

TYPES OF OPERATIONS

Water and Wastewater The District is responsible for management, operation and maintenance of water and wastewater facilities and equipment throughout Ventura County. Included are facilities owned by the Triunfo Sanitation, Montalvo Municipal Improvement, Saticoy Sanitary and Camarillo Sanitary Districts; Cities of Fillmore, Oxnard, Thousand Oaks and Ventura; County of Ventura; California State University at Channel Islands; and several small water agencies. In total, the District operates and maintains three potable water systems and one recycled water system.

Solid Waste The District manages six municipal waste landfills, only one of which is active. The Toland Road landfill is located in a confined, V-shaped canyon four miles east of Santa Paula and four miles west of Fillmore. The 161-acre site has been operated as a landfill since 1970.

Administration The Finance and Administration Department manages three public agency's finance and accounting functions through contracted services. The District provides finance and accounting functions to Saticoy Sanitary District (SSD), Triunfo Sanitation District (TSD) and Ventura County Regional Energy Alliance (VCREA).

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF NET ASSETS
JUNE 30, 2009**

<i>Assets</i>	Wastewater	Solid Waste	Administration	Total
Current assets:				
Cash and cash equivalents	\$ (654,423)	\$ 7,142,281	\$ (5,272,135)	\$ 1,215,723
Accrued interest receivable	23	1,923	57,392	59,338
Accounts receivable—disposal and sanitation fees, net	-	770,859	-	770,859
Accounts receivable—contract services, net	983,412	262	1,081	984,755
Accounts receivable—other, net	43,920	47,382	(3,500)	87,802
Prepaid and other	23,854	23,521	176,132	223,507
Total current assets—unrestricted	396,786	7,986,228	(5,041,030)	3,341,984
Restricted current assets:				
Cash and cash equivalents	-	762,567	1,565,809	2,328,376
Notes receivable	89,318	-	-	89,318
Accrued interest receivable	-	269,336	-	269,336
Total current assets—restricted	89,318	1,031,903	1,565,809	2,687,030
Total current assets—unrestricted and restricted	486,104	9,018,131	(3,475,221)	6,029,014
Restricted non-current assets:				
Investments	-	29,756,025	-	29,756,025
Notes receivable	2,263,561	-	-	2,263,561
Total non-current assets—restricted	2,263,561	29,756,025	-	32,019,586
Non-current assets:				
Investments - held-to-maturity	-	-	8,064,790	8,064,790
Capital assets, net	17,412,254	39,990,819	817,491	58,220,564
Total non-current assets—unrestricted	17,412,254	39,990,819	8,882,281	66,285,354
Total non-current assets—unrestricted and restricted	19,675,815	69,746,844	8,882,281	98,304,940
Total assets	\$ 20,161,919	\$ 78,764,975	\$ 5,407,060	\$ 104,333,954

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF NET ASSETS (CONTINUED)
JUNE 30, 2009**

