



GUAM POWER AUTHORITY

ATURIDÁT ILEKTRESEDÁT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

January 30, 2009

2009 FEB -2 AM 10:09 - Wm

Senator Judith T. Won Pat, Ed. D., Honorable Speaker
Office of the Speaker
I Mina Bente Nuebi Na Liheslaturan Guahan
30th Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

SUBJECT: Financial Statements – Quarter ended December 31, 2008

Dear Honorable Speaker Won Pat:

Enclosed are the Guam Power Authority's Financial Statements for the quarter ended December 31, 2008 submitted in accordance with Public Law 29-113 Ch VII §2.

Should you require further information, please feel free to contact Ms. Lenora Sanz, Controller at 648-3122.

Sincerely,

Randall V. Wiegand
Chief Financial Officer

Enclosures

cc: Mr. Joaquin C. Flores, P.E., General Manager
Ms. Doris Flores Brooks, CPA, CGFM Public Auditor
GPA Finance Management
File – CFO 047 09

30-09-0162

Office of the Speaker
Judith T. Won Pat, Ed. D.

Date 1/30/09
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Guam Power Authority
Statements of Net Assets

	Unaudited December 2008	Unaudited September 2008	Change from Sept 30 2008
ASSETS			
Utility plant at cost:			
Electric plant in service	\$ 844,438,746	\$ 842,055,885	\$ 2,382,861
Construction work in progress	15,298,191	14,167,822	1,130,369
	859,736,937	856,223,707	3,513,230
Less: Accumulated depreciation	<u>(336,773,801)</u>	<u>(331,025,334)</u>	5,748,467
Total utility plant at cost	<u>520,963,136</u>	<u>524,197,173</u>	<u>(3,234,037)</u>
Restricted funds			
Reserve funds held by trustee			
Revenue bonds	27,488,268	27,488,268	0
Self insurance fund	<u>3,396,017</u>	<u>2,399,995</u>	996,022
Total restricted funds	<u>30,884,285</u>	<u>29,888,263</u>	<u>996,022</u>
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	6,845,397	17,592,266	(10,746,869)
Bond Funds held by Trustee	19,131,693	21,143,048	(2,011,355)
Reserve funds for (Fuel/others)	15,262,430	5,500,000	9,762,430
Reserve funds for LC payments	25,035	25,065	(30)
Reserve funds held by GPA			
Bond indenture funds held by GPA	<u>6,583,794</u>	<u>19,625,404</u>	(13,041,610)
Total cash reserves	<u>47,848,349</u>	<u>63,885,783</u>	<u>(16,037,434)</u>
Accounts receivable (net of allowance)	<u>54,927,273</u>	<u>50,907,497</u>	<u>4,019,776</u>
Materials and supplies	<u>12,380,808</u>	<u>12,632,930</u>	<u>(252,122)</u>
Fuel oil	<u>33,322,910</u>	<u>40,990,312</u>	<u>(7,667,402)</u>
Current portion of deferred fuel costs	<u>9,868,732</u>	<u>0</u>	<u>9,868,732</u>
Prepaid expenses	<u>1,191,266</u>	<u>729,962</u>	<u>461,304</u>
Total current assets	<u>159,539,338</u>	<u>169,146,484</u>	<u>(9,607,146)</u>
Other assets			
Long term receivables, net	11,072,635	11,072,635	0
Regulatory asset	2,470,992	2,470,992	0
Unamortized costs	4,840,888	4,913,233	(72,345)
Non current deferred fuel costs	0	0	0
Deferred asset	3,465,883	3,505,721	(39,838)
Other assets	<u>1,670,354</u>	<u>1,713,347</u>	(42,993)
Total other assets	<u>23,520,752</u>	<u>23,675,928</u>	<u>(155,176)</u>
Total Assets	<u>\$ 734,907,511</u>	<u>\$ 746,907,850</u>	<u>\$ (12,000,339)</u>

GUAM POWER AUTHORITY
Statements of Net Assets, Continued

	Unaudited December 2008	Unaudited September 2008	Change from Sept 30 2008
LIABILITIES AND NET ASSETS			
Current liabilities			
Current portion, debt			
Revenue bonds, Series A	\$ 7,373,601	\$ 7,080,000	\$ 293,601
Accrued bond interest	5,400,027	10,435,304	(5,035,277)
Current obligation under capital lease	6,304,899	6,304,899	0
Accounts payable			
Operations & fuel oil	20,749,522	13,411,908	7,337,614
Accrued payroll & benefits	858,401	1,034,600	(176,199)
Current portion of employees' annual leave	1,262,714	1,123,285	139,429
Bid bond and customers' deposits	4,897,206	4,757,737	139,469
Interest payable on customers' deposit	808,406	808,364	42
Deferred credit - self insurance	3,229,661	2,233,834	995,827
Deferred fuel cost - current portion	0	4,580,169	(4,580,169)
Current portion, Deferred payment agreement	0	0	0
TCP- short term notes payable	<u>20,000,000</u>	<u>20,000,000</u>	<u>0</u>
Total current liabilities	<u>70,884,437</u>	<u>71,770,100</u>	<u>(885,663)</u>
Deferred credit - repurchase agreement	12,702,383	12,848,388	(146,005)
Employee annual leave, less current portion	2,059,231	2,059,231	0
Unfunded retirement deferred contributions	10,016,295	10,016,295	0
Obligation under capital lease (less current portion)	124,267,566	125,966,160	(1,698,594)
Long term debt, less current maturities	361,856,071	368,932,816	(7,076,745)
Total liabilities	<u>581,785,983</u>	<u>591,592,990</u>	<u>(9,807,007)</u>
Commitments and contingencies			
Net assets			
Invested in capital assets, net of related debt	21,754,815	16,537,654	5,217,161
Restricted	45,306,292	53,369,282	(8,062,990)
Unrestricted	<u>86,060,421</u>	<u>85,407,922</u>	<u>652,499</u>
Total net assets	<u>153,121,528</u>	<u>155,314,858</u>	<u>(2,193,330)</u>
Total liabilities and net assets	\$ 734,907,511	\$ 746,907,850	\$ (12,000,339)

