



GUAM HOUSING CORPORATION

Kotporasion Ginima Guåhan

P.O. Box 3457 Hagåtña, Guam 96932

2009 JAN 24 11:42

January 10, 2009

Honorable Judith T. Won Pat  
Speaker  
253 West O'Brien Drive  
Hagatna, Guam 96910

Ms. Doris Flores Brooks, Public Auditor  
Office of the Public Auditor  
Suite 401, Pacific News Bldg.  
238 Archbishop Flores Street  
Hagatna, Guam 96910

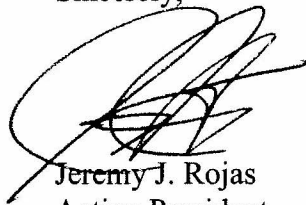
RE: PL: 29-113 Reporting Requirements

Dear Speaker Won Pat and Ms. Brooks:

Attached is a copy of Guam Housing Corporation's December 2008 Financial Statements as required by PL 29-113 Chapter VII Section 2 & Chapter VII Section 25.

If you have any questions or concerns regarding the above, please do not hesitate to call me at 647-4143 ext. 134.

Sincerely,



Jeremy J. Rojas  
Acting President

36-09-0026

1/09/09  
2:05pm  
JR

# Guam Housing Corporation

## Statement of Net Assets

As of 12/31/2008

	Current Year	Prior Year
<b>Assets</b>		
Cash and Cash equivalents		
Unrestricted	12,797,710.87	11,961,893.39
Restricted	2,336,203.81	3,064,254.79
Self-insurance fund	1,198,849.40	1,069,062.50
Total Cash and Cash equivalents	16,332,764.08	16,095,210.68
Investments		
Restricted Foreclosure Fund	375,921.16	375,921.16
Investments and cash with trustees	5,315,010.78	5,383,958.65
Total Investments	5,690,931.94	5,759,879.81
Receivables		
Loans Receivables - GHC Portfolio	22,866,557.77	22,990,648.48
Loans Receivables (Cahat, Sagan, DPCCA & HM)	1,734,259.46	1,794,443.27
Accrued Interest	200,179.75	233,400.28
Accounts Receivables	85,785.42	6,348.38
Net deferred Origination exp. & rev.	(212,496.06)	(212,917.98)
Less allowance for loan losses	(3,487,401.61)	(3,470,481.24)
Total Receivables	21,186,884.73	21,341,441.19
Prepaid expenses and other	47,327.68	72,323.57
Land & Land held for development	18,623,565.17	18,623,565.17
Foreclosed assets held for resale	445,909.89	646,032.22
Capital assets, net	3,333,870.27	3,280,432.08
Total Assets	65,661,253.76	65,818,884.72
<b>Liabilities &amp; Net Assets</b>		
<b>Liabilities</b>		
Accounts payable & accrued expenses	11,106,427.16	11,083,711.45
Deposits by borrowers - Ins. premiums & R.E. Taxes	526,286.40	519,339.16
Rebate Liability	264,478.55	170,294.30
Bonds payable	5,215,000.00	5,320,000.00
Notes Payable	5,966,714.64	6,810,734.26
Accrued pension cost	37,032.78	69,697.81
Loans Held in Trus (DPCCA, HM & SL)	667,137.51	713,015.90
Total Liabilities	23,783,077.04	24,686,792.88
<b>Net Assets</b>		
Investment in capital assets, net of related debt	3,219,858.33	3,315,454.17
Restricted	24,255,580.17	24,182,524.53
Unrestricted	14,402,738.22	13,634,113.14
Total Net Assets	41,878,176.72	41,132,091.84
Total Liabilities & Net Assets	65,661,253.76	65,818,884.72

**Guam Housing Corporation**  
**Statement of Revenues and Expenditures**  
**From 12/1/2008 Through 12/31/2008**

	Current Period Actual	Prior Year Current Period Actual
<b>Operating Revenues:</b>		
Interest on loans receivable	144,572.14	140,356.57
Rental Income	65,305.05	60,449.95
Interest on investments held by bond trustees	23,825.69	24,047.45
Loan origination fees	6,205.52	5,157.57
Late fees and service fees	3,703.54	2,533.43
Total Operating Revenues:	243,611.94	232,544.97
<b>Operating Expenses:</b>		
Interest expense MRB	23,754.79	24,174.79
Interest expense notes payable	32,811.84	37,577.36
Salaries	68,463.61	65,106.77
Bad debts and provision for loan losses	0.00	0.00
Retirement contributions	16,266.40	16,210.52
Retiree supplemental, cola & health benefits	9,620.76	47,039.72
Depreciation	12,297.39	11,673.98
Contractual services	4,472.81	6,050.14
Professional services	4,443.45	4,336.67
Rent	6,016.48	6,016.48
Other	3,822.79	1,034.36
Loan origination costs	2,557.15	3,282.89
Travel	0.00	0.00
Employee benefits, other than retirement	2,679.56	2,956.14
Maintenance	2,586.53	3,304.44
Bond trustee fees	1,083.50	1,083.50
Directors' fees	0.00	0.00
Loss on disposal of assets	503.25	0.00
Total Operating Expenses:	191,380.31	229,847.76
<b>Non-operating Revenue (Expenses)</b>		
Interest income on bank deposits	34,165.80	53,549.53
Other income	1,216.60	1,420.00
Total Non-operating Revenue (Expenses)	35,382.40	54,969.53
Increase in net assets	87,614.03	57,666.74
Total net assets at beginning of month	41,790,562.69	41,074,425.10
<b>Net Asset at Year End</b>	<b>41,878,176.72</b>	<b>41,132,091.84</b>

