



***Hampton Roads Sanitation District***  
**Interim Financial Report for Subordinate Wastewater  
Bonds, Series 2016**  
**For the Period Ended May 31, 2023**

**Prepared by**  
**Department of Finance**

**Hampton Roads Sanitation District**  
**Interim Financial Report**  
**Operating Budget**  
**For the Period Ending May 31, 2023**

			Current YTD as % of Budget (92% Budget to Date)	Prior YTD as % of Prior Year Budget
	Amended Budget	Current YTD		
<b>Operating Revenues</b>				
Wastewater	\$ 366,882,000	\$ 340,040,833	93%	93%
Surcharge	1,755,000	1,444,385	82%	90%
Indirect Discharge	3,200,000	4,030,481	126%	96%
Fees	2,910,000	3,128,014	107%	7%
Municipal Assistance	800,000	593,100	74%	138%
Miscellaneous	1,254,000	1,548,340	123%	170%
Total Operating Revenue	376,801,000	350,785,153	93%	93%
<b>Non Operating Revenues</b>				
Facility Charge	7,150,000	6,582,873	92%	86%
Interest Income	1,570,000	5,666,420	361%	-121%
Build America Bond Subsidy	2,026,000	2,026,619	100%	51%
Other	302,000	1,358,604	450%	192%
Total Non Operating Revenue	11,048,000	15,634,516	142%	63%
<b>Total Revenues</b>	387,849,000	366,419,669	94%	92%
Transfers from Reserves	18,868,701	17,296,309	92%	92%
<b>Total Revenues and Transfers</b>	\$ 406,717,701	\$ 383,715,978	94%	92%
<b>Operating Expenses</b>				
Personal Services	\$ 63,288,297	\$ 58,076,326	92%	91%
Fringe Benefits	26,520,561	24,016,117	91%	87%
Materials & Supplies	13,385,885	10,767,603	80%	86%
Transportation	1,797,226	1,344,760	75%	74%
Utilities	15,055,652	14,381,849	96%	96%
Chemical Purchases	13,026,120	12,136,644	93%	89%
Contractual Services	57,808,888	35,658,493	62%	64%
Major Repairs	12,409,035	7,295,524	59%	50%
Capital Assets	625,737	237,106	38%	69%
Miscellaneous Expense	3,657,334	2,639,160	72%	75%
<b>Total Operating Expenses</b>	207,574,735	166,553,582	80%	79%
<b>Debt Service and Transfers</b>				
Debt Service	69,470,000	65,831,786	95%	92%
Transfer to CIP	129,412,966	129,412,966	100%	96%
Transfer to Risk management	260,000	238,337	92%	92%
Total Debt Service and Transfers	199,142,966	195,483,089	98%	95%
<b>Total Expenses and Transfers</b>	\$ 406,717,701	\$ 362,036,671	89%	87%

**Hampton Roads Sanitation District  
Primary & Secondary Source Balance  
For the Period Ending May 31, 2023**

<b>HRSD - SOURCES OF FUNDS</b>	<b>May 31, 2023</b>
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Primary Source	Beginning Market Value July 1, 2022	YTD Contributions	YTD Withdrawals	YTD Income Earned	Ending Market Value May 31, 2023	Allocation of Funds	Credit Quality	Current Mo Avg Yield
BAML Corp Disbursement Account	25,498,734	535,881,059	529,307,593	437,931	32,510,131	20.1%	N/A	0.55%
VIP Stable NAV Liquidity Pool	144,268,153	10,000,000	30,000,000	4,685,447	128,953,600	79.9%	AAAm	5.15%
<b>Total Primary Source</b>	<b>\$ 169,766,887</b>	<b>\$ 545,881,059</b>	<b>\$ 559,307,593</b>	<b>\$ 5,123,378</b>	<b>\$ 161,463,731</b>	<b>100.0%</b>		

VIP Stable NAV Liquidity Pool out performed Va Local Government Investment Pool's (the market benchmark) by 0.02% in May 2023.

Secondary Source	Beginning Market Value July 1, 2022	YTD Contributions	YTD Withdrawals	YTD Income Earned & Realized G/L	Ending Market Value May 31, 2023	Ending Cost	LTD Mkt Adj	Yield to Maturity at Market
VIP 1-3 Year High Quality Bond Fund	62,932,017	-	11,467	1,010,660	63,379,404	64,743,210	(1,363,807)	4.58%
<b>Total Secondary Source</b>	<b>\$ 62,932,017</b>	<b>\$ -</b>	<b>\$ 11,467</b>	<b>\$ 1,010,660</b>	<b>\$ 63,379,404</b>	<b>\$ 64,743,210</b>	<b>\$ (1,363,807)</b>	

VIP 1-3 Year High Quality Bond Fund under performed against ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) by 0.04% in May 2023.

	Total	Fund Alloc
<b>Total Primary Source</b>	<b>\$ 161,463,731</b>	<b>71.8%</b>
<b>Total Secondary Source</b>	<b>\$ 63,379,404</b>	<b>28.2%</b>
<b>TOTAL SOURCES</b>	<b>\$ 224,843,135</b>	<b>100.0%</b>

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

# **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 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.