



GUAM HOUSING CORPORATION

*Kotporasion Ginima' Guahan*

P.O. Box 3457 Hagatna, Guam 96932

September 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 August 2009 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  
President

30-09-1095  
Office of the Speaker  
Judith T. Won Pat, Ed.D.  
Date \_\_\_\_\_  
Time \_\_\_\_\_  
Received by \_\_\_\_\_  
9/10/09

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**Guam Housing Corporation**

## Statement of Net Assets

As of 8/31/2009

	Current Year	Prior Year
<b>Assets</b>		
Cash and Cash equivalents		
Unrestricted	11,824,155.75	12,813,733.46
Restricted	2,410,380.47	2,137,387.06
Self-insurance fund	1,289,518.81	1,169,643.18
Total Cash and Cash equivalents	<u>15,524,055.03</u>	<u>16,120,763.70</u>
Investments		
Restricted Foreclosure Fund	375,921.16	375,921.16
Investments and cash with trustees	5,335,817.28	5,322,254.75
Total Investments	<u>5,711,738.44</u>	<u>5,698,175.91</u>
Receivables		
Loans Receivables - GHC Porfolio	22,974,419.19	23,343,575.63
Loans Receivables (Cahat, Sagan, DPCCA & HM)	1,809,401.66	1,748,531.32
Accrued Interest	117,137.69	194,938.56
Accounts Receivables	79,443.75	25,021.94
Net deferred Origination exp. & rev.	(231,200.37)	(214,725.29)
Less allowance for loan losses	(3,478,903.70)	(3,422,082.23)
Total Receivables	<u>21,270,298.22</u>	<u>21,675,259.93</u>
Prepaid expenses and other	35,860.31	41,738.33
Land held for development	16,114,337.70	16,114,337.70
Foreclosed assets held for resale	779,934.61	292,378.86
Capital assets, net	5,846,937.01	5,697,037.04
Total Assets	<u><u>65,283,161.32</u></u>	<u><u>65,639,691.47</u></u>
<b>Liabilities &amp; Net Assets</b>		
<b>Liabilities</b>		
Accounts payable & accrued expenses	11,108,838.70	11,113,024.14
Deposits by borrowers - Ins. premiums & R.E. Taxes	497,810.07	487,130.94
Rebate Liability	141,788.47	75,389.87
Bonds payable	5,160,000.00	5,270,000.00
Notes Payable	5,372,909.48	6,254,145.78
Accrued pension cost	92,723.69	47,222.84
Loans Held in Trus (DPCCA, HM & SL)	622,350.63	681,097.58
Total Liabilities	<u>22,996,421.04</u>	<u>23,928,011.15</u>
<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	14,811,301.78	14,213,701.62
Total Net Assets	<u>42,286,740.28</u>	<u>41,711,680.32</u>
Total Liabilities & Net Assets	<u><u>65,283,161.32</u></u>	<u><u>65,639,691.47</u></u>

**Guam Housing Corporation**  
**Statement of Revenues and Expenditures**  
**From 8/1/2009 Through 8/31/2009**

	Current Period Actual	Prior Year Current Period Actual
<b>Operating Revenues:</b>		
Interest on loans receivable	127,389.14	144,688.75
Rental Income	61,951.68	61,225.07
Interest on investments held by bond trustees	23,997.54	23,879.04
Loan origination fees	4,981.49	2,560.53
Late fees, service fees & return check fees	3,058.32	4,157.40
Total Operating Revenues:	221,378.17	236,510.79
<b>Operating Expenses:</b>		
Interest expense MRB	23,530.21	23,974.79
Interest expense notes payable	29,656.12	34,391.58
Salaries	100,279.05	105,947.20
Bad debts and provision for loan losses	145.04	0.00
Retirement contributions	28,785.10	25,708.18
Retiree supplemental, cola & health benefits	1,382.10	0.00
Depreciation	11,908.77	11,407.74
Contractual services	4,771.49	5,605.44
Professional services	4,095.69	4,662.19
Rent	6,208.98	6,016.48
Other	3,853.78	3,796.22
Loan origination costs	2,949.56	1,950.20
Travel	0.00	0.00
Employee benefits, other than retirement	3,935.66	5,058.76
Maintenance	9,427.86	3,956.11
Bond trustee fees	1,083.50	1,083.50
Directors' fees	200.00	0.00
Loss on disposal of assets	0.00	0.00
Total Operating Expenses:	232,212.91	233,558.39
<b>Non-operating Revenue (Expenses)</b>		
Interest income on bank deposits	11,878.48	37,376.76
Other income	720.00	20,775.93
Total Non-operating Revenue (Expenses)	12,598.48	58,152.69
Increase in net assets	1,763.74	61,105.09
Total net assets at beginning of month	42,284,976.54	41,650,575.23
<b>Net Asset at Year End</b>	42,286,740.28	41,711,680.32