<i>Liabilities</i>	Wastewater	Solid Waste	Administration	Total
Current liabilities:				
Payable from current assets:				
Accounts payable and accrued expenses	\$ 1,124,873	\$ 782,941	\$ 127,821	\$ 2,035,635
Accrued wages and compensated absences	(14,336)	(22,490)	2,573,561	2,536,735
Payable from current assets – unrestricted	<u>1,110,537</u>	<u>760,451</u>	<u>2,701,382</u>	<u>4,572,370</u>
Payable from restricted current assets:				
Customer deposits	-	430,770	-	430,770
Landfill closure/postclosure costs – expected within one year	-	2,563,144	-	2,563,144
Accrued interest payable - purchase and sales agreements	89,805	20,263	-	110,068
Installment purchase contract – current portion	89,256	-	-	89,256
Installment sale agreement – current portion	792,288	375,398	-	1,167,686
Payable from current assets – restricted	<u>971,349</u>	<u>3,389,575</u>	<u>-</u>	<u>4,360,924</u>
Total current liabilities – unrestricted and restricted	<u>2,081,886</u>	<u>4,150,026</u>	<u>2,701,382</u>	<u>8,933,294</u>
Payable from restricted non-current assets				
Tierra Rejada consortium reserve	-	493,092	-	493,092
Landfill closure/postclosure costs	-	22,577,385	-	22,577,385
Installment purchase contract	2,388,625	-	-	2,388,625
Installment sale agreement	14,696,101	5,755,751	-	20,451,852
Payable from non-current assets – restricted	<u>17,084,726</u>	<u>28,826,228</u>	<u>-</u>	<u>45,910,954</u>
Total liabilities	<u>19,166,612</u>	<u>32,976,254</u>	<u>2,701,382</u>	<u>54,844,248</u>
<i>Net Assets</i>				
Net assets:				
Net investment in capital assets	(554,016)	33,859,670	817,491	34,123,145
Restricted - Debt Service	2,352,880			2,352,880
Restricted - Landfill Closure/Post-closure costs		4,723,537		4,723,537
Restricted - Retirement Trust			1,565,809	1,565,809
Unrestricted	(803,557)	7,205,514	322,378	6,724,335
Total net assets	<u>\$ 995,307</u>	<u>\$ 45,788,721</u>	<u>\$ 2,705,678</u>	<u>\$ 49,489,706</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Wastewater</u>	<u>Solid Waste</u>	<u>Administration</u>	<u>Total</u>
Operating revenues:				
Disposal and sanitation fees	\$ -	\$ 9,607,937	\$ -	\$ 9,607,937
Contract services	5,440,342	100,140	5,845	5,546,327
Other revenue	283	218,866	3	219,152
Total operating revenues	<u>5,440,625</u>	<u>9,926,943</u>	<u>5,848</u>	<u>15,373,416</u>
Operating expenses:				
Salaries and benefits	3,362,316	2,865,903	1,906,775	8,134,994
Management and administrative	63,648	16,881	509,508	590,037
Operating materials and supplies	408,956	1,017,559	158,767	1,585,282
Contract services – labor	8,778	248,544	131,561	388,883
Contract services – materials and supplies	582,746	1,069,867	178,499	1,831,112
Contract services – capital outlay purchases	38,406	-	-	38,406
Professional services	83,377	(375,230)	358,561	66,708
Facility maintenance	289,591	265,943	266,516	822,050
Provision for landfill closure/postclosure	-	785,776	-	785,776
Permits, licences and fees	54,866	950,321	99,514	1,104,701
Total operating expenses	<u>4,892,684</u>	<u>6,845,564</u>	<u>3,609,701</u>	<u>15,347,949</u>
Operating income (loss) before depreciation	547,941	3,081,379	(3,603,853)	25,467
Depreciation	<u>(214,644)</u>	<u>(1,896,484)</u>	<u>(176,149)</u>	<u>(2,287,277)</u>
Operating income (loss)	<u>333,297</u>	<u>1,184,895</u>	<u>(3,780,002)</u>	<u>(2,261,810)</u>
Non-operating revenues(expenses):				
Interest and investment earnings	190,184	1,879,040	73,886	2,143,110
Loss on sales and/or disposals of capital assets, net	237	4,810	-	5,047
Interest expense	(472,947)	(285,716)	-	(758,663)
Other, net	121,995	52,134	86,784	260,913
Transfers in	-	-	2,106,766	2,106,766
Transfers out	<u>(737,368)</u>	<u>(1,369,398)</u>	<u>-</u>	<u>(2,106,766)</u>
Total non-operating revenues, net	<u>(897,899)</u>	<u>280,870</u>	<u>2,267,436</u>	<u>1,650,407</u>
Net loss before capital contributions	(564,602)	1,465,765	(1,512,566)	(611,403)
Capital contributions:				
Capital grants-federal	<u>-</u>	<u>34,024</u>	<u>-</u>	<u>34,024</u>
Change in net assets	(564,602)	1,499,789	(1,512,566)	(577,379)
Net assets, beginning of year	<u>1,559,909</u>	<u>44,288,932</u>	<u>4,218,244</u>	<u>50,067,085</u>
Net assets, end of year	<u>\$ 995,307</u>	<u>\$ 45,788,721</u>	<u>\$ 2,705,678</u>	<u>\$ 49,489,706</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF CASH FLOWS
FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Wastewater</u>	<u>Solid Waste</u>	<u>Administration</u>	<u>Total</u>
Cash flows from operating activities:				
Receipts from customers for disposal and sanitation services	\$ -	\$ 9,560,608	\$ -	\$ 9,560,608
Receipts from customers for contract services	5,250,939	137,582	6,553	5,395,074
Receipts for other services	82,077	272,066	90,100	444,243
Payments to vendors for materials and services	(1,743,935)	(3,206,211)	(1,702,488)	(6,652,634)
Payments for salaries, benefits and contract labor	(3,378,649)	(3,652,947)	(1,795,404)	(8,827,000)
Net cash provided by (used for) operating activities	<u>210,432</u>	<u>3,111,098</u>	<u>(3,401,239)</u>	<u>(79,709)</u>
Cash flows from non-capital financing activities:				
Proceeds from state grants	-	34,024	-	34,024
Transfers in (out)	(737,368)	(1,369,398)	2,106,766	-
Net cash provided by (used for) non-capital financing activities	<u>(737,368)</u>	<u>(1,335,374)</u>	<u>2,106,766</u>	<u>34,024</u>
Cash flows from capital and related financing activities:				
Proceeds from capital debt	9,000,000	-	-	9,000,000
Acquisition and construction of capital assets	(7,798,414)	(4,986,048)	(224,247)	(13,008,709)
Principal received on notes receivable	107,729	-	-	107,729
Proceeds from the sale of capital assets	2,557	4,810	-	7,367
Principal paid on capital debt	(429,917)	(359,129)	-	(789,046)
Interest paid on capital debt	(420,947)	(286,786)	-	(707,733)
Net cash provided by (used for) capital and related financing activities	<u>461,008</u>	<u>(5,627,153)</u>	<u>(224,247)</u>	<u>(5,390,392)</u>
Cash flows from investing activities:				
Interest on cash and cash equivalents	52,747	5,362	2,681	60,790
Interest and dividends from investments	167,587	1,946,794	163,664	2,278,045
Proceeds from sales and maturities of investments	-	25,582,777	13,576,511	39,159,288
Purchases of investments	-	(27,782,426)	(11,922,482)	(39,704,908)
Net cash provided by investing activities	<u>220,334</u>	<u>(247,493)</u>	<u>1,820,374</u>	<u>1,793,215</u>
Net increase (decrease) in cash and cash equivalents	154,406	(4,098,922)	301,654	(3,642,862)
Cash and cash equivalents (unrestricted and restricted), beginning of year	<u>(808,829)</u>	<u>12,003,770</u>	<u>(4,007,980)</u>	<u>7,186,961</u>
Cash and cash equivalents (unrestricted and restricted), end of year	<u>\$ (654,423)</u>	<u>\$ 7,904,848</u>	<u>\$ (3,706,326)</u>	<u>\$ 3,544,099</u>
Reconciliation of cash and cash equivalents to statement of net assets:				
Cash and cash equivalents	\$ (654,423)	\$ 7,142,281	\$ (5,272,135)	\$ 1,215,723
Restricted cash and cash equivalents	-	762,567	1,565,809	2,328,376
Total cash and cash equivalents	<u>\$ (654,423)</u>	<u>\$ 7,904,848</u>	<u>\$ (3,706,326)</u>	<u>\$ 3,544,099</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF CASH FLOWS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2009**

