

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.

Biosolids/Microturbine Electrical Generation The District's Biosolids facility converts Biosolids from local wastewater treatment facilities into EPA Class A recyclable material, using landfill gas to heat two 80-ton-per-day batch dryers. The end product is applied as alternative daily cover for refuse deposited at the landfill. The nine low emission microturbines uses compressed landfill gas to generate 2.32 megawatts of electricity. Roughly one-third is used to power the Biosolids facility and the remainder is delivered to the local power grid.

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, 2010

<i>Assets</i>	Wastewater	Solid Waste	Biosolids	Administration	Total
Current assets:					
Cash and cash equivalents	\$ (4,723,578)	\$ 16,631,134	\$ (7,716,746)	\$ (3,175,301)	\$ 1,015,509
Accrued interest receivable	-	142,250	-	37,816	180,066
Accounts receivable – disposal and sanitation fees, net	-	676,618	199,176	-	875,794
Accounts receivable – contract services, net	1,151,868	87,467	-	152,275	1,391,610
Accounts receivable – other, net	182	641	43	3	869
Net OPEB asset	194,545	166,162	-	168,426	529,133
Prepaid and other	2,880	10,116	17,576	131,135	161,707
Total current assets – unrestricted	<u>(3,374,103)</u>	<u>17,714,388</u>	<u>(7,499,951)</u>	<u>(2,685,646)</u>	<u>4,154,688</u>
Restricted current assets:					
Cash and cash equivalents	-	87,559	-	-	87,559
Notes receivable	102,227	-	-	-	102,227
Accrued interest receivable	-	48,121	-	-	48,121
Total current assets – restricted	<u>102,227</u>	<u>135,680</u>	<u>-</u>	<u>-</u>	<u>237,907</u>
Total current assets – unrestricted and restricted	<u>(3,271,876)</u>	<u>17,850,068</u>	<u>(7,499,951)</u>	<u>(2,685,646)</u>	<u>4,392,595</u>
Restricted non-current assets:					
Investments	-	27,867,221	-	-	27,867,221
Notes receivable	2,173,420	-	-	-	2,173,420
Total non-current assets – restricted	<u>2,173,420</u>	<u>27,867,221</u>	<u>-</u>	<u>-</u>	<u>30,040,641</u>
Non-current assets:					
Investments - held-to-maturity	-	2,861,493	-	4,904,768	7,766,261
Capital assets, net	4,315,486	30,493,839	22,134,028	589,020	57,532,373
Total non-current assets – unrestricted	<u>4,315,486</u>	<u>33,355,332</u>	<u>22,134,028</u>	<u>5,493,788</u>	<u>65,298,634</u>
Total non-current assets – unrestricted and restricted	<u>6,488,906</u>	<u>61,222,553</u>	<u>22,134,028</u>	<u>5,493,788</u>	<u>95,339,275</u>
Total assets	<u>\$ 3,217,030</u>	<u>\$ 79,072,621</u>	<u>\$ 14,634,077</u>	<u>\$ 2,808,142</u>	<u>\$ 99,731,870</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF NET ASSETS (CONTINUED)
JUNE 30, 2010**

<i>Liabilities</i>	Wastewater	Solid Waste	Biosolids	Administration	Total
Current liabilities:					
Payable from current assets:					
Accounts payable and accrued expenses	\$ 153,804	\$ 709,977	\$ 84,131	\$ 238,265	\$ 1,186,177
Accrued wages and compensated absences	14,147	49,684	3,318	608,900	676,049
Payable from current assets – unrestricted	<u>167,951</u>	<u>759,661</u>	<u>87,449</u>	<u>847,165</u>	<u>1,862,226</u>
Payable from restricted current assets:					
Customer deposits	-	43,024	-	-	43,024
Landfill closure/postclosure costs – expected within one year	-	2,553,059	-	-	2,553,059
Accrued interest payable - purchase and sales agreements	27,567	19,022	58,211	-	104,800
Installment purchase contract – current portion	93,592	-	-	-	93,592
Installment sale agreement – current portion	-	392,404	827,995	-	1,220,399
Payable from current assets – restricted	<u>121,159</u>	<u>3,007,509</u>	<u>886,206</u>	<u>-</u>	<u>4,014,874</u>
Total current liabilities – unrestricted and restricted	<u>289,110</u>	<u>3,767,170</u>	<u>973,655</u>	<u>847,165</u>	<u>5,877,100</u>
Payable from restricted non-current assets					
Tierra Rejada consortium reserve	-	454,632	-	-	454,632
Landfill closure/postclosure costs	-	22,977,538	-	-	22,977,538
Installment purchase contract	2,295,033	-	-	-	2,295,033
Installment sale agreement	-	5,363,348	13,868,106	-	19,231,454
Payable from non-current assets – restricted	<u>2,295,033</u>	<u>28,795,518</u>	<u>13,868,106</u>	<u>-</u>	<u>44,958,657</u>
Total liabilities	<u>2,584,143</u>	<u>32,562,688</u>	<u>14,841,761</u>	<u>847,165</u>	<u>50,835,757</u>
<i>Net Assets</i>					
Net assets:					
Net investment in capital assets	1,926,861	24,738,087	7,437,927	589,020	34,691,895
Restricted - Debt Service	2,275,647	-	-	-	2,275,647
Restricted - Landfill Closure/Post-closure costs	-	1,974,648	-	-	1,974,648
Unrestricted	<u>(3,569,621)</u>	<u>19,797,198</u>	<u>(7,645,611)</u>	<u>1,371,957</u>	<u>9,953,923</u>
Total net assets	<u>\$ 632,887</u>	<u>\$ 46,509,933</u>	<u>\$ (207,684)</u>	<u>\$ 1,960,977</u>	<u>\$ 48,896,113</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FISCAL YEAR ENDED JUNE 30, 2010**

