

Nonmajor Enterprise Funds

To account for the operations: (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has determined that revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other services.

The following Enterprise Funds have been classified as nonmajor in the accompanying financial statements:

Refuse Collections Enterprise Fund

For the provision of refuse collection services to the residential, commercial and industrial segments of the City.

Transportation Center Enterprise Fund

For the provision of a concentrated commuter-oriented transportation center for the region.

Sewer Enterprise Fund

For the provision of providing cleaning, rehabilitation, and repair of sanitary sewer facilities and removal of sewer main blockages.

Sanitation Enterprise Fund

For the provision of motorized sweeping of all improved streets in the City, graffiti removal and weed control.

Federal Clean Water Protection Enterprise Fund

For the provision of storm drain systems operation and maintenance and pollution reduction under the National Pollutant Discharge Elimination permit issued by the Santa Ana Region of Water Quality Control Board.

Nonmajor Enterprise Funds
Combining Statement of Net Assets
June 30, 2007

	<u>Refuse Collections</u>	<u>Transportation Center</u>
Assets:		
Current assets:		
Cash and investments	\$ 365,974	93,071
Receivables (net of allowance for uncollectibles):		
Accounts	1,432,334	58,067
Interest	-	1,105
Due from other funds	121,206	-
Total current assets	<u>1,919,514</u>	<u>152,243</u>
Noncurrent assets:		
Restricted cash and investments with fiscal agents	1,639,883	-
Capital assets:		
Land	-	3,792,491
Buildings	-	8,607,909
Improvements other than buildings	-	3,462,518
Equipment	9,249,948	28,337
Parking structures	-	4,817,295
Construction work in progress	-	-
Less accumulated depreciation	<u>(9,213,796)</u>	<u>(7,556,058)</u>
Total capital assets (net of accumulated depreciation)	<u>36,152</u>	<u>13,152,492</u>
Total noncurrent assets	<u>1,676,035</u>	<u>13,152,492</u>
Total assets	<u>3,595,549</u>	<u>13,304,735</u>
Liabilities:		
Current liabilities:		
Accounts payable	13,317	78,445
Compensated absences payable (current portion)	7,947	-
Interest payable	21,633	-
Deposits payable	-	11,000
Certificates of participation payable (current portion)	<u>2,360,000</u>	<u>-</u>
Total current liabilities	<u>2,402,897</u>	<u>89,445</u>
Noncurrent liabilities:		
Compensated absences payable	<u>23,842</u>	<u>-</u>
Total noncurrent liabilities	<u>23,842</u>	<u>-</u>
Total liabilities	<u>2,426,739</u>	<u>89,445</u>
Net assets:		
Invested in capital assets, net of related debt	(2,323,848)	13,152,492
Restricted for:		
Debt service	1,639,883	-
Capital projects	-	-
Unrestricted	<u>1,852,775</u>	<u>62,798</u>
Total net assets	<u>\$ 1,168,810</u>	<u>13,215,290</u>

NONMAJOR ENTERPRISE FUNDS

Sewer	Sanitation	Federal Clean Water Protection	Total
1,053,878	1,646,092	1,320,386	\$ 4,479,401
503,997	1,162,161	155,639	3,312,198
13,543	20,045	19,100	53,793
-	-	-	121,206
<u>1,571,418</u>	<u>2,828,298</u>	<u>1,495,125</u>	<u>7,966,598</u>
-	-	-	1,639,883
-	-	-	3,792,491
-	-	-	8,607,909
36,325,002	-	-	39,787,520
-	51,630	-	9,329,915
-	-	-	4,817,295
179,340	-	-	179,340
(18,801,080)	(8,175)	-	(35,579,109)
<u>17,703,262</u>	<u>43,455</u>	<u>-</u>	<u>30,935,361</u>
<u>17,703,262</u>	<u>43,455</u>	<u>-</u>	<u>32,575,244</u>
<u>19,274,680</u>	<u>2,871,753</u>	<u>1,495,125</u>	<u>40,541,842</u>
138,060	173,034	95,198	498,054
46,912	132,523	48,811	236,193
-	-	-	21,633
-	-	-	11,000
-	-	-	2,360,000
<u>184,972</u>	<u>305,557</u>	<u>144,009</u>	<u>3,126,880</u>
<u>140,737</u>	<u>397,568</u>	<u>146,431</u>	<u>708,578</u>
<u>140,737</u>	<u>397,568</u>	<u>146,431</u>	<u>708,578</u>
<u>325,709</u>	<u>703,125</u>	<u>290,440</u>	<u>3,835,458</u>
17,703,262	43,455	-	28,575,361
-	-	-	1,639,883
-	-	1,204,685	1,204,685
1,245,709	2,125,173	-	5,286,455
<u>18,948,971</u>	<u>2,168,628</u>	<u>1,204,685</u>	<u>\$ 36,706,384</u>

