



Hampton Roads Sanitation District

Interim Financial Report for Subordinate Wastewater Bonds, Series 2016

For the Period Ended September 30, 2017

**Prepared by
Department of Finance**

Hampton Roads Sanitation District

Hampton Roads Sanitation District Interim Financial Report Operating Budget For the Period Ending September 30, 2017

	Amended Budget	Current YTD	Current YTD as % of Budget (25% Budget to Date)	Prior YTD as % of Prior Year Budget
Wastewater	\$ 265,662,693	\$ 71,252,019	27%	26%
Surcharge	1,900,000	418,270	22%	34%
Indirect Discharge	2,500,000	714,046	29%	27%
Norfolk Sludge	90,000	18,667	21%	16%
Fees	2,935,000	670,559	23%	27%
Municipal Assistance	700,000	205,311	29%	14%
Miscellaneous	720,000	454,322	63%	46%
Total Operating Revenue	274,507,693	73,733,194	27%	26%
Non Operating Revenues				
Facility Charge	6,000,000	1,594,235	27%	22%
Interest Income	1,800,000	677,963	38%	13%
Build America Bond Subsidy	2,400,000	1,168,524	49%	50%
Other	845,000	686,296	81%	14%
Total Non Operating Revenue	11,045,000	4,127,018	37%	26%
Total Revenues	285,552,693	77,860,212	27%	26%
Transfers from Reserves	9,760,286	2,440,072	25%	25%
Total Revenues and Transfers	\$ 295,312,979	\$ 80,300,284	27%	26%
Operating Expenses				
Personal Services	\$ 53,773,327	\$ 14,539,797	27%	27%
Fringe Benefits	24,700,569	6,225,449	25%	25%
Materials & Supplies	7,399,704	1,671,086	23%	22%
Transportation	1,423,974	244,119	17%	22%
Utilities	11,973,115	2,577,024	22%	19%
Chemical Purchases	10,620,594	1,908,614	18%	20%
Contractual Services	36,900,038	7,216,843	20%	21%
Major Repairs	10,429,168	1,235,834	12%	18%
Capital Assets	1,716,528	339,829	20%	5%
Miscellaneous Expense	2,396,234	769,541	32%	28%
Total Operating Expenses	161,333,251	36,728,136	23%	23%
Debt Service and Transfers				
Debt Service	59,949,120	18,231,782	30%	29%
Cost of Issuance Bonds	900,000	57,610	6%	0%
Transfer to CIP	58,802,000	14,700,500	25%	25%
Transfer to General Reserve	14,068,608	3,517,152	25%	0%
Transfer to Risk management	260,000	65,002	25%	25%
Total Debt Service and Transfers	133,979,728	36,572,046	27%	27%
Total Expenses and Transfers	\$ 295,312,979	\$ 73,300,182	25%	25%

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

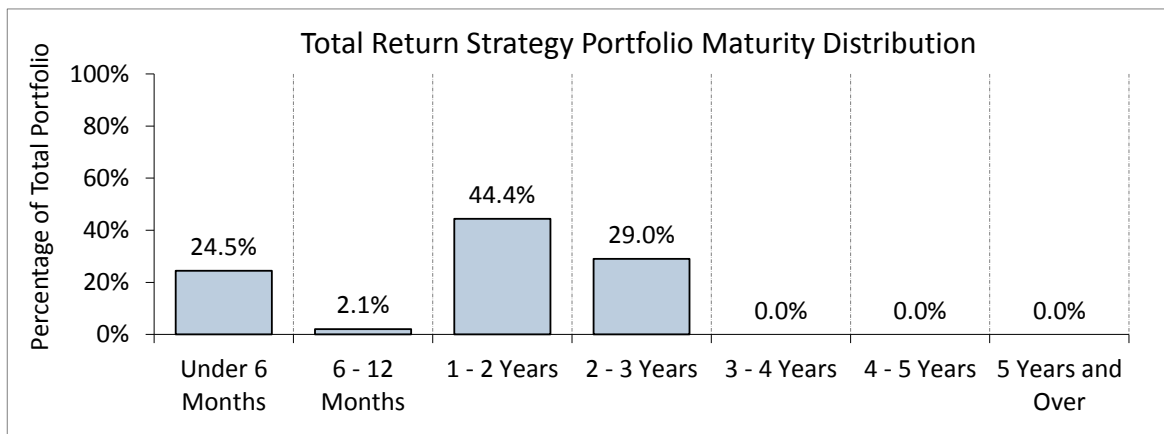
September 30, 2017

Hampton Roads Sanitation District

Security Type	Portfolio Composition			% of Portfolio	Permitted by Policy
	September 30, 2017	% of Portfolio	August 31, 2017		
U.S. Treasuries	\$45,062,422.40	29.1%	\$47,681,601.71	30.7%	100%
Federal Agencies	33,774,724.39	21.8%	32,572,358.22	21.0%	100%
Supra Sovereign Agencies	8,508,579.90	5.5%	7,301,025.03	4.7%	15%
Commercial Paper	2,433,660.95	1.6%	2,431,027.20	1.6%	25%
Bankers Acceptances	0.00	0.0%	0.00	0.0%	25%
Corporate Notes/Bonds	22,575,234.05	14.6%	22,654,481.26	14.6%	25%
Certificates of Deposit	9,953,811.86	6.4%	9,960,032.05	6.4%	10%
Repurchase Agreements	0.00	0.0%	0.00	0.0%	35%
Municipal Obligations	2,178,500.84	1.4%	2,175,033.97	1.4%	15%
Money Market Fund	182,304.58	0.1%	49,866.74	0.0%	100%
LGIP	30,266,324.00	19.5%	30,266,324.00	19.5%	100%
Totals	\$154,935,562.97	100.0%	\$155,091,750.18	100.0%	

Effective Duration	September 30, 2017	August 31, 2017
Total Return Strategy	1.43	1.49

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.