**Guam Housing Corporation**  
**Statement of Revenues, Expenditures and Changes in Net Assets**  
**From 10/1/2008 Through 8/31/2009**

	Current Year Actual	Prior Year Actual
<b>Operating Revenues:</b>		
Interest on loans receivable	1,515,256.90	1,564,026.84
Rental Income	666,146.77	672,798.68
Interest on investments held by bond trustees	332,073.22	305,490.33
Loan origination fees	72,609.19	50,160.04
Late fees, service fees & return check fees	37,687.99	42,866.02
Total Operating Revenues:	2,623,774.07	2,635,341.91
<b>Operating Expenses:</b>		
Interest expense MRB	259,955.21	264,722.71
Interest expense notes payable	342,132.90	393,896.39
Salaries	819,420.50	875,910.51
Bad debts and provision for loan losses	145.04	415.80
Retirement contributions	229,813.02	207,641.03
Retiree supplemental, cola & health benefits	164,404.54	181,838.16
Depreciation	134,121.15	127,644.60
Contractual services	61,526.16	80,359.77
Professional services	72,257.34	59,945.02
Rent	66,758.78	66,181.28
Other	54,672.44	36,113.35
Loan origination costs	40,275.48	28,523.47
Travel	0.00	10,493.72
Employee benefits, other than retirement	31,285.05	38,769.05
Maintenance	54,116.52	49,095.72
Bond trustee fees	13,518.50	13,861.83
Directors' fees	950.00	0.00
Total Operating Expenses:	2,345,352.63	2,435,412.41
<b>Non-operating Revenue (Expenses)</b>		
Interest income on bank deposits	265,136.34	523,128.14
Other income	21,774.37	51,455.73
Loss on disposal of assets	(503.25)	0.00
Total Non-operating Revenue (Expenses)	286,407.46	574,583.87
Increase in net assets	564,828.90	774,513.37
Total net assets at beginning of year	41,721,911.38	40,937,166.95
Total net assets at end of year	42,286,740.28	41,711,680.32

**Guam Housing Corporation**  
**Statement of Revenues and Expenditures**  
From 10/1/2008 Through 8/31/2009

	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	1,402,467.55	1,515,256.90	112,789.35	8.0400%	14,707.70
Rental Income	724,298.15	663,939.98	666,146.77	2,206.79	0.3300%	58,151.38
Interest on investments held by bond trustees	263,509.00	241,549.88	332,073.22	90,523.34	37.4700%	(68,564.22)
Loan origination fees	26,799.84	24,566.52	72,609.19	48,042.67	195.5600%	(45,809.35)
Late fees, service fees & return check fees	26,020.00	23,851.74	37,687.99	13,836.25	58.0000%	(11,667.99)
<b>Total Operating Revenues:</b>	<b>2,570,591.59</b>	<b>2,356,375.67</b>	<b>2,623,774.07</b>	<b>267,398.40</b>	<b>11.3479%</b>	<b>(53,182.48)</b>
<b>Operating Expenses:</b>						
Interest expense MRB	283,710.00	260,067.50	259,955.21	112.29	(0.0400%)	23,754.79
Interest expense notes payable	370,475.23	339,602.34	342,132.90	(2,530.56)	0.7400%	28,342.33
Salaries	990,611.32	908,060.56	819,420.50	88,640.06	(9.7600%)	171,190.82
Bad debts and provision for loan losses	55,000.00	50,416.63	145.04	50,271.59	(99.7100%)	54,854.96
Retirement contributions	241,551.58	221,422.30	229,813.02	(8,390.72)	3.7800%	11,738.56
Retiree supplemental, cola & health benefits	188,558.72	172,845.53	164,404.54	8,440.99	(4.8800%)	24,154.18
Depreciation	162,575.49	149,027.56	134,121.15	14,906.41	(10.0000%)	28,454.34
Contractual services	139,452.00	127,830.89	61,526.16	66,304.73	(51.8600%)	77,925.84
Professional services	91,000.00	83,416.63	72,257.34	11,159.29	(13.3700%)	18,742.66
Rent	73,352.76	67,240.03	66,758.78	481.25	(0.7100%)	6,593.98
Other	95,533.37	87,572.43	54,672.44	32,899.99	(37.5600%)	40,860.93
Loan origination costs	35,000.00	32,083.37	40,275.48	(8,192.11)	25.5300%	(5,275.48)
Travel	0.00	0.00	0.00	0.00	0.0000%	0.00
Employee benefits, other than retirement	86,900.00	79,658.48	31,285.05	48,373.43	(60.7200%)	55,614.95
Maintenance	85,480.00	78,356.52	54,116.52	24,240.00	(30.9300%)	31,363.48
Bond trustee fees	16,100.00	14,758.37	13,518.50	1,239.87	(8.4000%)	2,581.50
Directors' fees	4,200.00	3,850.00	950.00	2,900.00	(75.3200%)	3,250.00
Loss on disposal of assets	0.00	0.00	503.25	(503.25)	0.0000%	(503.25)
<b>Total Operating Expenses:</b>	<b>2,919,500.47</b>	<b>2,676,209.14</b>	<b>2,345,855.88</b>	<b>330,353.26</b>	<b>(12.3441%)</b>	<b>573,644.59</b>
<b>Non-operating Revenue (Expenses)</b>						
Interest income on bank deposits	362,880.00	332,640.11	265,136.34	(67,503.77)	(20.2900%)	97,743.66
Other income	11,500.00	10,541.74	21,774.37	11,232.63	106.5500%	(10,274.37)
<b>Total Non-operating Revenue (Expenses)</b>	<b>374,380.00</b>	<b>343,181.85</b>	<b>286,910.71</b>	<b>(56,271.14)</b>	<b>(16.3969%)</b>	<b>87,469.29</b>
<b>Increase (Decrease) in net assets</b>	<b>25,471.12</b>	<b>23,348.38</b>	<b>564,828.90</b>	<b>541,480.52</b>	<b>2319.1299%</b>	<b>(539,357.78)</b>

