

MSD Monthly Financial Update

As of June 30, 2025



Section 1: 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:

- Preliminary fiscal year 2025 Financial Results
- Investment Summary
- Commercial Paper Summary
- Customer Statistics
- Employee Headcount

Fiscal Year 2025 Financial Results

Fiscal Year 2025 Financial Results

Year-end closing activities are underway in General Accounting in preparation for the fiscal year 2025 financial statement audit.

We have preliminary data available for fiscal year 2025 operating revenues as follows:

- Total Wastewater Revenue is \$350.0 million for FY25 compared to a budget of \$320.0 million. When compared to this same period one year ago, Total Wastewater Revenue increased by \$30.0 million, or 8.9%.
- Total Drainage Revenue is \$111.6 million for FY25 compared to a budget of \$104.3 million. When compared to this same period one year ago, Total Drainage Revenue has increased by \$11.2 million, or 6.8%.
- Total Other Operating Revenue is \$7.4 million for FY25 compared to a budget of \$8.1 million. When compared to this same period one year ago, Total Other Revenue have decreased by \$4.6 million, or 47.7%.
- Total Operating Revenues for FY25 are \$469.1 million compared to a budget of \$432.5 million. When compared to one year ago, Total Revenues has increased by \$33.6 million, or 8.2% higher.

We anticipate publishing unaudited financial statements for Fiscal Year 2025 in our August Monthly Executive Report

The following is a summary of budget versus forecasted actual results for operating revenues by county:

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

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

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

MONTHLY INVESTMENT REPORT

Investment Compliance Summary

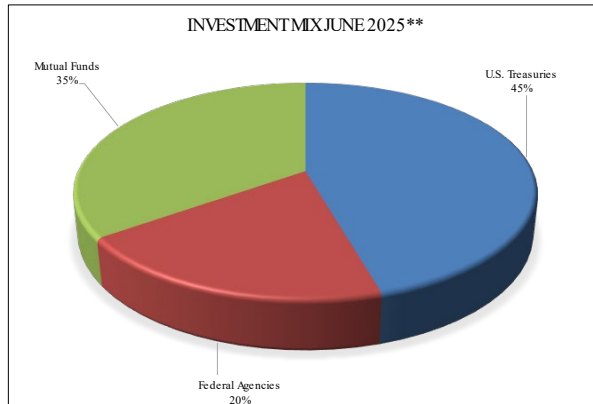
MSD is authorized by Kentucky's statute, KRS 66.480, to make certain investments. MSD maintains unrestricted reserve investments sufficient to cover at least 150 days of operating and maintenance expenses and to support MSD's long-term bond rating.

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

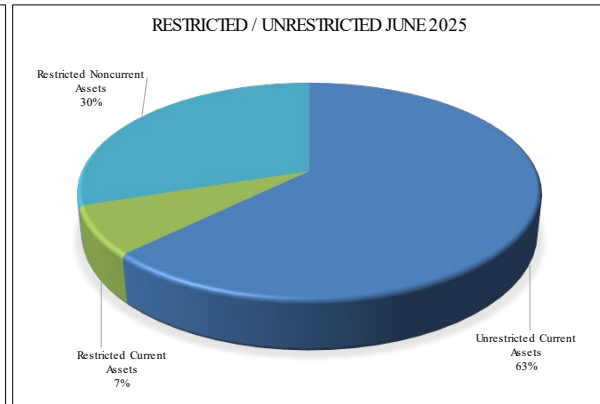
All investments are in compliance with our Investment Policy and Kentucky Statutes.

Louisville MSD Investment Statistics Month ended, June 30, 2025								
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
<u>Unrestricted Current Assets</u>								
U.S. Treasuries	69,343,809	70,450,000	68,486,994	270.20	4.44%	27.11%	100%	Yes
Federal Agencies	29,251,645	31,072,000	29,316,903	566.20	3.88%	11.44%	100%	Yes
Certificates of Deposit	100,000	100,000	100,000	225	3.15%	0.04%	100%	Yes
Money Market	61,682,987	61,682,987	61,682,987	1	4.17%	24.11%	40%	Yes
Subtotal	160,378,442	163,304,987	159,586,884	220.50	4.23%	62.70%		
<u>Restricted Current Assets</u>								
Money Market	18,610,498	18,610,498	18,610,498	1	4.22%	7.28%	40%	Yes
Subtotal	18,610,498	18,610,498	18,610,498	240.91	6.30%	7.28%		
<u>Restricted Noncurrent Assets</u>								
U.S. Treasuries	41,984,550	42,119,000	41,766,256	197.88	4.62%	16.41%	100%	Yes
Federal Agencies	18,844,913	18,705,000	18,796,510	496.54	4.41%	7.37%	100%	Yes
State or Local Bonds	11,261,632	11,320,000	12,061,422	246.71	1.04%	4.40%	20%	Yes
Money Market	4,720,608	4,720,608	4,720,608	1	10.99%	1.85%	40%	Yes
Subtotal	76,811,703	76,864,608	77,344,797	266.06	3.99%	30.03%		
Total	255,800,643	258,780,094	255,542,179	255.39	4.14%	100.00%		

* Per Commonwealth of Kentucky government code, KRS66.480









**Graphs illustrates issuers held at 5% or more



Investment Risk 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.

