

# Monthly Executive Report

## Financial & Capital Program Updates

As of April 30, 2024



MONTHLY EXECUTIVE REPORT  
April 30, 2024

**NOTE TO THE READER:**

*The following Monthly Executive Report is prepared and used by Louisville MSD for purposes of updating its governing Board of Directors of various operational and financial matters regarding Louisville MSD on a monthly basis. The Report is not prepared to help investors decide whether to purchase or sell financial obligations of Louisville 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 enclosed Report a recommendation to purchase or sell financial obligations of Louisville MSD. The Report does not present a complete summary of Louisville MSD's financial or operational position to investors and should not be used in that manner.*

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### TABLE OF CONTENTS

<b>SECTION 1: EXECUTIVE SUMMARY .....</b>	<b>6</b>
FINANCIAL HEALTH.....	6
CAPITAL PROGRAM HEALTH .....	7
<b>SECTION 2: FINANCIAL REPORT .....</b>	<b>8</b>
APRIL FINANCIAL SUMMARY .....	8
FINANCIAL STATEMENTS – FY24.....	9
Comparative Statement of Net Position .....	9
Statement of Revenues, Expenses & Change in Net Position .....	10
Statement of Cash Flows .....	11
Actual vs. Budget Operating and Maintenance Expenses .....	12
MONTHLY INVESTMENT REPORT .....	13
Investment Compliance Summary .....	13
Risk Management Summary .....	14
Current Investment Model.....	15
Monthly Investment Activity.....	16
Commercial Paper Program Summary .....	17
SUPPLEMENTAL FINANCIAL REPORTING.....	18
Revenue by Customer Class.....	18
Wastewater Revenue by County.....	18
Headcount.....	19
Cash Balances .....	20
<b>SECTION 3: CAPITAL PROGRAM PERFORMANCE .....</b>	<b>21</b>
FY24 CAPITAL BUDGET BASIS .....	21
FY24 CIP OVERALL PERFORMANCE .....	22
Challenges to CIP Execution.....	23
MONTHLY PROJECT ACTIVITIES .....	23
Emergency Contracts to Repair Infrastructure Damage.....	24
Major Project Highlights .....	27
CIP MANAGEMENT TEAM MEETING HIGHLIGHTS .....	27
PROCUREMENT ACTIVITIES .....	28
Upcoming Construction Bid Openings .....	28
Bid Openings.....	28
Construction - Notice to Proceeds (NTP) Issued.....	29

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Acronyms & Abbreviations

AEAP	Additional Early Action Projects
APCD	Air Pollution Control District
AO	Agreed Order
B	Billions
BC	Bullitt County
BCE	Business Case Evaluation
BOD	Biochemical Oxygen Demand
BMP	Best Management Practice
BRIC	Building Resilient Infrastructure & Communities Grant Program
CCWQTC	Cedar Creek Water Quality Treatment Center
CD	Consent Decree
CIP	Capital Improvement Program
CMF	Centralized Maintenance Facility
CMOM	Capacity, Management, Operations, and Maintenance Program
COP	Commencement of Performance
CP	Commercial Paper
CRRP	Critical Repair and Replacement Plan
CSF	Critical Success Factor
CSG	Collections System Group
CSO	Combined Sewer Overflow
CSS	Combined Sewer System
DOW	Kentucky Department of Water
DRGWQTC	Derek Guthrie Water Quality Treatment Center
DRI	Drainage Response Initiative
EAC	Estimate-at-Completion
EAP	Early Action Plan
ENV	Environmental
EPA	Environmental Protection Agency
EPM	Enterprise Program Manager
FEMA	Federal Emergency Management Agency
FEPS	Final Effluent Pump Station
FFWQTC	Floyds Fork Water Quality Treatment Center
FM	Force Main
FPS	Flood Pump Station
FY	Fiscal Year
GASB	General Accounting Standards Board
GIS	Geographical Information System
HCWQTC	Hite Creek Water Quality Treatment Center
HSE	Health and Safety Evaluation
HVAC	Heating, Ventilation, and Air Conditioning
ID	Project Budget Identification Number
IOAP	Integrated Overflow Abatement Plan
IT	Information Technology
JC	Jefferson County

### Acronyms & Abbreviations – Continued

KPDES	Kentucky Pollutant Discharge Elimination System
LG	Louisville Green Biosolids Processing System
LOJIC	Louisville Jefferson County Information Consortium
LTCP	Long Term Control Plan
LWC	Louisville Water Company
M	Millions
MBE/WBE	Minority Owned Business Enterprise/Women Owned Business Enterprise
MCC	Motor Control Center
MEB	Morris Forman WQTC Maintenance Equipment Building
MHI	Median Household Income
MFWQTC	Morris Forman Water Quality Treatment Center
MS4	Municipal Separate Storm Sewer System Program

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

MSD	Metropolitan Sewer District
NMC	Nine Minimum Controls
NOA	Notice of Advisement
NOI	Net Operating Income
NTP	Notice to Proceed
OC	Oldham County
OCEA	Oldham County Environmental Agency
PM	Project Manager
PMIS	Project Information Management System
PSC	Property Service Connection
PS	Pump Station
Q	Quarter of Year
RAS	Return Activated Sludge
RFP	Request for Proposals
RR	Repair and Replacement
RTC	Real Time Control
SCADA	Supervisory Control and Data Acquisition
SIFMA	Securities Industry and Financial Markets Association
SRF	State Revolving Loan Fund Program
SSDP	Sanitary Sewer DP
SWPS	Southwestern Pump Station
TBD	To Be Determined
TSS	Total Suspended Solids
USACE	United States Army Corps of Engineers
USEPA	United States Environmental Protection Agency
VFD	Variable Frequency Drive
WIFIA	Water Infrastructure Finance and Innovation Act
WQTC	Water Quality Treatment Center
WWTF	Wet Weather Treatment Facility
WWPS	Wastewater Pump Station
YTD	Year-to-Date

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### SECTION 1: EXECUTIVE SUMMARY

The Louisville and Jefferson County Metropolitan Sewer District (MSD) provides wastewater, stormwater and flood protection services to a population of nearly 800,000 throughout the service area. The MSD operating budget supports the day-to-day operation and maintenance of all infrastructure, while the capital budget supports the infrastructure investments through its Capital Improvement Program (CIP). The organization continues to complete important projects; comply with Consent Decree and regulatory requirements; and repair/replace critical assets. This report provides a summary of the financial position and the progress made through April 2024, with respect to Fiscal Year 2024 (FY24) program health and regulatory compliance.

### FINANCIAL HEALTH

A high-level summary of key financial information is presented in the table below. More detailed information is presented in Section 2 of this report.

*Summary of FY24 Financial Information*

Description	Status as of April 30, 2024
<b>Operating Revenues</b>	Year to date, total operating revenues were \$6 million favorable to budget (wastewater service charges \$2.1 million favorable, drainage service charges \$556 thousand favorable and other operating income \$3.4 million favorable).
<b>Operating Expenses</b>	Service and administrative expenses were \$1 million unfavorable to budget and \$2.3 million more than April 2023. Year to date, service and administrative expenses were \$10.5 million favorable to budget.
<b>Interest Expense</b>	Interest expense was \$266 thousand unfavorable to budget and \$853 thousand more than April 2023. Year to date, interest expense was \$122 thousand unfavorable to budget.
<b>Statement of Cash Flows</b>	Cash and cash equivalents increased \$29 million in March. Net cash provided by operating activities was \$20.5 million. Net cash used by capital-related financing activities was \$7.8 million. Net cash provided by investing activities was \$16.3 million.
<b>Commercial Paper Notes</b>	Commercial paper notes outstanding total \$219 million with an average duration to maturity of 30 days.

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### CAPITAL PROGRAM HEALTH

A high-level summary of the status of key programs and initiatives is presented in the table below. More detailed information is presented in Section 3 of this report.

*Summary of FY24 Capital Program Performance To-date*

Key Programs and Initiatives	Status as of April 30, 2024
<b>Consent Decree and Agreed Order Compliance</b>	All Consent Decree and Agreed Order deadlines have been satisfied through the reporting period.
<b>Emergency Repairs &amp; Reactive Equipment Replacements</b>	Four (4) emergency project started in the reporting month. Projects include a sewer repair at Woodbourne Avenue and 30" FM repair at Harrods Creek. Operation assistance and support for the MF LG Dryer Replacements also began. Estimated cost for these emergencies are \$1.3M.
<b>Cashflow Performance*</b>	Budget Performance Target is \$247.0M as of April 30, 2024. The FY24 forecasted spend is \$243.3M.

\*Discussion on Performance Target and Budget Ceiling is found in the Capital Program Performance Section

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### SECTION 2: FINANCIAL REPORT

The Financial Report is prepared monthly to provide readers with a high-level understanding of MSD's financial position. This report contains information on the following:

- Monthly financial results for April 2024
- Customer Statistics
- Employee Headcount
- Cash Balances
- Investment Summary
- Commercial Paper Program Summary

### APRIL FINANCIAL SUMMARY

#### Financial Highlights for the month of April 2024

- Total operating revenues were \$5.4 million favorable to budget
- Service and administrative expenses were \$1 million unfavorable to budget

#### Results of Operations for the month of April 2024

Total operating revenues were \$5.4 million favorable to budget and \$6 million more than April 2023. Wastewater service charges were \$4.1 million favorable to budget and \$4.7 million more than April 2023. Drainage service charges were \$1.3 million favorable to budget and \$1.5 million more than April 2023. Other operating revenues were \$19 thousand unfavorable to budget and \$198 thousand less than April 2023. Year to date, total operating revenues were \$6 million favorable to budget (wastewater service charges \$2.1 million favorable, drainage service charges \$556 thousand favorable and other operating income \$3.4 million favorable).

Service and administrative expenses were \$1 million unfavorable to budget and \$2.3 million more than April 2023. Year to date, service and administrative expenses were \$10.5 million favorable to budget. Contractual Services account for \$6.4 million of the savings to budget, Chemicals account for \$2.4 million.