	Water and Wastewater	Solid Waste	Biosolids	Administration	Total
Operating revenues:					
Disposal and sanitation fees	\$ -	\$ 9,966,760	\$ -	\$ -	\$ 9,966,760
Contract services	5,029,822	294,400	1,095,671	592,898	7,012,791
Utility electricity sales	-	431,353	-	-	431,353
Other revenue	38,746	139,087	6,909	37,552	222,294
Total operating revenues	5,068,568	10,831,600	1,102,580	630,450	17,633,198
Operating expenses:					
Salaries and benefits	2,747,094	2,868,842	107,358	2,426,067	8,149,361
Depreciation	187,683	1,928,413	54,444	43,074	2,213,614
Other operating expenses	1,708,007	4,455,088	691,846	1,073,062	7,928,003
Total operating expenses	4,642,784	9,252,343	853,648	3,542,203	18,290,978
Operating income(loss)	425,784	1,579,257	248,932	(2,911,753)	(657,780)
Non-operating revenues(expenses):					
Interest and investment earnings	-	933,690	-	211,422	1,145,112
Interest expense	(252,830)	(466,092)	(346,186)	-	(1,065,108)
Other non-operating revenue(expense)	115,938	(97,344)	-	(466,270)	(447,676)
Total non-operating revenues(expenses)	(136,892)	370,254	(346,186)	(254,848)	(367,672)
Transfers in(out)	(788,976)	(1,345,879)	(110,430)	2,245,285	-
Change in net assets	(500,084)	603,632	(207,684)	(921,316)	(1,025,452)
Net assets, beginning of year, as restated	1,132,971	45,906,301	-	2,882,293	49,921,565
Net assets, end of year	\$ 632,887	\$ 46,509,933	\$ (207,684)	\$ 1,960,977	\$ 48,896,113

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF CASH FLOWS
FISCAL YEAR ENDED JUNE 30, 2010**

