilities Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
D25049	FFWQTC Office HVAC Replacement	\$ 510	\$ 510
D26064	MFQTC Admin Building HVAC Rehab	100	1,100
G18154	CMF Structural Repairs Phase 1	1,637	1,701
G25071	15th & Hill Street IT Infrastructure	665	665
G25072	15th & Hill Street Fire Panel	153	153
G25238	15th & Hill Main Office Renovations Phase 1	395	395
Y25085	BC Office Building Security and Buildout	53	53
		<b>\$ 3,513</b>	<b>\$ 4,577</b>

### Information Technology Projects

It is critical to the ongoing success of MSD to continuously update and improve computer technology and business platforms and systems. Included in this area are software and hardware updates, cybersecurity initiatives, SAP HANA phase 2 enhancements, network lifecycle, arial imagery and map updates, and survey control maintenance. It is imperative that MSD continues to make large investments in this area with increased threats related to cyber-attacks and making sure MSD stays up to date on current technology and software versions.

Support Systems   IT Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
K26050	FY26 IT Cybersecurity Initiatives	\$ 100	\$ 100
N24037	HANA Phase 2 Enhancements	260	1,490
N26019	FY26 IT End User Lifecycle	450	450
N26051	FY26 IT Network Lifecycle	50	50
N26063	FY26 IT Data Center Lifecycle	2,178	2,178
		<b>\$ 3,038</b>	<b>\$ 4,268</b>

### LOJIC Projects

The Louisville and Jefferson County Information Consortium (LOJIC) is responsible for building, maintaining, and supporting a comprehensive geographic information system (GIS) that serves a multi-agency partnership including MSD, Louisville/Jefferson County Metro Government, Louisville Water Company, and the Property Valuation Administrator (PVA).

Support Systems   LOJIC Projects			
<i>Dollars in 000's</i>			
Project ID	Project Name	FY26 CIP	Five-Year CIP
J20070	FY26/27 Aerial Imagery & Map Updates	52	104
J26020	FY26 LOJIC HW Upgrades & Replacements	52	52
		<b>\$ 104</b>	<b>\$ 156</b>

### Support Services Projects

Miscellaneous services that enable and/or develop one or more core business functions.

Support Systems   Support Services Projects					
Dollars in 000's					
Project ID	Project Name	FY26 CIP		Five-Year CIP	
G25046	Districtwide Security Master Plan	\$	166	\$	166
		\$	166	\$	166

### Management Reserve

MSD includes Management Reserve to account for emergencies and other unforeseen, unknown circumstances that result in higher project costs. Project Managers may request use of Management Reserve funds from the CIP Management Team. Separate reserve accounts were developed for each county.

Management Reserve					
Dollars in 000's					
		FY26 CIP		Five-Year CIP	
Jefferson County	\$	1,485	\$	16,954	
Bullitt County		50		250	
Oldham County		50		250	
		\$	1,585	\$	17,454

## Debt & Debt Service

### Purpose of Debt Obligations

MSD issues debt to finance its CIP and to refinance existing debt when possible. MSD has the following types of debt outstanding:

Type of Debt	Description
Revenue Bonds	30-year Senior Lien Sewer and Drainage System Revenue Bonds
WIFIA Bond	WIFIA Loan from US EPA, Senior Lien
Commercial Paper	Short-term notes used for interim project financing
Interest Rate Swaps	Interest rate swap used to hedge interest rate risk
KIA Loans	20-year project loans through Kentucky Infrastructure Authority

### Debt Limits & Coverage Requirements

MSD must demonstrate prior to the issuance of additional revenue bonds that it satisfied the additional bonds test prescribed by the Revenue Bond Resolution. The additional bonds test requires that net revenues for the last 12 full calendar months are equal to or greater than the aggregate net debt service on all outstanding revenue bonds and the additional, proposed bonds.

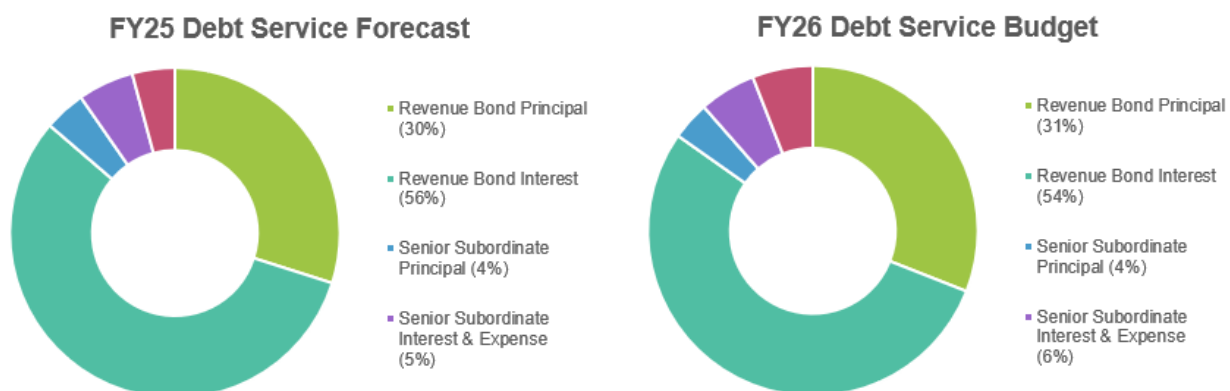
MSD has made various covenants related to debt service coverage and available revenues related to each type of debt. Budgets are established and rates set to ensure compliance with all coverage requirements and covenants.

### Debt Service Budget

MSD's fiscal year budget includes the annual principal and interest payments due on all outstanding debt.

<b>Debt Service</b>					
<i>Dollars in 000's</i>					
	FY25 Budget	FY25 Forecast	FY26 Budget	% Growth to Budget	% Growth to Forecast
Revenue Bond Principal	54,031	54,031	63,449	17%	17%
Revenue Bond Interest	102,640	101,888	110,250	7%	8%
Senior Subordinate Principal	7,325	7,325	7,675	0%	0%
Senior Subordinate Interest & Expense	11,054	9,911	11,387	3%	15%
Subordinate Principal & Interest	10,314	7,539	12,161	18%	61%
<b>Total Debt Service</b>	<b>185,364</b>	<b>180,694</b>	<b>204,922</b>	<b>11%</b>	<b>13%</b>

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The following table summarizes projected debt service payments due in fiscal year 2026 by issue:

FY26 Budgeted Principal and Interest				
Dollars in 000's				
Issue	Interest	Principal	Total	
Senior Debt				
Bond Series 2009C	\$ 10,764	\$ -	\$	10,764
Bond Series 2010A	20,625	2,917		23,542
Bond Series 2014A	1,759	-		
Bond Series 2015A	6,658	2,443		9,101
Bond Series 2015B	2,140	3,468		5,608
Bond Series 2016A	4,480	1,275		5,755
Bond Series 2016B	302	2,173		2,475
Bond Series 2017A	5,046	5,979		11,025
Bond Series 2018A	2,415	-		2,415
Bond Series 2020A	6,097	3,998		10,095
Bond Series 2020C	988	-		988
Bond Series 2021A	4,430	13,640		18,070
Bond Series 2022A	7,655	3,250		10,905
Bond Series 2023A	2,487	-		2,487
Bond Series 2023B	2,097	-		2,097
Bond Series 2023C	17,152	14,580		31,732
Bond Series 2024A	5,155	1,394		6,549
Bond Series 2025A	10,000	8,334		18,334
Total Senior Debt	\$ 110,250	\$ 63,449	\$	173,699
Senior Subordinate Debt				
Commercial Paper	11,387	7,675	\$	19,062
Total Senior Subordinate Debt	\$ 11,387	\$ 7,675	\$	19,062
Subordinate Debt				
Swap Payments	\$ 4,733	\$ -	\$	4,733
Jefferson County	2,804	1,293		4,097
Oldham County	797	2,319		3,116
Bullitt County	183	32		215
Total Subordinate Debt	\$ 8,517	\$ 3,644	\$	12,161
Total FY25 Debt Service Payments	\$ 130,154	\$ 74,768	\$	204,922

