

CASELLA WASTE SYSTEMS INC  
Form 10-Q  
August 31, 2011

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended July 31, 2011

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from            to

Commission file number 000-23211

**CASELLA WASTE SYSTEMS, INC.**

(Exact name of registrant as specified in its charter)

Edgar Filing: CASELLA WASTE SYSTEMS INC - Form 10-Q

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**03-0338873**

(I.R.S. Employer Identification No.)

**25 Greens Hill Lane, Rutland, Vermont**

(Address of principal executive offices)

**05701**

(Zip Code)

Registrant's telephone number, including area code: **(802) 775-0325**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer" and "smaller reporting company" in rule 12b-2 of the Exchange Act. (Check One):

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of August 25, 2011:

Class A Common Stock, \$0.01 par value per share:

25,898,225

Class B Common Stock, \$0.01 par value per share:

988,200

**PART I. FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****CASELLA WASTE SYSTEMS, INC. AND SUBSIDIARIES****CONSOLIDATED BALANCE SHEETS****(Unaudited)****(in thousands)**

	July 31, 2011	April 30, 2011
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,904	\$ 1,817
Restricted cash	76	76
Accounts receivable - trade, net of allowance for doubtful accounts of \$1,125 and \$920	62,461	54,914
Prepaid expenses	5,692	5,856
Inventory	3,396	3,461
Deferred income taxes	3,004	5,600
Other current assets	492	681
<b>Total current assets</b>	<b>78,025</b>	<b>72,405</b>
Property, plant and equipment, net of accumulated depreciation and amortization of \$639,203 and \$624,044	454,789	453,361
Goodwill	101,329	101,204
Intangible assets, net	2,619	2,455
Restricted assets	329	334
Notes receivable - related party/employee	719	1,297
Investments in unconsolidated entities	36,478	38,263
Other non-current assets	20,584	21,262
	616,847	618,176
	\$ 694,872	\$ 690,581

The accompanying notes are an integral part of these unaudited consolidated financial statements.

## CASELLA WASTE SYSTEMS, INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS (Continued)

(Unaudited)

(in thousands, except for share and per share data)

	July 31,	April 30,
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt and capital leases	\$ 1,272	\$ 1,217
Current maturities of financing lease obligations	321	316
Accounts payable	45,063	42,499
Accrued payroll and related expenses	3,624	3,702
Accrued interest	8,671	9,776
Current accrued capping, closure and post-closure costs	1,633	1,702
Income taxes payable	1,775	3,786
Other accrued liabilities	24,354	20,923
<b>Total current liabilities</b>	<b>86,713</b>	<b>83,921</b>
Long-term debt and capital leases, less current maturities	465,731	461,418
Financing lease obligations, less current maturities	2,074	2,156
Accrued capping, closure and post-closure costs, less current portion	36,049	34,705
Deferred income taxes	3,675	5,578
Other long-term liabilities	8,818	8,816
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>STOCKHOLDERS EQUITY:</b>		
Class A common stock -		
Authorized - 100,000,000 shares, \$0.01 par value per share, issued and outstanding - 25,898,000 and 25,589,000 shares as of July 31, 2011 and April 30, 2011, respectively	259	256
Class B common stock -		
Authorized - 1,000,000 shares, \$0.01 par value per share, 10 votes per share, issued and outstanding - 988,000 shares	10	10
Accumulated other comprehensive income	259	378
Additional paid-in capital	286,995	285,992
Accumulated deficit	(195,711)	(192,649)
<b>Total stockholders equity</b>	<b>91,812</b>	<b>93,987</b>
	<b>\$ 694,872</b>	<b>\$ 690,581</b>

The accompanying notes are an integral part of these unaudited consolidated financial statements.

**CASELLA WASTE SYSTEMS, INC. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF OPERATIONS**

**(Unaudited)**

**(in thousands)**

	<b>Three Months Ended</b>	
	<b>July 31,</b>	
	<b>2011</b>	<b>2010</b>
Revenues	\$ 127,193	\$ 121,992
Operating expenses:		
Cost of operations	85,224	81,339
General and administration	16,207	