

Monthly Executive Report

Financial & Capital Program Updates

As of January 31, 2024



MONTHLY EXECUTIVE REPORT

January 31, 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.

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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
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

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Acronyms & Abbreviations - Continued

MFWQTC	Morris Forman Water Quality Treatment Center
MS4	Municipal Separate Storm Sewer System Program
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

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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 January 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 January 31, 2024
Operating Revenues	Year to date, total operating revenues were \$1.1 million favorable to budget (wastewater service charges \$1.8 million unfavorable, drainage service charges \$209 thousand favorable and other operating income \$2.7 million favorable).
Operating Expenses	Service and administrative expenses were \$177 thousand favorable to budget and \$851 thousand more than January 2023. Year to date, service and administrative expenses were \$8.8 million favorable to budget. Contractual Services account for \$5.4 million of the savings to budget, Chemicals account for \$1.7 million.
Interest Expense	Interest expense was \$287 thousand favorable to budget and \$293 more than January 2023. Year to date, interest expense was \$908 thousand favorable to budget.
Statement of Cash Flows	Cash and cash equivalents increased \$15.3 million in January. Net cash provided by operating activities was \$29.6 million. Net cash used by capital-related financing activities was \$17.3 million. Net cash provided by investing activities was \$3 million as investments matured
Commercial Paper Notes	Commercial paper notes outstanding total \$219 million with an average duration to maturity of 30 days.

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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 January 31, 2024
Consent Decree and Agreed Order Compliance	All Consent Decree and Agreed Order deadlines have been satisfied through the reporting period.
Emergency Repairs & Reactive Equipment Replacements	Six (6) emergency projects started in the reporting month. Projects include brick repairs at E. KY Street and a 20" FM repair at 6603 Burlwood Dr. Other emergencies include daft and gate repairs at DRG, basin cleaning at Southwestern PS, biobed floor replacement and installation of an irrigation system at DRG.
Cashflow Performance*	Budget Performance Target is \$244.8M as of January 31, 2024. The FY24 forecasted spend is \$241.7M

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

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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 January 2024
- Customer Statistics
- Employee Headcount
- Cash Balances
- Investment Summary
- Commercial Paper Program Summary

JANUARY FINANCIAL SUMMARY

Financial Highlights for the month of January 2024

- Total operating revenues were \$1.5 million unfavorable to budget
- Service and administrative expenses were \$177 thousand favorable to budget

Results of Operations for the month of January 2024

Total operating revenues were \$1.5 million unfavorable to budget and \$1.5 million less than January 2023. Wastewater service charges were \$1.4 million unfavorable to budget and \$1.4 million less than January 2023. Drainage service charges were \$357 thousand unfavorable to budget and \$115 thousand less than January 2023. Other operating revenues were \$283 thousand favorable to budget and \$24 thousand more than January 2023. Year to date, total operating revenues were \$1.1 million favorable to budget (wastewater service charges \$1.8 million unfavorable, drainage service charges \$209 thousand favorable and other operating income \$2.7 million favorable).

Service and administrative expenses were \$177 thousand favorable to budget and \$851 thousand more than January 2023. Year to date, service and administrative expenses were \$8.8 million favorable to budget. Contractual Services account for \$5.4 million of the savings to budget, Chemicals account for \$1.7 million.

Depreciation and amortization expenses were \$2.1 million unfavorable to budget and \$1.9 million more than January 2023. Year to date, depreciation and amortization expenses were \$13.7 million unfavorable to budget. Depreciation expense is being driven by the large number of capital projects that were placed in service in June of 2023. Amortization expense is being driven by GASB 96 reporting standards for Subscription Based Information Technology Assets.

Investment income was \$935 thousand favorable to budget and \$94 thousand less than January 2023. Year to date, investment income was \$6.8 million favorable to budget.

Interest expense was \$287 thousand favorable to budget and \$293 more than January 2023. Year to date, interest expense was \$908 thousand favorable to budget.

Statement of Cash Flows

Cash and cash equivalents increased \$15.3 million in January. Net cash provided by operating activities was \$29.6 million. Net cash used by capital-related financing activities was \$17.3 million. Net cash provided by investing activities was \$3 million as investments matured.

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FINANCIAL STATEMENTS – FY24

Comparative Statement of Net Position

Louisville & Jefferson County Metropolitan Sewer District				
Monthly Comparative Statement of Net Position				
Month Ended, January 31, 2024				
	YTD Jan-2024	YTD Jan-2023	Variance	Percent
Current Assets				
Unrestricted Cash & Cash Equivalents	\$140,299,122	\$135,936,530	\$4,362,592	3.21%
Sewer & Drainage Receivable	25,935,318	28,167,889	(2,232,572)	-7.93%
Assessment Warrants Receivable	133,434	176,554	(43,120)	-24.42%
Miscellaneous Receivables	3,859,726	(115,148)	3,974,874	-3451.96%
Inventories	6,255,414	5,716,985	538,429	9.42%
Prepaid Expenses	4,279,176	5,914,098	(1,634,923)	-27.64%
Restricted Funds	188,639,450	134,287,692	54,351,758	40.47%
Accrued Interest Receivable	587,953	340,553	247,399	72.65%
Total Current Assets	369,989,592	310,425,154	59,564,437	19.19%
Non-Current Assets				
Utility Plant in Service	5,081,179,351	4,738,306,948	342,872,403	7.24%
Accumulated Depreciation	(1,740,972,956)	(1,631,363,117)	(109,609,838)	6.72%
Construction in Progress	427,153,906	513,675,053	(86,521,147)	-16.84%
Subscription Assets	6,333,582	0	6,333,582	0.00%
Net Fixed Assets	3,773,693,883	3,620,618,884	153,074,999	4.23%
Non-Current Receivables	20,474,161	21,463,811	(989,649)	-4.61%
Total Assets	4,164,157,636	3,952,507,849	211,649,787	5.35%
Total Deferred Outflow of Resources	48,213,062	69,888,586	(21,675,523)	-31.01%
Total Assets & Deferred Outflow of Resources	4,212,370,699	4,022,396,435	189,974,264	4.72%
Current Liabilities				
Miscellaneous Accounts Payable	5,346,849	9,992,210	(4,645,361)	-46.49%
Accounts Payable - Construction	8,327,469	6,799,194	1,528,275	22.48%
Contract Retainage	8,651,431	5,710,264	2,941,167	51.51%
Accrued Interest Payable	24,091,595	22,016,303	2,075,293	9.43%
Current Maturities of Bonds Payable	51,115,000	52,880,000	(1,765,000)	-3.34%
Current Maturities of Subordinate Debt	9,524,464	2,589,874	6,934,590	267.76%
Current Subscription Payable	628,243	0	628,243	0.00%
Deposits Payable	1,782,578	2,002,937	(220,360)	-11.00%
Accrued Salaries & Wages	2,749,872	2,275,200	474,672	20.86%
Accrued Workers' Comp Insurance	1,963,828	1,512,835	450,993	29.81%
Employee Comp Absences Payable	5,313,684	4,936,644	377,040	7.64%
Total Current Liabilities	119,495,013	110,715,461	8,779,551	7.93%
Non-Current Liabilities				
Long-Term Senior Debt Payable	2,419,317,807	2,228,405,000	190,912,807	8.57%
Long-Term Subordinate Debt Payable	263,231,423	375,020,628	(111,789,205)	-29.81%
Other Long-Term Liability	313,866,934	277,890,518	35,976,416	12.95%
Total Non-Current Liabilities	2,996,416,164	2,881,316,146	115,100,019	3.99%
Total Liabilities	3,115,911,177	2,992,031,607	123,879,570	4.14%
Total Deferred Inflow of Resources	38,705,728	51,618,934	(12,913,207)	-25.02%
Total Liabilities & Deferred Inflow of Resources	3,154,616,905	3,043,650,541	110,966,363	3.65%
Net Position	1,057,753,794	978,745,893	79,007,901	8.07%
Total Liabilities, Deferred Inflow of Resources and Net Position	4,212,370,699	4,022,396,435	189,974,264	4.72%

