



Above: The Spring Restoration and Education Project (See page 5.)

On the cover: The Ugandan Water Project (See page 6.)

A Message from Our Leadership

The Louisville Water Foundation improves the quality of life for thousands of people in our community and around the world. In 2022, the Foundation provided much-needed help to customers who struggled to pay their water bills. Families in developing countries also received help as did residents in eastern Kentucky whose homes were devastated by historic flooding.

The Foundation is also committed to promoting education and protecting water resources. The photo on this page shows a project that met both of these goals. With help from a Foundation grant, the Bernheim Arboretum and Research Forest restored a spring and developed a new study area that gives students and other visitors first-hand opportunities for in-depth learning about the need to protect surface and groundwater resources.

The Bernheim project is just one of several successful initiatives and educational programs the Foundation supported in 2022. Others include:

- A program that helps students understand the critical role water plays in our lives as they develop their writing skills
- An art, engineering, and history program that lets students build their own 3D water tower models
- An educational water feature in a nature discovery area that serves both children and adults
- An initiative that installed rainwater collection systems, water filters, and handwashing stations at schools in Uganda

We would like to express our sincere appreciation to the many donors who make the Foundation's work possible. Funding comes from organizations as well as many generous employees at Louisville Water Company and Louisville Metropolitan Sewer District (MSD).



Jennifer Fust-Rutherford Chair



Spencer Bruce President

Our History

A Legacy of Serving the Community

In 1854, the Kentucky Legislature chartered Louisville Water Company. Throughout its history, the company has worked to improve the welfare of the communities it serves. Louisville Water went a step further in 2013 by establishing the Louisville Water Foundation, which consolidated many charitable and philanthropic efforts behind a unified mission.

The formation of a separate nonprofit entity allows the organization to receive financial support from a broad base of public and private sources. This was a critical moment in the company's history as it gave Louisville Water the opportunity to expand its generosity to a global level.

The Foundation operates as an independent entity with a separate Board of Directors who consider grant requests and manage business affairs. The Board includes a diverse representation of employees from Louisville Water, MSD, and members of the public. Today, Louisville Water and MSD provide a majority of the funding to support the Foundation's work.

The Louisville Water Foundation was granted status as a tax-exempt public charity under section 501 (c) (3) of the Internal Revenue Code on July 14, 2013. The Foundation's employee identification number is 46-2069742.



Our Mission:

To improve the health and well-being of the communities we serve and around the world by providing water assistance and water education.





Thousands of customers were able to keep their faucets flowing because of the Foundation's emergency assistance.

Providing Emergency Assistance

In 2022, the Foundation helped thousands of customers who struggled to pay their water and wastewater bills. Many of these customers were still suffering from disruptions to family finances caused by the COVID-19 pandemic.

The Foundation provided \$300,000 in regular funding and \$200,000 in special funding to the Association of Community Ministries in Jefferson County. The Foundation also provided \$20,000 in regular funding and \$6,000 in special funding to the Multi-Purpose Community Action Agency in Bullitt County. The special funding helped meet additional customer needs as the agencies distributed funds through Drops of Kindness[™], a program that combines previous customer assistance efforts under one umbrella to offer a range of financial assistance options and payment plans.

"The Louisville Water Foundation allowed us to assist clients who have fallen behind in paying their Louisville Water Company [and MSD bills]," said Kim Embrey-Hill, Executive Director of the Multi-Purpose Community Action Agency. "As part of this funding, we offered budgeting and financial planning to clients, which served a twofold purpose. We alleviated the immediate emergency and prevented another emergency from occurring. We are grateful to funders, such as Louisville Water Foundation, to help us meet the needs of lowincome families."

The Foundation also regularly supports the Salvation Army's Water Bill Payment Assistance Program and provided \$22,500 to continue the Salvation Army's work last year.

In addition, the Foundation distributed \$14,007 to Drops of Kindness and \$9,040 for customer leak assistance in 2022.

Flooding Relief

A train of thunderstorms brought both flash flooding and river flooding to eastern Kentucky in July 2022. Rainfall rates reached more than four inches an hour. According to radar-based estimates from the National Weather Service, up to 16 inches fell in a narrow swath. Flooding destroyed water and power infrastructure as well as roads, bridges, and entire homes. At least 39 people died.