**Guam Housing Corporation**  
**Statement of Revenues and Expenditures**  
**From 10/1/2008 Through 12/31/2008**

	Current Quarter Actual	Prior Year Current Quarter Actual
<b>Operating Revenues:</b>		
Interest on loans receivable	426,751.43	435,272.78
Rental Income	186,405.13	181,413.40
Interest on investments held by bond trustees	(14,361.88)	71,341.32
Loan origination fees	16,946.37	18,775.39
Late fees and service fees	10,875.95	8,294.81
Total Operating Revenues:	626,617.00	715,097.70
<b>Operating Expenses:</b>		
Interest expense MRB	71,264.38	72,524.38
Interest expense notes payable	98,582.46	112,581.31
Salaries	190,550.89	223,130.94
Bad debts and provision for loan losses	0.00	0.00
Retirement contributions	47,458.51	53,322.58
Retiree supplemental, cola & health benefits	89,818.22	108,519.08
Depreciation	36,307.07	35,022.09
Contractual services	14,607.15	19,401.78
Professional services	20,974.34	13,185.00
Rent	18,049.44	18,049.44
Other	9,150.93	4,079.54
Loan origination costs	8,401.18	11,110.12
Travel	0.00	1,040.00
Employee benefits, other than retirement	7,758.94	9,547.11
Maintenance	8,215.99	5,734.86
Bond trustee fees	3,250.50	3,168.83
Directors' fees	0.00	0.00
Loss on disposal of assets	503.25	0.00
Total Operating Expenses:	624,893.25	690,417.06
<b>Non-operating Revenue (Expenses)</b>		
Interest income on bank deposits	103,262.14	167,380.60
Other income	3,059.37	2,863.65
Total Non-operating Revenue (Expenses)	106,321.51	170,244.25
Increase in net assets	108,045.26	194,924.89
Total net assets at beginning of month	41,770,131.46	40,937,166.95
Net Asset at Year End	41,878,176.72	41,132,091.84