Louisville MSD Investment Risk Summary			
Month ended, June 30, 2025			
Diversification	Limit	Actual	
Certificate of Deposit, Bankers Acceptance, Commercial Paper, Equity Securities, Corporate Bonds	20%	0.04%	
Equity Securities, Corporate Bonds, Mutual Funds	40%	0.00%	
Rating	Minimum	Actual	
Unrestricted	Aa2 / AA	Aaa / AA+	
Restricted	Aa1 / AA+	Aa1 / AA+	
Interest Rate Risk	Limit	Actual	
Weighted Average Maturity Portfolio	< 1095 days	255.39	
Return on Investment	Index	Portfolio	
Weighted Average Yield vs Market Yield on U.S. Treasury Securities at Two Year	3.72%*	4.14%	

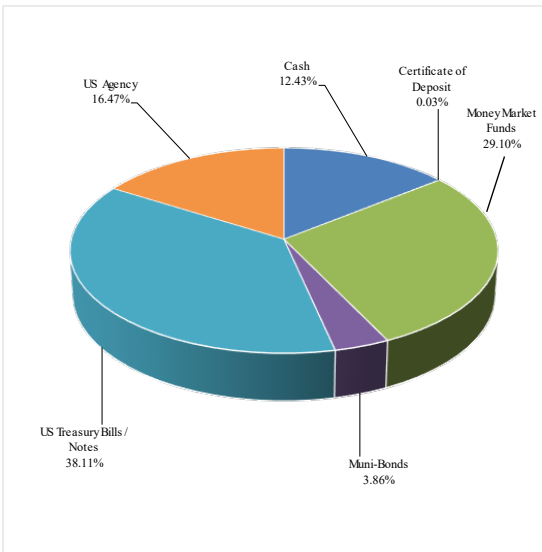
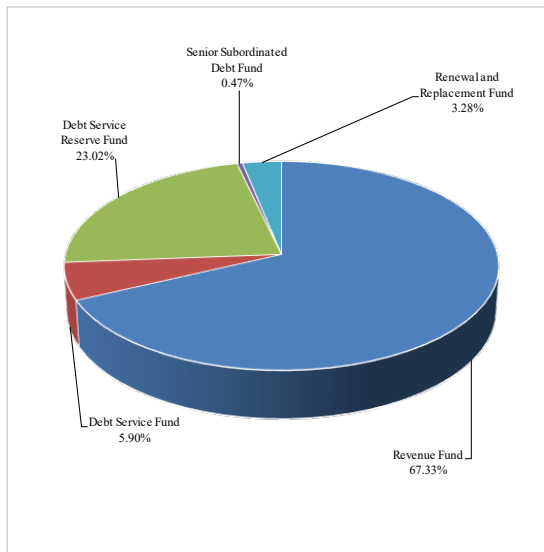
* Federal Reserve Bank of St. Louis - 6/30/2025

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	-	-	1,058,461	-	-	-	1,058,461
2009A	-	-	1,914,622	-	-	-	1,914,622
2009B	-	-	9,381,400	-	-	-	9,381,400
2009C	-	1,220,809	4,177,124	-	-	-	5,397,932
2010A	-	2,029,440	16,940,984	-	-	-	18,970,424
2013A	-	-	26,494,444	-	-	-	26,494,444
2013C	-	-	112,412	-	-	-	112,412
2014A	-	226,827	-	-	-	-	226,827
2015A	-	946,419	972	-	-	-	947,391
2015B	-	621,196	-	-	-	-	621,196
2016A	-	598,116	-	-	-	-	598,116
2016B	-	356,872	-	-	-	-	356,872
2017A	-	1,230,700	1,546,588	-	-	-	2,777,288
2018A	-	238,995	-	-	-	-	238,995
2020A	-	1,020,158	1,237,204	-	-	-	2,257,362
2020C	-	116,479	-	-	-	-	116,479
2021A	-	3,114,765	-	-	-	-	3,114,765
2022A	-	1,042,099	-	-	-	-	1,042,099
2023A	-	255,366	-	-	-	-	255,366
2023B	-	207,172	-	-	-	-	207,172
2023C	-	3,368,818	4,379,930	-	-	-	7,748,748
2024A	-	641,796	7	-	-	-	641,803
CP Note Payment Fund	-	-	-	1,373,835	-	-	1,373,835
BNYMellon	-	-	-	-	631	9,567,562	9,568,193
Fifth Third Rate Stabilization Fund	31,261,935	-	-	-	-	-	31,261,935
Fifth Third Securities	67,592,007	-	-	-	-	-	67,592,007
JP Morgan Asset Management	37,253,475	-	-	-	-	-	37,253,475
JP Morgan Chase Bank, N.A.	32,354,846	-	-	-	-	-	32,354,846
JP Morgan Securities	24,232,923	-	-	-	-	-	24,232,923
Liberty Bank	100,000	-	-	-	-	-	100,000
Republic Bank & Trust Company	10,059,962	-	-	-	-	-	10,059,962
	\$ 202,855,148	\$ 17,236,025	\$ 67,244,148	\$ 1,373,835	\$ 631	\$ 9,567,562	\$ 298,277,348

