

Louisville and Jefferson County Metropolitan Sewer District, KY

- 1 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Subordinated Bond Anticipation Notes, Series 2019, \$226,340,000, Dated: September 26, 2019 **SUMMARY LANGUAGE USED**
- 2 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2019, \$30,910,000, Dated: August 19, 2019
- 3 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Subordinated Bond Anticipation Notes, Series 2018, \$226,340,000, Dated: November 9, 2018 **SUMMARY LANGUAGE USED**
- 4 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Subordinated Program Notes, Series 2018, Commercial Paper Subseries 2018A-1, \$250,000,000, Dated: July 11, 2018
- 5 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Subordinated Program Notes, Series 2018, Commercial Paper Subseries 2018A-2, \$250,000,000, Dated: July 11, 2018
- 6 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2018A, \$60,380,000, Dated: May 31, 2018 **SUMMARY LANGUAGE USED**
- 7 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2017A, \$175,000,000, Dated: August 29, 2017
- 8 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2017B, \$35,725,000, Dated: August 29, 2017
- 9 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2016A, \$150,000,000, Dated: August 30, 2016
- 10 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2016B, \$28,315,000, Dated: August 30, 2016
- 11 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2016C, \$67,685,000, Dated: August 30, 2016
- 12 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2015A, \$175,000,000, AND Sewer and Drainage System Revenue Refunding Bonds, \$81,750,000, Series 2015B, Dated: October 21, 2015
- 13 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2014A, \$80,000,000, Dated: November 25, 2014
- 14 Louisville And Jefferson County Metropolitan Sewer District Sewer And Drainage System Revenue Bonds, Series 2013C, \$100,000,000 Dated: November 27, 2013
- 15 Louisville and Jefferson County Metropolitan Sewer District Sewer and Drainage System Revenue Bonds, Series 2013A, \$115,790,000 and Sewer and Drainage System Revenue Bonds, Series 2013B, \$119,515,000 Dated: May 23, 2013
- 16 Louisville and Jefferson County Metropolitan Sewer District (Commonwealth of Kentucky) Sewer and Drainage System Revenue Bonds, Series 2011A, \$263,360,000 Dated: August 24, 2011
- 17 Louisville and Jefferson County Metropolitan Sewer District (Commonwealth of Kentucky) Sewer and Drainage System Revenue Bonds, Series 2010A (Federally Taxable - Build America Bonds - Direct Payment), \$330,000,000 Dated: November 30, 2010
- 18 Louisville and Jefferson County Metropolitan Sewer District (Commonwealth of Kentucky) Sewer and Drainage System Revenue Bonds, Series 2009C (Federally Taxable - Build America Bonds - Direct Payment), \$180,000,000 Dated: November 24, 2009
- 19 Louisville and Jefferson County Metropolitan Sewer District (Commonwealth of Kentucky) Sewer and Drainage System Revenue Bonds, Series 2009B, \$225,770,000 Dated: August 15, 2009
- 20 Louisville and Jefferson County Metropolitan Sewer District (Commonwealth of Kentucky) Sewer and Drainage System Revenue Bonds, Series 2009A, \$76,275,000 Dated: May 15, 2009

THE DISTRICT

Series 2013A,B, 2011A, 2010A, 2009C, 2009B, 2009A

Members of the Board

Fiscal Year Ended June 30, 2019

Board Members	Term Expires
Marita Willis - Chair	6/30/2022
Daniel Arbough - Vice Chair	6/30/2021
Andrew Bailey	7/31/2021
Keith Jackson	8/31/2020
Ricky Mason	7/31/2022
JT Sims	8/31/2020
Jason Williams	2/28/2021
Cyndi Caudill	6/30/2022

Series 2019 Rev, 2018, 2018A-1,A-2, 2018A, 2017A, 2016A,B,C, 2015A,B, 2014A, 2013C, 2013A,B, 2011A, 2010A, 2009C, 2009B, 2009A