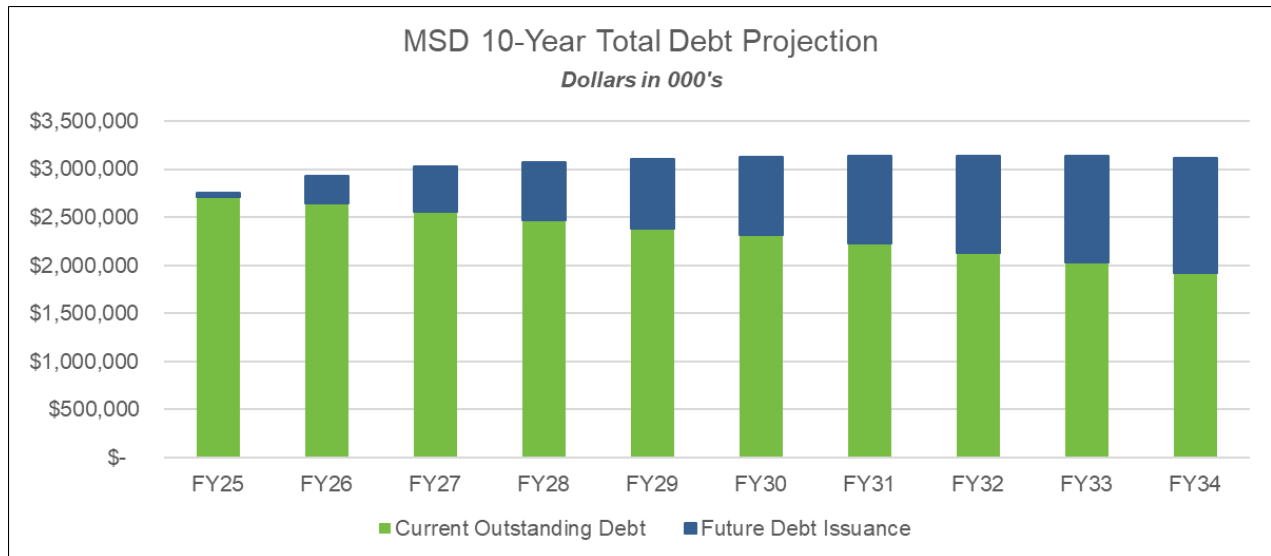
## Debt Outstanding

MSD's total debt at the end of fiscal year 2025 is projected to be \$2.8 billion. The following is a comparative, itemized schedule of debt outstanding for the last three fiscal years.

<b>Total Outstanding Debt</b>				
<i>Dollars in 000's</i>				
	Actual	Actual	Projected	
	Outstanding June	Outstanding June	Outstanding June	
	30, 2023	30, 2024	30, 2025	
<b>Senior Debt</b>				
Bond Series 2009C	\$ 180,000	\$ 180,000	\$ 180,000	
Bond Series 2010A	330,000	330,000	330,000	
Bond Series 2013B	107,515	89,300	-	
Bond Series 2014A	79,600	77,280	43,970	
Bond Series 2015A	170,845	168,525	166,120	
Bond Series 2015B	62,995	59,865	56,565	
Bond Series 2016A	146,540	145,470	144,290	
Bond Series 2016B	17,830	16,585	11,235	
Bond Series 2017A	143,280	138,035	132,565	
Bond Series 2017B	30,245	13,505	-	
Bond Series 2018A	60,380	60,380	60,380	
Bond Series 2020A	223,000	221,355	218,655	
Bond Series 2020B	-	31,100	78,200	
Bond Series 2020C	108,415	37,790	37,790	
Bond Series 2021A	227,720	214,665	201,290	
Bond Series 2022A	224,250	223,500	222,500	
Bond Series 2023A	49,745	49,745	49,745	
Bond Series 2023B	41,950	41,950	41,950	
Bond Series 2023C	-	348,380	345,060	
Bond Series 2024A	-	-	103,290	
<b>Total Senior Debt</b>	<b>\$ 2,204,310</b>	<b>\$ 2,447,430</b>	<b>\$ 2,423,605</b>	
<b>Senior Subordinate Debt</b>				
BAN	\$ 226,340	\$ -	\$ -	
Commercial Paper	165,000	212,195	274,870	
<b>Total Senior Subordinate Debt</b>	<b>\$ 391,340</b>	<b>\$ 212,195</b>	<b>\$ 274,870</b>	
<b>Subordinate Debt</b>				
Other Debt	\$ 51,391	\$ 53,555	\$ 108,471	
<b>Total Subordinate Debt</b>	<b>\$ 51,391</b>	<b>\$ 53,555</b>	<b>\$ 108,471</b>	
<b>Total Outstanding Debt</b>	<b>\$ 2,647,041</b>	<b>\$ 2,713,180</b>	<b>\$ 2,806,946</b>	

## Future Debt Issuance

MSD's total debt is projected to continue to increase over the next ten years as we invest in rehabilitation of our aging infrastructure and work to address consent decree and regulatory compliance requirements. The chart below summarizes total outstanding debt over the next ten fiscal years.



## Credit Ratings

MSD strives continuously to maintain strong financial performance and bond ratings. The credit ratings on our senior lien bonds remain at Aa3, AA, and AA- by Moody's Investors Service, Standard and Poor's Ratings Services, and Fitch, respectively.

MSD Credit Ratings	
Moody's	Aa3
Standard & Poor's (S&P)	AA
Fitch	AA-

## Long-Term Financial Planning

Long-Term Financial Planning enables MSD to deliver on our Mission Statement to provide quality wastewater, stormwater, and flood protection services to protect public health and safety through sustainable solutions, fiscal stewardship, and strategic partnerships. Financial planning is required by MSD's Debt Issuance Policy and provides the framework for assessing the financial implications of rate changes, programs, capital projects, debt, and personnel. This framework includes the following elements:

- Available Revenues.
- Capacity for additional borrowing.
- Expected growth in operating expenses.
- Impacts on financial metrics.
- Implications on level of service.

## Methodology

The heart of our long-term financial planning is a 20-year financial model. The Finance Team updates the financial model with actual results as part of the annual financial planning process. Actual results drive assumptions about future performance in the model. Key assumptions are reviewed with MSD's municipal advisor. The following tables summarize the key assumptions that were used in the fiscal year 2025\6 financial model update:

<b>Key Financial Model Assumptions</b>					
	<b>Next Five Years</b>				
	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>
Jefferson County Rate Increase	3.9%	3.9%	4.9%	3.9%	3.9%
Oldham County Rate Increase	2.0%	2.0%	2.0%	2.0%	2.0%
Bullitt County Rate Increase	12.0%	7.5%	3.0%	3.0%	3.0%
Salary & Wages	8.3%	2.0%	4.8%	4.8%	4.8%
Retirement Contributions	3.0%	16.4%	10.3%	5.2%	5.3%
Other Labor-Related Overhead	10.3%	3.0%	5.3%	2.8%	3.7%
Electric	18.7%	-14.4%	1.5%	0.1%	0.6%
Materials & Supplies	9.3%	3.3%	3.3%	3.3%	3.3%
Chemicals	3.4%	3.0%	3.0%	3.0%	3.0%
Funds Available From Operations	21.0%	29.4%	35.7%	34.8%	46.8%
Interest Rate on Future Bond Issuance	5.0%	5.0%	5.0%	5.0%	5.0%
Commercial Paper & Investment Interest	3.0%	3.0%	3.0%	3.0%	2.0%

