

TRIUNFO SANITATION DISTRICT

COMBINING

SUPPLEMENTARY SCHEDULES

FISCAL YEAR ENDED JUNE 30, 2008



TYPES OF OPERATIONS

Wastewater Operations – The Triunfo Sanitation District owns, operates and maintains a wastewater collection system including piping; pump stations, force mains and pressure mains within its boundaries. The collection system delivers effluent to the Tapia Wastewater Reclamation Facility located in Los Angeles County. There is a joint partnership between the Triunfo Sanitation District and the Las Virgenes Municipal Water District for the ownership and operation of this facility.

Recycled Water Operations – The District provides recycled water from Tapia through two pipelines to the communities of Oak Park, Lake Sherwood and North Ranch. The recycled water from Tapia travels through 5.4 miles of District retail recycled water lines to irrigate 7 parks, 6 schools, a golf course, 15 acres of landscaping and medians, and 16 homeowners associations. In hot summer months, local irrigation consumes all of the recycled water Tapia produces.

Potable Water Operations – Through the Oak Park Water Service (OPWS), the District provides potable water service to households in the community of Oak Park. The Oak Park community is mostly residential and is located at the eastern edge of the county.

**TRIUNFO SANITATION DISTRICT
COMBINING SCHEDULE OF NET ASSETS
JUNE 30, 2008**

<i>Assets</i>	Wastewater	Recycled Water	Potable Water	Total
Current assets:				
Cash and cash equivalents	\$ 7,237,913	\$ 364,804	\$ 2,835,774	\$ 10,438,491
Accrued interest receivable	150,711	-	-	150,711
Accounts receivable – water sales and services, net	454	277,969	423,906	702,329
Accounts receivable – sanitation fees	203,996	-	-	203,996
Accounts receivable – other, net	13,837	-	-	13,837
Notes receivable – sewer extension line	12,027	-	-	12,027
Advances due – investment in LVMWD/TSD Joint Venture	1,951,651	-	-	1,951,651
Water in storage inventory	-	1,887	66,034	67,921
Prepaid and other	7,493	-	6,595	14,088
Total current assets – unrestricted	<u>9,578,082</u>	<u>644,660</u>	<u>3,332,309</u>	<u>13,555,051</u>
Restricted current assets:				
Cash and cash equivalents	919,393	500	350	920,243
Investments	920,000	-	-	920,000
Accrued interest receivable	1,150	-	-	1,150
Total current assets – restricted	<u>1,840,543</u>	<u>500</u>	<u>350</u>	<u>1,841,393</u>
Total current assets – unrestricted and restricted	<u>11,418,625</u>	<u>645,160</u>	<u>3,332,659</u>	<u>15,396,444</u>
Non-current assets:				
Investments	4,751,997	-	-	4,751,997
Capital assets, net	11,294,797	2,179,071	9,760,659	23,234,527
Investment in LVMWD/TSD Joint Venture	37,320,667	-	-	37,320,667
Deferred charges, net	216,747	-	92,390	309,137
Total non-current assets	<u>53,584,208</u>	<u>2,179,071</u>	<u>9,853,049</u>	<u>65,616,328</u>
Total assets	<u>\$ 65,002,833</u>	<u>\$ 2,824,231</u>	<u>\$ 13,185,708</u>	<u>\$ 81,012,772</u>
<i>Liabilities and Net Assets</i>				
Current liabilities:				
Payable from current assets:				
Accounts payable and accrued expenses	\$ 581,306	\$ 109,083	\$ 383,338	\$ 1,073,727
Accrued interest payable – loan	-	-	10,219	10,219
Loan payable – current portion	-	-	680,000	680,000
Developer refund agreements – current portion	-	-	27,281	27,281
Payable from current assets – unrestricted	<u>581,306</u>	<u>109,083</u>	<u>1,100,838</u>	<u>1,791,227</u>
Payable from restricted current assets:				
Customer deposits	162,724	-	250	162,974
Accrued interest payable – bonds and loans	-	-	-	-
Unearned revenue	666,373	-	-	666,373
Bonds payable – current portion	400,000	-	-	400,000
Loan payable – current portion	-	-	-	-
Payable from restricted current assets	<u>1,229,097</u>	<u>-</u>	<u>250</u>	<u>1,229,347</u>
Total current liabilities – unrestricted and restricted	<u>1,810,403</u>	<u>109,083</u>	<u>1,101,088</u>	<u>3,020,574</u>
Non-current liabilities:				
Bonds payable	5,200,000	-	-	5,200,000
Loans payable	-	-	2,475,000	2,475,000
Developer refund agreements	-	-	633,632	633,632
Total non-current liabilities	<u>5,200,000</u>	<u>-</u>	<u>3,108,632</u>	<u>8,308,632</u>
Total liabilities	<u>7,010,403</u>	<u>109,083</u>	<u>4,209,720</u>	<u>11,329,206</u>
Net assets:				
Invested in capital assets, net of related debt	5,694,797	2,179,071	5,944,746	13,818,614
Restricted – debt service	1,011,446	500	100	1,012,046
Unrestricted	51,286,187	535,577	3,031,142	54,852,906
Total net assets	<u>57,992,430</u>	<u>2,715,148</u>	<u>8,975,988</u>	<u>69,683,566</u>
Total liabilities and net assets	<u>\$ 65,002,833</u>	<u>\$ 2,824,231</u>	<u>\$ 13,185,708</u>	<u>\$ 81,012,772</u>