Depreciation and amortization expenses were \$2.3 million unfavorable to budget and \$2.1 million more than April 2023. Year to date, depreciation and amortization expenses were \$20 million unfavorable to budget. Depreciation expense is being driven by the large number of capital projects that were placed into service in June of 2023. Amortization expense is being driven by GASB 96 reporting standards for Subscription Based Information Technology Assets (SBITA). SBITA expense was originally budgeted in Contractual Services for FY25, providing savings in Operations & Maintenance to offset the increase in amortization.

Investment income was \$733 thousand favorable to budget and \$358 thousand more than April 2023. Year to date, investment income was \$9.2 million favorable to budget.

Interest expense was \$266 thousand unfavorable to budget and \$853 thousand more than April 2023. Year to date, interest expense was \$122 thousand unfavorable to budget.

#### Statement of Cash Flows

Cash and cash equivalents increased \$29 million in March. Net cash provided by operating activities was \$20.5 million. Net cash used by capital-related financing activities was \$7.8 million. Net cash provided by investing activities was \$16.3 million.



# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### FINANCIAL STATEMENTS – FY24

#### Comparative Statement of Net Position

Louisville & Jefferson County Metropolitan Sewer District				
Monthly Comparative Statement of Net Position				
Month Ended, April 30, 2024				
	YTD	YTD		
	Apr-2024	Apr-2023	Variance	Percent
<b>Current Assets</b>				
Unrestricted Cash & Cash Equivalents	\$157,530,413	\$109,375,466	\$48,154,946	44.03%
Sewer & Drainage Receivable	24,483,252	28,253,650	(3,770,399)	-13.34%
Assessment Warrants Receivable	122,660	143,609	(20,948)	-14.59%
Miscellaneous Receivables	1,010,332	622,780	387,551	62.23%
Inventories	6,236,612	5,690,665	545,947	9.59%
Prepaid Expenses	1,682,256	3,675,946	(1,993,689)	-54.24%
Restricted Funds	219,313,666	178,968,518	40,345,148	22.54%
Accrued Interest Receivable	587,953	340,553	247,399	72.65%
<b>Total Current Assets</b>	<b>410,967,144</b>	<b>327,071,188</b>	<b>83,895,956</b>	<b>25.65%</b>
<b>Non-Current Assets</b>				
Utility Plant in Service	5,092,637,278	4,730,629,388	362,007,890	7.65%
Accumulated Depreciation	(1,771,234,038)	(1,647,379,277)	(123,854,761)	7.52%
Construction in Progress	477,720,345	569,847,260	(92,126,916)	-16.17%
Subscription Assets	5,554,015	0	5,554,015	0.00%
<b>Net Fixed Assets</b>	<b>3,804,677,599</b>	<b>3,653,097,371</b>	<b>151,580,228</b>	<b>4.15%</b>
<b>Non-Current Receivables</b>	<b>20,105,605</b>	<b>20,970,651</b>	<b>(865,046)</b>	<b>-4.13%</b>
<b>Total Assets</b>	<b>4,235,750,349</b>	<b>4,001,139,210</b>	<b>234,611,139</b>	<b>5.86%</b>
<b>Total Deferred Outflow of Resources</b>	<b>47,579,545</b>	<b>68,936,665</b>	<b>(21,357,120)</b>	<b>-30.98%</b>
<b>Total Assets &amp; Deferred Outflow of Resources</b>	<b>4,283,329,893</b>	<b>4,070,075,875</b>	<b>213,254,019</b>	<b>5.24%</b>
<b>Current Liabilities</b>				
Miscellaneous Accounts Payable	8,145,117	8,488,578	(343,462)	-4.05%
Accounts Payable - Construction	15,019,962	6,448,543	8,571,418	132.92%
Contract Retainage	10,607,759	5,864,436	4,743,323	80.88%
Accrued Interest Payable	49,810,782	46,838,903	2,971,879	6.34%
Current Maturities of Bonds Payable	51,115,000	52,880,000	(1,765,000)	-3.34%
Current Maturities of Subordinate Debt	10,155,830	1,428,690	8,727,141	610.85%
Current Subscription Payable	68,243	0	68,243	0.00%
Deposits Payable	1,745,504	2,118,674	(373,170)	-17.61%
Accrued Salaries & Wages	2,582,374	1,823,389	758,985	41.62%
Accrued Workers' Comp Insurance	1,933,486	1,237,586	695,900	56.23%
Employee Comp Absences Payable	5,404,842	4,939,835	465,007	9.41%
<b>Total Current Liabilities</b>	<b>156,588,899</b>	<b>132,068,633</b>	<b>24,520,265</b>	<b>18.57%</b>
<b>Non-Current Liabilities</b>				
Long-Term Senior Debt Payable	2,437,899,077	2,228,405,000	209,494,077	9.40%
Long-Term Subordinate Debt Payable	262,537,380	385,020,628	(122,483,248)	-31.81%
Other Long-Term Liability	303,420,380	274,581,936	28,838,444	10.50%
<b>Total Non-Current Liabilities</b>	<b>3,003,856,837</b>	<b>2,888,007,564</b>	<b>115,849,273</b>	<b>4.01%</b>
<b>Total Liabilities</b>	<b>3,160,445,735</b>	<b>3,020,076,197</b>	<b>140,369,538</b>	<b>4.65%</b>
<b>Total Deferred Inflow of Resources</b>	<b>44,676,492</b>	<b>52,222,332</b>	<b>(7,545,840)</b>	<b>-14.45%</b>
<b>Total Liabilities &amp; Deferred Inflow of Resources</b>	<b>3,205,122,228</b>	<b>3,072,298,529</b>	<b>132,823,698</b>	<b>4.32%</b>
<b>Net Position</b>	<b>1,078,207,666</b>	<b>997,777,345</b>	<b>80,430,320</b>	<b>8.06%</b>
<b>Total Liabilities, Deferred Inflow of Resources and Net Position</b>	<b>4,283,329,893</b>	<b>4,070,075,875</b>	<b>213,254,019</b>	<b>5.24%</b>

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Statement of Revenues, Expenses & Change in Net Position

Louisville & Jefferson County Metropolitan Sewer District							
Monthly Statement of Revenues, Expenses, and Changes in Net Position							
Month Ended, April 30, 2024							
	YTD	YTD	YTD	% YTD	YTD	YTD	% YTD
	Actual	Budget	Variance	Variance	Prior Year	Variance	Variance
<b>Wastewater Charges</b>							
Residential	\$ 146,573,429	\$ 148,211,691	\$ (1,638,261)	-1.1%	\$ 139,277,125	\$ 7,296,304	5.2%
Commercial	82,998,754	81,871,911	1,126,843	1.4%	78,809,476	4,189,278	5.3%
Industrial	24,979,688	21,709,407	3,270,282	15.1%	20,680,903	4,298,785	20.8%
Other Wastewater	6,971,238	7,624,514	(653,276)	-8.6%	7,632,714	(661,476)	-8.7%
Free Wastewater Charges	(4,084,697)	(4,074,543)	(10,153)	0.2%	(4,126,327)	41,630	-1.0%
<b>Total Wastewater Charges</b>	<b>257,438,413</b>	<b>255,342,979</b>	<b>2,095,434</b>	<b>0.8%</b>	<b>242,273,892</b>	<b>15,164,521</b>	<b>6.3%</b>
<b>Drainage</b>							
Residential	30,825,785	30,000,433	825,351	2.8%	28,603,040	2,222,745	7.8%
Commercial	45,056,374	45,952,292	(895,918)	-1.9%	43,670,694	1,385,680	3.2%
Industrial	5,656,512	5,393,488	263,024	4.9%	5,156,022	500,491	9.7%
Other Stormwater	4,003,693	3,653,907	349,786	9.6%	3,556,053	447,640	12.6%
Free Stormwater Charges	(2,525,729)	(2,539,978)	14,249	-0.6%	(2,417,811)	(107,918)	4.5%
<b>Total Drainage Charges</b>	<b>83,016,634</b>	<b>82,460,142</b>	<b>556,492</b>	<b>0.7%</b>	<b>78,567,997</b>	<b>4,448,637</b>	<b>5.7%</b>
<b>Total Service Charges</b>	<b>340,455,047</b>	<b>337,803,122</b>	<b>2,651,925</b>	<b>0.8%</b>	<b>320,841,889</b>	<b>19,613,159</b>	<b>6.1%</b>
<b>Other Operating Income</b>	<b>7,100,906</b>	<b>3,749,109</b>	<b>3,351,798</b>	<b>89.4%</b>	<b>5,742,674</b>	<b>1,358,232</b>	<b>23.7%</b>
<b>Total Operating Revenue</b>	<b>347,555,954</b>	<b>341,552,231</b>	<b>6,003,723</b>	<b>1.8%</b>	<b>326,584,563</b>	<b>20,971,390</b>	<b>6.4%</b>
<b>Operating Expenses</b>							
Salaries & Wages	53,177,747	53,304,495	(126,749)	-0.2%	47,562,200	5,615,547	11.8%
Labor Related Overhead	23,503,269	22,326,874	1,176,395	5.3%	22,075,592	1,427,677	6.5%
Utilities	13,345,411	15,447,162	(2,101,750)	-13.6%	15,623,647	(2,278,236)	-14.6%
Materials & Supplies	7,793,096	7,934,451	(141,355)	-1.8%	6,912,457	880,639	12.7%
Contractual Services	26,315,290	32,684,836	(6,369,546)	-19.5%	25,211,109	1,104,181	4.4%
Chemicals	6,888,898	9,278,043	(2,389,145)	-25.8%	6,063,519	825,379	13.6%
Fuel	1,246,313	1,713,454	(467,141)	-27.3%	1,468,765	(222,452)	-15.1%
Insurance Premiums & Claims	6,517,188	6,112,350	404,838	6.6%	6,282,191	234,997	3.7%
Bad Debt	2,774,309	2,938,668	(164,359)	-5.6%	3,469,608	(695,299)	-20.0%
Other Operating Expense	1,768,543	2,141,858	(373,315)	-17.4%	1,589,132	179,411	11.3%
Mapping/Insurance Recovery	-	-	-	0.0%	-	0	0.0%
Capitalized Overhead	(34,651,419)	(36,931,726)	2,280,307	-6.2%	(32,436,104)	(2,215,315)	6.8%
Capital Expenses (over)/under applied							
<b>Net Service and Administrative Costs</b>	<b>108,678,644</b>	<b>116,950,465</b>	<b>(8,271,820)</b>	<b>-7.1%</b>	<b>103,822,115</b>	<b>4,856,529</b>	<b>4.7%</b>
Depreciation	104,672,348	86,709,171	17,963,178	20.7%	89,436,296	15,236,052	17.0%
Amortization	3,771,449	1,258,081	2,513,368	199.8%	1,302,012	2,469,437	189.7%
<b>Total Depreciation/Amortization</b>	<b>108,443,797</b>	<b>87,967,252</b>	<b>20,476,545</b>	<b>23.3%</b>	<b>90,738,308</b>	<b>17,705,489</b>	<b>19.5%</b>
<b>Total Operating Expenses</b>	<b>217,122,442</b>	<b>204,917,716</b>	<b>12,204,725</b>	<b>6.0%</b>	<b>194,560,423</b>	<b>22,562,019</b>	<b>11.6%</b>
<b>Net Operating Income</b>	<b>130,433,512</b>	<b>136,634,515</b>	<b>(6,201,003)</b>	<b>-4.5%</b>	<b>132,024,140</b>	<b>(1,590,628)</b>	<b>-1.2%</b>
<b>Non-Operating Revenue (Expenses)</b>							
Gain/Loss Disposal of Assets	(27,539)	-	(27,539)	0.0%	(2,759,280)	2,731,741	-99.0%
Investment Income	20,595,196	11,411,000	9,184,196	80.5%	15,216,348	5,378,848	35.3%
Interest Expense	(83,459,423)	(90,152,202)	6,692,778	-7.4%	(77,321,030)	(6,138,393)	7.9%
<b>Total Non-Operating Revenue (Expenses)</b>	<b>(62,891,766)</b>	<b>(78,741,202)</b>	<b>15,849,435</b>	<b>-20.1%</b>	<b>(64,863,963)</b>	<b>1,972,196</b>	<b>-3.0%</b>
Contributions	1,690,308.35	-	1,690,308	0.0%	1,822,194	131,886	-7.2%
<b>Change in Net Position Before Swaps</b>	<b>69,232,054</b>	<b>57,893,313</b>	<b>11,338,741</b>	<b>19.6%</b>	<b>68,982,372</b>	<b>(249,682)</b>	<b>0.4%</b>
<b>Change in Fair Value of Swaps</b>	<b>4,696,815</b>	<b>-</b>	<b>4,696,815</b>	<b>0.0%</b>	<b>3,929,252</b>	<b>(767,563)</b>	<b>19.5%</b>
<b>Change in Net Position After Swaps</b>	<b>\$ 73,928,869</b>	<b>\$ 57,893,313</b>	<b>\$ 16,035,556</b>	<b>27.7%</b>	<b>\$ 72,911,624</b>	<b>\$ (1,017,245)</b>	<b>1.4%</b>