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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, January 31, 2024							
	YTD	YTD	YTD	% YTD	YTD	YTD	% YTD
	Actual	Budget	Variance	Variance	Prior Year	Variance	Variance
Wastewater Charges							
Residential	\$ 102,442,793	\$ 105,398,942	\$ (2,956,149)	-2.8%	\$ 97,900,721	\$ 4,542,071	4.6%
Commercial	59,653,993	59,630,405	23,587	0.0%	57,195,629	2,458,364	4.3%
Industrial	16,585,657	15,066,946	1,518,711	10.1%	14,330,906	2,254,751	15.7%
Other Wastewater	5,740,702	6,482,635	(741,933)	-11.4%	6,362,821	(622,119)	-9.8%
Free Wastewater Charges	(3,608,275)	(3,908,612)	300,336	-7.7%	(3,740,633)	132,357	-3.5%
Total Wastewater Charges	180,814,869	182,670,317	(1,855,448)	-1.0%	172,049,444	8,765,425	5.1%
Drainage							
Residential	21,310,788	20,830,014	480,774	2.3%	19,813,644	1,497,144	7.6%
Commercial	31,687,555	32,381,633	(694,078)	-2.1%	30,522,572	1,164,983	3.8%
Industrial	3,962,410	3,757,071	205,339	5.5%	3,596,859	365,550	10.2%
Other Stormwater	2,677,240	2,511,133	166,108	6.6%	2,450,385	226,855	9.3%
Free Stormwater Charges	(1,663,123)	(1,713,710)	50,587	-3.0%	(1,621,478)	(41,645)	2.6%
Total Drainage Charges	57,974,870	57,766,140	208,730	0.4%	54,761,982	3,212,888	5.9%
Total Service Charges	238,789,740	240,436,457	(1,646,718)	-0.7%	226,811,426	11,978,313	5.3%
Other Operating Income	5,368,692	2,624,349	2,744,343	104.6%	3,807,623	1,561,069	41.0%
Total Operating Revenue	244,158,431	243,060,806	1,097,625	0.5%	230,619,049	13,539,382	5.9%
Operating Expenses							
Salaries & Wages	37,146,824	37,377,709	(230,885)	-0.6%	33,467,283	3,679,541	11.0%
Labor Related Overhead	16,654,081	15,634,153	1,019,928	6.5%	15,520,261	1,133,821	7.3%
Utilities	9,446,654	10,476,382	(1,029,728)	-9.8%	9,238,744	207,910	2.3%
Materials & Supplies	4,771,117	5,582,350	(811,234)	-14.5%	4,885,985	(114,868)	-2.4%
Contractual Services	17,489,325	22,858,088	(5,368,763)	-23.5%	18,552,963	(1,063,639)	-5.7%
Chemicals	4,752,352	6,495,170	(1,742,818)	-26.8%	3,995,123	757,229	19.0%
Fuel	880,341	1,183,761	(303,420)	-25.6%	1,020,798	(140,457)	-13.8%
Insurance Premiums & Claims	4,486,619	4,278,645	207,974	4.9%	4,120,198	366,421	8.9%
Bad Debt	1,944,884	2,057,070	(112,186)	-5.5%	2,419,608	(474,724)	-19.6%
Other Operating Expense	1,260,029	1,647,163	(387,133)	-23.5%	1,093,782	166,247	15.2%
Mapping/Insurance Recovery	-	-	-	0.0%	-	0	0.0%
Capitalized Overhead	(24,273,114)	(25,821,718)	1,548,604	-6.0%	(22,966,662)	(1,306,452)	5.7%
Capital Expenses (over)/under applied							
Net Service and Administrative Costs	74,559,113	81,768,773	(7,209,661)	-8.8%	71,348,084	3,211,028	4.5%
Depreciation	72,711,245	60,696,419	12,014,825	19.8%	62,918,169	9,793,076	15.6%
Amortization	2,638,215	880,657	1,757,558	199.6%	912,561	1,725,654	189.1%
Total Depreciation/Amortization	75,349,460	61,577,076	13,772,384	22.4%	63,830,730	11,518,730	18.0%
Total Operating Expenses	149,908,573	143,345,849	6,562,723	4.6%	135,178,815	14,729,758	10.9%
Net Operating Income	94,249,859	99,714,957	(5,465,098)	-5.5%	95,440,235	(1,190,376)	-1.2%
Non-Operating Revenue (Expenses)							
Gain/Loss Disposal of Assets	72,000	-	72,000	0.0%	(737,011)	809,011	-109.8%
Investment Income	14,790,794	7,987,700	6,803,094	85.2%	10,038,271	4,752,523	47.3%
Interest Expense	(57,229,692)	(62,907,595)	5,677,903	-9.0%	(53,656,052)	(3,573,640)	6.7%
Total Non-Operating Revenue (Expenses)	(42,366,897)	(54,919,895)	12,552,997	-22.9%	(44,354,791)	1,987,894	-4.5%
Contributions	(823,299.10)	-	(823,299)	0.0%	208,195	1,031,494	-495.4%
Change in Net Position Before Swaps	51,059,662	44,795,062	6,264,600	14.0%	51,293,638	233,976	-0.5%
Change in Fair Value of Swaps	2,415,747	-	2,415,747	0.0%	4,420,434	2,004,687	-45.4%
Change in Net Position After Swaps	\$ 53,475,409	\$ 44,795,062	\$ 8,680,347	19.4%	\$ 55,714,072	\$ 2,238,663	-4.0%