**Guam Housing Corporation**  
**Statement of Cash Flows**  
As of 8/31/2009

	Housing Division	Rental Division	Total
<b>Cash Flows from Operating Activities</b>			
Net Gain (Loss)	413,071.96	151,756.94	564,828.90
Depreciation less disposal of assets	21,064.74	57,995.61	79,060.35
(Increase) decrease in accrued interest and others	54,924.12	11,183.51	66,107.63
(Increase) decrease in prepaid expenses and others	2,140.16	10,169.56	12,309.72
Increase (decrease) in accrued pension costs	0.00	(298.09)	(298.09)
Increase (decrease) in other liabilities	(26,399.27)	142,880.66	116,481.39
Increase (decrease) in deposits by borrowers	(5,422.93)	(128.18)	(5,551.11)
Increase (decrease) in loans held in trust	(56,235.70)	0.00	(56,235.70)
<b>Total Cash Flows from Operating Activities</b>	<b>403,143.08</b>	<b>373,560.01</b>	<b>776,703.09</b>
<b>Cash Flows from Investing Activities</b>			
Net (increase) decrease in loans receivables	294,217.84	0.00	294,217.84
Net (increase) decrease in other receivables	41,803.42	(220,250.24)	(178,446.82)
(Cost) sale of foreclosed houses	(487,555.75)	0.00	(487,555.75)
(Purchase) disposal of property and equipment	0.00	(196,911.56)	(196,911.56)
(Purchase) sale of investment securities	(155,168.98)	0.00	(155,168.98)
<b>Total Cash Flows from Investing Activities</b>	<b>(306,703.47)</b>	<b>(417,161.80)</b>	<b>(723,865.27)</b>
<b>Cash Flows from Financing Activities</b>			
Repayment of notes payable	(809,958.84)	0.00	(809,958.84)
Repayment of bonds payable	(55,000.00)	0.00	(55,000.00)
Accrued interest on bonds payable	117,426.46	0.00	117,426.46
Accrued rebate liability	31,678.53	0.00	31,678.53
Premium on bonds payable	0.00	0.00	0.00
<b>Total Cash Flows from Financing Activities</b>	<b>(715,853.85)</b>	<b>0.00</b>	<b>(715,853.85)</b>
Net increase (decrease) in cash	(619,414.24)	(43,601.79)	(663,016.03)
Cash at beginning of year	13,601,958.33	2,961,033.89	16,562,992.22
<b>Cash at end of year</b>	<b>12,982,544.09</b>	<b>2,917,432.10</b>	<b>15,899,976.19</b>