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Statement of Cash Flows

Louisville and Jefferson County Metropolitan Sewer District		
Statement of Cash Flows		
For the Month Ended, April 30, 2024		
	FY 2024 YTD	FY 2023 YTD
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 350,487,679	\$ 323,968,493
Cash paid to suppliers	(91,971,083)	(91,729,083)
Cash paid to employees	(53,102,442)	(49,590,274)
<b>Net Cash Provided by Operating Activities</b>	205,414,154	182,649,136
<b>Cash Flows from Capital and Related Financing Activities</b>		
Proceeds from issuance of revenue bonds	116,006,273	1,833,900
Proceeds from issuance of bond anticipation note	-	229,468,019
Proceeds from issuance of commercial paper	2,074,365,000	350,000,000
Proceeds from issuance of notes	-	-
Proceeds from issuance of other subordinated debt	4,252,832	-
Payments for retirement of revenue bonds	-	-
Payments for retirement of bond anticipation note	(226,340,000)	(226,340,000)
Payments for retirement of commercial paper	(1,820,170,000)	(290,000,000)
Payments for retirement of other subordinated debt	(3,911,621)	(2,665,732)
Payments for interest expense	(61,915,442)	(58,149,447)
Payments for interest on swaps	(1,439,896)	(3,631,026)
Build America bond interest subsidy	9,444,427	9,155,125
Proceeds from capital grants	2,487,857	-
Proceeds from sale of capital assets	(27,539)	(2,759,280)
Payments for capital assets	(168,896,216)	(172,740,268)
Proceeds from assessments	590,139	766,556
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	(75,554,185)	(165,062,154)
<b>Cash Flows from Investing Activities</b>		
Purchase of investments	(261,202,815)	(114,231,284)
Maturity of investments	220,655,615	127,215,895
Investment income	8,018,306	3,943,227
<b>Net Cash Provided (Used) by Investing Activities</b>	(32,528,894)	16,927,838
Net Increase (Decrease) in Cash and Cash Equivalents	97,331,075	66,950,924
Cash and Cash Equivalents, Beginning of Year	91,786,053	71,854,355
<b>Cash and Cash Equivalents, End of Year</b>	\$ 189,117,128	\$ 138,805,279
<b>Reconciliation of Operating Income to Net Cash provided by Operating Activities</b>		
Income from operations	\$ 130,433,512	\$ 132,024,140
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	108,443,797	90,738,308
Capitalized Overhead	(34,651,419)	(32,436,104)
Accounts receivable	3,328,330	(2,814,641)
Inventories	(425,016)	(428,384)
Prepaid expense	(1,444,406)	(726,874)
Accounts payable	19,258	(1,318,643)
Customer deposits	(396,604)	198,571
Accrued liabilities	75,304	(2,587,237)
Pension liability	-	-
OPEB liability	31,398	-
<b>Net Cash Provided by Operating Activities</b>	\$ 205,414,154	\$ 182,649,136
<b>Non-Cash Capital Financing and Investing Activities</b>		
Contribution of plant, lines and other facilities by developers and property owners	\$ (798,300)	
Construction costs in accounts payable	25,627,720	12,312,979
Change in fair value of investments	(3,390,069)	(2,109,943)
Decrease in interest rate swap deferred revenue	(188,720)	(414,126)
Change in fair value - swap agreements	4,696,815	(3,929,252)
Bonds issued for refunding of debt	\$ 271,900,000	\$ -

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Actual vs. Budget Operating and Maintenance Expenses