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Statement of Cash Flows

Louisville and Jefferson County Metropolitan Sewer District		
Statement of Cash Flows		
For the Month Ended, January 31, 2024		
	FY 2024 YTD	FY 2023 YTD
Cash Flows from Operating Activities		
Cash received from customers	\$ 242,825,770	\$ 228,710,931
Cash paid to suppliers	(68,887,816)	(64,366,118)
Cash paid to employees	(36,995,180)	(35,046,737)
Net Cash Provided by Operating Activities	136,942,774	129,298,076
Cash Flows from Capital and Related Financing Activities		
Proceeds from issuance of revenue bonds	97,425,003	-
Proceeds from issuance of bond anticipation note	-	229,468,019
Proceeds from issuance of commercial paper	1,416,780,000	240,000,000
Proceeds from issuance of other subordinated debt	4,252,832	-
Payments for retirement of bond anticipation note	(226,340,000)	(226,340,000)
Payments for retirement of commercial paper	(1,162,585,000)	(190,000,000)
Payments for retirement of other subordinated debt	(3,848,945)	(1,504,548)
Payments for interest expense	(58,243,953)	(55,967,316)
Payments for interest on swaps	(1,248,042)	(2,913,562)
Build America bond interest subsidy	6,553,238	6,408,588
Proceeds from capital grants	(24,999)	-
Proceeds from sale of capital assets	72,000	(737,011)
Payments for capital assets	(125,379,882)	(116,989,741)
Proceeds from assessments	453,161	515,755
Net Cash Provided (Used) by Capital and Related Financing Activities	(52,134,587)	(118,059,816)
Cash Flows from Investing Activities		
Purchase of investments	(165,778,951)	(74,740,357)
Maturity of investments	107,708,777	70,881,756
Investment income	4,344,732	8,623,363
Net Cash Provided (Used) by Investing Activities	(53,725,442)	4,764,762
Net Increase (Decrease) in Cash and Cash Equivalents	31,082,745	16,003,022
Cash and Cash Equivalents, Beginning of Year	91,786,053	71,854,355
Cash and Cash Equivalents, End of Year	\$ 122,868,798	\$ 87,857,377
Reconciliation of Operating Income to Net Cash provided by Operating Activities		
Income from operations	\$ 94,249,859	\$ 95,440,235
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation and amortization	75,349,459	63,830,730
Capitalized Overhead	(24,273,114)	(22,966,662)
Accounts receivable	(973,130)	(1,990,952)
Inventories	(443,817)	(454,704)
Prepaid expense	(4,041,326)	(2,965,027)
Accounts payable	(2,779,009)	184,989
Customer deposits	(359,531)	82,835
Accrued liabilities	213,383	(1,863,368)
Net Cash Provided by Operating Activities	\$ 136,942,774	\$ 129,298,076
Non-Cash Capital Financing and Investing Activities		
Contribution of plant, lines and other facilities by developers and property owners	\$ (798,300)	
Construction costs in accounts payable	16,978,900	12,509,457
Change in fair value of investments	(3,544,635)	(1,290,853)
Decrease in interest rate swap deferred revenue	(132,104)	(289,888)
Change in fair value - swap agreements	2,415,747	(4,420,434)
Bonds issued for refunding of debt	\$ 271,900,000	\$ -

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Actual vs. Budget Operating and Maintenance Expenses

