



# ***Hampton Roads Sanitation District***

## **Interim Financial Report for Subordinate Wastewater Bonds, Series 2016**

**For the Period Ended June 30, 2019**

**Prepared by  
Department of Finance**

# Hampton Roads Sanitation District

## Hampton Roads Sanitation District Interim Financial Report Operating Budget For the Period Ending June 30, 2019

	Amended Budget	Current YTD	Current YTD as % of Budget (100% Budget to Date)	Prior YTD as % of Prior Year Budget
<b>Operating Revenues</b>				
Wastewater	\$ 289,967,000	\$ 290,353,613	100%	101%
Surcharge	1,425,000	1,524,125	107%	75%
Indirect Discharge	2,750,000	3,050,784	111%	107%
Fees	2,855,000	2,874,128	101%	96%
Municipal Assistance	875,000	620,610	71%	106%
Miscellaneous	595,000	1,049,320	176%	114%
Total Operating Revenue	<u>298,467,000</u>	<u>299,472,580</u>	100%	101%
<b>Non Operating Revenues</b>				
Facility Charge	6,075,000	6,643,320	109%	113%
Interest Income	2,500,000	8,718,107	349%	194%
Build America Bond Subsidy	2,400,000	2,266,416	94%	96%
Other	820,000	1,493,783	182%	130%
Total Non Operating Revenue	<u>11,795,000</u>	<u>19,121,626</u>	162%	124%
<b>Total Revenues</b>	310,262,000	318,594,206	103%	101%
Transfers from Reserves	8,847,824	8,847,824	100%	100%
<b>Total Revenues and Transfers</b>	<u>\$ 319,109,824</u>	<u>\$ 327,442,030</u>	103%	101%
<b>Operating Expenses</b>				
Personal Services	\$ 55,355,886	\$ 56,434,669	102%	99%
Fringe Benefits	24,321,670	24,257,613	100%	99%
Materials & Supplies	7,762,154	8,135,501	105%	97%
Transportation	1,446,906	1,384,249	96%	86%
Utilities	12,506,952	12,436,585	99%	98%
Chemical Purchases	10,894,183	8,543,798	78%	94%
Contractual Services	42,104,030	30,237,750	72%	76%
Major Repairs	10,315,534	6,887,297	67%	51%
Capital Assets	1,232,144	577,436	47%	95%
Miscellaneous Expense	2,945,304	2,570,150	87%	97%
<b>Total Operating Expenses</b>	<u>168,884,763</u>	<u>151,465,048</u>	90%	90%
<b>Debt Service and Transfers</b>				
Debt Service	62,511,000	61,905,221	99%	100%
Transfer to CIP	87,475,061	87,475,056	100%	100%
Transfer to General Reserve	-	-	0%	100%
Transfer to Risk management	239,000	239,004	100%	100%
Total Debt Service and Transfers	<u>150,225,061</u>	<u>149,619,281</u>	100%	100%
Total Expenses and Transfers	<u>\$ 319,109,824</u>	<u>\$ 301,084,329</u>	94%	94%

See Accompanying Notes to Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

# Hampton Roads Sanitation District

## Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

### June 30, 2019

Hampton Roads Sanitation District  
Primary & Secondary Source Balance  
For the Period Ending June 30, 2019

#### HRSD - SOURCES OF FUNDS June 30, 2019

Primary Source	Beginning Market Value July 1, 2018	YTD Contributions	YTD Withdrawals	YTD Income Earned Earned	Ending Market Value June 30, 2019	Allocation of Funds	Credit Quality	Current Mo Avg Yield
BAML Corp Disbursement Account	10,669,597	516,340,242	519,307,821	52,988	7,755,006	4.5%	N/A	0.70%
VIP Stable NAV Liquidity Pool	-	202,000,000	41,000,000	2,658,801	163,658,801	95.5%	AAAm	2.46%
Va Local Government Investment Pool	68,984,048	5,000,000	74,115,221	131,173	-	0.0%	AAAm	2.45%
<b>Total Primary Source</b>	<b>\$ 79,653,645</b>	<b>\$ 723,340,242</b>	<b>\$ 634,423,042</b>	<b>\$ 2,842,962</b>	<b>\$ 171,413,807</b>	<b>100.0%</b>		

VIP Stable NAV Liquidity Pool out performance Va Local Government Investment Pool (the market benchmark) by 0.01% in the month of June.

Secondary Source	Beginning Market Value July 1, 2018	YTD Contributions	YTD Withdrawals	YTD Income Earned & Realized G/L	Ending Market Value June 30, 2019	Ending Cost	YTD Mkt Adj	Yield to Maturity at Market
VIP 1-3 Year High Quality Bond Fund	-	124,728,039	1,022,175	2,789,827	128,529,607	126,495,691	2,033,916	1.87%
<b>Total Secondary Source</b>	<b>\$ -</b>	<b>\$ 124,728,039</b>	<b>\$ 1,022,175</b>	<b>\$ 2,789,827</b>	<b>\$ 128,529,607</b>	<b>\$ 126,495,691</b>	<b>\$ 2,033,916</b>	

VIP 1-3 Year High Quality Bond Fund out performed ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) by 0.03% in the month of June.

<b>Total Primary Source</b>	<b>\$ 171,413,807</b>	<b>57.1%</b>
<b>Total Secondary Source</b>	<b>\$ 128,529,607</b>	<b>42.9%</b>
<b>TOTAL SOURCES</b>	<b>\$ 299,943,414</b>	<b>100.0%</b>

# Hampton Roads Sanitation District

## Notes to Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

### **Note 1 – General Information**

The Hampton Roads Sanitation District (HRSD) is a political subdivision of the Commonwealth of Virginia and a government instrumentality.

### **Note 2 – Basis of Accounting**

The accompanying Interim Financial Report for Subordinate Wastewater Bonds, Series 2016, summarizes the results of HRSD's operations on a basis of accounting that differs from generally accepted accounting principles. Revenues are recorded on an accrual basis whereby they are recognized when billed. Expenses are generally recorded on a cash basis. No provision is made for non-cash items such as depreciation and bad debt expense.

This interim report does not reflect financial activity for capital projects contained in HRSD's Capital Improvement Program.

Transfers represent certain budgetary policy designations as follows:

Transfer to CIP: represents current period's cash and investments that are designated to partially fund HRSD's capital improvement program.

Transfers to Reserves: represents the current period's cash and investments that have been set aside to meet HRSD's cash and investments policy objectives.

### **Note 3 – Sources of Funds**

The Sources of Funds represent a portion of HRSD's cash and investments portfolio as of the end of the period. These funds are available to purchase any or all of the Subordinate Wastewater Revenue Bonds, Series 2016 in the event of a failed remarketing. These funds do not represent all of HRSD's cash and investments as of the end of the period. These funds are not pledged or separated for the purchase of such bonds.