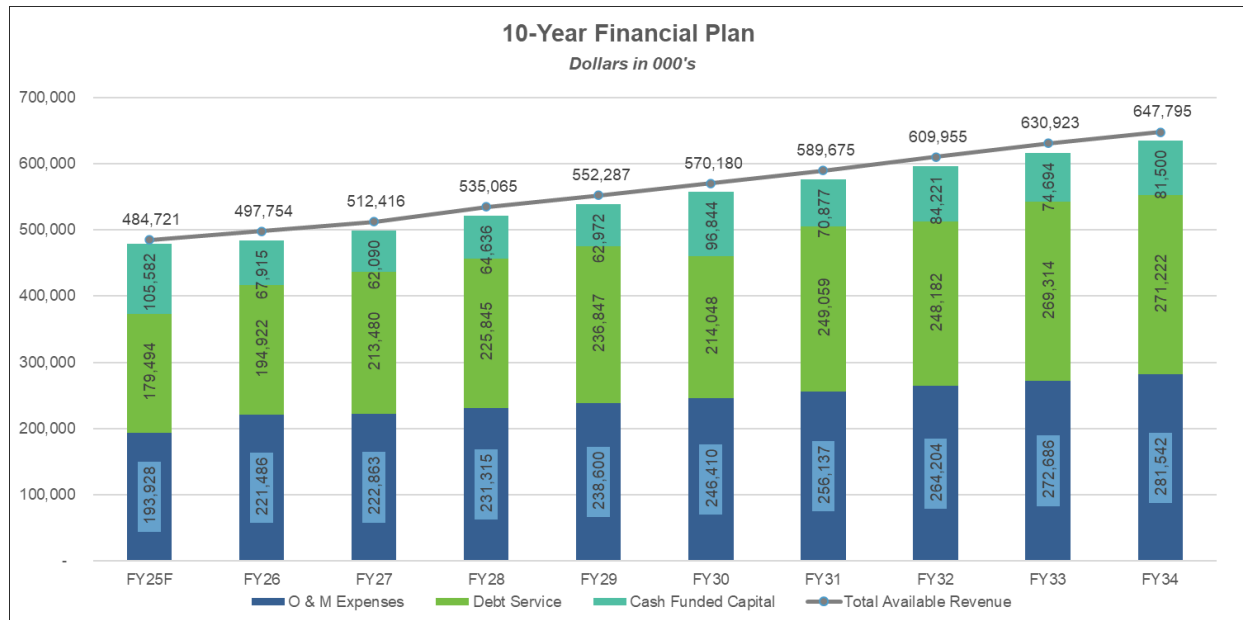
## Financial Forecast

After actual results and assumptions are updated within the model, the capacity for borrowing is evaluated. Primary focus is placed on the 5-year CIP planning window to ensure that financial plans are developed that can sustain capital planning efforts. A 5-year financial forecast is developed alongside the annual budget recommendation. The following table presents the current 5-year forecast developed as part of the fiscal year 2026 budget process.

<b>5-Year Financial Forecast</b>					
<i>Dollars in 000's</i>					
	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>FY29</b>	<b>FY30</b>
Operating Revenues					
Wastewater service charges	\$ 350,761	\$ 363,790	\$ 379,518	\$ 392,652	\$ 406,226
Drainage service charges	114,512	118,978	124,808	129,675	134,733
Other operating income	10,330	9,458	9,894	9,676	9,585
Total Operating Revenues	475,602	492,226	514,220	532,003	550,544
Non-Operating Revenues					
Assessments	170	136	109	87	70
BAB refund	10,986	10,986	10,221	10,221	10,221
Investment income	10,995	9,068	10,515	9,975	9,345
Total Non-Operating Revenues	22,151	20,190	20,845	20,283	19,636
Total Available Revenue	497,754	512,416	535,065	552,287	570,180
Operating Expenses					
Total operating expenses	221,486	222,863	231,315	238,600	246,410
Capitalized cost	(44,297)	(44,573)	(46,263)	(47,720)	(49,282)
Net Operating Expense	177,189	178,290	185,052	190,880	197,128
Net Revenues Available for Debt Service	320,565	334,126	350,014	361,407	373,051
Debt Service					
Total senior debt service	173,699	190,854	196,724	208,762	190,393
Capitalized interest	(10,000)	(9,938)	(10,120)	(10,626)	(10,533)
Total subordinated debt service	31,223	32,564	39,242	38,712	34,188
Total Debt Service	194,922	213,480	225,845	236,847	214,048
Senior Debt Service Coverage	196%	185%	188%	182%	207%
Total Debt Service Coverage	164%	157%	155%	153%	174%

## Ten Year Financial Plan

A graphical summary of the 10-year financial plan follows.



## Trend Analysis

Emerging and historical trends are evaluated during each annual planning period. Trends can inform how we make expect future predictions to play out. They may also highlight risk factors that need to be anticipated and planned for. Following is a summary of trends that were evaluated as part of the fiscal year 2026 financial planning process.

- **Salaries & Wages:** Unemployment in the Louisville market is 4.5% which makes for a competitive labor market. Annual growth in local government wages as measured by the Employment Cost Index hovers around 4.3% as of the period ending March 2022.
- **Medical Benefits:** Consolidation in the medical insurance market is a concern. Medical premiums for MSD's plans grew 11% for fiscal year 2026.
- **Pension Expense:** Louisville MSD employees participate in the County Employees Retirement System (CERS). The employer contribution rate has dropped from a high of 26.95 in fiscal year 2022 to 18.62% for fiscal year 2026. Higher investment returns have been behind this rate decrease but this is not a trend MSD expects to continue indefinitely.
- **Affordability:** Rate increases are necessary as MSD continues to make investments to comply with the Second Amended Consent Decree and to rehabilitate and replace other aging infrastructure. Nevertheless, MSD realizes that high rates can present affordability issues. We continue to track our rates against other similar cities and in accordance with EPA's guidance regarding affordability. We also continue to fund assistance locally and advocate for adoption of a permanent Low Income Household Water Assistance Program (LIHWAP) at the federal level.
- **CIP:** Higher prices due to market conditions is a trend we are watching closely with respect to our CIP. Projects are typically budgeted at the engineers' estimate and included in an approved CIP budget before they are bid. There is always a risk that bids will come in high which puts pressure on other critical projects. In the last two years, MSD has had to push projects out of the 5-year CIP to prioritize the most critical projects.



### Schedule of Future Debt Issuance

MSD utilizes a commercial paper program to finance its CIP program on a short-term basis. Commercial paper is periodically fixed out with 30-year fixed rate sewer and drainage system revenue bonds. Long-term debt is typically issued on a senior lien basis. Debt service payments for the following expected issuances are included in the 5-year financial forecast presented.

Schedule of Future Debt Issuance	
Projected Issuance	Issue Amount
Series 2025A	\$287,010,000
Series 2028	\$150,000,000
Series 2029	\$175,000,000

### Reserves

MSD's Reserve Policy requires the establishment and maintenance of a Rate Stabilization Fund and a Renewal and Replacement Fund. These funds provide some insurance against unknown financial challenges that may arise in the future. As of June 30, 2025, the Rate Stabilization fund had a balance of \$31.0 million, and the Renewal and Replacement Fund had a balance of \$9.5 million.

# Glossary

## Acronyms

ACFR: Annual Comprehensive Financial Report  
ASC: Accounting Standard Codification  
BAN: Bond Anticipation Note  
CERS: County Employees Retirement System  
CIP: Capital Improvement Program  
CMOM: Capacity, Management, Operations, and Maintenance Program  
CSO: Combined Sewer Overflow  
DRI: Drainage Response Initiative  
EPA: Environmental Protection Agency  
EPSC: Erosion Prevention and Sediment Control  
EWRAP: Emergency Wastewater Rate Assistance Program  
FEMA: Federal Emergency Management Association  
FY: Fiscal Year  
IOAP: Integrated Overflow Abatement Plan  
IPS: Infor Public Sector software program  
GAAP: Generally Accepted Accounting Principles  
GASB: Governmental Accounting Standards Board  
GIS: Geographical Information Systems  
KIA: Kentucky Infrastructure Authority  
KYPDES: Kentucky Pollutant Discharge Elimination System  
LIUNA: Laborer' International Union of North America  
LOC: Line of Credit  
LOJIC: Louisville/Jefferson County Information Consortium  
LTCP: Long Term Control Plan  
MSD: Louisville/Jefferson County Metropolitan Sewer District  
MS4: Municipal Separate Storm Sewer System Program  
NACWA: National Association of Clean Water Agencies  
NAGE: National Association of Government Employees  
NMC: Nine Minimum Controls Program  
O & M: Operations and Maintenance  
SBE: Small Business Enterprise  
SRF: State Revolving Fund  
SSDP: Sanitary Sewer Discharge Plan  
WQTC: Water Quality Treatment Center  
WIFIA: Water Infrastructure Finance and Innovation Act

## Terms

**Accrual:** The recording of an expense that was incurred in one accounting period but not paid until a future accounting period.

**Audit:** The independent examination of financial information of an entity.

**Biosolids:** The nutrient-rich organic materials resulting from the treatment of sewage at a wastewater treatment center.

**Bonds:** A promise by a borrower to pay the lender principal and interest on a loan.

**Capital Improvement Program:** The annual capital budget.

**Clean Water Act:** Establishes the basic structure for regulating discharges of pollutants into waters of the United States and regulating quality standards for surface waters.