**TRIUNFO SANITATION DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

	Wastewater	Recycled Water	Potable Water	Total
Operating revenues:				
Sanitation fees	\$ 6,684,841	\$ -	\$ -	\$ 6,684,841
Potable water sales	-	-	3,031,324	3,031,324
Recycled water sales	-	1,725,802	-	1,725,802
Water meter service fees	-	157,659	1,053,020	1,210,679
Connection fees	332,565	-	-	332,565
Other charges for services	5,935	-	59,772	65,707
Total operating revenues	7,023,341	1,883,461	4,144,116	13,050,918
Operating expenses:				
Wastewater treatment	4,319,960	-	-	4,319,960
Potable water purchased	-	-	2,315,739	2,315,739
Recycled water purchased	-	1,027,229	-	1,027,229
Professional services	63,069	1,845	554	65,468
Management and administrative	1,300,099	82,664	1,103,820	2,486,583
Total operating expenses	5,683,128	1,111,738	3,420,113	10,214,979
Operating income before depreciation	1,340,213	771,723	724,003	2,835,939
Depreciation	(315,794)	(94,897)	(450,136)	(860,827)
Operating income	1,024,419	676,826	273,867	1,975,112
Non-operating revenue(expense)				
Change in investment in LVMWD/TSD Joint Venture	(1,720,850)	-	-	(1,720,850)
Rental revenue - cellular antennas	-	-	148,485	148,485
Interest and investment earnings	512,843	5,148	357,531	875,522
Interest expense	(245,481)	-	(158,303)	(403,784)
Debt administration and amortization of deferred charges	(52,040)	-	(7,739)	(59,779)
Other, net	79,454	(1)	6,496	85,949
Total non-operating revenues, net	(1,426,074)	5,147	346,470	(1,074,457)
Net income before capital contributions	(401,655)	681,973	620,337	900,655
Capital contributions				
Donated assets	128,348	-	-	128,348
Total capital contributions	128,348	-	-	128,348
Change in net assets	(273,307)	681,973	620,337	1,029,003
Net assets, beginning of year	58,265,737	2,033,175	8,355,651	68,654,563
Net assets, end of year	\$ 57,992,430	\$ 2,715,148	\$ 8,975,988	\$ 69,683,566