Customer History

Wastewater Customer	Dollars in thousands		
	Number of Customers	Volume (million gallons)	Revenue (in thousands)
Residential			
FY 2016	232,534	11,299	\$ 101,405
FY 2017	234,361	11,029	108,809
FY 2018	235,324	10,611	116,458
FY 2019	236,462	10,823	122,830
FY 2020	237,661	11,087	\$ 140,125
Commercial			
FY 2016	21,613	9,340	\$ 58,343
FY 2017	21,971	9,675	61,860
FY 2018	22,483	9,331	66,651
FY 2019	22,220	9,294	71,054
FY 2020	22,369	9,018	\$ 74,134
Industrial			
FY 2016	407	3,311	\$ 19,878
FY 2017	423	3,019	21,218
FY 2018	430	3,533	24,439
FY 2019	443	3,716	23,171
FY 2020	453	3,959	\$ 21,759

Series 2013AB, 2011A, 2010A, 2009C, 2009B, 2009A

The Drainage System

Fiscal Year 2020

Under interlocal government agreement effective January 1, 1987, the District became the sole local authority for providing flood control and storm water drainage services in the Drainage Service Area. The District is responsible for the operation, maintenance, replacement, improvements and additions to existing flood control facilities and public stormwater drainage facilities within the Drainage Service Area. The stormwater drainage system is comprised of various types of facilities to collect, convey, retain, and discharge stormwater runoff into sewers, rivers, streams, and creeks, which eventually drain into the Ohio River. These facilities include open channels, ditches, streams, ponds, pipes, culverts, conduits, bridge structures, detention basins, retention basins, pump stations, and other facilities. In fiscal year 2020, the District had approximately 221,675 active drainage service accounts which provided total annual drainage charge revenues of \$75.0 million.

RATES AND CHARGES

Series 2013AB, 2011A, 2010A, 2009C, 2009B, 2009A

Wastewater Service and Drainage Service Charges

Fiscal Year 2020

The District derives its revenue for wastewater service and drainage service from the collection of rates, rentals and charges established in accordance with the provisions of KRS 76 and local ordinances for services rendered within the Service Area to customers served by the District's facilities. The District has no power to levy ad valorem taxes upon any property for any purpose whatsoever. Wastewater service rates, based on water consumed, are billed and collected by Louisville Water Company, (a Kentucky corporation wholly owned as a public enterprise by the Louisville/Jefferson County Metro Government) for the District under terms of an agreement executed in January, 2013. These rates are billed simultaneously with the water bill on a single statement payable in total for both wastewater and water service rendered, and are subject to a late penalty of 5%. Louisville Water Company also bills and collects all of the District's drainage service charges. In the event of nonpayment of any such wastewater or drainage rates, rentals, or charges for a period of more than 30 days after they become due and payable, Louisville Water Company is required by law to discontinue water service. On March 16, 2020 MSD and LWC suspended late charges and water service disconnections in response to the COVID-19 Pandemic. No timeline for resumption of either has been established.

Most bills are rendered bimonthly except for larger industrial/commercial accounts which are billed monthly. The District wastewater service rates include a fixed service charge based on the size of the public water meter serving the property plus a charge for each 1,000 gallons of water consumed on the premises. Each customer has the option of installing private meters to record water usage which does not enter the sewers. Industrial and commercial customers may use this option to obtain credit for water which does not enter the sewers. Drainage service rates are charged based on measured impervious areas with one equivalent service unit (ESU) assigned for each 2,500 square feet of impervious area. All residential customers are billed for one ESU.