**Component Unit:** Financial reporting entity that is legally separate from the primary government entity.

**Consumer Price Index (CPI):** A measure of the average change over time in the prices paid by urban customers for a market basket of consumer goods and services. CPI is maintained by the U.S. Bureau of Labor Statistics.

**Combined Sewer Overflows:** When rain events occur, combined sewer systems, that contain both wastewater and stormwater in the same pipe, may overflow into waterways to prevent backups of sewage into residences and businesses.

**Debt Service Coverage:** The ratio of net revenues to debt service requirements.

**Depreciation:** The decreased fair value of an asset over time.

**Fiscal Year:** The 12-month period for which the annual operating and capital budgets apply. MSD's fiscal year runs from July 1 to June 30 of the following year.

**Integrated Overflow Abatement Plan (IOAP):** MSD's long-term plan to control sewer overflows (CSOs) and sanitary sewer overflows (SSOs) in the community.

**Kentucky Cleaner Water Program:** A grant program aimed at projects that will improve drinking water and wastewater in Kentucky.

**Long-Term Control Plan (LTCP):** The suite of projects that is part of the IOAP that will mitigate wet weather combined sewer overflows to the programmatic level of protection.

**Producer Price Index (PPI):** Measures the average change over time in the selling prices received by domestic producers for their output. PPI is maintained by the U.S. Bureau of Labor Statistics.

**Sanitary Sewer Discharge Plan (SSDP):** The suite of projects that is part of the IOAP that will eliminate capacity-related sanitary sewer overflows up to the site-specific level of protection.

**Stormwater:** Surface water resulting from rain or snow.

**Wastewater:** Water that has been used for domestic or industrial purposes.

**Wastewater Treatment:** Physical, chemical, and biological processes used to remove pollutants from wastewater before discharging it into a water body.

## Appendix A: Detailed List of Projects Included in the FY26 Five-Year CIP

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Wastewater Projects</b>							
D22100	Morris Forman WQTC New Biosolids Facility	83,500	58,500	27,964	-	-	169,964
D18090	CCWQTC Solids Dewatering Facility	16,118	4,146	-	-	-	20,264
D17039	MFWQTC DAFT Rehabilitation	9,507	8,440	4,207	-	-	22,154
H09171	Kavanaugh Road PS Elimination	7,300	1,678	-	-	-	8,978
D24149	MFWQTC Digester Gas Hydrogen Sulfide (H2S) Removal	6,792	129	-	-	-	6,921
D21079	Fairmount Road Pump Station Force Main Extension - Phase 2	6,000	1,268	-	-	-	7,268
Y22146	Bullitt Hills and Hillview #1 WWTP Elimination	5,000	10,323	1,352	-	-	16,675
H09242	Gunpowder PS Elimination	5,000	3,327	-	-	-	8,327
D17042	MFWQTC Sedimentation Basin RR	4,750	-	-	-	-	4,750
F23052	Flood Gate 114 Replacement	4,535	-	-	-	-	4,535
D18160	MFWQTC Mixed Liquor Channel and HPO Batteries A, B, C Impr	4,500	4,932	14,317	8,051	-	31,800
D20149	CCWQTC Admin Building Expansion	4,413	12	-	-	-	4,425
H09186	Upper Middle Fork Pump Station, Forcemain and Interceptor	4,000	27,739	79,569	109,411	22,770	243,489
D18161	MFWQTC Chlorine Contact Tanks & FEPS Structural Repairs	3,800	2,930	-	-	-	6,730
D20012	SGC RTC Enhancements	3,080	7,076	-	-	-	10,156
W21126	Ohio River Service Area Lift Station Rehabilitation	3,002	581	-	-	-	3,583
Y24134	Pioneer Village WWTP Expansion 1.25 MGD	3,000	10,384	29,488	11,323	-	54,195
D22080	DRG Clarifier 4-6 Mechanism Update	2,957	-	-	-	-	2,957
H24193	Goose Creek I&I Rehab	2,841	-	-	-	-	2,841
D24022	FFWQTC Sludge Storage Tank Improvements	2,622	2,622	874	-	-	6,118
H23018	Cedar Creek Main Interceptor	2,297	396	-	-	-	2,693
D24104	MFWQTC Secondary Load Centers Replacement	1,932	671	-	-	-	2,603
W25030	KSR WWTP Expansion 1.2 MGD	1,868	2,322	9,259	4,091	-	17,540
H25053	Bells Lane Odor Mitigation - HRT	1,802	-	-	-	-	1,802
Y24090	BC Lower Mud Lane Interceptor	1,763	588	-	-	-	2,351
H09196	Leven Pump Station Elimination	1,495	-	-	-	-	1,495
E22223	Lantana Drive PS No. 1 Elimination	1,414	-	-	-	-	1,414
E26010	FY26 Linear Infrastructure Rehab	1,250	-	-	-	-	1,250
H26022	FY26 System Planning and Regulatory Compliance Support	1,250	-	-	-	-	1,250
D25229	Bells Lane Wet Weather Treatment Facility Peracetic Acid Chemi	1,200	49	-	-	-	1,249
D25052	MFWQTC Lab HVAC Upgrades	1,179	114	-	-	-	1,293
D26002	DRGWQTC Sludge Screens	1,140	4,415	5,548	-	-	11,103
H20021	Admiral Rd Storage	1,000	5,384	22,755	7,757	-	36,896
Y22124	West Triangle PS FM and Interceptor	1,000	543	-	-	-	1,543
G26030	FY26 Renewal & Replacement	1,000	-	-	-	-	1,000
D26021	FY26 Vertical Infrastructure Rehab - MFWQTC	1,000	-	-	-	-	1,000
D26029	FY26 Vertical Infrastructure Rehab - Regional WQTC	1,000	-	-	-	-	1,000
D24187	North Galt Ave. Sewer Repair	967	-	-	-	-	967
D25056	DRGWQTC Process Water Pump Strainer System	931	-	-	-	-	931
D24015	CCWQTC UV Improvements	847	-	-	-	-	847
C24139	Shawnee Trap Catch Basin Replacement	820	-	-	-	-	820
W26072	Ohio River WQTC Collector Arm Rehab	816	184	-	-	-	1,000
E26028	FY26 Vertical Infrastructure Rehab - Collections	750	-	-	-	-	750
D22098	CCWQTC Re-rating to 9.0 MGD	650	-	-	-	-	650
H18168	CRRP - Fiver-Year Update	625	625	-	-	-	1,250
D25023	CCWQTC Sludge Storage Blower Upgrade	622	131	-	-	-	753
H26061	Overflow Sampling and Monitoring Equipment Replacement	567	-	-	-	-	567
H25032	Chickasaw Trap Catch Basin Rehab, Phase 2	522	28	-	-	-	550
D26066	DRGWQTC Substations U1/U2 Replacement	500	1,500	-	-	-	2,000
A26058	FY26 PSC Program Support	500	-	-	-	-	500
D25279	FFWQTC Orbital Upgrades	500	-	-	-	-	500
D21247	MFWQTC MEB HVAC Replacement	494	-	-	-	-	494
E25065	Inflatable Dam Replacement - SWOR2, MDS, Sneads Branch	450	-	-	-	-	450
H25276	Park Hill Neighborhood Catch Basin Replacement, Phase 1	400	-	-	-	-	400
D22213	CCWQTC Tertiary Filtration	379	-	-	-	-	379
D25055	DRGWQTC Raw Water PS Pump Rebuild	350	-	-	-	-	350
Y26041	FY26 BC Linear Infrastructure Rehab	350	-	-	-	-	350
H25031	Neighborhood Odor Control Catch Basin Inspections	333	333	-	-	-	666