The Louisville Water Foundation moved quickly to approve \$5,000 in emergency funding for WaterStep, a Louisville-based organization that provides clean water and sanitation technology worldwide in times of crisis. WaterStep mobilized to eastern Kentucky on August 2 with delivery of two Water on Wheels (WOW) mobile units.

These WOW carts are mini-water treatment plants with microfiltration, carbon absorption, UV, and chlorination. A single WOW Cart can treat up to 15,000 gallons of water a day, providing safe water for mobile showers, laundry, food preparation, handwashing, and community distribution.

One WOW Cart can produce the equivalent of 120,000 bottles of water a day, which cuts down on the number of plastic bottles in Kentucky waterways and landfills. The Foundation funding helped WaterStep deploy the equipment and defrayed the cost of labor, material, food, lodging, and essentials for volunteers.

The Foundation also approved \$2,500 to Water With Blessings to help that organization provide an emergency response to the flooding. Based in Louisville, Water With Blessings is a global nonprofit that focuses on equipping and empowering mothers in 49 countries (including in Appalachia and the Navajo Nation in the U.S.) to provide clean water for their families and neighbors.

The organization distributed thousands of water filters to eastern Kentucky families affected by the historic flood.



WaterStep's WOW Cart can treat up to 15,000 gallons of water a day.



Flooding destroyed water and power infrastructure as well as roads, bridges, and entire homes in eastern Kentucky.



The Young Authors Greenhouse published students' stories and poems about water.



The Bernheim Spring Restoration Project helps students understand the importance of water resources.

2022 Grant Highlights

Young Authors Greenhouse

The Foundation awarded \$20,000 to the Young Authors Greenhouse to help the Louisville-based nonprofit organization continue developing middle school students' writing skills as they learn about the role of water in their lives.

The Foundation first began supporting the Greenhouse in 2019 with a \$20,000 grant to fund its Poetry of Water Program. In 2021, an additional \$15,000 supported a continuation of the organization's efforts to reach nearly 90 Jefferson County students. The culmination of the organization's work was a hardcover book, *Water Moves With Me*, an anthology of poems and stories written by students at Olmsted Academy South and Western Middle School.

The 2022 grant supported another book, *The Water Is Wise*, written by students at Olmsted Academy South and Ramsey Middle School. One student said, "It felt good writing poetry because I got to express myself and I got to write about the Ohio River." According to teacher Ashley Howlett, the students initially lacked confidence in their writing, but "much to their surprise, these eighth graders indeed were writers and poets."

Bernheim Arboretum and Research Forest

Bernheim has worked for a century to restore aquatic systems and help both students and the public understand their importance. These efforts include creek restoration and lake and wetlands creation as well as watershed protection. In 2022, the Foundation awarded \$25,000 to Bernheim to support its Spring Restoration and Education Project, which established a unique site to educate students and the public about the stewardship of water resources.

According to Cadell Walker, Bernheim Director of Advancement, the project is "a dynamic nature-based education tool and a one-of-a-kind visitor experience for all ages."

The project's educational experiences engage visitors and help them understand the importance of water quality and the hydrological significance of the natural spring that feeds the site. Restoration of the spring provides a firsthand opportunity for visitors to learn about the need to protect surface and groundwater resources, as well as how an area can be restored to natural, functioning wetlands.

The restored spring has brought not only elementary, high school, college, and workshop field trips but also beavers, birds, frogs, and turtles. In addition,

several wetland plants returned to the area spontaneously. Bernheim staff also reintroduced several plant species that were found at reference springs and streams.

Ugandan Water Project

In 2021, a \$10,800 grant from the Foundation kickstarted a project involving middle school students in Jefferson and Bullitt counties who partnered with the Ugandan Water Project.

The Louisville students researched safe drinking water, pledged to help work toward solutions for the global issue, and raised an additional \$14,981 for rainwater collection systems at six Ugandan schools.

