



GUAM POWER AUTHORITY

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

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

SUBJECT: Financial Statements – January 2010

Dear Honorable Speaker Won Pat:

Enclosed is the Guam Power Authority's Financial Statements for the month ended January 31, 2010 submitted in accordance with Public Law 30-55 Ch XIII §4.

Should you require further information, please feel free to contact Mrs. Lenora Sanz, Controller at 648-3122 or email lsanz@gpagwa.com.

Sincerely,

[Handwritten signature]
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 057 10



Guam Power Authority
Statements of Net Assets

	Unaudited January 2010	Unaudited September 2009	Change from Sept 30 2009
ASSETS			
Utility plant at cost:			
Electric plant in service	\$871,899,190	\$871,197,789	\$ 701,401
Construction work in progress	13,675,121	10,721,225	2,953,896
	885,574,311	881,919,014	3,655,297
Less: Accumulated depreciation	(379,383,054)	(370,647,785)	(8,735,269)
Total utility plant at cost	506,191,257	511,271,229	(5,079,972)
Restricted funds			
Reserve funds held by trustee			
Revenue bonds	27,488,268	27,488,268	0
Self insurance fund	4,752,956	3,609,565	1,143,391
Total restricted funds	32,241,224	31,097,833	1,143,391
Funds identified for special purposes			
Interest and principal funds			
held by Trustee for debt repayment	9,160,939	17,345,795	(8,184,856)
Bond Funds held by Trustee	17,500,426	17,978,851	(478,425)
Reserve funds for (Fuel/others)	31,353	531,488	(500,135)
Reserve funds for LC payments	24,653	24,659	(6)
Reserve funds held by GPA			
Bond indenture funds held by GPA	14,670,289	27,202,046	(12,531,757)
Total cash reserves	41,387,660	63,082,839	(21,695,179)
Accounts receivable (net of allowance)	44,873,796	43,437,861	1,435,935
Materials and supplies	13,017,633	12,365,580	652,053
Fuel oil	41,511,481	53,693,177	(12,181,716)
Current portion of deferred fuel costs	5,103,772	6,921,597	(1,817,825)
Prepaid expenses	1,264,213	698,049	566,164
Total current assets	147,158,535	180,199,103	(33,040,568)
Other assets			
Long term receivables, net	7,823,660	7,823,660	0
Unamortized costs	4,527,393	4,623,852	(96,459)
Deferred asset	3,293,253	3,346,370	(53,117)
Other assets	1,180,477	1,255,300	(74,823)
Total other assets	16,824,783	17,049,182	(224,399)
Total Assets	\$702,415,800	\$739,617,347	\$ (37,201,547)

GUAM POWER AUTHORITY
Statements of Net Assets, Continued

	Unaudited January 2010	Unaudited September 2009	Change from Sept 30 2009
LIABILITIES AND NET ASSETS			
Current liabilities			
Current portion, debt			
Revenue bonds, Series A	\$ 7,795,000	\$ 7,373,601	\$ 421,399
Accrued bond interest	7,039,416	10,489,932	(3,450,516)
Current obligation under capital lease	7,113,678	7,113,678	0
Accounts payable			
Operations & fuel oil	14,059,901	38,691,492	(24,631,591)
Accrued payroll & benefits	1,611,067	904,042	707,025
Current portion of employees' annual leave	1,127,180	1,603,017	(475,837)
Bid bond and customers' deposits	5,191,785	5,198,981	(7,196)
Interest payable on customers' deposit	708,099	709,935	(1,836)
Deferred credit - self insurance	4,758,914	3,609,565	1,149,349
Deferred credit - others	5,106,883	0	5,106,883
Current portion, Deferred payment agreement	0	2,156,749	(2,156,749)
TCP- short term notes payable	<u>15,416,666</u>	<u>17,083,332</u>	<u>(1,666,666)</u>
Total current liabilities	<u>69,928,589</u>	<u>94,934,324</u>	<u>(25,005,735)</u>
Deferred credit - repurchase agreement	12,069,698	12,264,370	(194,672)
Employee annual leave, less current portion	2,726,328	2,726,328	0
Unfunded retirement deferred contributions	10,720,833	10,720,833	0
Obligation under capital lease (less current portion)	115,475,223	118,044,029	(2,568,806)
Long term debt, less current maturities	355,347,448	362,746,639	(7,399,191)
Total liabilities	<u>566,268,119</u>	<u>601,436,523</u>	<u>(35,168,404)</u>
Commitments and contingencies			
Net assets			
Invested in capital assets, net of related debt	20,921,363	16,495,456	4,425,907
Restricted	51,021,544	56,221,077	(5,199,533)
Unrestricted	<u>64,204,774</u>	<u>65,464,291</u>	<u>(1,259,517)</u>
Total net assets	<u>136,147,681</u>	<u>138,180,824</u>	<u>(2,033,143)</u>
Total liabilities and net assets	\$702,415,800	\$739,617,347	\$ (37,201,547)

