



# GUAM POWER AUTHORITY

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

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31 July, 2009

Senator Judith T. Won Pat, Ed. D., Honorable Speaker  
Office of the Speaker  
I Mina 'Trenta na Liheslaturan Guahan  
30<sup>th</sup> Guam Legislature  
155 Hesler Place  
Hagatna, Guam 96910


**SUBJECT: Financial Statements – Quarter ended June 30, 2009**

Dear Honorable Speaker Won Pat:

Enclosed are the Guam Power Authority's Financial Statements for the quarter ended June 30, 2009 submitted in accordance with Public Law 29-113 Ch VII §2.

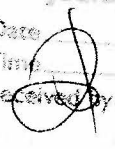
Should you require further information, please feel free to contact Ms. Lenora Sanz, Controller at 648-3122.

Sincerely,

*FOR*   
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 148 09

30-09-0954  
Office of the Speaker  
Judith T. Won Pat, Ed. D.  
Date: 7/31/09  
Time: 2:55 PM  
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Guam Power Authority  
Statements of Net Assets

	Unaudited June 2009	Audited September 2008	Change from Sept 30 2008
<b>ASSETS</b>			
<b>Utility plant at cost:</b>			
Electric plant in service	\$ 847,359,127	\$ 837,764,512	\$ 9,594,615
Construction work in progress	<u>19,056,486</u>	<u>14,179,284</u>	<u>4,877,202</u>
	866,415,613	851,943,796	14,471,817
Less: Accumulated depreciation	<u>(349,553,894)</u>	<u>(329,522,064)</u>	<u>(20,031,830)</u>
<b>Total utility plant at cost</b>	<b><u>516,861,719</u></b>	<b><u>522,421,732</u></b>	<b><u>(5,560,013)</u></b>
<b>Restricted funds</b>			
Reserve funds held by trustee			
Revenue bonds	27,488,268	27,488,268	0
Self insurance fund	<u>5,248,457</u>	<u>2,233,834</u>	<u>3,014,623</u>
<b>Total restricted funds</b>	<b><u>32,736,725</u></b>	<b><u>29,722,102</u></b>	<b><u>3,014,623</u></b>
<b>Funds identified for special purposes</b>			
Interest and principal funds			
held by Trustee for debt repayment	10,500,397	17,592,266	(7,091,869)
Bond Funds held by Trustee	19,866,615	21,143,048	(1,276,433)
Reserve funds for (Fuel/others)	5,885,871	5,500,000	385,871
Reserve funds for LC payments	166,823	25,065	141,758
Reserve funds held by GPA			
Bond indenture funds held by GPA	<u>23,444,939</u>	<u>19,791,565</u>	<u>3,653,374</u>
<b>Total cash reserves</b>	<b><u>59,864,645</u></b>	<b><u>64,051,944</u></b>	<b><u>(4,187,299)</u></b>
<b>Accounts receivable (net of allowance)</b>	<b>39,872,564</b>	<b>49,934,849</b>	<b>(10,062,285)</b>
<b>Materials and supplies</b>	<b>12,269,125</b>	<b>12,632,930</b>	<b>(363,805)</b>
<b>Fuel oil</b>	<b>24,960,767</b>	<b>40,990,312</b>	<b>(16,029,545)</b>
<b>Current portion of deferred fuel costs</b>	<b>12,700,927</b>	<b>0</b>	<b>12,700,927</b>
<b>Prepaid expenses</b>	<b><u>889,078</u></b>	<b><u>729,962</u></b>	<b><u>159,116</u></b>
<b>Total current assets</b>	<b><u>150,557,106</u></b>	<b><u>168,339,997</u></b>	<b><u>(17,782,891)</u></b>
<b>Other assets</b>			
Long term receivables, net	11,076,109	11,076,109	0
Regulatory asset	2,132,761	2,470,992	(338,231)
Unamortized costs	4,696,198	4,913,233	(217,035)
Deferred asset	3,386,207	3,505,721	(119,514)
Other assets	<u>1,609,879</u>	<u>1,713,347</u>	<u>(103,468)</u>
<b>Total other assets</b>	<b><u>22,901,154</u></b>	<b><u>23,679,402</u></b>	<b><u>(778,248)</u></b>
<b>Total Assets</b>	<b>\$ 723,056,704</b>	<b>\$ 744,163,233</b>	<b>\$ (21,106,530)</b>