A 2022 grant of \$21,600 helped the organization work with Louisville students again to raise funds that will provide safe water education and equip 12 additional Ugandan schools with rainwater collection systems, water filters, and handwashing stations.

The project is measurably increasing "water security as well as water quality, supporting the health and education of approximately 6,000 Ugandan students," said Ugandan Water Project Grants Manager Beth Maline.



The Ugandan Water Project is increasing water quality for 6,000 students.

Fund for the Arts

Combining art, history, architecture, and engineering, the Fund for the Arts' Form and Function Program helps local students understand how water towers work by studying the historic Louisville Water Tower and then creating their own models.

The Foundation has funded this program since 2017 and appreciates the partnership between the Fund for the Arts, Louisville Visual Arts, and Louisville Water Company's education team. A \$20,000 grant in 2021 supported 3,120 experience hours for 624 students in nine Jefferson County schools.

The Foundation awarded another \$20,000 in 2022 to expand the program to 18 classrooms so even more students could benefit from Form and Function's hands-on approach, which enhances understanding of core content in the sciences as well as the arts and humanities.

"The students had some amazing theme ideas — classical architecture, Gods from Hindu and Greek cultures, Olympics, nature, and more," said Louisville Visual Arts instructor Claire Krueger. "I enjoyed seeing them problem-solve and bring their 2-D drawings to life with their 3-D water tower structures."



Students create their own water towers in the Fund for the Arts' Form and Function Program.



Foundation funding will enable the Passionist Earth & Spirit Center to install an educational water feature.

Passionist Earth & Spirit Center

The Foundation awarded \$20,000 to the Passionist Earth & Spirit Center in 2022 to help develop a SpiritScape Nature Discovery Area. Located in Louisville, the center is committed to providing environmental and educational resources so people can learn to better navigate daily struggles through mindfulness, compassionate action, and deepening their connection to the natural world.

The Foundation funding directly supported an educational water feature: a hand pump that diverts stream water into a nearby children's play kitchen and through task-height, ADA-accessible sluices.

This water feature is "a fun and educational addition to our nature-based summer camps and our extensive retreat programs," said Kyle Kramer, the center's executive director.

2022 Contributions

Organizations and individuals contribute to the Louisville Water Foundation to support its mission and vision.



2022 Financial Highlights

As an independent nonprofit entity, Louisville Water Foundation can receive financial support from a broad base of public and private sources.

The Foundation is committed to maintaining the highest levels of financial transparency. Accordingly, the financial information contained in this annual report is available for further inspection upon request.

The Foundation is governed by a 13-member Board of Directors that is responsible for management and administration, including the review and approval of operating policies, charitable grants, and financial statements. (See page 10 for a list of Board members.)

Policies for the Foundation consist of the following:

- Bylaws and Articles of Incorporation lists the responsibilities of directors and officers and the requirement to produce an annual report.
- Conflict of Interest Policy requires the disclosure of all possible conflicts of interest for both directors and officers.
- Procedure for Disbursements establishes a set of internal controls.
- Whistleblower Procedure establishes a procedure to follow for complaints.
- Affordability Program Policy establishes the framework for water affordability programs.
- Investment Policy lists approved investments with an emphasis on capital preservation.
- Shared Services Agreements provides for services from as well as reimbursement to Louisville Water Company.
- Grant Review Committee establishes a committee to review and recommend grants to the full Board for approval.

The Foundation's Grant Program is designed to provide support for projects or activities that address community water needs. The Grant Review Committee reviews and scores all submitted grant applications.

The committee evaluates each grant application in terms of demonstrated financial need, fiscal viability, adherence to the values of the Foundation, alignment with its mission, and the degree to which it meets the intent of its grant program.

If the grant application meets the Foundation's eligibility requirements and minimum scoring criteria, it is presented to the full Board, which makes the final decision.

The Foundation's financial statements for 2022 show total revenue and support of \$466,919, total expenses (including grants) of \$709,267, and total net assets of \$1,111,176 at the end of the year.



A key percentage for the Foundation is the Program Ratio: 96.67 percent of the Foundation's expenditures support missionrelated programs and activities.