**TRIUNFO SANITATION DISTRICT
COMBINING SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

	Wastewater	Recycled Water	Potable Water	Total
Cash flows from operating activities:				
Receipts from customers for water sales and services	\$ 192,565	\$ 1,763,754	\$ 3,980,739	\$ 5,937,058
Receipts from customers for sanitation services	6,760,346	-	-	6,760,346
Receipts for other services	83,005	(1)	63,065	146,069
Payments to vendors for materials and services	<u>(5,673,891)</u>	<u>(1,106,991)</u>	<u>(3,453,031)</u>	<u>(10,233,913)</u>
Net cash provided by operating activities	<u>1,362,025</u>	<u>656,762</u>	<u>590,773</u>	<u>2,609,560</u>
Cash flows from non-capital financing activities:				
Advances due – investment in LVMWD/TSD Joint Venture	<u>(1,630,561)</u>	-	-	<u>(1,630,561)</u>
Net cash used in non-capital financing activities	<u>(1,630,561)</u>	-	-	<u>(1,630,561)</u>
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	-	-	(469,778)	(469,778)
Principal and interest paid on long-term debt	<u>(1,071,724)</u>	-	<u>(821,565)</u>	<u>(1,893,289)</u>
Net cash used in capital and related financing activities	<u>(1,071,724)</u>	-	<u>(1,291,343)</u>	<u>(2,363,067)</u>
Cash flows from investing activities:				
Principal received (issued) on notes, net – sewer line extension	19,243	-	-	19,243
Proceeds from rental revenue - cellular antennas	-	-	148,485	148,485
Proceeds from interest and investment earnings	572,903	5,148	357,531	935,582
Proceeds from sales and maturities of investments	4,659,064	-	-	4,659,064
Purchases of investments	<u>(2,272,079)</u>	-	-	<u>(2,272,079)</u>
Net cash provided by investing activities	<u>2,979,131</u>	<u>5,148</u>	<u>506,016</u>	<u>3,490,295</u>
Net increase (decrease) in cash and cash equivalents	1,638,871	661,910	(194,554)	2,106,227
Cash and cash equivalents (unrestricted and restricted), beginning of year	<u>6,518,435</u>	<u>(296,606)</u>	<u>3,030,678</u>	<u>9,252,507</u>
Cash and cash equivalents (unrestricted and restricted), end of year	<u>\$ 8,157,306</u>	<u>\$ 365,304</u>	<u>\$ 2,836,124</u>	<u>\$ 11,358,734</u>
Reconciliation of cash and cash equivalents to statement of net assets:				
Cash and cash equivalents	\$ 7,237,913	\$ 364,804	\$ 2,835,774	\$ 10,438,491
Restricted cash and cash equivalents	<u>919,393</u>	<u>500</u>	<u>350</u>	<u>920,243</u>
Total cash and cash equivalents	<u>\$ 8,157,306</u>	<u>\$ 365,304</u>	<u>\$ 2,836,124</u>	<u>\$ 11,358,734</u>
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	\$ 1,024,419	\$ 676,826	\$ 273,867	\$ 1,975,112
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation and amortization	315,794	94,897	450,136	860,827
Other non-operating income, net	79,454	(1)	6,496	85,949
Changes in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable – water sales and services, net	-	(119,707)	(103,605)	(223,312)
Accounts receivable – sanitation fees	75,505	-	-	75,505
Accounts receivable – other, net	(2,384)	-	(3,203)	(5,587)
Water-in-storage inventory	-	(1)	-	(1)
Prepaid and other	3,289	-	1,643	4,932
Increase (decrease) in liabilities:				
Accounts payable and accrued expenses	5,948	4,748	(34,561)	(23,865)
Customer deposits	<u>(140,000)</u>	-	-	<u>(140,000)</u>
Total adjustments	<u>337,606</u>	<u>(20,064)</u>	<u>316,906</u>	<u>634,448</u>
Net cash provided by operating activities	<u>\$ 1,362,025</u>	<u>\$ 656,762</u>	<u>\$ 590,773</u>	<u>\$ 2,609,560</u>
Noncash investing, capital, and financing activities:				

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