Louisville & Jefferson County Metropolitan Sewer District							
Operating and Maintenance Expenses							
Month Ended, January 31, 2024							
	YTD	YTD	YTD	% YTD	YTD	YTD	% YTD
	Actual	Budget	Variance	Variance	Prior Year	Variance	Variance
Salaries & Wages							
51120 - Regular Salaries & Wages	\$ 29,631,520	\$ 35,811,981	\$ (6,180,461)	-17.3%	\$ 26,052,979	\$ 3,578,541	13.7%
51130 - Overtime	1,703,950	1,325,965	377,985	28.5%	1,613,124	90,826	5.6%
51135 - Special Event Compensation	79,370	223,099	(143,729)	-64.4%	94,710	(15,340)	-16.2%
51140 - Wages pd for vacation, holidays & other	5,747,397	0	5,747,397	0.0%	5,688,828	58,569	1.0%
51145 - Incentive Pay - Performance, ERT, Sugg	(37,413)	0	(37,413)	0.0%	6,942	(44,355)	-638.9%
51147 - Service & Safety Incentive Awards	22,000	16,665	5,335	32.0%	10,700	11,300	105.6%
Total Salaries & Wages	37,146,824	37,377,709	(230,885)	-0.6%	33,467,283	3,679,541	11.0%
Labor & Related Overhead							
51210 - Short-Term Disability	199,623	0	199,623	0.0%	166,062	33,560	20.2%
51220 - Workers' Compensation Insurance	204,520	175,000	29,520	16.9%	59,092	145,428	246.1%
51225 - Workers' Compensation Claims	537,503	560,000	(22,497)	-4.0%	203,124	334,379	164.6%
51230 - Long-Term Disability	61,953	0	61,953	0.0%	(19,436)	81,389	-418.7%
51240 - Group Life- AD&D Insurance	32,118	72,912	(40,794)	-55.9%	59,243	(27,125)	-45.8%
51250 - Tuition Assistance	12,146	39,165	(27,019)	-69.0%	(6,041)	18,187	-301.0%
51260 - Empl Assistance & Wellness Program	7,919	8,169	(250)	-3.1%	1,226	6,693	545.9%
51300 - Payroll Taxes	2,631,647	2,700,763	(69,116)	-2.6%	2,365,673	265,974	11.2%
51400 - Unemployment Insurance	0	19,847	(19,847)	0.0%	6,800	(6,800)	0.0%
51500 - Med Ins: MSD's port. of prem for grp	5,054,629	4,430,060	624,569	14.1%	4,217,261	837,368	19.9%
51600 - Retirement Contributions	7,912,024	7,628,237	283,787	3.7%	8,467,256	(555,231)	-6.6%
Total Labor & Related Overhead	16,654,081	15,634,153	1,019,928	6.5%	15,520,261	1,133,821	7.3%
Utilities							
53310 - Electric	7,144,097	7,820,930	(676,833)	-8.7%	6,604,884	539,214	8.2%
53320 - Natural Gas	489,204	599,873	(110,669)	-18.4%	738,589	(249,385)	-33.8%
53330 - Water	999,569	1,072,951	(73,382)	-6.8%	1,051,212	(51,642)	-4.9%
53340 - Telephone	141,274	173,133	(31,859)	-18.4%	170,579	(29,304)	-17.2%
53345 - Data Communications	672,509	809,495	(136,986)	-16.9%	673,481	(136,986)	-0.1%
Total Utilities	9,446,654	10,476,382	(1,029,728)	-9.8%	9,238,744	71,896	2.3%
Materials & Supplies							
53100 - Tires & Tire Service Expense	186,576	213,269	(26,693)	-12.5%	180,063	6,513	3.6%
53140 - Materials & Supplies	4,305,526	5,148,581	(843,055)	-16.4%	4,541,812	(236,286)	-5.2%
53150 - Inventory Adjustments	623	0	623	0.0%	0	623	0.0%
53160 - Landfill Cost of fill dirt	278,392	220,500	57,892	26.3%	164,111	114,282	69.6%
Total Materials & Supplies	4,771,117	5,582,350	(811,234)	-14.5%	4,885,985	(114,868)	-2.4%
Contractual Services							
51700 - Uniforms	177,543	185,300	(7,757)	-4.2%	148,419	29,124	19.6%
52110 - Billing & Collection	3,681,025	4,231,375	(550,350)	-13.0%	4,011,250	(330,224)	-8.2%
52130 - Custodial & Watchmen	447,399	468,142	(20,744)	-4.4%	487,393	(39,994)	-8.2%
52140 - Professional Services	1,585,671	2,991,217	(1,405,547)	-47.0%	1,237,000	348,671	28.2%
52145 - Legal	253,566	525,000	(271,434)	-51.7%	206,663	46,903	22.7%
52155 - Banking Services	21,526	17,850	3,676	20.6%	30,957	(9,431)	-30.5%
52160 - Maintenance & Repairs	2,285,260	3,470,875	(1,185,615)	-34.2%	3,103,478	(818,218)	-26.4%
52170 - Sludge & Grit Disposal	1,783,728	1,938,322	(154,594)	-8.0%	1,651,499	132,229	8.0%
52180 - Temporary Services	91,961	57,600	34,361	59.7%	46,333	45,628	98.5%
52195 - Other Contractual Services	7,161,646	8,972,407	(1,810,761)	-20.2%	7,629,971	(468,325)	-6.1%
Total Contractual Services	17,489,325	22,858,088	(5,368,763)	-23.5%	18,552,963	(1,069,639)	-5.7%
Bad Debt							
54200 - Bad Debts	1,769,884	2,057,070	(287,186)	-14.0%	2,244,608	(474,724)	-21.1%
54210 - Bad Debt - Assessments	175,000	0	175,000	0.0%	175,000	0	0.0%
Total Bad Debt	1,944,884	2,057,070	(112,186)	-5.5%	2,419,608	(474,724)	-19.6%
Chemicals							
53205 - Peracetic Acid	29,318	233,333	(204,015)	-87.4%	0	29,318	0.0%
53210 - Chlorine	0	5,513	(5,513)	0.0%	0	0	0.0%
53215 - Sodium Hypochlorite	1,892,598	2,234,686	(342,088)	-15.3%	1,116,093	776,506	69.6%
53220 - Polymer	1,426,956	2,238,326	(811,370)	-36.2%	1,503,270	(76,314)	-5.1%
53225 - Sodium Aluminate	88,378	236,977	(148,600)	-67.2%	114,179	(25,802)	-22.6%
53230 - Liquid Oxygen	74,570	191,634	(117,065)	-61.1%	156,466	(81,896)	-52.3%
53235 - Liquid Nitrogen	21,054	86,567	(65,513)	-75.7%	36,715	(15,661)	-42.7%
53240 - Other Chemicals	16,742	32,195	(15,453)	-48.0%	11,957	4,786	40.0%
53250 - Dechlorination	178,986	309,728	(130,742)	-42.2%	208,507	(29,521)	-14.2%
53275 - Defoamer	0	21,607	(21,607)	0.0%	20,021	(20,021)	0.0%
53280 - Bioxide	1,027,014	904,167	122,847	13.6%	827,915	199,099	24.0%
53285 - Sodium Hydroxide	0	438	(438)	0.0%	0	0	0.0%
53295 - Sodium Chloride	(3,264)	0	(3,264)	0.0%	0	(3,264)	0.0%
Total Chemicals	4,752,352	6,495,170	(1,742,818)	-26.8%	3,995,123	757,229	19.0%
Fuel							
53120 - Gasoline	422,321	431,886	(9,565)	-2.2%	427,605	(5,284)	-1.2%
53130 - Diesel Fuel	458,020	751,875	(293,854)	-39.1%	593,193	(135,173)	-22.8%
Total Fuel	880,341	1,183,761	(303,420)	-25.6%	1,020,798	(140,457)	-13.8%
Insurance Premiums & Claims							
54110 - General Liability Insurance	2,530,444	2,615,102	(84,658)	-3.2%	2,444,254	86,189	3.5%
54130 - Property Insurance	1,694,102	1,328,124	365,978	27.6%	1,289,865	404,237	31.3%
54140 - General Liability Claims	262,073	335,419	(73,346)	-21.9%	386,079	(124,005)	-32.1%
Total Insurance Premiums & Claims	4,486,619	4,278,645	207,974	4.9%	4,120,198	366,421	8.9%
Other Operating Expense							
53410 - Equipment Rental	108,117	133,199	(25,082)	-18.8%	176,439	(68,322)	-38.7%
53420 - Space Rent	18,200	17,500	700	4.0%	17,500	700	4.0%
53430 - Leased Parking	65,154	46,398	18,756	40.4%	54,954	10,200	18.6%
54250 - Contributions	222,560	273,667	(51,106)	-18.7%	208,980	13,581	6.5%
54300 - Fines, Penalties & Damages	12,334	0	12,334	0.0%	0	12,334	0.0%
54400 - Advertising	26,948	90,833	(63,885)	-70.3%	15,938	11,009	69.1%
54500 - Travel & Meetings	236,009	273,957	(37,948)	-13.9%	141,498	94,510	66.8%
54550 - Training	153,967	277,606	(123,639)	-44.5%	131,475	22,491	17.1%
54600 - Dues, Fees and Subscriptions	409,300	525,604	(116,304)	-22.1%	340,091	69,209	20.3%
54700 - Board Members	5,575	8,400	(2,825)	-33.6%	4,250	1,325	31.2%
55555 - Over/under payments	1,866	0	1,866	0.0%	2,656	(790)	-29.7%
Total Other Operating Expense	1,260,029	1,647,163	(387,133)	-23.5%	1,093,782	166,247	15.2%
Grand Total	96,832,227	107,590,491	(10,758,264)	-8.1%	94,314,746	4,381,467	4.8%