Condensed Statement of Financial Position

	Dec. 31, 2022	Dec. 31, 2021	Variance	% Change
Cash and Cash Equivalents	\$1,001,233	\$1,245,480	\$(244,247)	-19.6%
Accounts Receivable	365	403	(38)	-9.4%
Investments	110,584	109,358	1,226	1.1%
Total Assets	\$1,112,182	\$1,355,241	\$(243,059)	-17.9%
Accounts Payable and Accrued Expenses	\$1,006	\$1,717	\$(711)	-41.4%
Total Liabilities	\$1,006	\$1,717	\$(711)	-41.4%
Unrestricted Net Assets	\$1,111,176	\$418,343	\$692,833	165.6%
Restricted Net Assets		935,181	(935,181)	-100.0%
Total Net Assets	\$1,111,176	\$1,353,524	\$(242,348)	-17.9%
Total Liabilities & Net Assets	\$1,112,182	\$1,355,241	\$(243,059)	-17.9%

Condensed Statement of Activities

	Dec. 31, 2022	Dec. 31, 2021	Variance	% Change
Louisville Water Contributions	\$250,000	\$250,000	-	0.0%
Louisville Water Pledge Drive Donations & Payroll Contributions	33,420	31,075	2,345	7.5%
MSD Water/Sewer Assistance Contributions*	150,000	250,000	(100,000)	-40.0%
MSD Cares Employee Donations & Payroll Contributions	9,561	10,133	(572)	-5.6%
HomeServe USA Contribution	-	12,000	(12,000)	-100.0%
COVID Relief Fund	-	4,000,000	(4,000,000)	-100.0%
Other Income	23,938	26,657	(2,719)	-10.2%
Total Revenue and Support	\$466,919	\$4,579,865	\$(4,112,946)	-89.8%
Customer Assistance Programs	\$571,547	\$482,500	\$89,047	18.5%
COVID Relief Fund	-	4,814,819	(4,814,819)	-100.0%
Grants	106,600	95,800	10,800	11.3%
Disaster Relief	7,500	22,500	(15,000)	-66.7%
Other Expenses	23,620	24,478	(858)	-3.5%
Total Expenses	\$709,267	\$5,440,097	\$(4,730,830)	-87.0%
Change in Net Assets	\$(242,348)	\$(860,232)	\$617,884	71.8%
Net Assets, Beginning of Year	\$1,353,524	2,213,756	\$(860,232)	-38.9%
Net Assets, End of Year	\$1,111,176	\$1,353,524	\$(242,348)	-17.9%

*Funds are designated for customer assistance programs in Jefferson, Bullitt, and Oldham counties.



Board of Directors

Jennifer Fust-Rutherford – Chair Spencer Bruce – President Lynn Pearson – Treasurer Michael Tigue – Secretary Chad Collier Emily Fritz David Glenn Jim Grunow Greg Heitzman Keith Meriwether Tony Parrott Kimberly Reed Terrence Spence

How to Apply for a Grant

The Louisville Water Foundation accepts grant applications year-round from organizations with projects that address a water-related need.

Examples of projects/activities supported:

- · Potable water solutions in water-poor communities
- Water assistance programs serving individuals and/or communities
- Water awareness or education campaigns
- Water stewardship education
- Surface or groundwater protection education
- Watershed cleanup

The Louisville Water Foundation awards grants to 501 (c) (3) organizations based in the United States. Nonprofits located elsewhere need a US-based fiscal sponsor or partner agency to apply on their behalf.

Activities that do not qualify:

- Interest payments
- Personal articles
- Lobbying (attempting to influence local, state, or national legislation)

Selection Criteria:

- Clarity of project goals, objectives, and potential impact on the community
- Strength of project design and team
- Evidence of an innovative approach with real-world application
- Sustainability of the project post-grant
- Evidence of community engagement
- A plan for assessing the impact of the project and the capacity to measure its outcomes
- A reasonable and efficient budget

Visit LouisvilleWater.com/about-us/louisville-water-foundation/ for more information.

To help support the goals of the Foundation, contribute to the Drops of Kindness program when you pay your water bill.

LOUISVILLE WATER FOUNDATION

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