Louisville & Jefferson County Metropolitan Sewer District							
Operating and Maintenance Expenses							
Month Ended, April 30, 2024							
	YTD Actual	YTD Budget	YTD Variance	% YTD Variance	YTD Prior Year	YTD Variance	% YTD Variance
<b>Salaries &amp; Wages</b>							
51120 - Regular Salaries & Wages	\$43,307,429	\$51,060,983	\$ (7,753,554)	-15.2%	\$38,200,696	\$5,106,732	13.4%
51130 - Overtime	2,524,570	1,900,350	624,221	32.8%	2,498,504	26,067	1.0%
51135 - Special Event Compensation	111,050	319,356	(208,306)	-65.2%	129,000	(17,950)	-13.9%
51140 - Wages pd for vacation, holidays & other	7,256,172	0	7,256,172	0.0%	6,716,911	539,260	8.0%
51145 - Incentive Pay - Performance, ERT, Sugg	(45,874)	0	(45,874)	0.0%	2,388	(48,262)	-2021.0%
51147 - Service & Safety Incentive Awards	24,400	23,807	593	2.5%	14,700	9,700	66.0%
<b>Total Salaries &amp; Wages</b>	<b>53,177,747</b>	<b>53,304,495</b>	<b>(126,749)</b>	<b>-0.2%</b>	<b>47,562,200</b>	<b>5,615,547</b>	<b>11.8%</b>
<b>Labor &amp; Related Overhead</b>							
51120 - Short-Term Disability	226,794	0	226,794	0.0%	262,906	(36,112)	-13.7%
51220 - Workers' Compensation Insurance	275,784	250,000	25,784	10.3%	102,666	173,118	168.6%
51225 - Workers' Compensation Claims	674,247	800,000	(125,753)	-15.7%	200,531	473,716	236.2%
51230 - Long-Term Disability	63,264	0	63,264	0.0%	(24,527)	87,791	-357.9%
51240 - Group Life - AD&D Insurance	17,944	104,160	(86,216)	-82.8%	86,486	(68,543)	-79.3%
51250 - Tuition Assistance	15,070	51,666	(36,596)	-70.8%	(4,620)	19,690	-426.1%
51260 - Empl Assistance & Wellness Program	7,919	11,668	(3,749)	-32.1%	6,914	1,005	14.5%
51300 - Payroll Taxes	3,797,748	3,875,293	(77,545)	-2.0%	3,391,664	406,084	12.0%
51400 - Unemployment Insurance	0	27,521	(27,521)	0.0%	14,184	(14,184)	0.0%
51500 - Med Ins: MSD's port. of prem for grp	7,101,842	6,328,658	773,184	12.2%	6,028,342	1,073,500	17.8%
51600 - Retirement Contributions	11,322,658	10,877,908	444,750	4.1%	12,011,047	(688,388)	-5.7%
<b>Total Labor &amp; Related Overhead</b>	<b>23,503,269</b>	<b>22,326,874</b>	<b>1,176,395</b>	<b>5.3%</b>	<b>22,075,592</b>	<b>1,427,677</b>	<b>6.5%</b>
<b>Utilities</b>							
53310 - Electric	10,090,170	11,649,900	(1,559,730)	-13.4%	11,467,934	(1,377,763)	-12.0%
53320 - Natural Gas	684,426	863,747	(179,321)	-20.8%	1,205,959	(521,534)	-43.2%
53330 - Water	1,412,873	1,529,760	(116,887)	-7.6%	1,718,638	(305,764)	-17.8%
53340 - Telephone	214,819	247,333	(32,514)	-13.1%	245,263	(30,443)	-12.4%
53345 - Data Communications	943,123	1,156,421	(213,298)	-18.4%	985,854	(213,298)	-4.3%
<b>Total Utilities</b>	<b>13,345,411</b>	<b>15,447,162</b>	<b>(2,101,750)</b>	<b>-13.6%</b>	<b>15,623,647</b>	<b>(2,448,803)</b>	<b>-14.6%</b>
<b>Materials &amp; Supplies</b>							
53100 - Tires & Tire Service Expense	262,207	304,670	(42,463)	-13.9%	251,311	10,896	4.3%
53140 - Materials & Supplies	7,110,176	7,314,781	(204,605)	-2.8%	6,380,478	729,698	11.4%
53150 - Inventory Adjustments	623	0	623	0.0%	(3,864)	4,487	-116.1%
53160 - Landfill Cost of fill dirt	420,091	315,000	105,091	33.4%	284,533	135,558	47.6%
<b>Total Materials &amp; Supplies</b>	<b>7,793,096</b>	<b>7,934,451</b>	<b>(141,355)</b>	<b>-1.8%</b>	<b>6,912,457</b>	<b>880,639</b>	<b>12.7%</b>
<b>Contractual Services</b>							
51700 - Uniforms	245,562	270,220	(24,658)	-9.1%	177,973	67,589	38.0%
52110 - Billing & Collection	5,371,403	6,091,318	(719,915)	-11.8%	5,863,517	(492,113)	-8.4%
52130 - Custodial & Watchmen	643,436	608,686	34,749	5.7%	681,303	(37,867)	-5.6%
52140 - Professional Services	2,450,590	4,126,558	(1,675,968)	-40.6%	2,224,270	226,320	10.2%
52145 - Legal	301,087	750,000	(448,913)	-59.9%	392,216	(91,129)	-23.2%
52155 - Banking Services	25,620	19,500	6,120	31.4%	36,803	(11,182)	-30.4%
52160 - Maintenance & Repairs	3,511,181	5,132,590	(1,621,408)	-31.6%	4,236,736	(725,554)	-17.3%
52170 - Sludge & Grit Disposal	2,829,037	2,769,931	59,106	2.2%	3,044,206	(215,169)	-7.1%
52180 - Temporary Services	176,778	85,850	90,928	105.9%	66,360	110,418	166.4%
52195 - Other Contractual Services	10,760,595	12,831,084	(2,070,488)	-16.1%	8,487,727	2,272,869	26.8%
<b>Total Contractual Services</b>	<b>26,315,290</b>	<b>32,684,836</b>	<b>(6,369,546)</b>	<b>-19.5%</b>	<b>25,211,109</b>	<b>1,104,181</b>	<b>4.4%</b>
<b>Bad Debt</b>							
54200 - Bad Debts	2,524,309	2,938,668	(414,359)	-14.1%	3,219,608	(695,299)	-21.6%
54210 - Bad Debt - Assessments	250,000	0	250,000	0.0%	250,000	0	0.0%
<b>Total Bad Debt</b>	<b>2,774,309</b>	<b>2,938,668</b>	<b>(164,359)</b>	<b>-5.6%</b>	<b>3,469,608</b>	<b>(695,299)</b>	<b>-20.0%</b>
<b>Chemicals</b>							
53205 - Peracetic Acid	29,318	333,333	(304,015)	-91.2%	0	29,318	0.0%
53210 - Chlorine	0	7,875	(7,875)	0.0%	0	0	0.0%
53215 - Sodium Hypochlorite	2,816,067	3,192,408	(376,341)	-11.8%	1,867,614	948,453	50.8%
53220 - Polymer	2,036,864	3,197,608	(1,160,744)	-36.3%	2,324,970	(288,106)	-12.4%
53225 - Sodium Aluminate	132,047	338,539	(206,492)	-61.0%	179,482	(47,436)	-26.4%
53230 - Liquid Oxygen	171,258	273,763	(102,505)	-37.4%	407,226	(235,968)	-57.9%
53235 - Liquid Nitrogen	32,654	123,667	(91,013)	-73.6%	53,454	(20,799)	-38.9%
53240 - Other Chemicals	29,793	45,222	(15,428)	-34.1%	18,837	10,957	58.2%
53250 - Dechlorination	295,480	442,468	(146,988)	-33.2%	305,370	(9,890)	-3.2%
53275 - Defoamer	47,599	30,867	16,732	54.2%	24,693	22,906	92.8%
53280 - Biocide	1,301,081	1,291,667	9,414	0.7%	881,873	419,208	47.5%
53285 - Sodium Hydroxide	0	625	(625)	0.0%	0	0	0.0%
53295 - Sodium Chloride	(3,264)	0	(3,264)	0.0%	0	(3,264)	0.0%
<b>Total Chemicals</b>	<b>6,888,898</b>	<b>9,278,043</b>	<b>(2,389,145)</b>	<b>-25.8%</b>	<b>6,063,519</b>	<b>825,379</b>	<b>13.6%</b>
<b>Fuel</b>							
53120 - Gasoline	608,942	621,892	(12,950)	-2.1%	603,159	5,784	1.0%
53130 - Diesel Fuel	637,371	1,091,562	(454,191)	-41.6%	865,606	(228,235)	-26.4%
<b>Total Fuel</b>	<b>1,246,313</b>	<b>1,713,454</b>	<b>(467,141)</b>	<b>-27.3%</b>	<b>1,468,765</b>	<b>(222,452)</b>	<b>-15.1%</b>
<b>Insurance Premiums &amp; Claims</b>							
54100 - Casualty Insurance	2,190	0	2,190	0.0%	0	2,190	0.0%
54110 - General Liability Insurance	3,615,582	3,735,860	(120,278)	-3.2%	3,495,514	120,069	3.4%
54130 - Property Insurance	2,401,346	1,897,320	504,026	26.6%	1,842,055	559,291	30.4%
54140 - General Liability Claims	498,070	479,170	18,900	3.9%	944,622	(446,553)	-47.3%
<b>Total Insurance Premiums &amp; Claims</b>	<b>6,517,188</b>	<b>6,112,350</b>	<b>402,648</b>	<b>6.6%</b>	<b>6,282,191</b>	<b>234,997</b>	<b>3.7%</b>
<b>Other Operating Expense</b>							
53410 - Equipment Rental	204,723	185,855	18,868	10.2%	211,731	(7,008)	-3.3%
53420 - Space Rent	26,000	25,000	1,000	4.0%	25,000	1,000	4.0%
53430 - Leased Parking	89,940	66,283	23,657	35.7%	71,820	18,120	25.2%
54250 - Contributions	231,979	299,417	(67,437)	-22.5%	230,540	1,439	0.6%
54300 - Fines, Penalties & Damages	25,334	0	25,334	0.0%	68,186	(42,852)	-62.8%
54400 - Advertising	57,114	138,291	(81,176)	-58.7%	29,043	28,071	96.7%
54500 - Travel & Meetings	307,306	405,014	(97,708)	-24.1%	230,711	76,596	33.2%
54550 - Training	233,378	382,333	(148,954)	-39.0%	210,935	22,443	10.6%
54600 - Dues, Fees and Subscriptions	581,364	627,666	(46,301)	-7.4%	500,618	80,746	16.1%
54700 - Board Members	7,500	12,000	(4,500)	-37.5%	6,650	850	12.8%
55555 - Over/under payments	3,903	0	3,903	0.0%	3,898	6	0.1%
<b>Total Other Operating Expense</b>	<b>1,768,543</b>	<b>2,141,858</b>	<b>(373,315)</b>	<b>-17.4%</b>	<b>1,589,132</b>	<b>179,411</b>	<b>11.3%</b>
<b>Amortization</b>							
53615 - Amortization of Subscription Based IT Assets	2,552,234	0	2,552,234	0.0%	0	2,552,234	0.0%
<b>Total Amortization</b>	<b>2,552,234</b>	<b>0</b>	<b>2,552,234</b>	<b>0.0%</b>	<b>0</b>	<b>2,552,234</b>	<b>0.0%</b>
<b>Grand Total</b>	<b>145,882,298</b>	<b>153,882,190</b>	<b>(8,000,000)</b>	<b>-5.2%</b>	<b>136,258,219</b>	<b>9,624,079</b>	<b>7.1%</b>

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### MONTHLY INVESTMENT REPORT

#### Investment Compliance Summary

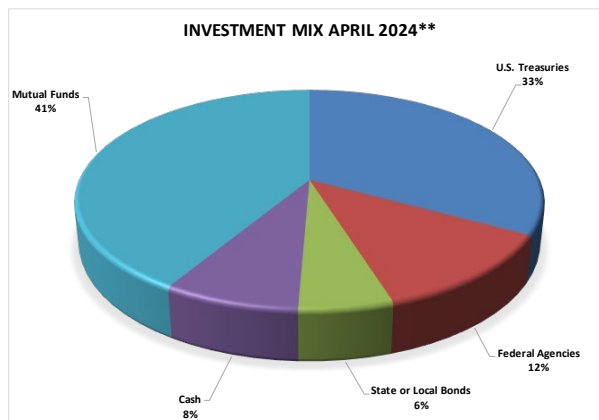
MSD is authorized by Kentucky's statute, KRS 66.480, to make certain investments. MSD maintains unrestricted reserve investments sufficient to cover at least 150 days of operating and maintenance expenses and to support MSD's long-term bond rating.

Investments of restricted funds consist of debt service sinking funds and debt reserves required to be held by MSD's General Bond Resolution.