**GUAM POWER AUTHORITY**  
**Statements of Net Assets, Continued**

	Unaudited June 2009	Audited September 2008	Change from Sept 30 2008
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Current portion, debt			
Revenue bonds, Series A	\$ 7,373,601	\$ 7,080,000	\$ 293,601
Accrued bond interest	5,324,828	10,200,382	(4,875,554)
Current obligation under capital lease	7,113,678	7,113,678	0
Accounts payable			
Operations & fuel oil	19,034,377	13,699,518	5,334,859
Accrued payroll & benefits	773,658	1,034,600	(260,942)
Current portion of employees' annual leave	1,427,308	1,116,800	310,508
Bid bond and customers' deposits	4,861,179	4,560,829	300,350
Interest payable on customers' deposit	701,609	702,189	(580)
Deferred credit - self insurance	4,820,326	2,233,834	2,586,492
Deferred fuel cost - current portion	0	4,580,169	(4,580,169)
TCP- short term notes payable	<u>18,333,332</u>	<u>20,000,000</u>	<u>(1,666,668)</u>
<b>Total current liabilities</b>	<b><u>69,763,896</u></b>	<b><u>72,321,999</u></b>	<b><u>(2,558,103)</u></b>
Deferred credit - repurchase agreement	12,410,375	12,848,388	(438,013)
Employee annual leave, less current portion	2,517,190	2,517,190	0
Unfunded retirement deferred contributions	10,720,833	10,720,833	0
Obligation under capital lease (less current portion)	119,903,767	125,157,381	(5,253,614)
Long term debt, less current maturities	362,449,783	368,932,816	(6,483,033)
<b>Total liabilities</b>	<b><u>577,765,844</u></b>	<b><u>592,498,607</u></b>	<b><u>(14,732,763)</u></b>
<b>Commitments and contingencies</b>			
<b>Net assets</b>			
Invested in capital assets, net of related debt	20,553,624	14,762,211	5,791,413
Restricted	60,007,301	56,331,082	3,676,219
Unrestricted	<u>64,729,935</u>	<u>80,571,333</u>	<u>(15,841,398)</u>
<b>Total net assets</b>	<b><u>145,290,860</u></b>	<b><u>151,664,626</u></b>	<b><u>(6,373,766)</u></b>
<b>Total liabilities and net assets</b>	<b>\$ 723,056,704</b>	<b>\$ 744,163,233</b>	<b>\$ (21,106,530)</b>

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

	June		% of change Inc (dec)	Nine Months Ending June 30		% of change Inc (dec)
	Unaudited 2009	Audited 2008		Unaudited 2009	Audited 2008	
<b>Revenues</b>						
Sales of electricity	\$ 30,609,841	\$ 33,718,938	(9)	\$ 301,568,703	\$ 268,970,464	12
Miscellaneous	<u>118,622</u>	<u>(157,010)</u>	<u>(176)</u>	<u>1,089,429</u>	<u>2,007,883</u>	<u>(46)</u>
Total revenues	30,728,463	33,561,928	(8)	302,658,132	270,978,347	(34)
<b>Operating and maintenance expenses</b>						
Production fuel	18,479,554	22,103,563	(16)	202,306,054	168,948,969	20
Other production	<u>1,875,374</u>	<u>1,058,026</u>	<u>77</u>	<u>15,021,104</u>	<u>14,050,035</u>	<u>7</u>
	<u>20,354,928</u>	<u>23,161,589</u>	<u>(12)</u>	<u>217,327,158</u>	<u>182,999,004</u>	<u>19</u>
Depreciation	2,275,339	2,228,535	2	20,463,634	20,063,270	2
Energy conversion cost	1,625,001	1,494,804	9	14,417,999	14,134,150	2
Transmission & distribution	1,011,734	659,255	53	7,529,194	6,767,270	11
Customer accounting	270,527	587,955	(54)	2,738,427	2,925,150	(6)
Administrative & general	<u>1,765,988</u>	<u>1,981,571</u>	<u>(11)</u>	<u>17,764,720</u>	<u>16,767,353</u>	<u>6</u>
Total operating and maintenance expenses	<u>27,303,517</u>	<u>30,113,709</u>	<u>(9)</u>	<u>280,241,132</u>	<u>243,656,197</u>	<u>15</u>
<b>Operating income</b>	<b><u>3,424,946</u></b>	<b><u>3,448,219</u></b>	<b><u>(1)</u></b>	<b><u>22,417,000</u></b>	<b><u>27,322,150</u></b>	<b><u>(18)</u></b>
<b>Other income (expenses)</b>						
Interest income	96,255	254,482	(62)	1,511,787	2,652,793	(43)
Interest expense	(3,162,373)	(3,180,543)	(1)	(29,291,146)	(28,939,110)	1
Allowance for funds used during construction	(163,683)	52,832	(410)	0	526,389	(100)
COLA/Supplemental annuities	(179,764)	0		(1,927,116)	(2,006,013)	
Inventory losses	0	0		0	(169,636)	
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>(151,099)</u>	<u>(140,638)</u>	<u>7</u>	<u>(1,359,891)</u>	<u>(1,279,277)</u>	<u>6</u>
Total other income (expenses)	<u>(3,560,664)</u>	<u>(3,013,867)</u>	<u>18</u>	<u>(31,066,366)</u>	<u>(29,214,854)</u>	<u>6</u>
<b>Income (loss) before capital contributions</b>	<b>(135,718)</b>	<b>434,352</b>	<b>(131)</b>	<b>(8,649,366)</b>	<b>(1,892,704)</b>	<b>357</b>
<b>Capital contributions</b>	<b>0</b>	<b>0</b>		<b><u>2,275,601</u></b>	<b><u>1,997,524</u></b>	
<b>Increase (decrease) in net assets</b>	<b>(135,718)</b>	<b>434,352</b>	<b>(131)</b>	<b>(6,373,765)</b>	<b>104,820</b>	<b><u>(6,181)</u></b>
<b>Total net assets at beginning of period</b>	<b><u>145,426,578</u></b>	<b><u>141,674,918</u></b>	<b>N/A</b>	<b><u>151,664,627</u></b>	<b><u>142,004,450</u></b>	<b>7</b>
<b>Total net assets at end of period</b>	<b>\$ 145,290,860</b>	<b>\$ 142,109,270</b>	<b>2</b>	<b>\$ 145,290,860</b>	<b>\$ 142,109,270</b>	<b>2</b>