

WASTE CONNECTIONS INC/DE
Form 10-Q
May 08, 2006

**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 March 31, 2006**

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 1-31507

WASTE CONNECTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

94-3283464

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

35 Iron Point Circle, Suite 200, Folsom, CA 95630

(Address of principal executive offices) (Zip code)

(916) 608-8200

(Registrant's telephone number, including area code)

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer

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 issuer's classes of common stock:

As of April 14, 2006: 44,528,546 shares of common stock

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

WASTE CONNECTIONS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands, except share and per share amounts)

	December 31, 2005	March 31, 2006
ASSETS		
Current assets:		
Cash and equivalents	\$ 7,514	\$ 7,847
Accounts receivable, net of allowance for doubtful accounts of \$2,826 and \$2,395 at December 31, 2005 and March 31, 2006, respectively	94,438	89,313
Deferred tax assets	5,145	4,064
Prepaid expenses and other current assets	17,279	18,062
Total current assets	124,376	119,286
Property and equipment, net	700,508	705,367
Goodwill	723,120	725,139
Intangible assets, net	87,651	86,935
Restricted assets	13,888	14,305
Other assets, net	26,764	27,516
	\$ 1,676,307	\$ 1,678,548
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 54,795	\$ 44,783
Book overdraft	8,869	7,186
Accrued liabilities	44,522	45,647
Deferred revenue	30,957	30,947
Current portion of long-term debt and notes payable	10,858	8,619
Total current liabilities	150,001	137,182
Long-term debt and notes payable	586,104	644,049
Other long-term liabilities	20,478	14,919
Deferred income taxes	175,167	178,995
Total liabilities	931,750	975,145
Commitments and contingencies		
Minority interests	26,357	27,010
Stockholders' equity:		
Preferred stock: \$0.01 par value; 7,500,000 shares authorized; none issued and outstanding	-	-
Common stock: \$0.01 par value; 100,000,000 shares authorized; 45,924,686 and 44,455,746 shares issued and outstanding at December 31,	459	445

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2005 and March 31, 2006, respectively

Additional paid-in capital	373,382	307,864
Deferred stock compensation	(2,234)	-
Treasury stock at cost, 106,600 shares outstanding at December 31, 2005	(3,672)	-
Retained earnings	345,308	361,031
Accumulated other comprehensive income	4,957	7,053
Total stockholders' equity	718,200	676,393
	\$ 1,676,307	\$ 1,678,548

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

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WASTE CONNECTIONS, INC.
 CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (Unaudited)
 (In thousands, except share and per share amounts)

	Three months ended	
	March 31,	
	2005	2006
Revenues	\$ 164,444	\$ 190,169
Operating expenses:		
Cost of operations	94,150	113,063
Selling, general and administrative	17,140	19,801
Depreciation and amortization	14,612	18,232
Gain on disposal of assets	(121)	(82)
Operating income	38,663	39,155
Interest expense	(4,934)	(7,494)
Other income (expense), net		