	<u>Wastewater</u>	<u>Solid Waste</u>	<u>Administration</u>	<u>Total</u>
Reconciliation of operating income(loss) to net cash provided by (used for)				
operating activities:				
Operating income(loss)	\$ 333,297	\$ 1,184,895	\$ (3,780,002)	\$ (2,261,810)
Adjustments to reconcile operating income(loss) to net cash provided by				
(used for) operating activities:				
Deprecation and amortization	214,644	1,896,484	176,149	2,287,277
Other non-operating revenues and expenses, net	121,995	52,134	86,784	260,913
Changes in assets and liabilities:				
(Increase)decrease in assets:				
Accounts receivable – disposal and sanitation fees, net	-	(40,329)	-	(40,329)
Accounts receivable – contract services, net	(189,403)	37,442	708	(151,253)
Accounts receivable – other, net	(40,201)	1,066	3,313	(35,822)
Prepaid and other	(18,429)	52,999	(33,577)	993
Increase (decrease) in liabilities:				
Accounts payable and accrued expenses	(203,916)	(313,869)	(97,546)	(615,331)
Accrued wages and compensated absences	(7,555)	(16,780)	242,932	218,597
Customer deposits	-	(7,000)	-	(7,000)
Tierra Rejada consortium reserve	-	(26,387)	-	(26,387)
Landfill closure/postclosure costs – non-current		290,443		290,443
Total adjustments	<u>(122,865)</u>	<u>1,926,203</u>	<u>378,763</u>	<u>2,182,101</u>
Net cash provided by (used for) operating activities	<u>\$ 210,432</u>	<u>\$ 3,111,098</u>	<u>\$ (3,401,239)</u>	<u>\$ (79,709)</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF FUNDING PROGRESS - OTHER POST EMPLOYMENT BENEFITS
FISCAL YEAR ENDED JUNE 30, 2009**

Retiree Health Plan

<u>Valuation Date</u>	<u>Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll</u>	<u>UAAL as a % of Payroll</u>
6/30/2007	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2008	N/A	N/A	N/A	N/A	N/A	N/A
6/30/2009	\$ 461,920	\$ 404,487	\$ (57,433)	87.57%	\$ 5,472,250	1.05%