

CASELLA WASTE SYSTEMS INC  
Form 10-Q  
December 02, 2010

**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 October 31, 2010**

**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)

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**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   
(Do not check if a smaller reporting company)

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 November 30, 2010:

Class A Common Stock, \$0.01 par value per share:	25,247,454
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)**

	<b>October 31, 2010</b>	<b>April 30, 2010</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 4,044	\$ 2,035
Restricted cash	76	76
Accounts receivable - trade, net of allowance for doubtful accounts of \$1,551 and \$1,641	65,032	61,722
Notes receivable - officer/employees	140	139
Refundable income taxes	1,556	1,316
Prepaid expenses	6,180	5,710
Inventory	4,038	3,604
Deferred income taxes	5,096	5,461
Other current assets	1,491	2,001
<b>Total current assets</b>	<b>87,653</b>	<b>82,064</b>
Property, plant and equipment, net of accumulated depreciation and amortization of \$625,640 and \$595,023	478,715	480,053
Goodwill	125,792	125,792
Intangible assets, net	2,603	3,085
Restricted assets	311	228
Notes receivable - officer/employees	1,145	1,149
Deferred income taxes	553	553
Investments in unconsolidated entities	38,825	40,965
Other non-current assets	16,628	17,217
Non-current assets held for sale		3,708
	664,572	672,750
	\$ 752,225	\$ 754,814

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)

	October 31, 2010	April 30, 2010
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current maturities of long-term debt and capital leases	\$ 2,425	\$ 2,000
Current maturities of financing lease obligations	1,471	1,449
Accounts payable	43,419	40,139
Accrued payroll and related expenses	4,831	4,596
Accrued interest	11,742	11,769
Current accrued capping, closure and post-closure costs	3,668	7,765
Other accrued liabilities	25,536	22,362
<b>Total current liabilities</b>	<b>93,092</b>	<b>90,080</b>
Long-term debt and capital leases, less current maturities	551,833	556,130
Financing lease obligations, less current maturities	10,066	10,832
Accrued capping, closure and post-closure costs, less current portion	33,620	32,237
Deferred income taxes	6,494	6,277
Other long-term liabilities	8,691	8,962
<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 -		
25,185,000 and 24,944,000 shares as of October 31, 2010 and April 30, 2010, respectively	252	249
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 loss	(344)	(785)
Additional paid-in capital	283,644	281,899
Accumulated deficit	(235,133)	(231,077)
<b>Total stockholders equity</b>	<b>48,429</b>	<b>50,296</b>
	<b>\$ 752,225</b>	<b>\$ 754,814</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>Six Months Ended</b>	
<b>October 31,</b>		<b>October 31,</b>	
<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>