



Hampton Roads Sanitation District

Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

For the Period Ended August 31, 2017

**Prepared by
Department of Finance**

Hampton Roads Sanitation District

Hampton Roads Sanitation District Interim Financial Report Operating Budget For the Period Ending August 31, 2017

	Amended Budget	Current YTD	Current YTD as % of Budget (17% Budget to Date)	Prior YTD as % of Prior Year Budget
Wastewater	\$ 265,662,693	\$ 47,720,891	18%	17%
Surcharge	1,900,000	276,024	15%	23%
Indirect Discharge	2,500,000	476,963	19%	18%
Norfolk Sludge	90,000	13,174	15%	11%
Fees	2,935,000	441,125	15%	19%
Municipal Assistance	700,000	163,630	23%	11%
Miscellaneous	720,000	59,969	8%	4%
Total Operating Revenue	274,507,693	49,151,776	18%	17%
Non Operating Revenues				
Facility Charge	6,000,000	1,152,440	19%	13%
Interest Income	1,800,000	440,913	24%	4%
Build America Bond Subsidy	2,400,000	-	0%	0%
Other	845,000	34,699	4%	2%
Total Non Operating Revenue	11,045,000	1,628,052	15%	8%
Total Revenues	285,552,693	50,779,828	18%	17%
Transfers from Reserves	9,760,286	1,626,714	17%	0%
Total Revenues and Transfers	\$ 295,312,979	\$ 52,406,542	18%	17%
Operating Expenses				
Personal Services	\$ 53,773,327	\$ 8,269,636	15%	15%
Fringe Benefits	24,700,569	4,039,631	16%	16%
Materials & Supplies	7,399,704	1,002,047	14%	16%
Transportation	1,423,974	124,204	9%	14%
Utilities	11,973,115	1,513,617	13%	12%
Chemical Purchases	10,620,594	1,259,251	12%	11%
Contractual Services	36,650,038	4,244,677	12%	15%
Major Repairs	10,429,168	550,349	5%	10%
Capital Assets	1,716,528	230,225	13%	9%
Miscellaneous Expense	2,396,234	543,095	23%	16%
Total Operating Expenses	161,083,251	21,776,732	14%	14%
Debt Service and Transfers				
Debt Service	59,949,120	13,340,583	22%	21%
Cost of Issuance Bonds	900,000	2,923	0%	0%
Transfer to CIP	58,802,000	9,800,334	17%	17%
Transfer to General Reserve	14,318,608	2,386,434	17%	0%
Transfer to Risk management	260,000	43,335	17%	17%
Total Debt Service and Transfers	134,229,728	25,573,609	19%	19%
Total Expenses and Transfers	\$ 295,312,979	\$ 47,350,341	16%	16%

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

Total Return Pool

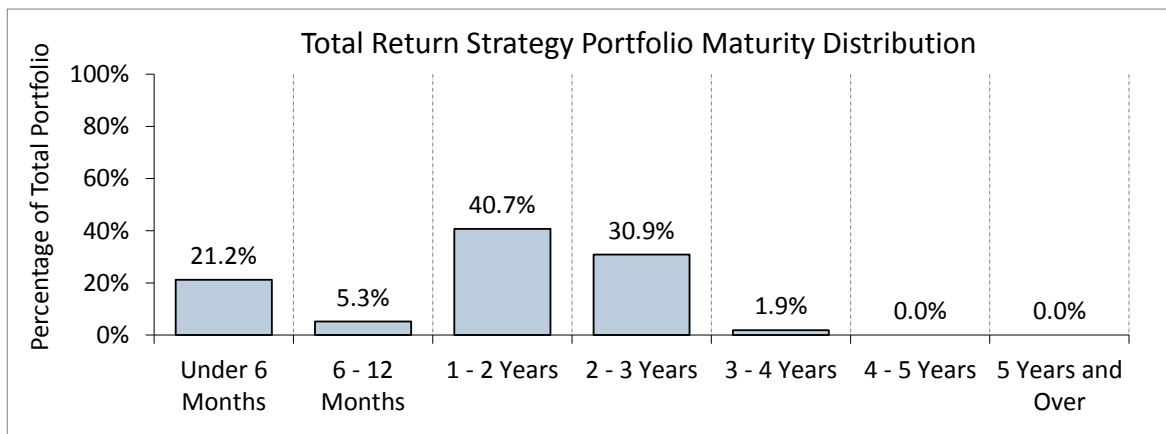
August 31, 2017

Hampton Roads Sanitation District

Security Type	Portfolio Composition		July 31, 2017	% of Portfolio	Permitted by Policy
	August 31, 2017	% of Portfolio			
U.S. Treasuries	\$47,681,601.71	30.7%	\$43,389,957.33	28.0%	100%
Federal Agencies	32,572,358.22	21.0%	33,835,523.37	21.9%	100%
Supra Sovereign Agencies	7,301,025.03	4.7%	7,491,281.51	4.8%	15%
Commercial Paper	2,431,027.20	1.6%	2,427,719.70	1.6%	25%
Bankers Acceptances	0.00	0.0%	0.00	0.0%	25%
Corporate Notes/Bonds	22,654,481.26	14.6%	25,106,754.96	16.2%	25%
Certificates of Deposit	9,960,032.05	6.4%	9,949,705.95	6.4%	10%
Repurchase Agreements	0.00	0.0%	0.00	0.0%	35%
Municipal Obligations	2,175,033.97	1.4%	2,178,471.71	1.4%	15%
Money Market Fund	49,866.74	0.0%	195,228.32	0.1%	100%
LGIP	30,266,324.00	19.5%	30,266,324.00	19.5%	100%
Totals	\$155,091,750.18	100.0%	\$154,840,966.85	100.0%	

Effective Duration	August 31, 2017	July 31, 2017
Total Return Strategy	1.49	1.45

Hampton Roads Sanitation District



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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 – Total Return Pool

The Total Return Pool represents the characteristics of HRSD's cash and investments portfolio as of the end of the period. The Total Return Pool is a portion of HRSD's funds that are available to purchase any or all of the Subordinate Wastewater Revenue Bonds, Series 2016 in the event of a failed remarketing. This portfolio does not represent all of HRSD's cash and investments as of the end of the period. The Total Return Pool is not pledged or separated for the purchase of such bonds.