Hampton Roads Sanitation District

Interim Financial Report for

Wastewater Revenue Bonds, Series 2016

For the Period Ended June 30, 2026

Prepared by

Department of Finance

Hampton Roads Sanitation District
Operating Fund Interim Financial Report
Budget to Actual
For the Period Ending June 30, 2026

	Amended Budget	Current YTD	Current YTD as % of Budget (100% Budget to Date)	Prior YTD as % of Prior Year Budget
Operating Revenues				
Wastewater	$ 486,718,000	$ 482,071,673	99%	102%
Surcharge	1,568,000	1,453,037	93%	109%
Indirect Discharge	3,526,000	4,886,332	139%	110%
Fees	4,560,000	4,557,276	100%	137%
Municipal Assistance	734,000	850,640	116%	139%
Miscellaneous	808,000	815,178	101%	99%
Total Operating Revenue	497,914,000	494,634,136	99%	102%
Non Operating Revenues				
Facility Charge	6,620,000	7,834,645	118%	115%
Interest Income	11,500,000	24,027,773	209%	358%
Other	1,545,000	2,746,107	178%	204%
Total Non Operating Revenue	19,665,000	34,608,525	176%	246%
Total Revenues	517,579,000	529,242,661	102%	106%
Transfers from Reserves	26,039,871	26,039,871	100%	100%
Total Revenues and Transfers	$ 543,618,871	$ 555,282,532	102%	106%
Operating Expenses				
Personal Services	$ 87,450,418	$ 86,857,893	99%	98%
Fringe Benefits	31,422,407	30,807,070	98%	89%
Materials & Supplies	17,577,501	14,245,837	81%	91%
Transportation	2,679,992	2,044,163	76%	78%
Utilities	18,037,260	16,008,123	89%	95%
Chemical Purchases	19,158,847	13,894,568	73%	85%
Contractual Services	63,850,179	45,876,771	72%	71%
Major Repairs	18,968,701	11,349,387	60%	46%
Capital Assets	2,280,197	1,514,460	66%	30%
Miscellaneous Expense	4,552,025	3,852,597	85%	121%
Total Operating Expenses	265,977,527	226,450,869	85%	85%
Debt Service and Transfers				
Debt Service	104,540,000	99,245,531	95%	99%
Transfer to CIP	173,101,344	173,101,344	100%	100%
Total Debt Service and Transfers	277,641,344	272,346,875	98%	99%
Total Expenses and Transfers	$ 543,618,871	$ 498,797,744	92%	92%

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 June 30, 2026

HRSD - SOURCES OF FUNDS — June 30, 2026

Primary Source	Beginning Market Value July 1, 2025	YTD Contributions	YTD Withdrawals	YTD Income Earned	Ending Market Value June 30, 2026	Allocation of Funds	Credit Quality	Current Mo Avg Yield
BOA Corp Disbursement Account	43,574,043	1,345,987,813	1,368,348,699	386,554	21,599,711	5.8%	N/A	1.79%
VIP Stable NAV Liquidity Pool	324,275,659	379,096,072	370,000,000	15,694,593	349,066,324	94.2%	AAAm	3.78%
Total Primary Source	**$ 367,849,702**	**$ 1,725,083,885**	**$ 1,738,348,699**	**$ 16,081,147**	**$ 370,666,035**	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 June 2026.

Secondary Source	Beginning Market Value July 1, 2025	YTD Contributions	YTD Withdrawals	YTD Income Earned & Realized G/L	Ending Market Value June 30, 2026	Ending Cost	LTD Mkt Adj	Yield to Maturity at Market
VIP 1-3 Year High Quality Bond Fund	69,597,188	-	14,132	2,731,881	71,640,937	72,865,484	(1,224,547)	4.16%
Total Secondary Source	**$ 69,597,188**	**$ -**	**$ 14,132**	**$ 2,731,881**	**$ 71,640,937**	**$ 72,865,484**	**$ (1,224,547)**	

VIP 1-3 Year High Quality Bond Fund performed 0.01% below to the ICE BofA ML 1-3 yr AAA-AA Corp/Gov Index (the market benchmark) in June 2026.

	Total	Fund Alloc
Total Primary Source	**$ 370,666,035**	**83.8%**
Total Secondary Source	**71,640,937**	**16.2%**
TOTAL SOURCES	**$ 442,306,972**	**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.