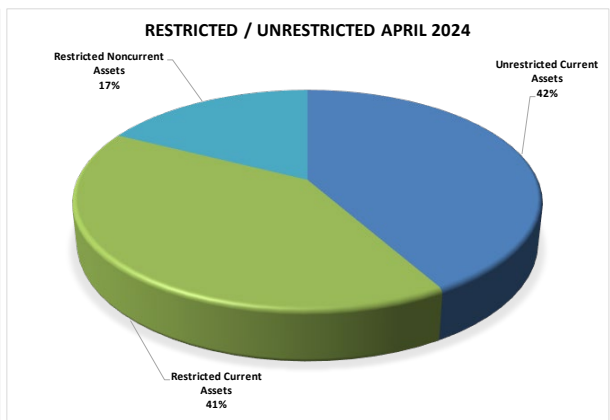
All investments are in compliance with our Investment Policy and Kentucky Statutes.

Louisville MSD Investment Statistics								
Month ended, April 30, 2024								
Investment Type	Market Value	Face / Par Value	Cost / Book Value	Weighted Average Maturity Days	Weighted Average Yield	Percentage of Total Portfolio	Compliance Limit for Total Portfolio*	Compliant
<b>Unrestricted Current Assets</b>								
U.S. Treasuries	65,805,150	67,185,000	65,281,662	343.66	3.84%	17.87%	100%	Yes
Federal Agencies	27,769,481	28,030,000	27,883,559	235.86	4.44%	7.54%	100%	Yes
Certificates of Deposit	100,000	100,000	100,000	286	3.73%	0.03%	100%	Yes
Cash	29,404,466	29,404,466	29,404,466			7.99%	100%	Yes
Mutual Funds	30,745,737	30,745,737	30,745,737	1	0.08%	8.35%	40%	Yes
<b>Subtotal</b>	<b>153,824,835</b>	<b>155,465,204</b>	<b>153,415,425</b>	<b>143.82</b>	<b>2.00%</b>	<b>41.77%</b>		
<b>Restricted Current Assets</b>								
U.S. Treasuries	27,866,375	28,120,000	27,526,164	57.88	4.29%	7.57%	100%	Yes
Federal Agencies	1,990,960	2,000,000	1,996,100	500	4.98%	0.54%	100%	Yes
Mutual Funds	120,020,157	120,016,568	120,020,397	1	5.12%	32.59%	40%	Yes
<b>Subtotal</b>	<b>149,877,492</b>	<b>150,136,568</b>	<b>149,542,661</b>	<b>23.09</b>	<b>4.27%</b>	<b>40.70%</b>		
<b>Restricted Noncurrent Assets</b>								
U.S. Treasuries	26,814,279	26,879,000	26,661,857	118.90	4.87%	7.28%	100%	Yes
Federal Agencies	14,787,862	14,912,000	15,002,062	692.77	3.66%	4.02%	100%	Yes
Commerical Paper	2,339,793	2,407,000	2,328,905	185.00	0.00%	0.64%	20%	Yes
State or Local Bonds	20,253,050	20,820,000	21,789,822	477.58	0.91%	5.50%	20%	Yes
Mutual Funds	345,185	345,143	345,185	1	0.05	0.09%	40%	Yes
<b>Subtotal</b>	<b>64,540,170</b>	<b>65,363,143</b>	<b>66,127,832</b>	<b>238.91</b>	<b>1.42%</b>	<b>17.53%</b>		
<b>Total</b>	<b>368,242,497</b>	<b>370,964,915</b>	<b>369,085,917</b>	<b>165.36</b>	<b>4.36%</b>	<b>100.00%</b>		

\* Per Commonwealth of Kentucky government code, KRS66.480





\*\* Graph illustrates issuers held at 5% or more



**Risk Management Summary**

MSD's Investment Policy sets parameters for portfolio diversification, credit rating, and maturity. Additionally, MSD assesses portfolio yield by comparing to a selected benchmark.

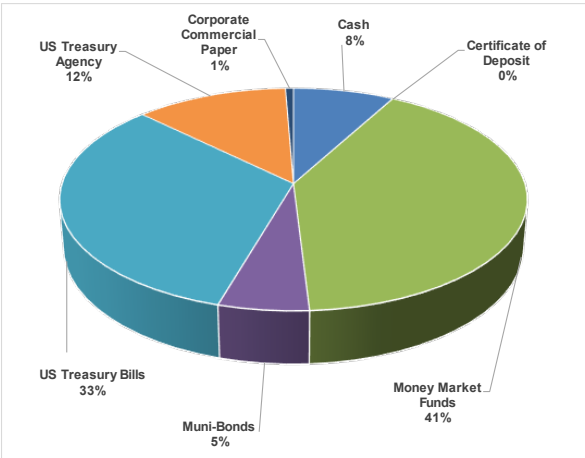
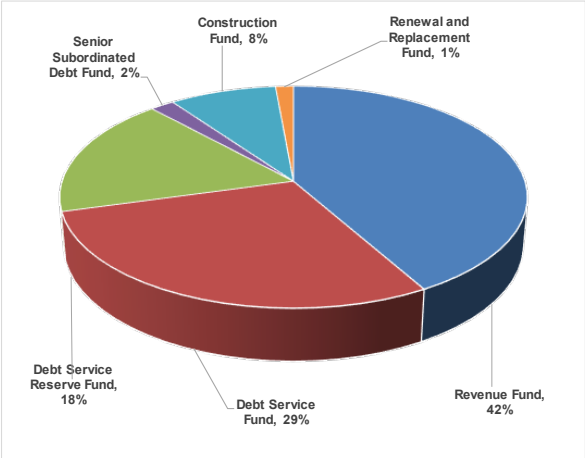
<b>Louisville MSD Investment Risk Summary</b>			
Month ended, March 31, 2024			
<b>Diversification</b>		<b>Limit</b>	<b>Actual</b>
Certificate of Deposit, Bankers Acceptance, Commercial Paper, Equity Securities, Corporate Bonds		20%	6.16% 
Equity Securities, Corporate Bonds, Mutual Funds		40%	0.00% 
<b>Rating</b>		<b>Minimum</b>	<b>Actual</b>
Unrestricted		Aa2 / AA	Aa2 / AA+ 
Restricted		Aa1 / AA+	Aa1 / AA+ 
<b>Interest Rate Risk</b>		<b>Limit</b>	<b>Actual</b>
Weighted Average Maturity Portfolio		< 1095 days	165.36 
<b>Return on Investment</b>		<b>Index</b>	<b>Portfolio</b>
Weighted Average Yield vs Market Yield on U.S. Treasury Securities at Two Year		4.82%	4.36% 

MONTHLY EXECUTIVE REPORT  
 April 30, 2024

Current Investment Model

MSD's Investment Policy requires distribution of a monthly investment report with an analysis of the status of the portfolio.

Account / Series	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
2008A	-	-	1,001,318	-	-	-	1,001,318
2009A	-	-	1,811,256	-	-	-	1,811,256
2009B	-	-	8,850,465	-	-	-	8,850,465
2009C	-	9,666,547	3,971,855	-	-	-	13,638,401
2010A	-	8,709,974	15,903,282	-	-	-	24,613,257
2013A	-	-	26,132,297	-	-	-	26,132,297
2013B	-	1,511,069	-	-	-	-	1,511,069
2013C	-	-	106,702	-	-	-	106,702
2014A	-	3,582,362	-	-	-	-	3,582,362
2015A	-	5,091,144	922	-	-	-	5,092,066
2015B	-	3,959,388	-	-	-	-	3,959,388
2016A	-	2,938,249	-	-	-	-	2,938,249
2016B	-	1,426,231	-	-	-	-	1,426,231
2017A	-	7,289,171	1,464,114	-	-	-	8,753,285
2017B	-	16,242,590	-	-	-	-	16,242,590
2018A	-	1,020,004	-	-	-	-	1,020,004
2020A	-	4,211,791	1,170,471	-	-	-	5,382,261
2020C	-	514,945	-	-	-	-	514,945
2021A	-	14,309,252	-	-	-	-	14,309,252
2022A	-	4,246,195	-	-	-	-	4,246,195
2023A	-	1,258,667	-	-	-	-	1,258,667
2023B	-	881,472	-	-	-	-	881,472
2023C	-	19,524,597	4,127,487	-	31,240,898	-	54,892,983
CP 2023 A-1 & A-2	-	-	-	-	-	-	-
CP Note Payment Fund	-	-	-	7,024,112	-	-	7,024,112
BNY Mellon	-	-	-	-	-	5,228,832	5,228,832
Fifth Third Rate Stabilization Fund	15,106,615	-	-	-	-	-	15,106,615
Fifth Third Securities	78,950,592	-	-	-	-	-	78,950,592
JP Morgan Chase Bank, N.A.	29,404,466	-	-	-	-	-	29,404,466
JP Morgan Securities	30,263,162	-	-	-	-	-	30,263,162
Liberty Bank	100,000	-	-	-	-	-	100,000
	<b>\$ 153,824,835</b>	<b>\$ 106,383,649</b>	<b>\$ 64,540,170</b>	<b>\$ 7,024,112</b>	<b>\$ 31,240,898</b>	<b>\$ 5,228,832</b>	<b>\$ 368,242,497</b>



Asset Description	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
Cash	29,404,466	-	-	-	-	-	29,404,466
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	30,745,737	100,318,484	345,185	7,024,112	12,353,018	324,542	151,111,079
Muni-Bonds	-	-	20,253,050	-	-	-	20,253,050
US Treasury Bills	65,805,150	6,065,165	26,814,279	-	18,887,880	2,913,330	120,485,804
US Treasury Agency	27,769,481	-	14,787,862	-	-	1,990,960	44,548,304
Corporate Commercial Paper	-	-	2,339,793	-	-	-	2,339,793
	<b>\$ 153,824,835</b>	<b>\$ 106,383,649</b>	<b>\$ 64,540,170</b>	<b>\$ 7,024,112</b>	<b>\$ 31,240,898</b>	<b>\$ 5,228,832</b>	<b>\$ 368,242,497</b>

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Monthly Investment Activity

Following is a list of individual investment transactions executed over the last month. Unless otherwise noted, redemptions represent maturities of investments.

