



Hampton Roads Sanitation District

Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

For the Period Ended June 30, 2018

Prepared by

Department of Finance

Hampton Roads Sanitation District

Hampton Roads Sanitation District Interim Financial Report Operating Budget For the Period Ending June 30, 2018

	Amended Budget	Current YTD	Current YTD as % of Budget (100% Budget to Date)	Prior YTD as % of Prior Year Budget
Wastewater	\$ 265,662,693	\$ 267,449,045	101%	101%
Surcharge	1,900,000	1,434,286	75%	118%
Indirect Discharge	2,500,000	2,666,580	107%	108%
Norfolk Sludge	90,000	63,443	70%	79%
Fees	2,935,000	2,816,192	96%	101%
Municipal Assistance	700,000	741,826	106%	78%
Miscellaneous	720,000	861,554	120%	121%
Total Operating Revenue	274,507,693	276,032,926	101%	101%
Non Operating Revenues				
Facility Charge	6,000,000	6,770,990	113%	116%
Interest Income	1,800,000	3,492,374	194%	94%
Build America Bond Subsidy	2,400,000	2,313,642	96%	98%
Other	845,000	1,095,384	130%	92%
Total Non Operating Revenue	11,045,000	13,672,390	124%	107%
Total Revenues	285,552,693	289,705,316	101%	102%
Transfers from Reserves	9,760,286	9,760,286	100%	100%
Total Revenues and Transfers	\$ 295,312,979	\$ 299,465,602	101%	101%
Operating Expenses				
Personal Services	\$ 55,260,327	\$ 54,912,652	99%	96%
Fringe Benefits	25,600,569	25,414,340	99%	99%
Materials & Supplies	7,914,552	7,694,802	97%	106%
Transportation	1,435,474	1,240,594	86%	90%
Utilities	11,973,115	11,698,979	98%	90%
Chemical Purchases	9,219,000	8,677,646	94%	85%
Contractual Services	37,523,915	28,557,474	76%	76%
Major Repairs	10,821,019	5,516,548	51%	68%
Capital Assets	1,716,528	1,630,775	95%	76%
Miscellaneous Expense	2,503,752	2,423,052	97%	75%
Total Operating Expenses	163,968,251	147,766,862	90%	89%
Debt Service and Transfers				
Debt Service	57,314,120	57,171,478	100%	100%
Cost of Issuance Bonds	900,000	869,495	97%	3%
Transfer to CIP	58,802,000	58,802,000	100%	100%
Transfer to General Reserve	14,068,608	14,068,608	100%	0%
Transfer to Risk management	260,000	260,011	100%	100%
Total Debt Service and Transfers	131,344,728	131,171,592	100%	99%
Total Expenses and Transfers	\$ 295,312,979	\$ 278,938,454	94%	93%

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

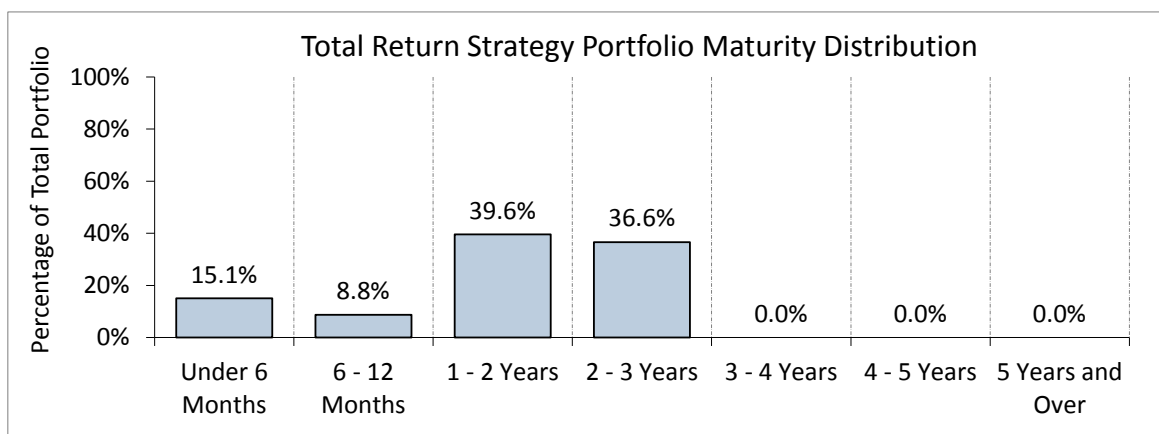
June 30, 2018

Hampton Roads Sanitation District

Security Type	Portfolio Composition		May 31, 2018	% of Portfolio	Permitted by Policy
	June 30, 2018	% of Portfolio			
U.S. Treasuries	\$53,772,654.74	38.4%	\$46,491,216.33	30.0%	100%
Federal Agencies	27,011,396.51	19.3%	30,065,808.19	19.4%	100%
Supra Sovereign Agencies	9,264,721.67	6.6%	9,260,290.57	6.0%	15%
Commercial Paper	4,920,713.33	3.5%	4,909,984.21	3.2%	25%
Bankers Acceptances	0.00	0.0%	0.00	0.0%	25%
Corporate Notes/Bonds	20,729,879.10	14.8%	23,531,505.00	15.2%	25%
Certificates of Deposit	7,378,046.46	5.3%	7,364,168.53	4.8%	25%
Repurchase Agreements	0.00	0.0%	0.00	0.0%	35%
Municipal Obligations	1,459,006.10	1.0%	1,457,633.55	0.9%	15%
Money Market Fund	138,610.61	0.1%	1,528,180.62	1.0%	100%
LGIP	15,266,323.73	10.9%	30,266,324.00	19.5%	100%
Totals	\$139,941,352.25	100.0%	\$154,875,111.00	100.0%	

Effective Duration	June 30, 2018	May 31, 2018
Total Return Strategy	1.50	1.28

Hampton Roads Sanitation District



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 – 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.