

**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 2021, \$226,340,000, Dated: October 12, 2021 **SUMMARY LANGUAGE USED**
- 2 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Taxable Bonds, Series 2020C, \$112,065,000, Dated: October 15, 2020 **SUMMARY LANGUAGE USED**
- 3 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Subordinated Bond Anticipation Notes, Series 2020, \$226,340,000, Dated: October 14, 2020 **SUMMARY LANGUAGE USED**
- 4 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2020A, \$225,000,000, Dated: July 30, 2020 **SUMMARY LANGUAGE USED**
- 5 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2019, \$30,910,000, Dated: August 19, 2019
- 6 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
- 7 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
- 8 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**
- 9 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2017A, \$175,000,000, Dated: August 29, 2017
- 10 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2017B, \$35,725,000, Dated: August 29, 2017
- 11 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2016A, \$150,000,000, Dated: August 30, 2016
- 12 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2016B, \$28,315,000, Dated: August 30, 2016
- 13 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Refunding Bonds, Series 2016C, \$67,685,000, Dated: August 30, 2016
- 14 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
- 15 Louisville and Jefferson County Metropolitan Sewer District, Sewer and Drainage System Revenue Bonds, Series 2014A, \$80,000,000, Dated: November 25, 2014
- 16 Louisville And Jefferson County Metropolitan Sewer District Sewer And Drainage System Revenue Bonds, Series 2013C, \$100,000,000 Dated: November 27, 2013
- 17 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
- 18 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
- 19 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
- 20 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
- 21 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

**THE DISTRICT**

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

**Members of the Board**

Fiscal Year Ended June 30, 2021

Board Members	Term Expires
Marita Willis - Chair	6/30/2022
Daniel Arbough - Vice Chair	6/30/2021
Andrew Bailey	7/31/2021
Keith Jackson	8/31/2023
Ricky Mason	7/31/2022
JT Sims	7/31/2023
Rebecca Cox	8/31/2023
Vacant Position	

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

**Customer History**

**Wastewater Customer**

Residential	Number of	Volume	Revenue
	Active Customers	(million gallons)	(in thousands)
FY 2017	217,979	11,029	\$ 108,809
FY 2018	219,186	10,611	116,458
FY 2019	220,412	10,823	122,830
FY 2020	237,661	11,087	140,125
FY 2021	230,157	11,490	\$ 148,091
<b>Commercial</b>			
FY 2017	19,658	9,675	\$ 61,860
FY 2018	19,350	9,331	66,651
FY 2019	19,373	9,294	71,054
FY 2020	22,369	9,018	74,134
FY 2021	21,537	8,630	\$ 74,660
<b>Industrial</b>			
FY 2017	340	3,019	\$ 21,218
FY 2018	348	3,533	24,439
FY 2019	360	3,716	23,171
FY 2020	385	3,959	21,759
FY 2021	390	2,674	\$ 23,080

Series 2020C, 2020A

**Customer History**

**Historical Active Wastewater Customer Totals**

	FY 17	FY 18	FY 19	FY 20	FY 21
Residential	217,979	219,186	220,412	237,661	230,157
Commercial	19,658	19,350	19,373	22,369	21,537
Industrial	340	348	360	385	390
Total	237,977	238,884	240,145	260,415	252,084
% Growth	0.81%	0.38%	0.53%	1.40%	3.40%

**Historical Active Drainage Customer Totals**

	FY 19	FY 20	FY 21
Residential	206,499	207,317	208,060
Commercial	14,024	14,087	14,062
Industrial	257	271	269
Total	220,780	221,675	222,391
% Growth		0.41%	-0.74%

**The Drainage System**

Fiscal Year 2021

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 2021, the District had approximately 222,391 active drainage service accounts which provided total annual drainage service charge revenues of \$79.9 million.

**RATES AND CHARGES**

**Wastewater Service and Drainage Service Charges**

Fiscal Year 2021

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.

The District's 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.

Louisville Water Company began converting customers to monthly billing in 2020. This project will continue through 2023 before all MSD customers are converted to a monthly bill cycle. Most bills today are still rendered bimonthly except for larger industrial/commercial accounts which are billed monthly.

**Wastewater and Drainage Service Revenues**

Fiscal Year	Wastewater Revenue (in thousands)					Total
	Residential	Commercial	Industrial	Other		
2017	108,809	61,860	21,218	3,078		194,965
2018	116,457	66,651	24,439	3,088		210,635
2019	122,830	71,054	23,172	2,412		219,468
2020	140,125	74,134	21,759	1,789		237,807
2021	148,091	74,460	23,080	171		245,802

  

Fiscal Year	Drainage Revenue (in thousands)					Total
	Residential	Commercial	Industrial	Other		
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
2021	29,413	45,220	5,239	43		79,915

**Rate History - Service Charge Revenue (excludes Oldham County service area)**

District's combined wastewater and drainage service charge rate increases during the last five years and the resulting additional revenues. Additional revenues from the rate increases are approximate and assume constant water usage.