Account	Transaction Type	Bank	Securities	Qualified Broker	Amount
2023C Construction Fund	Purchase	Bank of New York Mellon	Fannie Mae Discount Notes	JP Morgan Securities LLC	1,967,541.67
2023C Construction Fund	Purchase	Bank of New York Mellon	United States Treasury Bill	JP Morgan Securities LLC	988,049.15
2023C Construction Fund	Redemption	Bank of New York Mellon	United States Treasury Bill	JP Morgan Securities LLC	(9,735,036.11)
2023C Construction Fund	Redemption	Bank of New York Mellon	United States Treasury Bill	Fifth Third Securities INC	(9,765,777.78)
2023C Debt Reserve	Sale	Bank of New York Mellon	Federal Farm Credit Banks Funding Corp	Cantor Fitzgerald L.P.	(2,498,650.00)
2023C Debt Reserve	Sale	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	(1,929,944.44)
Fifth Third Securities	Purchase	Fifth Third	United States Treasury Note	Fifth Third Securities INC	3,991,139.65
Fifth Third Securities	Redemption	Fifth Third	Federal Farm Credit Bank Bond	Fifth Third Securities INC	(4,005,400.00)

MSD's qualified brokers are Arbitrage Management Group, Cantor Fitzgerald L.P., Fifth Third Securities INC & JP Morgan Securities LLC



# MONTHLY EXECUTIVE REPORT

## April 30, 2024

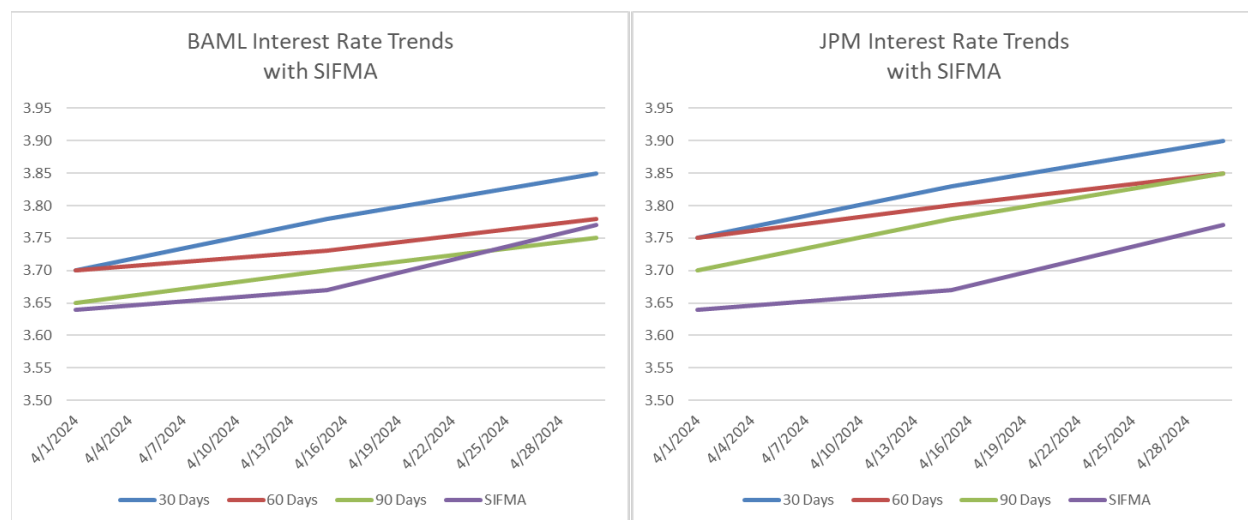
### Commercial Paper Program Summary

MSD operates a \$500 million Commercial Paper (CP) program as part of its overall capital financing program. Liquidity support is provided by JP Morgan Chase and Bank of America, NA. JP Morgan Securities and BofA Securities are dealers for the CP program. In April, we had two notes mature and were replaced with new notes with an average rate of 3.73% and average terms of 30 days. In April, we have two notes maturing totaling \$219,195,000.

The CP Construction Fund balance as of April 30, 2024, was \$0.00. Outstanding CP notes are currently split 50% with JP Morgan Chase and 50% with Bank of America, NA.

CP Issuance Details											
Currently Outstanding											
Issuance Date	CUSIP	CP Principal	MSD Rate	Term (# of days)	Maturity Date	Dealer (JPM/BAML)	Interest Cost	New Issuance or Roll?	SIFMA Index	Spread over (under) SIFMA	
4/3/2024	54660FBA1	109,598,000	3.70%	30	5/3/2024	BAML	333,298.03	Roll	3.64%	0.06%	
4/3/2024	54660HAZ3	109,597,000	3.75%	30	5/3/2024	JPM	337,798.97	Roll	3.64%	0.11%	
<b>Currently Outstanding:</b>							<b>\$ 219,195,000</b>				<b>\$ 671,097</b>

The Securities Industry and Financial Markets Association (SIFMA) publishes a 7-day high-grade market index comprised of tax-exempt Variable Rate Demand Obligations (VRDOs) with certain characteristics. The Index is calculated and published by Bloomberg and is overseen by SIFMA's Municipal Swap Index Committee. The SIFMA is a short-term interest rate index that MSD uses to gauge the interest rates we receive on our CP placements.



# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### SUPPLEMENTAL FINANCIAL REPORTING

#### Revenue by Customer Class

	Number of Customers		Revenue by Customer Class		Budget By Customer Class	
	Apr-2024	Apr-2023	Apr-2024	Apr-2023	Apr-2024	Apr-2023
<b>Wastewater</b>						
Residential	236,995	236,075	16,705,323	14,342,605	14,725,566	13,434,218
Commercial	21,982	21,963	8,094,594	6,502,414	6,522,284	6,023,814
Industrial	401	400	2,778,288	2,018,522	2,145,260	2,030,344
<b>Sub-Total</b>	<b>259,378</b>	<b>258,438</b>	<b>27,578,206</b>	<b>22,863,541</b>	<b>23,393,111</b>	<b>21,488,376</b>
<b>Drainage</b>						
Residential	211,199	210,715	3,841,637	3,186,411	3,294,621	3,018,362
Commercial	13,858	13,988	5,072,706	4,402,058	4,483,194	4,745,348
Industrial	283	280	574,680	482,850	517,882	493,561
<b>Sub-Total</b>	<b>225,340</b>	<b>224,983</b>	<b>9,489,022</b>	<b>8,071,319</b>	<b>8,295,697</b>	<b>8,257,271</b>
<b>Grand Total</b>			<b>\$ 37,067,228</b>	<b>\$ 30,934,860</b>	<b>\$ 31,688,807</b>	<b>\$ 29,745,647</b>

#### Wastewater Revenue by County

	Number of Customers		Revenue by Customer Class		Budget by Customer Class	
	Apr-2024	Apr-2023	Apr-2024	Apr-2023	Apr-2024	Apr-2023
<b>Jefferson County</b>						
Residential	225,459	224,602	15,848,152	13,639,818	13,975,848	12,760,399
Commercial	21,572	21,561	7,936,293	6,342,944	6,348,326	5,869,498
Industrial	399	398	2,776,085	2,015,726	2,142,263	2,027,666
<b>Sub-Total</b>	<b>247,430</b>	<b>246,561</b>	<b>26,560,531</b>	<b>21,998,488</b>	<b>22,466,436</b>	<b>20,657,563</b>
<b>Bullitt County</b>						
Residential	4,593	4,567	297,629	274,918	304,236	263,442
Commercial	165	163	100,893	108,861	125,127	104,523
Industrial	1	1	2,108	2,706	2,908	2,588
<b>Sub-Total</b>	<b>4,759</b>	<b>4,731</b>	<b>400,631</b>	<b>386,484</b>	<b>432,271</b>	<b>370,553</b>
<b>Oldham County</b>						
Residential	6,943	6,906	559,541	427,869	445,482	410,377
Commercial	245	239	57,408	50,609	48,832	49,793
Industrial	1	1	95	90	90	90
<b>Sub-Total</b>	<b>7,189</b>	<b>7,146</b>	<b>617,044</b>	<b>478,569</b>	<b>494,404</b>	<b>460,260</b>
<b>Grand Total</b>			<b>\$ 27,578,206</b>	<b>\$ 22,863,541</b>	<b>\$ 23,393,111</b>	<b>\$ 21,488,376</b>

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Headcount

The approved fiscal year 2024 operating budget fully funded 679 staffed positions, provided partial funding for 152 vacant positions, bringing the total Budget Approved positions to 831.

The Currently Authorized column includes any positions that have been added or moved since the budget was adopted.

The chart below shows staffing level by division as of April 30, 2024.

