



# ***Hampton Roads Sanitation District***

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

**For the Period Ended June 30, 2020**

**Prepared by  
Department of Finance**

# Hampton Roads Sanitation District

## Interim Financial Report Operating Budget For the Period Ending June 30, 2020

	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	\$ 316,217,000	\$ 311,964,204	99%	100%
Surcharge	1,500,000	1,616,364	108%	107%
Indirect Discharge	2,750,000	3,056,410	111%	111%
Fees	2,858,000	2,718,764	95%	101%
Municipal Assistance	725,000	641,698	89%	71%
Miscellaneous	600,000	1,354,407	226%	176%
<b>Total Operating Revenue</b>	<b>324,650,000</b>	<b>321,351,847</b>	<b>99%</b>	<b>100%</b>
<b>Non Operating Revenues</b>				
Facility Charge	6,160,000	6,413,600	104%	109%
Interest Income	4,000,000	5,876,452	147%	349%
Build America Bond Subsidy	2,400,000	2,215,848	92%	94%
Other	595,000	864,965	145%	182%
<b>Total Non Operating Revenue</b>	<b>13,155,000</b>	<b>15,370,865</b>	<b>117%</b>	<b>162%</b>
<b>Total Revenues</b>	<b>337,805,000</b>	<b>336,722,712</b>	<b>100%</b>	<b>103%</b>
Transfers from Reserves	10,857,750	10,857,750	100%	100%
<b>Total Revenues and Transfers</b>	<b>\$ 348,662,750</b>	<b>\$ 347,580,462</b>	<b>100%</b>	<b>103%</b>
<b>Operating Expenses</b>				
Personal Services	\$ 59,171,225	\$ 59,180,913	100%	102%
Fringe Benefits	24,732,400	24,499,334	99%	100%
Materials & Supplies	8,838,801	9,122,923	103%	105%
Transportation	1,579,921	1,167,576	74%	96%
Utilities	12,774,299	12,346,224	97%	99%
Chemical Purchases	10,979,218	8,641,969	79%	78%
Contractual Services	45,968,753	31,638,547	69%	72%
Major Repairs	11,267,604	7,113,616	63%	67%
Capital Assets	458,825	215,018	47%	47%
Miscellaneous Expense	4,785,523	4,054,811	85%	87%
<b>Total Operating Expenses</b>	<b>180,556,569</b>	<b>157,980,931</b>	<b>87%</b>	<b>90%</b>
<b>Debt Service and Transfers</b>				
Debt Service	59,504,841	59,011,300	99%	99%
Transfer to CIP	108,341,340	108,341,340	100%	100%
Transfer to Risk management	260,000	260,000	100%	100%
<b>Total Debt Service and Transfers</b>	<b>168,106,181</b>	<b>167,612,640</b>	<b>100%</b>	<b>100%</b>
<b>Total Expenses and Transfers</b>	<b>\$ 348,662,750</b>	<b>\$ 325,593,571</b>	<b>93%</b>	<b>94%</b>

# Hampton Roads Sanitation District

## Primary & Secondary Source Balance For the Period Ending June 30, 2020

**HRSD - SOURCES OF FUNDS**

June 30, 2020

Primary Source	Beginning Market Value July 1, 2019	YTD Contributions	YTD Withdrawals	YTD Income Earned	Ending Market Value June 30, 2020	Allocation of Funds	Credit Quality	Current Mo Avg Yield
BAML Corp Disbursement Account	7,755,006	520,471,898	520,946,432	58,770	7,339,242	3.9%	N/A	0.55%
VIP Stable NAV Liquidity Pool	163,658,801	156,355,162	144,355,162	3,001,589	178,660,390	96.1%	AAAm	0.42%
<b>Total Primary Source</b>	<b>\$ 171,413,807</b>	<b>\$ 676,827,060</b>	<b>\$ 665,301,594</b>	<b>\$ 3,060,359</b>	<b>\$ 185,999,632</b>	<b>100.0%</b>		

VIP Stable NAV Liquidity Pool performed at the same level as Va Local Government Investment Pool (the market benchmark) in the month of June.

Secondary Source	Beginning Market Value July 1, 2019	YTD Contributions	YTD Withdrawals	YTD Income Earned & Realized G/L	Ending Market Value June 30, 2020	Ending Cost	LTD Mkt Adj	Yield to Maturity at Market
VIP 1-3 Year High Quality Bond Fund	128,529,607	-	66,370,498	1,741,471	64,899,667	62,736,539	2,163,128	0.31%
<b>Total Secondary Source</b>	<b>\$ 128,529,607</b>	<b>\$ -</b>	<b>\$ 66,370,498</b>	<b>\$ 1,741,471</b>	<b>\$ 64,899,667</b>	<b>\$ 62,736,539</b>	<b>\$ 2,163,128</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 0.11% in the month of June.

	Total	Fund Alloc
Total Primary Source	\$ 185,999,632	74.1%
Total Secondary Source	\$ 64,899,667	25.9%
<b>TOTAL SOURCES</b>	<b>\$ 250,899,299</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 the Subordinate Wastewater Revenue Bonds, Series 2016 in the event of a failed remarketing. These funds do not represent all 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.