	<u>Wastewater</u>	<u>Solid Waste</u>	<u>Biosolids</u>	<u>Administration</u>	<u>Total</u>
Cash flows from operating activities:					
Receipts from customers for disposal and sanitation services	\$ -	\$ 9,673,255	\$ (199,176)	\$ -	\$ 9,474,079
Receipts from customers for contract services	4,861,366	207,195	1,095,671	441,704	6,605,936
Receipts from customers for utility electricity sales	-	431,353	-	-	431,353
Receipts for other services	198,222	185,828	6,866	35,745	426,661
Payments to vendors for materials and services	(2,642,351)	(3,813,677)	(619,174)	(904,275)	(7,979,477)
Payments for salaries, benefits and contract labor	(2,791,243)	(3,194,612)	(110,157)	(4,395,885)	(10,491,897)
Net cash provided by (used for) operating activities	<u>(374,006)</u>	<u>3,489,342</u>	<u>174,030</u>	<u>(4,822,711)</u>	<u>(1,533,345)</u>
Cash flows from non-capital financing activities:					
Transfers in (out)	<u>(788,976)</u>	<u>(1,345,879)</u>	<u>(110,430)</u>	<u>2,245,285</u>	<u>-</u>
Net cash provided by (used for) non-capital financing activities	<u>(788,976)</u>	<u>(1,345,879)</u>	<u>(110,430)</u>	<u>2,245,285</u>	<u>-</u>
Cash flows from capital and related financing activities:					
Proceeds from capital debt	(15,488,389)	-	15,488,389	-	-
Acquisition and construction of capital assets	12,906,419	7,470,334	(22,188,472)	(338,171)	(2,149,890)
Principal received on notes receivable	77,232	-	-	-	77,232
Proceeds from the sale of capital assets	2,866	889	-	55,602	59,357
Principal paid on capital debt	(89,256)	(375,397)	(792,288)	-	(1,256,941)
Interest paid on capital debt	(315,068)	(467,333)	(287,975)	-	(1,070,376)
Net cash provided by (used for) capital and related financing activities	<u>(2,906,196)</u>	<u>6,628,493</u>	<u>(7,780,346)</u>	<u>(282,569)</u>	<u>(4,340,618)</u>
Cash flows from investing activities:					
Interest on cash and cash equivalents	23	11,483	-	190,864	202,370
Interest and dividends from investments	-	999,059	-	16,970	1,016,029
Proceeds from sales and maturities of investments	-	34,115,823	-	7,974,162	42,089,985
Purchases of investments	-	(35,084,476)	-	(4,790,976)	(39,875,452)
Net cash provided by investing activities	<u>23</u>	<u>41,889</u>	<u>-</u>	<u>3,391,020</u>	<u>3,432,932</u>
Net increase (decrease) in cash and cash equivalents	(4,069,155)	8,813,845	(7,716,746)	531,025	(2,441,031)
Cash and cash equivalents (unrestricted and restricted), beginning of year	<u>(654,423)</u>	<u>7,904,848</u>	<u>-</u>	<u>(3,706,326)</u>	<u>3,544,099</u>
Cash and cash equivalents (unrestricted and restricted), end of year	<u>\$ (4,723,578)</u>	<u>\$ 16,718,693</u>	<u>\$ (7,716,746)</u>	<u>\$ (3,175,301)</u>	<u>\$ 1,103,068</u>
Reconciliation of cash and cash equivalents to statement of net assets:					
Cash and cash equivalents	\$ (4,723,578)	\$ 16,631,134	\$ (7,716,746)	\$ (3,175,301)	\$ 1,015,509
Restricted cash and cash equivalents	-	87,559	-	-	87,559
Total cash and cash equivalents	<u>\$ (4,723,578)</u>	<u>\$ 16,718,693</u>	<u>\$ (7,716,746)</u>	<u>\$ (3,175,301)</u>	<u>\$ 1,103,068</u>

**VENTURA REGIONAL SANITATION DISTRICT
SCHEDULE OF CASH FLOWS (CONTINUED)
FISCAL YEAR ENDED JUNE 30, 2010**

	<u>Wastewater</u>	<u>Solid Waste</u>	<u>Biosolids</u>	<u>Administration</u>	<u>Total</u>
Reconciliation of operating income(loss) to net cash provided by (used for)					
operating activities:					
Operating income(loss)	\$ 425,784	\$ 1,579,257	\$ 248,932	\$ (2,911,753)	\$ (657,780)
Adjustments to reconcile operating income(loss) to net cash provided by (used for) operating activities:					
Deprecation and amortization	187,683	1,928,413	54,444	43,074	2,213,614
Other non-operating revenues and expenses, net	115,738	-	-	1,696	117,434
Changes in assets and liabilities:					
(Increase)decrease in assets:					
Accounts receivable – disposal and sanitation fees, net	-	94,241	(199,176)	-	(104,935)
Accounts receivable – contract services, net	(168,456)	(87,205)	-	(151,194)	(406,855)
Accounts receivable – other, net	43,738	46,741	(43)	(3,503)	86,933
Net OPEB asset	(56,881)	(48,582)	-	(49,244)	(154,707)
Prepaid and other	20,974	13,405	(17,576)	44,997	61,800
Increase (decrease) in liabilities:					
Accounts payable and accrued expenses	(971,069)	(72,964)	84,131	110,444	(849,458)
Accrued wages and compensated absences	28,483	72,174	3,318	(1,907,228)	(1,803,253)
Customer deposits	-	(387,746)	-	-	(387,746)
Tierra Rejada consortium reserve	-	(38,460)	-	-	(38,460)
Landfill closure/postclosure costs	-	390,068	-	-	390,068
Total adjustments	(799,790)	1,910,085	(74,902)	(1,910,958)	(875,565)
Net cash provided by (used for) operating activities	\$ (374,006)	\$ 3,489,342	\$ 174,030	\$ (4,822,711)	\$ (1,533,345)