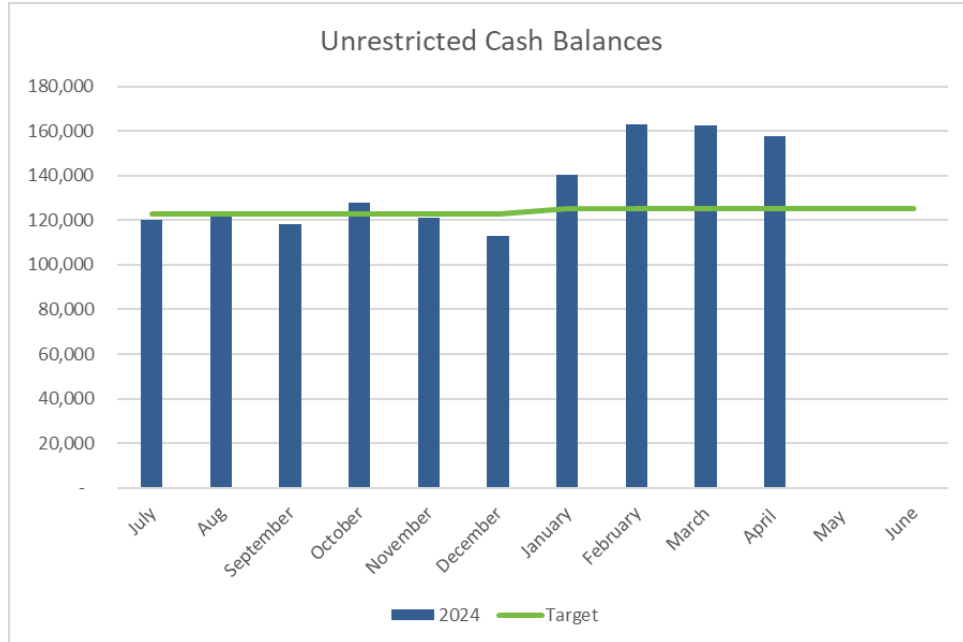
FY24 Headcount by Division			
	Budget Approved	Current Authorized	Filled
Administration			
Community Benefits & Partnerships	8	8	6
Customer Relations	21	20	18
Executive Offices	2	4	4
Government & Public Affairs	7	7	7
Innovation	5	4	4
Internal Audit	4	4	4
Records and Information Governance	9	10	7
Corporate	1	1	1
Engineering	102	102	91
Facilities, Safety & Security	39	40	34
Finance	21	23	21
Human Resources	21	22	21
Information Technology	33	33	32
Legal	12	11	8
Operations	519	520	466
Supply Chain & Economic Inclusion	27	27	24
<b>Total Authorized Positions</b>	<b>831</b>	<b>836</b>	<b>748</b>
*Excludes temporary & seasonal staff			

# MONTHLY EXECUTIVE REPORT

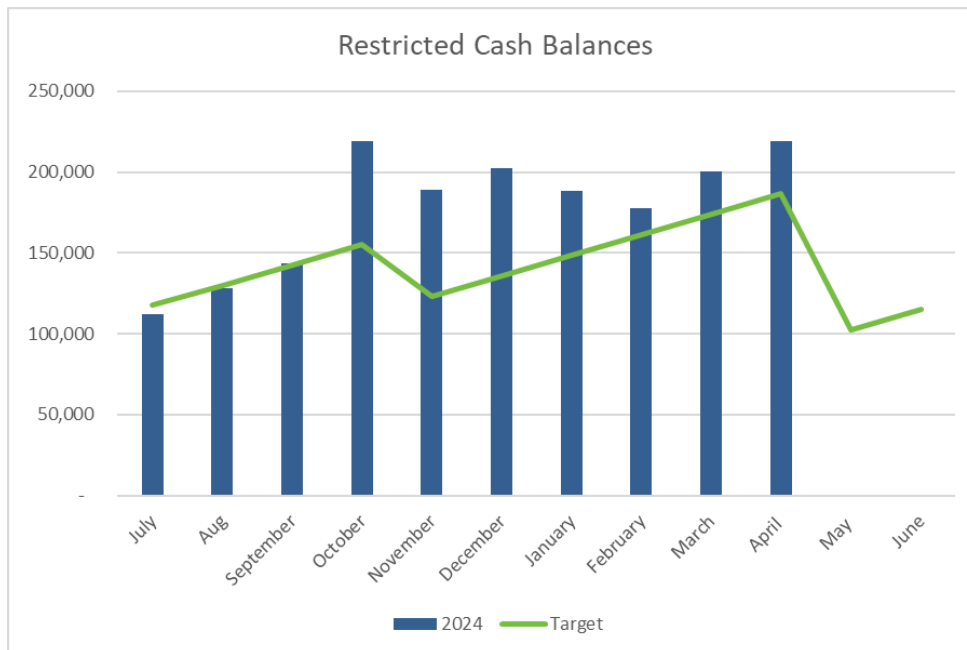
## April 30, 2024

### Cash Balances

Unrestricted cash & cash equivalents generated from service fees and our operating income are used to pay for operating expenses. Unrestricted cash balance is a measure of financial health and supports the underlying credit rating. Low cash balances indicate poor flexibility and inability to manage contingencies.



Restricted cash & cash equivalents are reserved for the purpose of bond debt service, funding of capital construction, cost of issuance, and debt service reserves. MSD supplements its restricted debt service reserve cash and investments with a \$75 million bond surety policy to meet its required level of annual debt service reserve funding.



### SECTION 3: CAPITAL PROGRAM PERFORMANCE

The Capital Program Performance Section is prepared to provide MSD's Executive Director and the MSD Board with a high-level understanding of progress made with implementing the FY24 CIP, including Consent Decree and other mandated projects, regulatory compliance commitments, and high priority asset management needs. The following information is presented in this report:

- Comparison of forecast and expenditures to the approved FY24 budget performance target (approved budget minus Management Reserve)
- Discussion of change management activities occurring during the reporting period
- Major project highlights and program challenges
- Forecast of upcoming procurement activities

#### FY24 CAPITAL BUDGET BASIS

The FY24 CIP budget of \$255.3M for Jefferson, Bullitt, and Oldham Counties was approved by the Board in May 2023.

Many projects span across multiple fiscal years so the annual budget often does not represent the total estimate for the project. Construction spending is dependent upon the Contractor's actual progress with the work contracted. Complex construction projects are difficult to predict exactly how spending will occur each month. Variations in starting project activities, equipment deliveries, weather delays, subsurface conditions, etc. can affect the speed of monthly and annual spending. For large capital projects MSD reviews the Contractor's anticipated rate of spending and compares it with MSD's cashflow forecast on a monthly basis.

FY24 forecasting efforts will be particularly challenging because there are two very large projects in construction simultaneously: MFWQTC Biosolids Facility and Paddy's Run Flood Pump Station. These two projects alone could spend upwards of \$100M in this fiscal year. Additionally, emergency projects have been escalating and must be dealt with even if it required other planned projects to be deferred.

The priorities for the capital program are presented below along with a summary table of the planned 5-Yr CIP (FY24 – FY28).

- **Regulatory Compliance Programs**: Mandates per a federal, state, or local regulation, rule, code, permit, Consent Decree, Agreed Order, or Administrative Order. This includes the provision included in the Second Amendment to the Consent Decree to spend an average of \$25 million per year through 2035 for maintaining MSD's existing wastewater assets. Regulatory compliance projects represent 82-percent of the 5-Year CIP.
- **Wastewater Programs (non-regulatory)**: Through 2035 this program excludes asset management needs and includes development coordination and funding set aside to address infrastructure emergencies. It is envisioned after 2035 this program category will include asset management based work. This program represents 6-percent of the 5-Year CIP.
- **Stormwater & Flood Protection Programs (non-regulatory)**: This program includes infrastructure improvements related to drainage and the Ohio River Flood Protection System that are not mandated by regulatory requirements. This program represents 7-percent of the 5-Year CIP.
- **Support Systems Programs**: This program includes improvements needed to keep MSD's infrastructure operating as intended including vehicles and large equipment; buildings and structures, information technology hardware and software, and general facility improvements. This program represents 3-percent of the 5-Year CIP.
- **Management Reserve**: Funding set aside to assess unforeseen circumstances, emergencies, bids over engineer's estate, and changing/new infrastructure priorities for FY24.

## MONTHLY EXECUTIVE REPORT April 30, 2024

Service Type	FY24	FY25	FY26	FY27	FY28	5-Year
Regulatory Compliance Programs	\$ 159,953,000	\$ 210,996,000	\$ 216,395,000	\$ 127,873,000	\$ 72,554,000	\$ 787,771,000
Wastewater Programs (non-regulatory)	\$ 45,685,000	\$ 51,987,000	\$ 55,630,000	\$ 53,372,000	\$ 55,109,000	\$ 261,783,000
Stormwater & Flood Protection	\$ 14,472,000	\$ 15,999,000	\$ 21,182,000	\$ 17,459,000	\$ 10,218,000	\$ 79,330,000
Support Systems Programs	\$ 21,333,000	\$ 7,238,000	\$ 7,869,000	\$ 6,568,000	\$ 7,960,000	\$ 50,968,000
Management Reserve	\$ 13,865,000	\$ 5,850,000	\$ 75,000	\$ 100,000	\$ 1,300,000	\$ 21,190,000
<b>Total</b>	<b>\$ 255,308,000</b>	<b>\$ 292,070,000</b>	<b>\$ 301,151,000</b>	<b>\$ 205,372,000</b>	<b>\$ 147,141,000</b>	<b>\$ 1,201,042,000</b>

### FY24 CIP OVERALL PERFORMANCE

MSD assigned funds to a Management Reserve to fund emergencies and unanticipated priorities. The baseline FY24 budget included \$13.9M in Management Reserve. MSD is reporting cash flow performance excluding this unutilized reserve position. The following new budget performance nomenclature is introduced into this monthly report:

- **Budget Ceiling:** This represents the total annual capital spend approved with the FY24 CIP of \$255.3M inclusive of all projects, appropriations, and Management Reserve funds. The FY24 Budget Ceiling was amended by Board approval on March 25, 2024 to include an additional \$5,307,175, a total of \$260,615,175.
- **Performance Budget Target:** This represents the Budget Ceiling minus the current level of Management Reserve (as captured in G24031, W24032, and Y24032 for Jefferson, Oldham, and Bullitt Counties, respectively). This target, which will change as Management Reserve is utilized, better measures the progress of the working slate of projects.

The overall Capital Budget Performance summary is provided below.

#### Capital Budget Performance Summary

Financial Category	Jefferson	Bullitt	Oldham	Total	Comments
<b>Budget Ceiling</b>	\$249.5M	\$6.4M	\$4.5M	<b>\$260.6M</b>	MSD Board Approved
<b>Management Reserve</b>	\$7.5M	\$2.1M	\$1.6M	<b>\$11.2M</b>	Current
<b>Vehicles &amp; Equipment Replacement (Fleet)**</b>	\$5.9M	-	-	<b>\$5.9M</b>	
<b>Performance Budget Target</b>	\$236.1M	\$6.4M	\$4.5M	<b>\$247.0M</b>	Budget Ceiling minus Fleet & Mgmt. Reserve*
<b>Spending Projection</b>	\$236.1M	\$4.3M	\$2.9M	<b>\$243.3M</b>	Forecasted Spend
<b>Actuals</b>	\$146.5M	\$3.3M	\$2.8M	<b>\$152.7M</b>	61.8% of Perf. Target

\*The Performance Budget Target shall not be lower than the Budget Ceiling minus the original Fleet & Management Reserve values for the FY.