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SUPPLEMENTAL FINANCIAL REPORTING

Revenue by Customer Class

	Number of Customers		Revenue by Customer Class		Budget By Customer Class	
	Jan-2024	Jan-2023	Jan-2024	Jan-2023	Jan-2024	Jan-2023
Wastewater						
Residential	236,587	235,999	13,909,986	14,879,472	14,901,880	13,467,469
Commercial	21,877	21,929	8,431,552	9,653,936	9,517,831	8,878,548
Industrial	396	393	2,817,384	1,975,325	2,133,504	2,077,529
Sub-Total	258,860	258,321	25,158,923	26,508,733	26,553,215	24,423,546
Drainage						
Residential	211,028	209,782	2,926,627	2,987,567	2,964,584	2,588,420
Commercial	13,844	14,015	4,708,505	4,857,603	5,111,625	4,069,410
Industrial	278	276	601,119	534,647	545,552	492,371
Sub-Total	225,150	224,073	8,236,251	8,379,817	8,621,760	7,150,201
Grand Total			\$ 33,395,173	\$ 34,888,550	\$ 35,174,975	\$ 31,573,747

Wastewater Revenue by County

	Number of Customers		Revenue by Customer Class		Budget by Customer Class	
	Jan-2024	Jan-2023	Jan-2024	Jan-2023	Jan-2024	Jan-2023
Jefferson County						
Residential	225,057	224,547	12,988,213	14,100,119	14,063,651	12,760,399
Commercial	21,486	21,501	8,297,363	9,500,080	9,369,872	8,756,091
Industrial	394	391	2,815,352	1,974,047	2,131,873	2,075,083
Sub-Total	246,937	246,439	24,100,927	25,574,246	25,565,396	23,591,573
Bullitt County						
Residential	4,574	4,563	300,991	219,648	284,048	221,693
Commercial	166	163	82,260	97,729	98,714	72,664
Industrial	1	1	1,938	1,188	1,541	2,356
Sub-Total	4,741	4,727	385,189	318,565	384,303	296,713
Oldham County						
Residential	6,956	6,889	620,783	559,705	554,181	485,377
Commercial	225	265	51,929	56,126	49,245	49,793
Industrial	1	1	95	90	90	90
Sub-Total	7,182	7,155	672,807	615,922	603,516	535,260
Grand Total			\$ 25,158,923	\$ 26,508,733	\$ 26,553,215	\$ 24,423,546

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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 January 31, 2024.

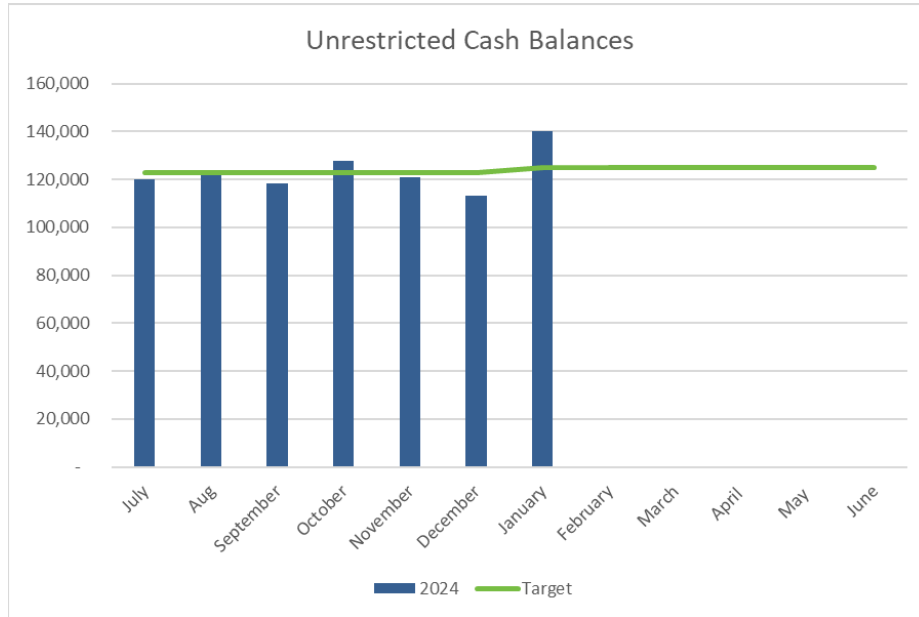
FY24 Headcount by Division			
	Budget Approved	Current Authorized	Filled
Administration			
Community Benefits & Partnerships	8	8	6
Customer Relations	21	20	14
Executive Offices	2	3	3
Government & Public Affairs	7	7	7
Innovation	5	4	4
Internal Audit	4	4	3
Records and Information Governance	9	9	8
Corporate	1	1	1
Engineering	102	102	86
Facilities, Safety & Security	39	40	31
Finance	21	23	20
Human Resources	21	22	19
Information Technology	33	33	32
Legal	12	11	8
Operations	519	520	456
Supply Chain & Economic Inclusion	27	27	22
Total Authorized Positions	831	834	720
*Excludes temporary & seasonal staff			