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Wastewater Projects</b>							
D18132	DRGWQTC WWPS WWSB HVAC & Roof and U3 & U4 Transferr	331	-	-	-	-	331
E25217	Park Hill Neighborhood Catch Basin Replacement	323	1,113	64	-	-	1,500
E25240	SED2 Sluice Gate 3 Replacement	320	-	-	-	-	320
Y26074	Jewish Hospital PS Elimination	300	-	-	-	822	1,122
H26027	FY26 Plumbing Modification Program	275	-	-	-	-	275
W25027	Buckner PS Upgrade	250	580	670	-	-	1,500
E25050	OT PLC Network Upgrades	250	250	-	-	-	500
D26053	FY26/27 Regional WQTC Controls Upgrades	250	250	-	-	-	500
H26059	FY26 Private Property Illicit Discharge Program	250	-	-	-	-	250
H25277	Chickasaw Trap Catch Basin Rehab, Phase 1	250	-	-	-	-	250
E26007	FY26 Linear Assets RR	250	-	-	-	-	250
H26024	FY26 NMC RTC	225	-	-	-	-	225
D24106	CCWQTC South Electrical Service	212	-	-	-	-	212
Y25306	Willabrook WWTP Elimination	200	-	-	-	1,000	1,200
D26065	DRGWQTC WWPS Automation	200	-	-	-	-	200
A25284	CSO Fall Protection	198	-	-	-	-	198
E26060	Barbour Ln PS Improvements	170	497	333	-	-	1,000
H25059	Taylor-Berry Catch Basin Replacement	160	-	-	-	-	160
W26033	FY26 OC Vertical Infrastructure Rehab - Collections	150	-	-	-	-	150
A25278	Hunters Hollow Excess Cost	116	-	-	-	-	116
D23194	MFWQTC Emergency Elevator Project	112	-	-	-	-	112
E26055	Goose Creek PS & West Goose Creek PS FM Valve and ARV Re	111	197	790	750	51	1,899
D20351	Floyds Fork Interceptor	100	-	-	-	18,700	18,800
Y26039	FY26 BC System Planning and Reg. Support	100	-	-	-	-	100
Y26040	FY26 BC Vertical Infrastructure Rehab - Collections	100	-	-	-	-	100
Y26042	Critical Pump Station Backup Power	99	519	63	-	-	681
A24011	Asset Management Program Implementation - \$25M AM	81	-	-	-	-	81
A24133	West Goose Creek PS Rehab	80	-	-	-	-	80
W26034	FY26 OC Linear Infrastructure Rehab	75	-	-	-	-	75
H23147	MFWQTC Planning Assistance	75	-	-	-	-	75
E25047	Muddy Fork PS Roof Replacement	73	-	-	-	-	73
W26036	FY26 OC Plumbing Modification Program	50	-	-	-	-	50
Y26045	FY26 BC Plumbing Modification Program	50	-	-	-	-	50
H25083	Starkey PS Odor Mitigation Chemical Use Assessment	50	-	-	-	-	50
W26071	FY26 OC System Planning and Reg. Support	50	-	-	-	-	50
W26037	FY26 OC Vertical Infrastructure Rehab - WQTC	50	-	-	-	-	50
W26073	OC WQTC Disinfection Upgrade Study	50	-	-	-	-	50
Y26044	FY26 BC Vertical Infrastructure Rehab - WQTC	50	-	-	-	-	50
D20007	Peabody Gate Structure Rehabilitation	41	-	-	-	-	41
H22038	Sneads Branch Pump Replacement	40	-	-	-	-	40
H22015	Water Reuse Study	36	-	-	-	-	36
Y26038	FY26 BC Collection System Modeling	25	-	-	-	-	25
H25241	W. Main St. Catch Basin Replacement	14	-	-	-	-	14
D24038	HCWQTC Sludge Screens	-	2,486	3,062	-	-	5,548
E27030	Manning Rd/Cardinal Drive Sewer Rehab	-	2,408	6,989	3,141	107	12,645
E25214	Russell Neighborhood Catch Basin Replacement Phase 1	-	2,000	2,000	2,000	-	6,000
E27008	FY27 Linear Infrastructure Rehab	-	2,000	-	-	-	2,000
H27057	FY27 Brick Sewer Point Repairs	-	2,000	-	-	-	2,000
G27027	FY27 Renewal & Replacement	-	1,500	-	-	-	1,500
H09179	Dell Road & Charlane Pkwy Interceptor Improvements	-	1,309	6,292	2,590	-	10,191
H27019	FY27 System Planning and Regulatory Compliance Support	-	1,300	-	-	-	1,300
D27018	FY27 Vertical Infrastructure Rehab - MFWQTC	-	1,000	-	-	-	1,000
D27026	FY27 Vertical Infrastructure Rehab - Regional WQTC	-	1,000	-	-	-	1,000
E24026	Fox Harbor #1 & 2 and Deep Trail Pump Station Eliminations	-	986	28	-	-	1,014
H09200	Sutherland Interceptor	-	975	-	-	-	975
D20008	Kirby Lane Pump Station Elimination	-	926	-	-	-	926
D27067	CCWQTC Oxidation Ditch Rehab	-	796	2,204	-	-	3,000
E27025	FY27 Vertical Infrastructure Rehab - Collections	-	750	-	-	-	750
H23039	Middletown Station PS Elimination	-	664	-	-	-	664
E27052	MDS Gate 1 Replacement and ORI Inspection	-	600	1,062	4,264	4,047	9,973

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Wastewater Projects</b>							
E25211	Grand Avenue Force Main Odor Mitigation Improvements	-	565	2,187	2,748	-	5,500
E25212	ORFM Odor Mitigation Improvements	-	565	2,187	2,748	-	5,500
H25082	4th St FPS Odor Mitigation Improvements	-	500	1,414	86	-	2,000
A27056	FY27 PSC Program Support	-	500	-	-	-	500
H25040	Collection System Foul Air Extraction Improvements	-	500	-	-	-	500
H27058	FY27 Odor Control Improvements	-	500	-	-	-	500
Y27079	Coral Ridge Excess Cost	-	500	-	-	-	500
E21066	Pirogue Pump Station Elimination	-	463	-	-	-	463
W27077	Ohio River WQTC Aeration Basin Rehab	-	450	1,902	648	-	3,000
H10043	Raintree & Marian Ct 2 - Pipe Upgrades	-	444	1,620	-	-	2,064
D27065	MFWQTC Effluent Diffuser	-	393	1,060	3,361	4,264	9,078
W24041	Mockingbird Valley WWTP Elimination	-	366	1,052	1,642	691	3,751
Y27039	FY27 BC Linear Infrastructure Rehab	-	350	-	-	-	350
E27060	Long Creek Way PS Oxygen Injection	-	321	1,064	1,115	-	2,500
H27024	FY27 Plumbing Modification Program	-	300	-	-	-	300
D27066	MFWQTC FEPS Pump Monitor Upgrade	-	250	-	-	-	250
D27068	CCWQTC Preliminary Treatment Building Repairs	-	250	-	-	-	250
D27072	DRGWQTC Clarifier 1-6 Inlet Gate Actuator Replacement	-	250	-	-	-	250
E27005	FY27 Linear Assets RR	-	250	-	-	-	250
G27073	FFWQTC Admin Buidling Roof and Gutter Replacement	-	250	-	-	-	250
H27059	FY27 Private Property Illicit Discharge Program	-	250	-	-	-	250
H09188	Mellwood System Improvements and Pump Station Elimination - 1	-	243	1,311	961	-	2,515
E25219	Rowan PS Odor Control Improvement	-	232	643	-	-	875
H27021	FY27 NMC RTC	-	225	-	-	-	225
H09192	Cinderella Pump Station Elimination	-	218	1,144	138	-	1,500
D26046	MFWQTC Gas Detection Monitoring Phase 2	-	200	-	-	-	200
D26045	MFWQTC Gas Detection Monitoring Phase 3	-	174	76	-	-	250
D27070	CCWQTC Outdoor Storage Structure	-	150	-	-	-	150
W27032	FY27 OC Vertical Infrastructure Rehab - Collections	-	150	-	-	-	150
E27062	DV-7 Maintenance Access Improvements	-	125	-	-	-	125
H09165	Bardstown Road PS Improvements	-	103	712	185	-	1,000
E25018	Lea Ann Way PS Rehabilitation and Odor Control Improvements	-	102	498	-	-	600
D27069	CCWQTC Influent PS Pump Hoist	-	100	-	-	-	100
D27071	DRGWQTC Dewatering Building Odor Control Study	-	100	-	-	-	100
Y27038	FY27 BC Vertical Infrastructure Rehab - Collections	-	100	-	-	-	100
Y27078	FY27 BC System Planning and Reg. Support	-	100	-	-	-	100
H27064	Alternate OT Data Center	-	50	550	-	-	600
W27033	FY27 OC Linear Infrastructure Rehab	-	50	-	-	-	50
W27035	FY27 OC Plumbing Modification Program	-	50	-	-	-	50
W27036	FY27 OC Vertical Infrastructure Rehab - WQTC	-	50	-	-	-	50
W27076	FY27 OC System Planning and Reg. Support	-	50	-	-	-	50
Y27042	FY27 BC Vertical Infrastructure Rehab - WQTC	-	50	-	-	-	50
Y27043	FY27 BC Plumbing Modification Program	-	50	-	-	-	50
Y27037	FY27 BC Collection System Modeling	-	35	-	-	-	35
26BD-004	FY28 Brick Sewer Point Repairs	-	-	2,000	-	-	2,000
BD-054	FY28 Linear Infrastructure Rehab	-	-	2,000	-	-	2,000
BD-079	FY28 Renewal & Replacement	-	-	1,500	-	-	1,500
BD-069	FY28 System Planning and Regulatory Compliance Support	-	-	1,350	-	-	1,350
26BD-010	FY28 Odor Control Improvements	-	-	1,000	-	-	1,000
BD-066	FY28 Vertical Infrastructure Rehab - MFWQTC	-	-	1,000	-	-	1,000
BD-078	FY28 Vertical Infrastructure Rehab - Regional WQTC	-	-	1,000	-	-	1,000
BD-077	FY28 Vertical Infrastructure Rehab - Collections	-	-	750	-	-	750
E25220	Waterway Protection Tunnel Drop Shafts 1-6 Odor Control Improv	-	-	557	1,543	-	2,100
25BD-122	FY28 PSC Program Support	-	-	500	-	-	500
Y24BD-030	FY28 BC Linear Infrastructure Rehab	-	-	350	-	-	350
26BD-052	FY28-30 Neighborhood Odor Control Catch Basin Inspections	-	-	333	333	333	999
26BD-001	Starkey PS Odor Mitigation Chemical Use Improvements	-	-	332	969	649	1,950
D25213	MFWQTC West Headworks Operational Improvements	-	-	321	1,289	2,280	3,890
BD-076	FY28 Plumbing Modification Program	-	-	300	-	-	300
D27044	MFWQTC Gas Detection Monitoring Phase 4	-	-	300	-	-	300



Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Wastewater Projects</b>							
E25224	Logan CSO Basin Odor Control Improvement	-	-	265	735	-	1,000
25BD-063	FY28/29 Regional WQTC Controls Upgrades	-	-	250	250	-	500
26BD-016	FY28 Private Property Illicit Discharge Program	-	-	250	-	-	250
BD-051	FY28 Linear Assets RR	-	-	250	-	-	250
BD-073	FY28 NMC RTC	-	-	200	-	-	200
E25223	Clifton CSO Basin Odor Control Improvement	-	-	159	441	-	600
W24BD-016	FY28 OC Vertical Infrastructure Rehab - Collections	-	-	150	-	-	150
E25222	Shawnee CSO Basin Odor Control Improvement	-	-	133	367	-	500
Y24BD-032	FY28 BC Vertical Infrastructure Rehab - Collections	-	-	100	-	-	100
Y25BD-002	FY28 BC System Planning and Reg. Support	-	-	100	-	-	100
E25221	Portland CSO Basin Odor Control Improvement	-	-	93	257	-	350
W24BD-014	FY28 OC Plumbing Modification Program	-	-	50	-	-	50
W24BD-018	FY28 OC Linear Infrastructure Rehab	-	-	50	-	-	50
W24BD-023	FY28 OC Vertical Infrastructure Rehab - WQTC	-	-	50	-	-	50
W25BD-004	FY28 OC System Planning and Reg. Support	-	-	50	-	-	50
Y24BD-024	FY28 BC Vertical Infrastructure Rehab - WQTC	-	-	50	-	-	50
Y24BD-028	FY28 BC Plumbing Modification Program	-	-	50	-	-	50
BD-096	FY29 Interceptor RR	-	-	-	18,000	-	18,000
24BD-033	MFWQTC Secondary Treatment Improvements - Phase 2	-	-	-	11,714	20,729	32,443
D18103	CCWQTC Expansion To 12 MGD	-	-	-	4,125	5,122	9,247
BD-157	Ohio River Interceptor Rehab - High Risk	-	-	-	2,531	5,132	7,663
E25012	Francell PS Replacement	-	-	-	2,076	2,898	4,974
BD-086	FY29 Linear Infrastructure Rehab	-	-	-	2,000	-	2,000
D18093	DRGWQTC Alternate Outfall	-	-	-	1,926	6,383	8,309
BD-112	FY29 Renewal & Replacement	-	-	-	1,500	-	1,500
BD-102	FY29 System Planning and Regulatory Compliance Support	-	-	-	1,400	-	1,400
26BD-011	FY29 Odor Control Improvements	-	-	-	1,000	-	1,000
BD-099	FY29 Vertical Infrastructure Rehab - MFWQTC	-	-	-	1,000	-	1,000
BD-111	FY29 Vertical Infrastructure Rehab - Regional WQTC	-	-	-	1,000	-	1,000
H23043	Parkwood PS Elimination	-	-	-	761	-	761
BD-110	FY29 Vertical Infrastructure Rehab - Collections	-	-	-	750	-	750
D25029	FFWQTC Dewatering Improvements	-	-	-	647	6,383	7,030
25BD-123	FY29 PSC Program Support	-	-	-	500	-	500
Y24BD-031	FY29 BC Linear Infrastructure Rehab	-	-	-	350	-	350
D25216	Solids Handling Odor Control Study & Improvements post-THP	-	-	-	347	1,463	1,810
25BD-056	MFWQTC Biotower Removal	-	-	-	335	1,217	1,552
BD-109	FY29 Plumbing Modification Program	-	-	-	300	-	300
Y24BD-012	Hillview #3 WWTP Elimination	-	-	-	276	764	1,040
26BD-017	FY29 Private Property Illicit Discharge Program	-	-	-	250	-	250
BD-083	FY29 Linear Assets RR	-	-	-	250	-	250
BD-106	FY29 NMC RTC	-	-	-	200	-	200
W24BD-017	FY29 OC Vertical Infrastructure Rehab - Collections	-	-	-	150	-	150
25BD-098	MFWQTC OGA Replacement Analysis	-	-	-	114	136	250
Y24BD-033	FY29 BC Vertical Infrastructure Rehab - Collections	-	-	-	100	-	100
Y25BD-003	FY29 BC System Planning and Reg. Support	-	-	-	100	-	100
W24BD-015	FY29 OC Plumbing Modification Program	-	-	-	50	-	50
W24BD-019	FY29 OC Linear Infrastructure Rehab	-	-	-	50	-	50
W24BD-024	FY29 OC Vertical Infrastructure Rehab - WQTC	-	-	-	50	-	50
W25BD-005	FY29 OC System Planning and Reg. Support	-	-	-	50	-	50
Y24BD-025	FY29 BC Vertical Infrastructure Rehab - WQTC	-	-	-	50	-	50
Y24BD-029	FY29 BC Plumbing Modification Program	-	-	-	50	-	50
BD-130	FY30 Interceptor RR	-	-	-	-	18,000	18,000
D18101	FFWQTC Expansion to 10 MGD	-	-	-	-	4,286	4,286
BD-155	Middle Fork Trunk Sewer Rehab	-	-	-	-	2,801	2,801
BD-120	FY30 Linear Infrastructure Rehab	-	-	-	-	2,000	2,000
BD-146	FY30 Renewal & Replacement	-	-	-	-	1,500	1,500
E25019	Meadowstream PS & FM Upgrades	-	-	-	-	1,486	1,486
BD-136	FY30 System Planning and Regulatory Compliance Support	-	-	-	-	1,450	1,450
E25218	Parkland Neighborhood Catch Basin Replacement	-	-	-	-	1,200	1,200
Y22155	Hillview PS#2 Elimination (Construction)	-	-	-	-	1,200	1,200

