

Series 2016 Bonds Q&A

Louisville Tourism

July 8, 2025

The purpose of this document is to address questions received regarding the Series 2016 Bonds. The questions received are set forth below in black and our answers in blue.

1. I see the dedicated pledged taxes continue to improve following decreases due to the pandemic. From FY23 to FY24 there was a 5.8% increase. Is this due to continued recovery, or was there an event(s) that contributed to higher receipts?
 - a. I would say it is due to both. There was a continued general recovery in travel, but we also hosted both the 150th running of the Kentucky Derby and the PGA Championship in May 2024 which gave a boost to the dedicated transient room taxes for FY 2024.
2. While I understand it is too early to get a full picture for FY25, based on receipts thus far, how would you say 2025 looks compared to the FY25 Budget?
 - a. Due to the 1.5 month lag in the transient room tax receipts, we have received the transient room tax through April 2025. Through the 10 months ended in April 2025, transient room tax receipts were within 1% of budget.
3. I understand excess revenue is deposited into the tax stabilization fund which is restricted for debt service. Could you tell me what the current level is and where I might find this information (if available) on an ongoing basis?
 - a. The tax stabilization account balance is \$5.5 million at 6/30/25. This information is not available publicly on an ongoing basis, but can be provided upon request.
4. Could you tell me the current number of rooms, hotels, and occupancy levels for 2024 and where I might find this information on an ongoing basis (if available)? I see from the [website](#), in 2019 there were 19 million visitors. Would you estimate that number is still accurate?
 - a. There are currently 135 hotels with a total of 18,179 rooms in Jefferson County, the taxing jurisdiction. The hotel occupancy in Jefferson County for

2024 was 60%. I would estimate that 19 million is still an accurate number of visitors to the Louisville region.

5. Finally, I see there was some severe weather in the area recently (on [FEMA](#) the incident period is from April 2nd to May 16th) that led to an Individual Assistance declaration for Jefferson County. Was there any significant damage to the convention center or to many hotels in the area that you are aware of?
 - a. No, I am not aware of any significant damage to the convention center or any hotels in the area from the recent severe weather.
6. I have one quick follow up about the tax stabilization fund. I read in a recent S&P report for the Bonds that there is \$50MM in the tax stabilization account but it seems this also includes money from the debt service reserve ~\$44.5MM? So all that is from excess receipts and may only be used for the 2016 Bonds? In the Official Statement it says amounts in the tax stabilization fund are to be the greater of 50% of current debt service or \$5.0MM. Since it is currently \$5.5MM, I want to confirm that those amounts are the minimum required?
 - a. To clarify, total assets on hand related to the Series 2016 Bonds as of 6/30/25 are just over \$50 million. That includes balances in the Debt Service Account, Debt Service Reserve Fund, Revenue Fund, and Tax Stabilization Account. Of that, the Tax Stabilization Account balance is \$5.5 million, the Debt Service Reserve Fund \$8 million, the Revenue Fund just over \$37 million and the Debt Service Account less than \$1 million (as the semi-annual interest and annual debt service payment were just made in June). If there is a revenue shortfall, the Tax Stabilization Account would be first used to cover any shortfall. Since the Tax Stabilization Account is fully funded, excess receipts flow to the Revenue Fund. Amounts in the Revenue Fund are available to service the Series 2016 Bonds, including to redeem bonds early beginning in August 2026.