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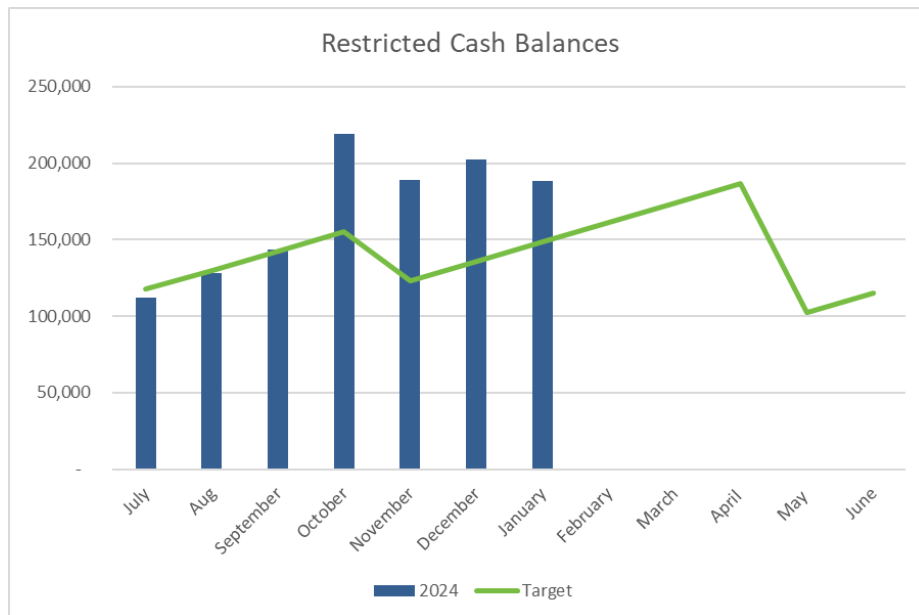
January 31, 2024

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.



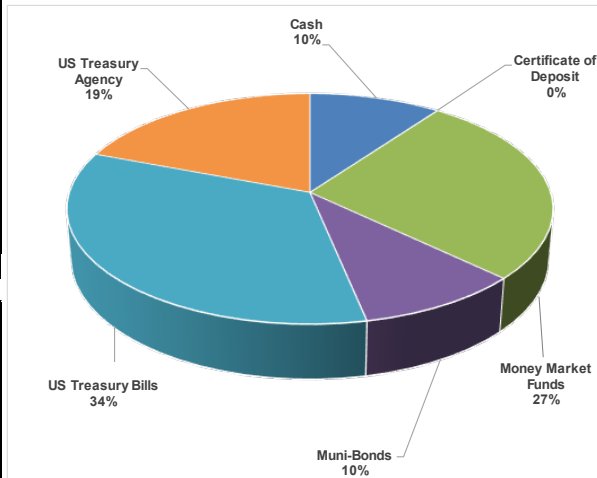
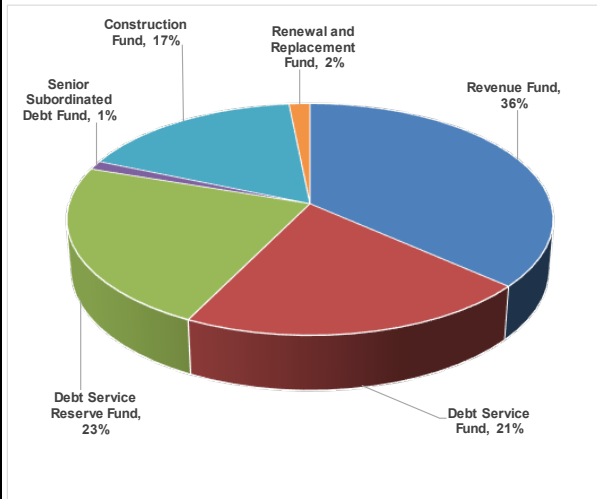
MONTHLY EXECUTIVE REPORT

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Current Investment Model

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

Series	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
2008A	-	-	993,954	-	-	-	993,954
2009A	-	-	1,815,908	-	-	-	1,815,908
2009B	-	-	8,786,941	-	-	-	8,786,941
2009C	-	9,560,667	3,910,419	-	-	-	13,471,085
2010A	-	4,875,478	15,894,578	-	-	-	20,770,055
2013A	-	-	25,878,169	-	-	-	25,878,169
2013B	-	608,546	-	-	-	-	608,546
2013C	-	-	105,391	-	-	-	105,391
2014A	-	2,130,684	-	-	-	-	2,130,684
2015A	-	2,744,453	674	-	-	-	2,745,127
2015B	-	2,524,229	-	-	-	-	2,524,229
2016A	-	1,498,878	-	-	-	-	1,498,878
2016B	-	944,592	-	-	-	-	944,592
2016C	-	-	-	-	-	-	-
2017A	-	4,501,992	1,454,733	-	-	-	5,956,725
2017B	-	11,524,725	-	-	-	-	11,524,725
2018A	-	409,450	-	-	-	-	409,450
2020A	-	3,093,543	1,172,175	-	-	-	4,265,718
2020C	-	503,452	-	-	-	-	503,452
2021A	-	10,718,155	-	-	-	-	10,718,155
2022A	-	2,087,709	-	-	-	-	2,087,709
2023A	-	1,244,085	-	-	-	-	1,244,085
2023B	-	351,336	-	-	-	-	351,336
2023C	-	8,759,167	14,701,680	-	55,772,148	-	79,232,994
CP 2023 A-1 & A-2	-	-	-	-	8,085	-	8,085
CP Note Payment Fund	-	-	-	4,015,784	-	-	4,015,784
Cash	32,804,849	-	-	-	-	-	32,804,849
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	13,294,072	-	-	-	-	257,837	13,551,910
Muni-Bonds	-	-	-	-	-	-	-
US Treasury Bills	31,727,155	-	-	-	-	2,900,160	34,627,315
US Treasury Agency	41,588,918	-	-	-	-	2,014,960	43,603,878
Total	\$ 119,514,994	\$ 68,081,141	\$ 74,714,621	\$ 4,015,784	\$ 55,780,232	\$ 5,172,957	\$ 327,279,729