Asset Description	Revenue Fund	Debt Service Fund	Debt Service Reserve Fund	Senior Subordinated Debt Fund	Construction Fund	Renewal and Replacement Fund	Total
Cash	42,476,705	-	-	-	-	-	42,476,705
Certificate of Deposit	100,000	-	-	-	-	-	100,000
Money Market Funds	61,682,987	17,236,025	4,385,341	1,373,835	631	335,275	85,014,094
Muni-Bonds	-	-	11,261,632	-	-	-	11,261,632
US Treasury Bills / Notes	69,343,809	-	37,783,163	-	-	4,201,387	111,328,359
US Agency	29,251,645	-	13,814,013	-	-	5,030,900	48,096,558
	\$ 202,855,148	\$ 17,236,025	\$ 67,244,148	\$ 1,373,835	\$ 631	\$ 9,567,562	\$ 298,277,348



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
Fifth Third Securities	Redemption	Fifth Third	Federal Home Loan Bank	Fifth Third Securities, Inc.	(1,200,000.00)
Fifth Third Securities	Purchase	Fifth Third	Federal National Mortgage Association - Fann	Fifth Third Securities, Inc.	1,459,932.92

MSDs qualified brokers are Arbitrage Management Group, Cantor Fitzgerald L.P., Fifth Third Securities, Inc., Hilltop Securities, Inc., JP Morgan Securities LLC & Wells Fargo Bank, N.A

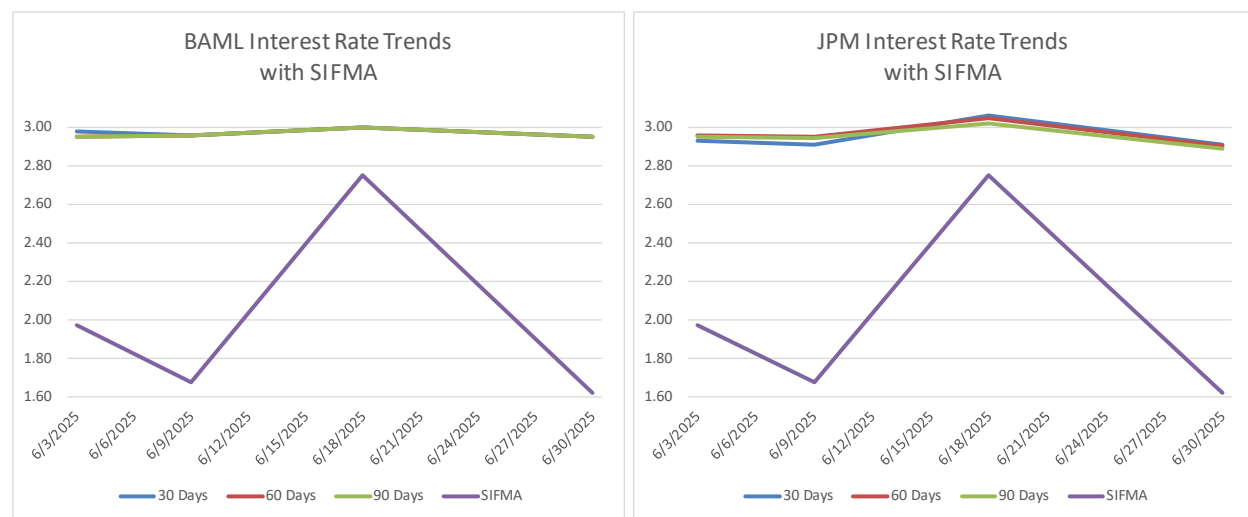
Commercial Paper Program Summary

MSD operates a \$500 million Commercial Paper (CP) program as part of its overall capital financing program. Liquidity support is provided by JPMorgan Chase Bank and Bank of America, NA. JP Morgan Securities and BofA Securities are dealers for the CP program. In June, we had four notes mature and were replaced with new notes with an average rate of 2.99% and average terms of 32 days. In June, we issued one new note with a total of \$15M with a rate of 3% and terms of 55 days. In July, we have four notes maturing totaling \$234,870,000.