Series 2019 Sub

Wastewater and Drainage Service Revenues

Dollars in thousands

Fiscal Year	Wastewater Revenue (dollars in thousands)					Total
	Residential	Commercial	Industrial	Other		
2016	\$ 101,405	\$ 58,343	\$ 19,878	\$ 3,966	\$	183,592
2017	108,809	61,860	21,218	3,078		194,965
2018	116,458	66,651	24,439	3,088		210,636
2019	122,830	71,054	23,171	2,412		219,467
2020	\$ 140,125	\$ 74,134	\$ 21,759	\$ 1,789	\$	237,807

Fiscal Year	Drainage Revenue (dollars in thousands)					Total
	Residential	Commercial	Industrial	Other		
2016	\$ 20,439	\$ 31,231	\$ 3,219	\$ -	\$	54,889
2017	22,111	33,421	3,445	-		58,977
2018	23,811	35,778	3,864	415		63,868
2019	25,716	38,775	4,373	842		69,706
2020	\$ 27,684	\$ 41,960	\$ 4,815	\$ 593	\$	75,052

Series 2019 Rev, 2018, 2018A-1, A-2, 2018A, 2017A, 2016A, B, C, 2015A, B, 2014A, 2013C, 2013AB, 2011A, 2010A, 2009C, 2009B, 2009A, 2008A, 2007A, 2006A, 2005A, 2004A

Rate History

As of Fiscal Year 2020

Dollars in thousands

Date of Rate Increase	Wastewater		Stormwater		Estimated Revenue EPA Consent Decree Surcharge
	% Rate Increase	Annual Additional Revenue from Rate Increase	% Rate Increase	Annual Additional Revenue from Rate Increase	
8/1/2019	6.9%	\$ 11,243	6.9%	\$ 5,346	\$ 55,506
8/1/2018	6.9%	8,832	6.9%	5,838	53,594
8/1/2017	6.9%	15,671	6.9%	4,890	50,429
8/1/2016	6.9%	11,373	6.9%	4,090	46,821
8/1/2015	5.5%	9,697	5.5%	3,322	43,615
8/1/2014	5.5%	9,833	5.5%	2,860	42,538
8/1/2013	5.8%	9,321	5.8%	2,711	39,786
8/1/2012	6.5%	9,705	6.5%	2,418	37,444
8/1/2011	6.5%	9,396	6.5%	2,418	35,131
8/1/2010	6.5%	8,683	6.5%	2,246	32,467
8/1/2009	6.5%	8,467	6.5%	2,096	30,118
8/1/2008	6.5%	8,018	6.5%	2,015	28,938
8/15/2007	0.0%	-	0.0%	-	22,775
8/1/2006	6.9%	6,414	6.9%	1,958	-
8/1/2005	6.5%	5,656	6.5%	1,672	-
8/1/2004	6.5%	5,184	6.5%	1,526	-
8/1/2003	6.5%	\$ 5,013	6.5%	\$ 1,408	\$ -

Series 2013AB, 2011A, 2010A, 2009C, 2009B, 2009A

Louisville Metro, Kentucky - Largest Private Employers

Fiscal year ending June 30, 2020

<u>Employer</u>	<u>Product</u>	<u>Approximate Number of Employees</u>
United Parcel Service, Inc.	Air cargo transport and distribution	25,090
Jefferson County, KY Public Schools	Primary and secondary education	14,484
Norton Healthcare (formerly Alliant Health)	Hospital and health care facilities	13,828
Ford Motor Company	Vehicle manufacturing	13,020
Humana, Inc.	Group health insurance/HMOs	12,360
UofL Health Inc.	Hospital and health care facilities	12,000
The Kroger Company	Grocery Retailer	9,235
Baptist Healthcare System	Hospital and health care facilities	7,346
Walmart Inc.	Grocery Retailer	6,650
University of Louisville	Higher education	6,619

Series 2019 Rev, 2013AB, 2011A, 2010A, 2009C, 2009B, 2009A

The Issuer may change the accounting principles used for preparation of such financial information so long as the Issuer includes as information provided to the public, a statement to the effect that different accounting principles are being used, stating the reason for such change and how to compare the financial information provided by the differing financial accounting principles.

Fiscal Year 2020

No changes in accounting principles were implemented in FY20.