Asset Description	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
Cash	32,804,849	-	-	-	-	-	32,804,849
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	13,294,072	68,081,141	1,471,941	4,015,784	1,284,332	257,837	88,405,107
Muni-Bonds	-	-	31,639,769	-	-	-	31,639,769
US Treasury Bills	31,727,155	-	22,284,819	-	54,495,900	2,900,160	111,408,034
US Treasury Agency	41,588,918	-	19,318,092	-	-	2,014,960	62,921,970
Total	\$ 119,514,994	\$ 68,081,141	\$ 74,714,621	\$ 4,015,784	\$ 55,780,232	\$ 5,172,957	\$ 327,279,729

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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
2011/2013 Debt Reserve	Purchase	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	22,284,819.22
2011/2013 Debt Reserve	Redemption	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	(22,344,200.00)
2023C Construction Fund	Purchase	Bank of New York Mellon	United States Treasury Bill	Fifth Third Securities INC	9,793,883.33
2023C Construction Fund	Redemption	Bank of New York Mellon	United States Treasury Bill	Cantor Fitzgerald L.P.	(10,000,000.00)
2023C Debt Service	Redemption	Bank of New York Mellon	Federal Home Loan Bank Discount	Cantor Fitzgerald L.P.	(5,000,000.00)
Renewal and Replacement	Purchase	Bank of New York Mellon	United States Treasury Note	Cantor Fitzgerald L.P.	2,893,125.00
Fifth Third Securities	Purchase	Fifth Third	United States Treasury Note	Fifth Third Securities INC	3,186,522.66
Fifth Third Securities	Redemption	Fifth Third	Federal Home Loan Bank Discount	Fifth Third Securities INC	(3,200,000.00)

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

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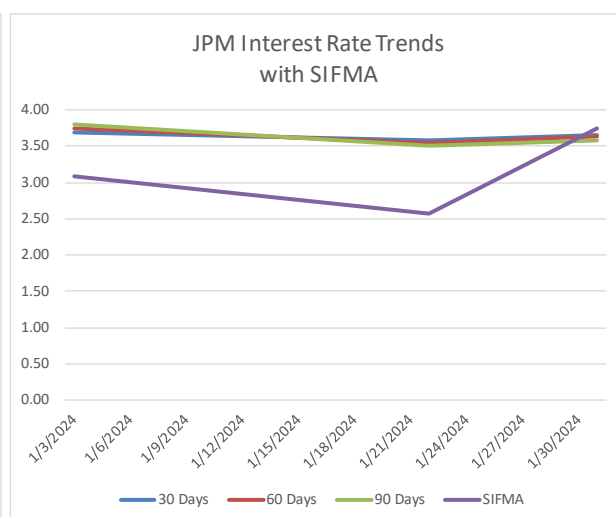
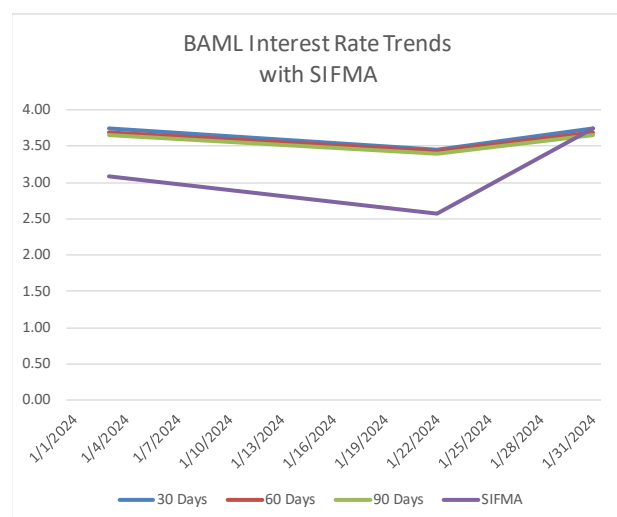
Commercial Paper Program Summary

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 January, we had 10 notes mature and two notes were replaced with new notes with an average rate of 3.57% and average terms of 30 days. In February, we have two notes maturing totaling \$219,195,000.

The CP Construction Fund balance as of January 31, 2024, was \$8,084.62. 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
1/3/2024	54660FAW4	109,598,000	3.58%	30	2/2/2024	BAML	322,488.36	Roll	3.08%	0.50%
1/3/2024	54660HAW0	109,597,000	3.55%	30	2/2/2024	JPM	319,783.03	Roll	3.08%	0.47%
Currently Outstanding: \$ 219,195,000							\$ 642,271			

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.



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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.

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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
Total	\$ 255,308,000	\$ 292,070,000	\$ 301,151,000	\$ 205,372,000	\$ 147,141,000	\$ 1,201,042,000

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.
- **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
Budget Ceiling	\$244.4M	\$6.4M	\$4.5M	\$255.3M	MSD Board Approved
Management Reserve	\$10.5M	\$1.6M	\$1.4M	\$13.2M	Current
Performance Budget Target	\$233.9M	\$6.4M	\$4.5M	\$243.3M	Budget Ceiling minus Mgmt. Reserve*
Spending Projection	\$233.9M	\$4.8M	\$3.1M	\$242.1M	Forecasted Spend
Actuals	\$94.8M	\$2.8M	\$2.8M	\$100.4M	40.9% of Perf. Target

*The Performance Budget Target shall not be lower than the Budget Ceiling minus the original Management Reserve value for the FY.