Nonmajor Enterprise Funds**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets****Year ended June 30, 2007**

	Refuse Collections	Transportation Center
Operating revenues:		
Charges for services	\$ 7,877,484	720,398
Miscellaneous	6,081,412	4,000
Total operating revenues	13,958,896	724,398
Operating expenses:		
Personal services	168,638	(2,148)
Contractual services	6,539,481	242,568
Materials and supplies	2,774	62,739
Other services and charges	5,751,202	574,767
Depreciation	305,440	425,027
Total operating expenses	12,767,535	1,302,953
Operating income (loss)	1,191,361	(578,555)
Nonoperating revenues (expenses):		
Investment earnings	105,752	6,877
Interest expense	(179,300)	-
Amortization of bond discount and issuance costs	(31,117)	-
Total nonoperating revenues (expenses)	(104,665)	6,877
Change in net assets	1,086,696	(571,678)
Net assets - beginning	82,114	13,786,968
Net assets - ending	\$ 1,168,810	13,215,290

Sewer	Sanitation	Federal Clean Water Protection	Total
-	7,799,064	-	\$ 16,396,946
3,421,970	122,577	2,389,368	12,019,327
3,421,970	7,921,641	2,389,368	28,416,273
1,323,188	3,532,663	1,184,116	6,206,457
809,306	1,167,713	760,032	9,519,100
107,194	212,423	1,239	386,369
369,741	2,334,108	852,777	9,882,595
474,281	5,163	-	1,209,911
3,083,710	7,252,070	2,798,164	27,204,432
338,260	669,571	(408,796)	1,211,841
40,303	61,441	72,808	287,181
-	-	-	(179,300)
-	-	-	(31,117)
40,303	61,441	72,808	76,764
378,563	731,012	(335,988)	1,288,605
18,570,408	1,437,616	1,540,673	35,417,779
18,948,971	2,168,628	1,204,685	\$ 36,706,384

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
Year ended June 30, 2007

	Refuse Collections	Transportation Center
Cash flows from operating activities:		
Cash received from customers	\$ 13,745,794	711,967
Cash received from other operating sources	-	4,000
Cash payments to suppliers for goods and services	(12,314,393)	(918,957)
Cash payments to employees	(165,139)	(12,647)
Net cash provided by (used for) operating activities	1,266,262	(215,637)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	-	-
Retirement of long-term liabilities	(1,100,000)	-
Interest paid	(189,200)	-
Net cash used for capital and related financing activities	(1,289,200)	-
Cash flows from investing activities:		
Interest received	105,752	7,061
Net cash provided by investing activities	105,752	7,061
Net increase (decrease) in cash and cash equivalents	82,814	(208,576)
Cash and cash equivalents - beginning	1,923,043	301,647
Cash and cash equivalents - ending (Includes Restricted cash and investments)	\$ 2,005,857	93,071

Sewer	Sanitation	Federal Clean Water Protection	Total
3,349,966	7,892,489	2,316,183	\$ 28,016,399
-	-	-	4,000
(1,269,136)	(3,745,877)	(1,551,486)	(19,799,849)
(1,299,365)	(3,555,096)	(1,088,098)	(6,120,345)
781,465	591,516	(323,401)	2,100,205
(450,539)	-	-	(450,539)
-	-	-	(1,100,000)
-	-	-	(189,200)
(450,539)	-	-	(1,739,739)
40,303	41,396	70,028	264,540
40,303	41,396	70,028	264,540
371,229	632,912	(253,373)	625,006
682,649	1,013,180	1,573,759	5,494,278
1,053,878	1,646,092	1,320,386	\$ 6,119,284

Continued

Nonmajor Enterprise Funds
Combining Statement of Cash Flows
Year ended June 30, 2007

	Refuse Collections	Transportation Center
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ 1,191,361	(578,555)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation expense	305,440	425,027
Change in assets and liabilities:		
Decrease (increase) in accounts receivable	(213,102)	(8,431)
Decrease (increase) in interest receivable	-	-
Increase (decrease) in accounts payable	(20,936)	(38,883)
Increase (decrease) in compensated absences payable	3,499	(14,795)
Increase (decrease) in retention payable	-	-
Net cash provided by (used for) operating activities	<u>\$ 1,266,262</u>	<u>(215,637)</u>

<u>Sewer</u>	<u>Sanitation</u>	<u>Federal Clean Water Protection</u>		<u>Total</u>
338,260	669,571	(408,796)	\$	1,211,841
474,281	5,163	-		1,209,911
(66,716)	(29,152)	(73,185)		(390,586)
(5,288)	-	-		(5,288)
19,493	(31,633)	62,562		(9,397)
23,823	(22,433)	96,018		86,112
(2,388)	-	-		(2,388)
<u>781,465</u>	<u>591,516</u>	<u>(323,401)</u>	\$	<u>2,100,205</u>