Date	Rate Increase	Annual Additional Revenue from Rate Increase (in thousands)
8/1/2017	6.9%	20,561
8/1/2018	6.9%	14,669
8/1/2019	6.9%	16,589
8/1/2020	5.0%	12,552
8/1/2021	6.9%	*

\*Additional revenue not available until 6/30/22

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

**Rate History (excludes Oldham County service area)**

Fiscal Year 2021

Date of Rate Increase	Wastewater		Stormwater		Estimated Revenue Consent Decree Surcharge (in thousands)
	% Rate Increase	Annual Additional Revenue from Rate Increase (in thousands)	% Rate Increase	Annual Additional Revenue from Rate Increase (in thousands)	
8/1/2020	5.0%	\$ 7,688	6.9%	\$ 4,864	\$ 59,148
8/1/2019	6.9%	11,243	6.9%	5,346	56,755
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 2013A,B, 2011A, 2010A, 2009C, 2009B

**Security and Source of Payment For The Current Bonds**

Fiscal Year Ended June 30, 2021

Series	Dated Date	Original Principal Amount (in thousands)	Amount Outstanding (in thousands)
2009C	11/18/2019	\$ 180,000	\$ 180,000
2010A	4/17/2010	330,000	330,000
2011A	2/23/2011	263,360	243,910
2013A	4/23/2013	115,790	115,790
2013B	4/23/2013	119,515	110,970
2013C	11/27/2013	100,000	250
2014A	11/4/2014	80,000	79,700
2015A	10/21/2015	175,000	172,175
2015B	10/21/2015	81,750	68,815
2016A	8/11/2016	150,000	148,415
2016B	8/11/2016	28,315	21,960
2016C	8/11/2016	67,685	32,305
2017A	8/22/2017	175,000	155,790
2017B	8/22/2017	35,725	32,055
2018A	5/31/2018	60,380	60,380
2019A	8/19/2019	30,910	17,065
2020A	7/30/2020	225,000	224,750
2020C	10/15/2020	112,065	110,790
Total		\$ 2,330,495	\$ 2,105,120

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

**Historic Revenues and Expenses and Capital Improvement Program (Except Projected)**

Louisville/Jefferson County, Kentucky, Metropolitan Sewer District Sewer and Drainage System Revenues and Expenses

	Fiscal Year 2021 (in thousands)
<b>AVAILABLE REVENUES:</b>	
Rates, Fees, Rentals and Charges:	
Wastewater service charges	245,802
Stormwater service charges	79,915
Total Rates, Fees, Rentals and Charges	325,717
Other Available Revenues:	
Other operating income	3,701
Current assessment payments	799
BAB interest reimbursement	10,398
Investment income	1,777
Less: capitalized investment income	-
Total Other Available Revenues	16,675
<b>TOTAL AVAILABLE REVENUES</b>	<b>342,392</b>
<b>SENIOR BOND DEBT SERVICE</b>	
Current maturities of long-term debt	43,802
Interest expense (senior lien)	93,067
Less: Capitalized interest expense	(12,050)
<b>AGGREGATE NET DEBT SERVICE</b>	<b>124,819</b>
<b>110% OF AGGREGATE NET DEBT SERVICE</b>	<b>137,301</b>
<b>OPERATING EXPENSES:</b>	
Salaries & Wages	77,789
GASB 68 pension/GASB 75 OPEB actuarial expense	18,547
Utilities	16,265
Materials & Supplies	6,841
Contractual Services	34,084
Chemicals & Fuel	6,100
Insurance Premiums & Claims	3,624
Bad Debt	5,501
Other Operating Expense	1,322
Capitalized Overhead	(41,785)
<b>TOTAL OPERATING EXPENSES</b>	<b>128,288</b>
<b>NET REVENUES</b>	<b>232,651</b>
<b>SENIOR DEBT SERVICE COVERAGE RATIO</b>	<b>186%</b>
<b>SUBORDINATED DEBT SERVICE</b>	<b>25,116</b>
<b>TOTAL DEBT SERVICE COVERAGE RATIO</b>	<b>155%</b>

**THE SERVICE AREA:**

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

**Annual Population Estimates**

Fiscal Year 2021

Year	Louisville Metro <sup>1</sup>	Louisville MSA <sup>2</sup>
2020	782,969	1,268,993
2019	766,757	1,265,108
2018	770,517	1,297,301
2017	771,158	1,293,953
2016	765,352	1,350,207

(1) Source: Population Division, U.S. Census Bureau website: www.census.gov (Jefferson County, KY)

(2) Source: Population Division, U.S. Census Bureau website: www.census.gov (Louisville/Jefferson County, KY-IN)

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

**Louisville Metro, Kentucky - Largest Private Employers**

Fiscal year ending June 30, 2021

Employer <sup>1</sup>	Product	Approximate Number of Employees
United Parcel Service, Inc.	Freight	24,110
Jefferson County Public Schools	Education	14,484
Norton Healthcare, Inc.	Healthcare	14,403
Ford Motor Co.	Automotive	13,020
Uofl. Health Inc.	Healthcare	12,568
Humana Inc.	Healthcare	12,526
Baptist Healthcare System Inc.	Healthcare	9,666
Walmart Inc.	Retail	7,500
The Kroger Co.	Retail	7,421
GE Appliances, a Haier company	Appliances	7,100

(1) Source: Louisville Business First, July 16, 2021 Edition

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

**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 2021

No changes in accounting principles were implemented in FY21.