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

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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.

A 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	33	\$3,700,806	\$10,990,000	\$3,700,806
Design	103	\$66,687,294	\$106,848,333	\$15,401,335
Construction	47	\$199,029,413	\$105,103,890	\$58,441,720
Studies	14	\$4,360,857	\$1,094,777	\$1,085,982
TOTAL	197	\$273,778,370	\$224,037,000	\$78,629,843

Does not include projects in Closeout phase

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

Current Project Activity	# of Projects	Lifetime Actuals	FY24 Budget	FY24 Actuals
Initiation	2	\$5,956	\$67,790	\$5,956
Design	2	\$170,248	\$962,210	\$23,741
TOTAL	4	\$176,204	\$1,030,000	\$29,697

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	2	\$-	\$10,000	\$-
Design	17	\$2,362,534	\$5,470,000	\$1,591,665
Construction	2	\$781,396	\$300,000	\$376,566
TOTAL	21	\$3,143,931	\$5,780,000	\$1,968,231

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.

Active Emergency Contract Work (Jefferson)

Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
MFWQTC LG Dryer Replacements	D20285	1/1/2020	\$69,668,264	Judy Construction
SGC Gates Replacement	H22022	4/1/2022	\$2,000,000	Pace Contracting, LLC
15th Street Sewer Repair	A22183	3/7/2022	\$500,000	Temple and Temple

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Emergency	Funding Source	Date Began	Emergency Certificate Amount (\$)	Contractor
MFWQTC MEB East & West Freight Elevators	D23194	NTP 4/07/23 - waiting on material delivery; anticipated 3/2024	\$500,000	Oracle Elevators
5th St FPS MCC's	F15012	12/22/2022	\$335,000	AES, Inc
Tree Line Pump Station	G24001	6/2/2023	\$250,000	TEM Group
Levee Repair at Western FPS	F21096/Apr.	5/4/2022	\$75,000	MAC Construction
Jackson St. Sewer Replacement	A24069	TBD	\$941,522	TRC, LLC (WBE)
Underwater Operation MF CCC	G24001	12/1/2023	\$35,000	Allied Underwater Services
E Ky Street Brick Sewer Repair	G24001	1/8/2024	\$150,000	Flynn Brothers
MFWQTC DAFT 1, 3, 5, 6 and 7 Repairs	D24143	1/8/2024	\$400,000	Judy Construction
Southwestern Basin Emergency Cleaning	Ops./#7252143; G/L 52195	1/31/2024	\$500,000	Ulliman Schutte
6603 Burlwood Dr. FM Repair	G24001	1/5/2024	\$50,000	Basham Construction and Rental
DRG Bio Bed Replacement	TBD	1/15/2024	\$350,000	Various Vendors
DRG Aeration Basin 5 Gate Investigation and Repair	G24001	1/17/2024	\$ 30,000	Allied Underwater Services
Southwestern Basin Emergency - WM	Ops./#7252143; G/L 52195	2/2/2024	\$ 500,000	Waste Management
1609 English Station Rd. FM Repair	E21022	2/7/2024	\$ 150,000	Various Vendors

Active Emergency Contract Work (Bullitt)

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				

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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	\$28.3M	\$47M	\$2.8M	\$35.7M	In Stage 2 Construction Phase
F18515 Paddy's Run Pump Station Capacity Improvements	12/31/2026	\$241.4	\$30.4M	\$45M	\$22.2M	\$49.9M	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	1/15/2025	\$43.4M	\$32.8M	\$11.7M	\$11.7M	\$14.5M	On schedule
H20147 Western Outfall Infrastructure Rehabilitation - Maple St.	4/1/2024	\$19.0M	\$15.4M	\$7.0M	\$6.9M	\$10.5M	On schedule

CIP MANAGEMENT TEAM MEETING HIGHLIGHTS

The CIP Management Team held its regular meeting on January 12, 2024. A summary of the meeting, facilitated by Wolffie Miller, is found below,

Variance Reporting

- **SCOPE CHANGE: G20018 Bells Lane & SWPS Site (change order to existing project)**
 - **APPROVED OPTION 2.**
 - Master Plan can be discussed during budget development.
- **New Project: Warehouse Security Upgrade MF & CMF**
 - \$100k FY24 and \$25k FY25
 - **APPROVED**

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- **New Project: Shawnee Trap Catch Basin Replacement**
 - \$2M over next two years.
 - **APPROVED**

Construction Advancements

- **D20149 CCWQTC Admin Bldg Expansion – start May 2024**
 - **APPROVED**
- **D24106 CCWQTC South Electrical Service – start April 2024**
 - **APPROVED**

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
A24132	Southwestern CSO Basin Bar Screen Replacement	2/1/2024
F23059	Water Stop and Concrete Repair	2/1/2024
D23159	CCWQTC Maintenance Offices Roof Replacement	2/8/2024
D23168	MFWQTC Odor Control Chemical Storage Building Roof Replacement	2/15/2024
H23050	WQTC Regional Lab Upgrade	2/27/2024
E17053	Buechel Trunk Sewer Rehab	3/5/2024
D24106	CCWQTC South Electrical Service	3/24/2024

Bid Openings

Bids opened during the reporting month are shown below.

Budget ID	Project Name	Bid Opening	Bid Award
C24121	California Trap Catch Basin Replacement Phase 2	1/9/2024	\$734,500 Grant funded

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Construction - Notice to Proceeds (NTP) Issued

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

Budget ID	Project Name	NTP Date
D22100	Morris Forman WQTC New Biosolids Facility	1/1/2024
F24062	Starkey PS Hydraulic Actuator Replacement	1/2/2024
Y23218	Bullitt County Ofc Bldg Roof Replacement	1/2/2024
H24120	Rowan Pump Station – Air Scour System	1/15/2024
D22213	CCWQTC Tertiary Filtration	1/22/2024
F23170	Western FPS Roof Replacement	1/27/2024
D23161	DRGWQTC Clarifier MCC and Grit Electric MCC Buildings Roof Replacement	1/29/2024

END OF REPORT