



# ***Hampton Roads Sanitation District***

## **Interim Financial Report for Subordinate Wastewater Bonds, Series 2016**

**For the Period Ended May 31, 2018**

**Prepared by**

**Department of Finance**

# Hampton Roads Sanitation District

## Hampton Roads Sanitation District Interim Financial Report Operating Budget For the Period Ending May 31, 2018

	Amended Budget	Current YTD	Current YTD as % of Budget (92% Budget to Date)	Prior YTD as % of Prior Year Budget
Wastewater	\$ 265,662,693	\$ 245,933,525	93%	92%
Surcharge	1,900,000	1,332,700	70%	109%
Indirect Discharge	2,500,000	2,432,157	97%	98%
Norfolk Sludge	90,000	63,443	70%	73%
Fees	2,935,000	2,596,441	88%	93%
Municipal Assistance	700,000	675,797	97%	75%
Miscellaneous	720,000	845,182	117%	114%
<b>Total Operating Revenue</b>	<b>274,507,693</b>	<b>253,879,245</b>	<b>92%</b>	<b>92%</b>
<b>Non Operating Revenues</b>				
Facility Charge	6,000,000	5,982,460	100%	102%
Interest Income	1,800,000	3,121,510	173%	79%
Build America Bond Subsidy	2,400,000	2,313,642	96%	98%
Other	845,000	1,058,083	125%	84%
<b>Total Non Operating Revenue</b>	<b>11,045,000</b>	<b>12,475,695</b>	<b>113%</b>	<b>97%</b>
<b>Total Revenues</b>	<b>285,552,693</b>	<b>266,354,940</b>	<b>93%</b>	<b>92%</b>
Transfers from Reserves	9,760,286	8,946,929	92%	92%
<b>Total Revenues and Transfers</b>	<b>\$ 295,312,979</b>	<b>\$ 275,301,869</b>	<b>93%</b>	<b>92%</b>
<b>Operating Expenses</b>				
Personal Services	\$ 53,773,327	\$ 50,604,831	94%	93%
Fringe Benefits	24,700,569	23,302,259	94%	92%
Materials & Supplies	7,614,552	6,902,837	91%	94%
Transportation	1,423,974	1,093,612	77%	82%
Utilities	11,973,115	10,626,380	89%	84%
Chemical Purchases	9,219,000	7,626,158	83%	75%
Contractual Services	37,473,915	25,856,217	69%	71%
Major Repairs	11,821,019	5,107,230	43%	63%
Capital Assets	1,716,528	1,470,833	86%	71%
Miscellaneous Expense	2,402,252	2,193,775	91%	84%
<b>Total Operating Expenses</b>	<b>162,118,251</b>	<b>134,784,132</b>	<b>83%</b>	<b>84%</b>
<b>Debt Service and Transfers</b>				
Debt Service	59,164,120	55,820,912	94%	92%
Cost of Issuance Bonds	900,000	869,495	97%	0%
Transfer to CIP	58,802,000	53,901,834	92%	92%
Transfer to General Reserve	14,068,608	12,896,224	92%	0%
Transfer to Risk management	260,000	238,344	92%	92%
<b>Total Debt Service and Transfers</b>	<b>133,194,728</b>	<b>123,726,809</b>	<b>93%</b>	<b>91%</b>
<b>Total Expenses and Transfers</b>	<b>\$ 295,312,979</b>	<b>\$ 258,510,941</b>	<b>88%</b>	<b>87%</b>

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

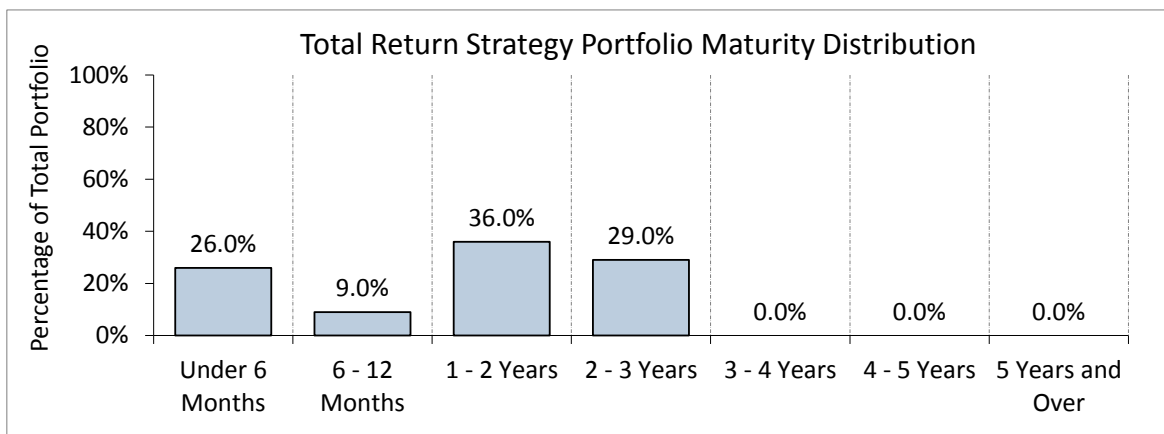
#### May 31, 2018

Hampton Roads Sanitation District

Security Type	Portfolio Composition		April 30, 2018	% of Portfolio	Permitted by Policy
	May 31, 2018	% of Portfolio			
U.S. Treasuries	\$46,491,216.33	30.0%	\$46,360,077.49	30.0%	100%
Federal Agencies	30,065,808.19	19.4%	29,972,688.14	19.4%	100%
Supra Sovereign Agencies	9,260,290.57	6.0%	9,229,548.61	6.0%	15%
Commercial Paper	4,909,984.21	3.2%	4,898,230.43	3.2%	25%
Bankers Acceptances	0.00	0.0%	0.00	0.0%	25%
Corporate Notes/Bonds	23,531,505.00	15.2%	24,785,631.41	16.0%	25%
Certificates of Deposit	7,364,168.53	4.8%	7,387,789.52	4.8%	25%
Repurchase Agreements	0.00	0.0%	0.00	0.0%	35%
Municipal Obligations	1,457,633.55	0.9%	1,454,122.15	0.9%	15%
Money Market Fund	1,528,180.62	1.0%	109,735.81	0.1%	100%
LGIP	30,266,324.00	19.5%	30,266,324.00	19.6%	100%
<b>Totals</b>	<b>\$154,875,111.00</b>	<b>100.0%</b>	<b>\$154,464,147.56</b>	<b>100.0%</b>	

Effective Duration	May 31, 2018	April 30, 2018
Total Return Strategy	1.28	1.35

Hampton Roads Sanitation District



# 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.