GUAM POWER AUTHORITY
Statement of Revenues, Expenses and Changes in Net Assets

	December 31		% of change Inc. (dec)	Three Months Ending December 31		% of change Inc. (dec)
	Unaudited 2008	Unaudited 2007		Unaudited 2008	Unaudited 2007	
Revenues						
Sales of electricity	\$ 35,261,512	\$ 29,022,360	21	\$ 111,906,882	\$ 84,059,115	33
Miscellaneous	<u>99,109</u>	<u>133,161</u>	<u>(25)</u>	<u>225,318</u>	<u>406,309</u>	<u>(45)</u>
Total revenues	35,360,621	29,155,521	21	112,132,200	84,465,424	33
Operating and maintenance expenses						
Production fuel	24,777,406	17,808,848	39	78,775,110	51,259,961	54
Other production	<u>1,612,854</u>	<u>1,353,638</u>	<u>19</u>	<u>4,792,064</u>	<u>4,207,341</u>	<u>14</u>
	<u>26,390,260</u>	<u>19,162,486</u>	<u>38</u>	<u>83,567,174</u>	<u>55,467,302</u>	<u>51</u>
Depreciation	2,289,684	2,229,333	3	6,868,338	6,688,178	3
Energy conversion cost	1,620,329	1,540,397	5	4,557,138	4,717,500	(3)
Transmission & distribution	724,503	786,312	(8)	2,080,245	2,041,979	2
Customer accounting	278,659	290,592	(4)	774,332	889,490	(13)
Administrative & general	<u>2,363,771</u>	<u>1,776,330</u>	<u>33</u>	<u>6,120,891</u>	<u>5,830,542</u>	<u>5</u>
Total operating and maintenance expenses	<u>33,667,206</u>	<u>25,785,450</u>	<u>31</u>	<u>103,968,118</u>	<u>75,634,991</u>	<u>37</u>
Operating income	<u>1,693,415</u>	<u>3,370,071</u>	<u>(50)</u>	<u>8,164,082</u>	<u>8,830,433</u>	<u>(8)</u>
Other income (expenses)						
Interest income	194,695	314,536	(38)	582,380	944,806	(38)
Interest expense	<u>(3,334,199)</u>	<u>(3,258,189)</u>	<u>8</u>	<u>(3,490,229)</u>	<u>(3,660,122)</u>	<u>5</u>
Allowance for funds used during construction	54,602	50,984	7	163,683	142,940	15
COLA/Supplemental annuities	0	0		<u>(653,949)</u>	<u>(792,552)</u>	
Inventory losses	0	0		0	0	
Provision for GovGuam receivable	0	0		0	0	
Bad debts recovery	0	0		0	0	
Recovery (losses) due to typhoon	0	0		0	0	
Other	<u>(151,690)</u>	<u>(133,316)</u>	<u>5</u>	<u>(453,287)</u>	<u>(421,368)</u>	<u>5</u>
Total other income (expenses)	<u>(3,189,192)</u>	<u>(3,014,019)</u>	<u>13</u>	<u>(12,987,433)</u>	<u>(7,766,102)</u>	<u>5</u>
Income (loss) before capital contributions	<u>(1,732,682)</u>	<u>325,405</u>	<u>(833)</u>	<u>(2,183,329)</u>	<u>(1,076,125)</u>	<u>103</u>
Capital contributions	<u>0</u>	<u>0</u>		<u>0</u>	<u>0</u>	
Increase (decrease) in net assets	<u>(1,732,682)</u>	<u>325,405</u>	<u>(603)</u>	<u>(2,183,329)</u>	<u>(1,076,125)</u>	<u>103</u>
Total net assets at beginning of period	<u>154,854,410</u>	<u>140,600,920</u>	<u>N/A</u>	<u>155,314,858</u>	<u>142,004,450</u>	<u>9</u>
Total net assets at end of period	<u>\$ 153,121,528</u>	<u>\$ 140,926,325</u>	<u>9</u>	<u>\$ 153,121,528</u>	<u>\$ 140,926,325</u>	<u>9</u>