The CP Construction Fund balance as of June 30, 2025, was \$0.00. Outstanding CP notes are currently split 50% with JPMorgan Chase Bank 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
5/5/2025	54660HBW9	15,000,000	3.01%	91	8/4/2025	JPM	112,565.75	New	2.78%	0.23%
5/27/2025	54660FBZ6	10,000,000	3.05%	69	8/4/2025	BAML	57,657.53	New	2.57%	0.48%
6/4/2025	54660FCA0	10,000,000	2.98%	34	7/8/2025	BAML	27,758.90	Roll	1.97%	1.01%
6/4/2025	54660HBY5	20,000,000	2.93%	34	7/8/2025	JPM	54,586.30	Roll	1.97%	0.96%
6/10/2025	54660FCB8	15,000,000	3.00%	55	8/4/2025	BAML	67,808.22	New	1.68%	1.32%
6/23/2025	54660FCC6	102,435,000	3.04%	30	7/23/2025	BAML	255,947.18	Roll	2.75%	0.29%
6/23/2025	54660HBZ2	102,435,000	3.01%	30	7/23/2025	JPM	253,421.38	Roll	2.75%	0.26%
Currently Outstanding: \$ 274,870,000							\$ 829,745			

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.



Supplemental Financial Reporting

Revenue by Customer Class

	Number of Customers		Revenue by Customer Class		Budget By Customer Class	
	Jun-2025	Jun-2024	Jun-2025	Jun-2024	Jun-2025	Jun-2024
Wastewater						
Residential	237,566	236,712	17,714,159	16,650,348	16,155,093	14,343,907
Commercial	22,085	22,442	10,388,786	8,662,867	8,060,554	7,205,346
Industrial	410	404	2,664,668	3,551,762	2,336,308	1,996,589
Sub-Total	260,061	259,558	30,767,613	28,864,977	26,551,955	23,545,842
Drainage						
Residential	212,268	211,432	3,796,149	3,622,353	3,482,125	3,092,356
Commercial	13,857	13,853	5,330,994	4,914,690	4,978,024	4,524,609
Industrial	286	283	622,187	599,958	637,578	578,661
Sub-Total	226,411	225,568	9,749,329	9,137,001	9,097,727	8,195,625
Grand Total			\$ 40,516,942	\$ 38,001,978	\$ 35,649,681	\$ 31,741,468

Wastewater Revenue by County

	Number of Customers		Revenue by Customer Class		Budget by Customer Class	
	Jun-2025	Jun-2024	Jun-2025	Jun-2024	Jun-2025	Jun-2024
Jefferson County						
Residential	226,341	225,183	16,807,788	15,707,726	15,312,611	13,514,201
Commercial	21,729	22,030	10,186,993	8,408,474	7,885,208	7,029,347
Industrial	407	402	2,641,646	3,549,079	2,333,566	1,994,852
Sub-Total	248,477	247,615	29,636,427	27,665,279	25,531,385	22,538,400
Bullitt County						
Residential	4,608	4,595	365,359	344,829	318,584	234,188
Commercial	165	165	121,171	114,852	113,247	124,149
Industrial	1	1	5,241	2,589	2,647	1,646
Sub-Total	4,774	4,761	491,772	462,269	434,477	359,983
Oldham County						
Residential	6,617	6,934	541,012	597,793	523,898	595,519
Commercial	191	247	80,621	139,541	62,100	51,850
Industrial	2	1	17,781	95	95	90
Sub-Total	6,810	7,182	639,415	737,429	586,093	647,459
Grand Total			\$ 30,767,613	\$ 28,864,977	\$ 26,551,955	\$ 23,545,842

Headcount

The approved fiscal year 2025 operating budget fully funded 755 staffed positions, provided partial funding for 119 vacant positions, bringing the total Budget Approved positions to 874.

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 June 30, 2025.

FY25 Headcount by Division			
	Budget Approved	Current Authorized	Filled
Administration			
Community Benefits & Partnerships	8	8	8
Customer Relations	20	-	0
Executive Offices	5	5	5
Government & Public Affairs	7	6	6
Innovation	4	-	0
Internal Audit	4	4	4
Records and Information Governance	10	10	8
Corporate	6	0	0
Engineering	102	108	100
Facilities, Safety & Security	48	48	38
Finance	23	25	22
Human Resources	23	24	23
Information Technology	33	33	32
Legal	11	11	10
Operations	543	570	517
Supply Chain & Economic Inclusion	27	27	25
Total Authorized Positions	874	879	798
*Excludes temporary & seasonal staff			

END OF REPORT