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Wastewater Projects</b>							
E27031	Manslick Ave Sewer Rehab	-	-	-	-	1,168	1,168
26BD-012	FY30 Odor Control Improvements	-	-	-	-	1,000	1,000
BD-133	FY30 Vertical Infrastructure Rehab - MFWQTC	-	-	-	-	1,000	1,000
BD-145	FY30 Vertical Infrastructure Rehab - Regional WQTC	-	-	-	-	1,000	1,000
25BD-068	DRGWQTC Raw Water PS VFDs	-	-	-	-	750	750
BD-144	FY30 Vertical Infrastructure Rehab - Collections	-	-	-	-	750	750
25BD-066	DRGWQTC Effluent Difuser	-	-	-	-	586	586
25BD-124	FY30 PSC Program Support	-	-	-	-	500	500
H23013	Beargrass Interceptor Relief Rehab	-	-	-	-	457	457
Y26BD-058	FY30 BC Linear Infrastructure Rehab	-	-	-	-	350	350
BD-143	FY30 Plumbing Modification Program	-	-	-	-	300	300
23BD-018	Park Ridge Woods PS Elimination	-	-	-	-	263	263
H10044	Goose Creek Pump Station Improvements and Wet Weather Stor.	-	-	-	-	258	258
26BD-100	FY30 Private Property Illicit Discharge Program	-	-	-	-	250	250
BD-117	FY30 Linear Assets RR	-	-	-	-	250	250
A14135	KTC Greenwood Rd Assmt	-	-	-	-	247	247
A18485	Shady Villa Pump Station Elimination	-	-	-	-	223	223
E26005	Reality Trail Interceptor and PS Upgrades	-	-	-	-	215	215
BD-140	FY30 NMC RTC	-	-	-	-	200	200
Y24BD-010	Union Tool PS Elimination	-	-	-	-	194	194
E25013	Brandywyne Ct. PS Elimination	-	-	-	-	183	183
W26BD-065	FY30 OC Vertical Infrastructure Rehab - Collections	-	-	-	-	150	150
Y25BD-004	FY30 BC System Planning and Reg. Support	-	-	-	-	100	100
Y26BD-060	FY30 BC Vertical Infrastructure Rehab - Collections	-	-	-	-	100	100
W25BD-006	FY30 OC System Planning and Reg. Support	-	-	-	-	50	50
W25BD-007	FY30 OC Vertical Infrastructure Rehab - WQTC	-	-	-	-	50	50
W26BD-063	FY30 OC Linear Infrastructure Rehab	-	-	-	-	50	50
W26BD-092	FY30 OC Plumbing Modification Program	-	-	-	-	50	50
Y25BD-005	FY30 BC Vertical Infrastructure Rehab - WQTC	-	-	-	-	50	50
Y26BD-094	FY30 BC Plumbing Modification Program	-	-	-	-	50	50
<b>Total Wastewater</b>		<b>\$ 224,872</b>	<b>\$ 198,400</b>	<b>\$ 252,153</b>	<b>\$ 227,196</b>	<b>\$ 150,658</b>	<b>\$ 1,053,279</b>
<b>Drainage Projects</b>							
C26015	FY26 DRI	2,000	-	-	-	-	2,000
H24118	West Indian Trail Stormwater Improvements	900	-	-	-	-	900
H24117	Bass-Shirley Stormwater Improvements	681	-	-	-	-	681
H21197	Grant Waldoah Beach Buyout	450	-	-	-	-	450
H24191	GRANT 2018 TRANSYLVANIA BEACH RL FMA	410	-	-	-	-	410
H21196	GRANT 2018 MEDFORD LANE RL FMA 2018-013	402	-	-	-	-	402
C24174	400 Shelby Station Basin Repairs	380	-	-	-	-	380
H23206	Grant Elba DR4428-0043	350	-	-	-	-	350
H23203	Grant Waldoah Beach DR4361-0012	345	345	144	-	-	834
H20158	Orville Drive Grant	319	-	-	-	-	319
C26068	FY26 Stormwater Asset Inventory & Analysis	300	-	-	-	-	300
H23200	Grant Medford DR4358-0026	260	-	-	-	-	260
H23204	Grant Indian Trail DR4428-0042	250	250	-	-	-	500
H23199	Grant Sandstone DR4358-0006	250	-	-	-	-	250
H26052	FY26 Urban Reforestation	240	-	-	-	-	240
A26054	Monitoring Site Safety Improvements Phase 2	200	-	-	-	-	200
H24119	Lynnview Stormwater Improvements	126	-	-	-	-	126
H24128	Goodwill Green Infrastructure Stipend	125	-	-	-	-	125
A24192	Oakmount Dr. RFF Basin	100	-	-	-	-	100
H26069	Mud Creek Floodplain Map Update	100	-	-	-	-	100
H25064	Floyds Fork Tributary Modeling	38	-	-	-	-	38
H25280	Brooklawn Tributary Floodplain Map Update	21	-	-	-	-	21
H26070	Pope Lick Tributary Floodplain Map Update	20	-	-	-	-	20
C25234	Rustic Way Pipe Replacement	17	-	-	-	-	17
H26057	Logan St Basin Green Infrastructure Rehab	-	50	-	-	-	50
H17030	Stormwater Master Plan	-	2,087	2,505	-	-	4,592
C27013	FY27 DRI	-	2,000	-	-	-	2,000

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Drainage Projects</b>							
C23040	Oak Valley Drainage Remedies	-	1,912	850	-	-	2,762
C27075	Stober Rd Drainage Improvement Project	-	1,061	2,939	-	-	4,000
C27074	FY27 Stormwater Asset Inventory & Analysis	-	300	-	-	-	300
A27053	Monitoring Site Safety Improvements Phase 3	-	250	250	-	-	500
H27051	FY27 Urban Reforestation	-	240	-	-	-	240
H27054	FY27 GI Fee In Lieu Program	-	200	-	-	-	200
BD-060	FY28 DRI	-	-	2,000	-	-	2,000
26BD-050	FY28 Stormwater Asset Inventory & Analysis	-	-	300	-	-	300
25BD-044	FY28 Urban Reforestation	-	-	240	-	-	240
25BD-077	FY28 GI Fee In Lieu Program	-	-	200	-	-	200
BD-092	FY29 DRI	-	-	-	2,000	-	2,000
26BD-051	FY29 Stormwater Asset Inventory & Analysis	-	-	-	300	-	300
25BD-045	FY29 Urban Reforestation	-	-	-	240	-	240
C25008	Southern Ditch Alternatives	-	-	-	201	2,746	2,947
25BD-078	FY29 GI Fee In Lieu Program	-	-	-	200	-	200
Y25BD-013	FY29 BC Fish and Macro Sampling	-	-	-	30	-	30
BD-161	Stormwater Implementation	-	-	-	-	3,533	3,533
BD-126	FY30 DRI	-	-	-	-	2,000	2,000
25BD-046	FY30 Urban Reforestation	-	-	-	-	240	240
25BD-104	FY30 GI Fee In Lieu Program	-	-	-	-	200	200
<b>Total Drainage</b>		<b>\$ 8,284</b>	<b>\$ 8,695</b>	<b>\$ 9,428</b>	<b>\$ 2,971</b>	<b>\$ 8,719</b>	<b>\$ 38,097</b>
<b>Flood Protection Projects</b>							
F18515	Paddy's Run FPS Capacity Upgrade	70,185	14,279	12,615	-	-	97,079
F20110	Upper Mill Creek FPS Transformer and MCC Replacement	1,250	2,948	302	-	-	4,500
F26018	FY26 Flood Structures RR	800	-	-	-	-	800
F20107	Starkey FPS Electrical Service Improvements	500	1,500	-	-	-	2,000
F26047	27th Street FPS Transformer Replacement	200	50	-	-	-	250
F25074	FPS Roof Repairs Phase 2 - 4th, 10th, Bingham, Starkey, Beargr	165	-	-	-	-	165
F25076	FPS Roof Repairs Phase 3 - 17th, 27th, 34th	144	-	-	-	-	144
F27015	FY27 Flood Structures RR	-	1,000	-	-	-	1,000
F24065	Floodgate 33 Replacement	-	854	-	-	-	854
H23044	Pond Creek FPS Breaker Replacement	-	800	100	-	-	900
F27045	Lower Mill Creek FPS - Electrical Improvements	-	766	3,234	-	-	4,000
F25043	Western FPS Physical Model	-	400	-	-	-	400
F24046	Sluice Gate Repair/Replacement Program	-	208	1,496	2,957	3,898	8,559
K27048	Gate 138 Access Road	-	200	-	-	-	200
26BD-025	Riverport FPS Transformer Replacement	-	-	1,512	2,488	-	4,000
BD-062	FY28 Flood Structures RR	-	-	1,000	-	-	1,000
X_0095/X_03	Pond Creek FPS - Electrical Service Improvements	-	-	-	3,535	3,889	7,424
F15014	17th Street FPS - Capacity and Generator Improvements	-	-	-	1,611	4,463	6,074
F15013	10th Street FPS - Generator Improvements	-	-	-	1,289	3,570	4,859
BD-094	FY29 Flood Structures RR	-	-	-	1,000	-	1,000
X_0088	4th Street FPS - Capacity and Electrical Service Improvements	-	-	-	-	1,207	1,207
X_0090	27th Street FPS - Capacity and Generator Improvements	-	-	-	-	1,121	1,121
BD-128	FY30 Flood Structures RR	-	-	-	-	1,000	1,000
<b>Total Flood Protection</b>		<b>\$ 73,244</b>	<b>\$ 23,005</b>	<b>\$ 20,259</b>	<b>\$ 12,880</b>	<b>\$ 19,148</b>	<b>\$ 148,536</b>
<b>Support Systems Projects</b>							
K26032	FY26 Vehicles & Equipment	5,500	-	-	-	-	5,500
N26063	FY26 IT Data Center Lifecycle	2,178	-	-	-	-	2,178
G18154	CMF Structural Repairs Phase 1	1,637	64	-	-	-	1,701
G25071	15th & Hill Street IT Infrastructure	665	-	-	-	-	665
D25049	FFWQTC Office HVAC Replacement	510	-	-	-	-	510
N26019	FY26 IT End User Lifecycle	450	-	-	-	-	450
G25238	15th & Hill Main Office Renovations Phase 1	395	-	-	-	-	395
K26062	Fleet Maintenance Drive-On Lift Replacement	290	-	-	-	-	290
N24037	HANA Phase 2 Enhancements	260	715	515	-	-	1,490
K26056	FY26 Fleet Renewal & Replacement	200	-	-	-	-	200
A24012	Asset Management Program Implementation - Non \$25M AM	175	-	-	-	-	175

