Cleaning wastewater every day for a better Bay.

# *Hampton Roads Sanitation District*

## Interim Financial Report for

## Wastewater Revenue Bonds, Series 2016

## For the Period Ended September 30, 2025


Prepared by

Department of Finance

## Hampton Roads Sanitation District
## Operating Fund Interim Financial Report
## Budget to Actual
## For the Period Ending September 30, 2025

| | Amended Budget | Current YTD | Current YTD as % of Budget (25% Budget to Date) | Prior YTD as % of Prior Year Budget |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Wastewater | $ 486,718,000 | $ 122,656,946 | 25% | 26% |
| Surcharge | 1,568,000 | 344,698 | 22% | 32% |
| Indirect Discharge | 3,526,000 | 1,285,072 | 36% | 27% |
| Fees | 4,560,000 | 1,252,566 | 27% | 27% |
| Municipal Assistance | 734,000 | 188,341 | 26% | 17% |
| Miscellaneous | 808,000 | 61,559 | 8% | 29% |
| Total Operating Revenue | 497,914,000 | 125,789,182 | 25% | 27% |
| **Non Operating Revenues** | | | | |
| Facility Charge | 6,620,000 | 2,217,800 | 34% | 31% |
| Interest Income | 11,500,000 | 5,992,064 | 52% | 96% |
| Other | 1,545,000 | 47,092 | 3% | 36% |
| Total Non Operating Revenue | 19,665,000 | 8,256,956 | 42% | 65% |
| **Total Revenues** | 517,579,000 | 134,046,138 | 26% | 28% |
| Transfers from Reserves | 26,039,871 | 6,509,968 | 25% | 25% |
| **Total Revenues and Transfers** | $ 543,618,871 | $ 140,556,106 | 26% | 28% |
| **Operating Expenses** | | | | |
| Personal Services | $ 86,931,718 | $ 19,376,843 | 22% | 22% |
| Fringe Benefits | 31,351,107 | 7,205,609 | 23% | 21% |
| Materials & Supplies | 16,542,501 | 2,687,974 | 16% | 19% |
| Transportation | 2,679,992 | 466,829 | 17% | 14% |
| Utilities | 18,037,260 | 3,322,140 | 18% | 21% |
| Chemical Purchases | 19,158,847 | 3,327,359 | 17% | 19% |
| Contractual Services | 62,040,179 | 10,477,133 | 17% | 16% |
| Major Repairs | 18,968,701 | 1,705,536 | 9% | 6% |
| Capital Assets | 2,280,197 | 214,645 | 9% | 7% |
| Miscellaneous Expense | 4,527,025 | 1,307,320 | 29% | 45% |
| **Total Operating Expenses** | 262,517,527 | 50,091,388 | 19% | 19% |
| **Debt Service and Transfers** | | | | |
| Debt Service | 108,000,000 | 24,548,443 | 23% | 21% |
| Transfer to CIP | 173,101,344 | 43,275,336 | 25% | 25% |
| **Total Debt Service and Transfers** | 281,101,344 | 67,823,779 | 24% | 24% |
| **Total Expenses and Transfers** | $ 543,618,871 | $ 117,915,167 | 22% | 21% |

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

**Hampton Roads Sanitation District**
**Primary & Secondary Source Balance**
**For the Period Ending September 30, 2025**

## HRSD - SOURCES OF FUNDS — September 30, 2025

| Primary Source | Beginning Market Value July 1, 2025 | YTD Contributions | YTD Withdrawals | YTD Income Earned | Ending Market Value Sepember 30, 2025 | Allocation of Funds | Credit Quality | Current Mo Avg Yield |
|---|---|---|---|---|---|---|---|---|
| BOA Corp Disbursement Account | 43,574,043 | 358,583,301 | 389,653,918 | 100,708 | 12,604,134 | 0 | N/A | 0.80% |
| VIP Stable NAV Liquidity Pool | 324,275,659 | 155,096,072 | 120,000,000 | 4,263,067 | 363,634,798 | 1 | AAAm | 4.47% |
| **Total Primary Source** | **$ 367,849,702** | **$ 513,679,373** | **$ 509,653,918** | **$ 4,363,775** | **$ 376,238,932** | 100.0% | | |

VIP Stable NAV Liquidity Pool performed 0.01% above to the Va Local Government Investment Pool's (the market benchmark) in the month of September 2025.

| Secondary Source | Beginning Market Value July 1, 2025 | YTD Contributions | YTD Withdrawals | YTD Income Earned & Realized G/L | Ending Market Value Sepember 30, 2025 | Ending Cost | LTD Mkt Adj | Yield to Maturity at Market |
|---|---|---|---|---|---|---|---|---|
| VIP 1-3 Year High Quality Bond Fund | 69,597,188 | - | 3,504 | 697,643 | 70,375,126 | 70,841,873 | (466,747) | 3.67% |
| **Total Secondary Source** | **$ 69,597,188** | **$ -** | **$ 3,504** | **$ 697,643** | **$ 70,375,126** | **$ 70,841,873** | **$ (466,747)** | |

VIP 1-3 Year High Quality Bond Fund performed 0.01% aabove the ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) in September 2025.

| | Total | Fund Alloc |
|---|---|---|
| **Total Primary Source** | **$ 376,238,932** | **84.2%** |
| **Total Secondary Source** | **70,375,126** | **15.8%** |
| **TOTAL SOURCES** | **$ 446,614,058** | **100.0%** |

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

# Hampton Roads Sanitation District

# Notes to Interim Financial Report for

# Wastewater Revenue 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 Wastewater Revenue 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:

> <u>Transfer to CIP</u> represents current period's cash and investments that are designated to partially fund HRSD's capital improvement program.
>
> <u>Transfers to Reserves</u> 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 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.