**Guam Housing Corporation**  
**Statement of Revenues and Expenditures**  
**From 10/1/2008 Through 12/31/2008**

	Total Budget \$ - Original	YTD Budget \$ - Original	Current Year Actual	Over (Under) Budget	Variance	Remaining Balance
<b>Operating Revenues:</b>						
Interest on loans receivable	1,529,964.60	382,491.15	426,751.43	44,260.28	11.5700%	1,103,213.17
Rental Income	724,298.15	181,074.54	186,405.13	5,330.59	2.9400%	537,893.02
Interest on investments held by bond trustees	263,509.00	65,877.24	(14,361.88)	(80,239.12)	(121.8000%)	277,870.88
Loan origination fees	26,799.84	6,699.96	16,946.37	10,246.41	152.9300%	9,853.47
Late fees and service fees	25,600.00	6,400.02	10,875.95	4,475.93	69.9300%	14,724.05
<b>Total Operating Revenues:</b>	<u>2,570,171.59</u>	<u>642,542.91</u>	<u>626,617.00</u>	<u>(15,925.91)</u>	<u>(2.4786%)</u>	<u>1,943,554.59</u>
<b>Operating Expenses:</b>						
Interest expense MRB	283,710.00	70,927.50	71,264.38	(336.88)	0.4700%	212,445.62
Interest expense notes payable	370,475.23	92,618.82	98,582.46	(5,963.64)	6.4300%	271,892.77
Salaries	1,017,730.32	254,432.61	190,550.89	63,881.72	(25.1000%)	827,179.43
Bad debts and provision for loan losses	55,000.00	13,749.99	0.00	13,749.99	(100.0000%)	55,000.00
Retirement contributions	247,568.10	61,892.04	47,458.51	14,433.53	(23.3200%)	200,109.59
Retiree supplemental, cola & health benefits	188,558.72	47,139.69	89,818.22	(42,678.53)	90.5300%	98,740.50
Depreciation	162,575.49	40,643.88	36,307.07	4,336.81	(10.6700%)	126,268.42
Contractual services	139,452.00	34,862.97	14,607.15	20,255.82	(58.1000%)	124,844.85
Professional services	66,000.00	16,500.00	20,974.34	(4,474.34)	27.1100%	45,025.66
Rent	72,197.76	18,049.44	18,049.44	0.00	0.0000%	54,148.32
Other	86,076.85	21,519.21	9,150.93	12,368.28	(57.4700%)	76,925.92
Loan origination costs	35,000.00	8,750.01	8,401.18	348.83	(3.9800%)	26,598.82
Travel	0.00	0.00	0.00	0.00	0.0000%	0.00
Employee benefits, other than retirement	90,376.00	22,594.05	7,758.94	14,835.11	(65.6500%)	82,617.06
Maintenance	84,480.00	21,119.97	8,215.99	12,903.98	(61.0900%)	76,264.01
Bond trustee fees	16,100.00	4,025.01	3,250.50	774.51	(19.2400%)	12,849.50
Directors' fees	4,200.00	1,050.00	0.00	1,050.00	(100.0000%)	4,200.00
Loss on disposal of assets	0.00	0.00	503.25	(503.25)	0.0000%	(503.25)
<b>Total Operating Expenses:</b>	<u>2,919,500.47</u>	<u>729,875.19</u>	<u>624,893.25</u>	<u>104,981.94</u>	<u>(14.3836%)</u>	<u>2,294,607.22</u>
<b>Non-operating Revenue (Expenses)</b>						
Interest income on bank deposits	362,880.00	90,720.03	103,262.14	12,542.11	13.8200%	259,617.86
Other income	11,920.00	2,980.02	3,059.37	79.35	2.6600%	8,860.63
<b>Total Non-operating Revenue (Expenses)</b>	<u>374,800.00</u>	<u>93,700.05</u>	<u>106,321.51</u>	<u>12,621.46</u>	<u>13.4701%</u>	<u>268,478.49</u>
<b>Increase (Decrease) in net assets</b>	<u>25,471.12</u>	<u>6,367.77</u>	<u>108,045.26</u>	<u>101,677.49</u>	<u>1596.7500%</u>	<u>(82,574.14)</u>

**Guam Housing Corporation**  
**Statement of Cash Flows**  
As of 12/31/2008

	Housing Division	Rental Division	Total
<b>Cash Flows from Operating Activities</b>			
Net Gain (Loss)	42,184.05	65,861.21	108,045.26
Depreciation less disposal of assets	6,100.21	(108.20)	5,992.01
(Increase) decrease in accrued interest and others	(10,837.54)	(6,096.89)	(16,934.43)
(Increase) decrease in prepaid expenses and others	(98.67)	941.02	842.35
Increase (decrease) in accrued pension costs	0.00	(7,768.92)	(7,768.92)
Increase (decrease) in other liabilities	(46,704.76)	148,543.08	101,838.32
Increase (decrease) in deposits by borrowers	23,992.49	(1,067.27)	22,925.22
Increase (decrease) in loans held in trust	(11,448.82)	0.00	(11,448.82)
<b>Total Cash Flows from Operating Activities</b>	<u>3,186.96</u>	<u>200,304.03</u>	<u>203,490.99</u>
<b>Cash Flows from Investing Activities</b>			
Net (increase) decrease in loans receivables	482,114.12	0.00	482,114.12
Net (increase) decrease in other receivables	(31,820.86)	(109,673.08)	(141,493.94)
(Cost) sale of foreclosed houses	(153,531.03)	0.00	(153,531.03)
(Purchase) disposal of property and equipment	0.00	(120,003.95)	(120,003.95)
(Purchase) sale of investment securities	(134,362.48)	0.00	(134,362.48)
<b>Total Cash Flows from Investing Activities</b>	<u>162,399.75</u>	<u>(229,677.03)</u>	<u>(67,277.28)</u>
<b>Cash Flows from Financing Activities</b>			
Repayment of notes payable	(216,153.68)	0.00	(216,153.68)
Repayment of bonds payable	0.00	0.00	0.00
Accrued interest on bonds payable	71,264.38	0.00	71,264.38
Accrued rebate liability	154,368.61	0.00	154,368.61
Premium on bonds payable	0.00	0.00	0.00
<b>Total Cash Flows from Financing Activities</b>	<u>9,479.31</u>	<u>0.00</u>	<u>9,479.31</u>
Net increase (decrease) in cash	175,066.02	(29,373.00)	145,693.02
Cash at beginning of year	13,601,958.33	2,961,033.89	16,562,992.22
<b>Cash at end of year</b>	<u>13,777,024.35</u>	<u>2,931,660.89</u>	<u>16,708,685.24</u>