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Support Systems Projects</b>							
G25046	Districtwide Security Master Plan	166	-	-	-	-	166
G25072	15th & Hill Street Fire Panel	153	-	-	-	-	153
K26049	FY26 Fleet Repair	150	-	-	-	-	150
D26064	MFWQTC Admin Building HVAC Rehab	100	1,000	-	-	-	1,100
K26050	FY26 IT Cybersecurity Initiatives	100	-	-	-	-	100
K26048	FY26 New Fleet Additions	100	-	-	-	-	100
Y25085	BC Office Building Security and Buildout	53	-	-	-	-	53
J20070	FY26/27 Aerial Imagery & Map Updates	52	52	-	-	-	104
J26020	FY26 LOJIC HW Upgrades & Replacements	52	-	-	-	-	52
N26051	FY26 IT Network Lifecycle	50	-	-	-	-	50
K27029	FY27 Vehicles & Equipment	-	5,500	-	-	-	5,500
N27063	FY27 IT Data Center Lifecycle	-	1,505	-	-	-	1,505
G22078	CMF Automated Vehicle Wash Facility	-	1,229	613	-	-	1,842
G25073	15th & Hill Street Security Phase 2	-	1,084	-	-	-	1,084
N21105	PMIS System Implementation	-	1,000	1,000	-	-	2,000
N27016	FY27 IT End User Lifecycle	-	450	-	-	-	450
K27055	FY27 Fleet Renewal & Replacement	-	200	-	-	-	200
K27047	FY27 Fleet Repair	-	150	-	-	-	150
N27049	FY27 IT Cybersecurity Initiatives	-	150	-	-	-	150
N27050	FY27 IT Network Lifecycle	-	150	-	-	-	150
K27046	FY27 New Fleet Additions	-	100	-	-	-	100
J27017	FY27 LOJIC HW Upgrades & Replacements	-	52	-	-	-	52
BD-081	FY28 Vehicles & Equipment	-	-	5,500	-	-	5,500
BD-064	FY28 IT End User Lifecycle	-	-	450	-	-	450
25BD-101	FY28 Fleet Renewal & Replacement	-	-	200	-	-	200
26BD-029	FY28 IT Data Center Lifecycle	-	-	175	-	-	175
25BD-014	FY28 Fleet Repair	-	-	150	-	-	150
25BD-035	FY28 IT Cybersecurity Initiatives	-	-	150	-	-	150
25BD-036	FY28 IT Network Lifecycle	-	-	150	-	-	150
25BD-013	FY28 New Fleet Additions	-	-	100	-	-	100
BD-049	FY28/29 Aerial Imagery & Map Updates	-	-	52	52	-	104
BD-065	FY28 LOJIC HW Upgrades & Replacements	-	-	52	-	-	52
BD-114	FY29 Vehicles & Equipment	-	-	-	5,500	-	5,500
25BD-058	MFWQTC Repaving	-	-	-	1,000	-	1,000
25BD-006	CMF Structural Repairs Phase 2	-	-	-	849	1,703	2,552
BD-097	FY29 IT End User Lifecycle	-	-	-	450	-	450
25BD-102	FY29 Fleet Renewal & Replacement	-	-	-	200	-	200
25BD-016	FY29 Fleet Repair	-	-	-	150	-	150
25BD-037	FY29 IT Cybersecurity Initiatives	-	-	-	150	-	150
25BD-038	FY29 IT Network Lifecycle	-	-	-	150	-	150
26BD-030	FY29 IT Data Center Lifecycle	-	-	-	150	-	150
25BD-015	FY29 New Fleet Additions	-	-	-	100	-	100
BD-098	FY29 LOJIC HW Upgrades & Replacements	-	-	-	52	-	52
25BD-070	Collections Maintenance Facility	-	-	-	-	9,627	9,627
BD-148	FY30 Vehicles & Equipment	-	-	-	-	5,500	5,500
BD-131	FY30 IT End User Lifecycle	-	-	-	-	450	450
25BD-103	FY30 Fleet Renewal & Replacement	-	-	-	-	200	200
25BD-018	FY30 Fleet Repair	-	-	-	-	150	150
25BD-039	FY30 IT Cybersecurity Initiatives	-	-	-	-	150	150
25BD-040	FY30 IT Network Lifecycle	-	-	-	-	150	150
26BD-031	FY30 IT Data Center Lifecycle	-	-	-	-	150	150
25BD-017	FY30 New Fleet Additions	-	-	-	-	100	100
BD-115	FY30/31 Aerial Imagery & Map Updates	-	-	-	-	52	52
BD-132	FY30 LOJIC HW Upgrades & Replacements	-	-	-	-	52	52
<b>Total Support Services</b>		<b>\$ 13,236</b>	<b>\$ 13,401</b>	<b>\$ 9,107</b>	<b>\$ 8,803</b>	<b>\$ 18,284</b>	<b>\$ 62,831</b>
<b>Management Reserve Projects</b>							
G26003	FY26 Management Reserve	1,485	-	-	-	-	1,485
W26035	FY26 OC Management Reserve	50	-	-	-	-	50
Y26043	FY26 BC Management Reserve	50	-	-	-	-	50

Fiver-Year CIP							
Dollars in 000's							
Project ID	Project Name	FY26	FY27	FY28	FY29	FY30	Total
<b>Management Reserve Projects</b>							
G27003	FY27 Management Reserve	-	469	-	-	-	469
W27034	FY27 OC Management Reserve	-	50	-	-	-	50
Y27041	FY27 BC Management Reserve	-	50	-	-	-	50
24BD-037	FY28 Management Reserve	-	-	5,000	-	-	5,000
W24BD-010	FY28 OC Management Reserve	-	-	50	-	-	50
Y24BD-020	FY28 BC Management Reserve	-	-	50	-	-	50
24BD-038	FY29 Management Reserve	-	-	-	5,000	-	5,000
W24BD-011	FY29 OC Management Reserve	-	-	-	50	-	50
Y24BD-021	FY29 BC Management Reserve	-	-	-	50	-	50
24BD-039	FY30 Management Reserve	-	-	-	-	5,000	5,000
W26BD-068	FY30 OC Management Reserve	-	-	-	-	50	50
Y26BD-069	FY30 BC Management Reserve	-	-	-	-	50	50
<b>Total Management Reserve</b>		<b>\$ 1,585</b>	<b>\$ 569</b>	<b>\$ 5,100</b>	<b>\$ 5,100</b>	<b>\$ 5,100</b>	<b>\$ 17,454</b>