\*\*Vehicles and Equipment Replacement budget has been removed from the Performance Budget Target per the MSD Finance Division Standard Operating Procedure for Fleet Replacement prepared in March 2024.

Note: The forecast will continue to evolve throughout the FY based on changes to the program including project schedules and estimates.

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Challenges to CIP Execution

Efforts made by staff to meet project schedules and budgets have been impacted by the following:

#### Construction bids

- Reduced the number of respondents or responsive bidders for some procurements.
- Due to unprecedented construction escalation rates, bids are often coming in much higher than anticipated. Some non-regulatory projects will be subject to internal discussion and may be put on hold.

#### Supply-Chain Project Impacts

- Nationwide electronic chip shortage impacting the delivery of new vehicles.
- Supply shortage of material impacting delivery of equipment.
- Shortage of external workforce.

#### Third-Party Coordination Impacts

- Obtaining easements and stakeholder approval have resulted in delays for some projects.
- Contractor learning curve to understand and properly comply with Supplier Diversity requirements is requiring some projects to be re-bid.

### MONTHLY PROJECT ACTIVITIES

MSD's working definitions for each project's schedule activity are as follows:

- **Initiation/ Procurement Activity**: The time when a project in the approved CIP is waiting for planning to be completed; a design Project Manager (PM) assignment; or a consulting Professional Services Agreement Notice-to-Proceed (NTP).
- **Design Activity**: The time from when a project is transitioned from planning to preliminary design through final design, through bidding, until the NTP is issued for construction.
- **Construction Activity**: The time from when a project is issued a NTP through achievement of Substantial Completion of the contracted scope of work.
- **Studies**: Specific projects for assessments, evaluations, studies, and plan development.

Summary of the status of projects active during the reporting period is provided in the tables below.

*Summary of Active Non-Appropriation Projects During Reporting Month (Jefferson)*

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation & Procurement	17	\$ 2,029,889	\$ 10,851,000	\$ 1,932,764
Design	94	\$ 37,598,545	\$ 52,966,900	\$ 23,085,275
Construction	53	\$ 267,789,436	\$ 159,363,000	\$ 101,821,848
Studies	10	\$ 3,592,142	\$ 1,883,100	\$ 1,169,657
<b>TOTAL</b>	<b>174</b>	<b>\$ 311,010,012</b>	<b>\$ 225,064,000</b>	<b>\$ 128,009,545</b>

*Does not include projects in Closeout phase*

## MONTHLY EXECUTIVE REPORT April 30, 2024

*Summary of Active Non-Appropriation Projects During Reporting Month (Oldham)*

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Design	3	\$ 212,458	\$ 1,532,332	\$ 65,951
<b>TOTAL</b>	<b>3</b>	<b>\$ 212,458</b>	<b>\$ 1,532,332</b>	<b>\$ 65,951</b>

*Does not include projects in Closeout phase*

*Summary of Active Non-Appropriation Projects During Reporting Month (Bullitt)*

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation & Procurement	1	\$ -	\$ 220,000	\$ -
Design	12	\$ 1,240,070	\$ 3,460,000	\$ 469,201
Closeout	1	\$ 536	\$ -	\$ 536
<b>TOTAL</b>	<b>14</b>	<b>\$ 1,240,606</b>	<b>\$ 3,680,000</b>	<b>\$ 469,736</b>

*Does not include projects in Closeout phase*

### **Emergency Contracts to Repair Infrastructure Damage**

When emergencies become larger than internal resources can handle and/or present immediate public safety dangers, emergency contracts are executed. MSD issues emergency contracts under the Chief Engineer's and Executive Director's authority. In general, emergencies are any situation that disrupt service to customers and community related to wastewater treatment, stormwater management and flood protection. Often emergencies are due to the condition and age of MSD's assets, while some are due to heavy rain events and saturated soils undermining of pipe infrastructure and drainage runoff has washing away and/or eroding drainage systems. For the past decade MSD had to defer spending for asset management in order to comply with construction of new assets mandated in the Consent Decree to mitigate unauthorized discharges.

Active emergency projects are included in the table below. The amount presented typically reflects the construction contract only. The Budget ID assigned to each project is listed. Projects that are routine in nature and repaired relatively quickly are performed under the annual appropriation FY24 Renewal and Replacement - Budget ID G24001. Projects more complex or requiring more time for completion are assigned a new Budget ID.



## MONTHLY EXECUTIVE REPORT April 30, 2024

### Active Emergency Contract Work (Jefferson)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
15th Street Sewer Repair	A22183	3/7/2022	\$500,000	Temple and Temple
2021 Woodbourne Ave Sewer Repair	G24001	4/4/2024	\$150,000	MAC Construction
5th St FPS MCC's	F15012	12/22/2022	\$335,000	AES, Inc
8015 Shelbyville Rd. Sewer Repair	TBD	3/19/2024	\$50,000	TRC, LLC (WBE)
Clay Street Sewer Repair	TBD	3/15/2024	\$100,000	TRC, LLC (WBE)
DRG Aeration Basin 5 Gate Investigation and Repair	G24001	1/17/2024	\$30,000	Allied Underwater Services
DRG Bio Bed Replacement	TBD	1/15/2024	\$350,000	Various Vendors
Hancock St. Sewer Repl. (Construction)	TBD			
Hancock St. Sewer Repl. (Engineering)	TBD			
Jackson St. Sewer Replacement	A24069	1/17/2024	\$941,522	TRC, LLC (WBE)
MF Dryer Operation Assistance	TBD	4/1/2024	\$975,000	
MFWQTC DAFT Nos. 1-8 repair	D24143	1/8/2024	\$400,000	Judy Construction
MFWQTC LG Dryer Replacements	D20285	1/1/2020	\$69,668,264	Judy Construction
MFWQTC MEB East & West Freight Elevators	D23194	NTP 4/07/23 - waiting on material delivery; anticipated 4/19/24	\$500,000	Oracle Elevators
Roederer Farm FM Repair	GL 52160/CC 6030000	3/29/2024	\$35,000	Basham Construction and Rental
SGC Gates Replacement - Construction	H22022	4/1/2022	\$2,000,000	Pace Contracting, LLC
SGC Gates Replacement - Design	H22022	7/1/2021	\$-	AECOM
Southwestern Basin Emergency - WM	Ops./#7252143; G/L 52195	2/2/2024	\$500,000	
Southwestern Basin Emergency Cleaning	Ops./#7252143; G/L 52195	1/31/2024	\$500,000	Ulliman Schutte
Tree Line Pump Station	G24001	6/2/2023	\$250,000	TEM Group
Underwater Operation MF CCC	G24001	12/1/2023	\$35,000	Allied Underwater Services

### Active Emergency Contract Work (Bullitt)

MONTHLY EXECUTIVE REPORT  
**April 30, 2024**

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

*Active Emergency Contract Work (Oldham)*

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
N/A				

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Major Project Highlights

A major project is defined as one with an FY24 budget larger than \$5M. The following tables list major projects in design and construction.

#### Major Design/Build Projects

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D22100 Morris Forman WQTC New Biosolids Facility	12/8/2027	\$313.8M	\$49.3M	\$35.7M	\$23.8M	\$40.0M	In Stage 2 Construction Phase
F18515 Paddy's Run Pump Station Capacity Improvements	12/31/2026	\$249.7M	\$39.9M	\$49.9M	\$31.7M	\$53.8M	In Stage 2 Construction Phase

#### Major Projects Under Construction

Budget ID & Project Name	Substantial Completion	Current EAC	Lifetime Actuals	FY24 Budget	FY24 Actuals	FY24 Spending Projection	Project Outlook
D17042 MFWQTC Sedimentation Basin RR	9/26/2025	\$43.8M	\$33.4M	\$14.5M	\$12.2M	\$14.5M	On schedule
H20147 Western Outfall Infrastructure Rehabilitation - Maple St.	3/19/2024	\$19.0M	\$16.3M	\$10.5M	\$7.8M	\$10.5M	Substantial completion

### CIP MANAGEMENT TEAM MEETING HIGHLIGHTS

The CIP Management Team held its regular meeting on April 23, 2024. Decisions made during the meeting, facilitated by Woffie Miller, are found below:

#### Variance Reporting

No major variance decisions required.

#### Construction Advancements

- **G18154: SMF Structural Improvements Phase 1 - Approved**

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### PROCUREMENT ACTIVITIES

The table below presents the projects currently advertised. The bid dates represent anticipated dates and are subject to change via addendum.

#### Upcoming Construction Bid Openings

Budget ID	Project Name	Projected Bid Opening
C24172	2401 Valley Vista Culvert Replacement Project	5/2/2024
G24020	Beargrass Creek Pump Station Rain Garden	5/21/2024
D23159	CCWQTC Maintenance offices Roof Replacement	5/21/2024
Y22124	West Triangle PS FM and Interceptor	5/28/2024
C24177	5002 Mt. Holyoke Drive Pipe Replacement Project	5/28/2024
D20149	CCWQTC Administration Building Expansion	6/20/2024

#### Bid Openings

Bids opened during the reporting month are shown below.

Budget ID	Project Name	Bid Opening	Bid Award
C24147	Romania Drive DIP	4/9/2024	\$207,528
C24139	Shawnee Trap Catch Basin Replacement Project Phase 4	4/18/2024	\$196.714
C24167	Hunting Creek Spillway Replacement Project	4/30/2024	NA

# MONTHLY EXECUTIVE REPORT

## April 30, 2024

### Construction - Notice to Proceeds (NTP) Issued

The Notice-to-Proceeds issued for projects are listed below.

Budget ID	Project Name	NTP Date
NA		

**END OF REPORT**