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

	January		% of change Inc (dec)	Four Months Ending January 31		% of change Inc (dec)
	Unaudited 2010	Unaudited 2009		Unaudited 2010	Unaudited 2009	
Revenues						
Sales of electricity	\$ 28,205,846	\$ 34,176,860	(17)	\$115,547,881	\$146,085,432	(21)
Miscellaneous	<u>82,555</u>	<u>75,527</u>	9	<u>388,015</u>	<u>301,120</u>	28
Total revenues	28,288,401	34,252,387	(17)	115,933,896	146,386,552	7
Operating and maintenance expenses						
Production fuel	16,919,153	23,746,526	(29)	69,534,668	102,521,636	(32)
Other production	<u>1,962,974</u>	<u>2,157,071</u>	(9)	<u>6,759,023</u>	<u>6,949,135</u>	(3)
	<u>18,882,127</u>	<u>25,903,597</u>	(27)	<u>76,293,691</u>	<u>109,470,771</u>	(30)
Depreciation	2,173,751	2,299,654	(5)	8,838,596	9,167,992	(4)
Energy conversion cost	1,643,390	1,671,017	(2)	6,494,898	6,228,155	4
Transmission & distribution	838,826	1,104,096	(24)	2,994,272	3,184,341	(6)
Customer accounting	327,369	497,795	(34)	1,357,237	1,272,127	7
Administrative & general	<u>2,208,487</u>	<u>2,586,942</u>	(15)	<u>8,175,344</u>	<u>8,707,833</u>	(6)
Total operating and maintenance expens	<u>26,073,950</u>	<u>34,063,101</u>	(23)	<u>104,154,038</u>	<u>138,031,219</u>	(25)
Operating income	<u>2,214,451</u>	<u>189,286</u>	1,070	<u>11,779,858</u>	<u>8,355,333</u>	41
Other income (expenses)						
Interest income	143,005	198,400	(28)	508,596	780,780	(35)
Interest expense	(3,069,058)	(3,352,043)	(8)	(12,292,127)	(13,048,271)	(6)
Allowance for funds used during construction	0	0		0	163,683	(100)
COLA/Supplemental annuities	(616,462)	0		(1,299,370)	(953,949)	36
Other	<u>(151,099)</u>	<u>(151,099)</u>		<u>(730,104)</u>	<u>(604,396)</u>	21
Total other income (expenses)	<u>(3,693,614)</u>	<u>(3,304,742)</u>	12	<u>(13,813,005)</u>	<u>(13,662,153)</u>	1
Income (loss) before capital contributions	(1,479,163)	(3,115,456)	(53)	(2,033,147)	(5,306,820)	(62)
Capital contributions	<u>0</u>	<u>880,832</u>		<u>0</u>	<u>880,832</u>	
Increase (decrease) in net assets	(1,479,163)	(2,234,624)	(34)	(2,033,147)	(4,425,988)	(54)
Total net assets at beginning of period	<u>137,626,840</u>	<u>151,277,870</u>	N/A	<u>138,180,824</u>	<u>153,469,234</u>	(10)
Total net assets at end of period	<u>\$136,147,681</u>	<u>\$149,043,246</u>	(9)	<u>\$136,147,681</u>	<u>\$149,043,246</u>	(9)

Guam Power Authority
Statement of Cash Flows
January 31, 2010

	Month Ending 1/31/2010	YTD Ending 1/31/2010
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$27,725,903	114,804,161
Cash payments to suppliers and employees for goods and services	<u>26,669,508</u>	<u>105,148,181</u>
Net cash provided by operating activities	\$1,056,395	9,655,980
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>143,005</u>	<u>508,596</u>
	143,005	508,596
Cash flows from non-capital financing activities		
Interest paid on short term debt	(132,137)	(546,324)
Funds for LC/Fuel payments	505,214	500,141
Provision for self insurance funds	<u>(246,172)</u>	<u>(1,143,391)</u>
Net cash provided by noncapital financing activities	126,905	(1,189,574)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(810,915)	(3,758,621)
Principal paid on bonds and other long-term debt	-	(7,373,601)
Interest paid on bonds(net of capitalized interest)	-	(10,072,193)
Interest paid on capital lease obligations	(1,271,740)	(5,125,962)
Interest & principal funds held by trustee	(2,290,235)	8,184,856
Bond funds held by trustee	134,355	478,425
Principal payment on capital lease obligations	(651,952)	(2,568,806)
Principal payment on short term loan	(416,666)	(1,666,666)
Debt issuance costs/loss on defeasance	<u>98,952</u>	<u>395,808</u>
Net cash provided by(used in) capital and related financing activities	(5,208,201)	(21,506,760)
Net (decrease) increase in cash and cash equivalents	(3,881,897)	(12,531,757)
Cash and cash equivalents, beginning	<u>18,552,185</u>	<u>\$27,202,046</u>
Cash and cash equivalents, January 31, 2010	\$ 14,670,289	\$ 14,670,289

Guam Power Authority
Statement of Cash Flows, continued
January 31, 2010

	Month Ending 1/31/2010	YTD Ending 1/31/2010
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$2,210,152	\$11,779,858
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	2,173,751	8,838,596
Other expense	(767,561)	(2,029,474)
(Increase) decrease in assets:		
Accounts receivable	(562,498)	(1,435,935)
Materials and inventory	(26)	(652,053)
Fuel inventory	(3,424,560)	12,181,716
Deferred fuel costs	155,350	1,817,825
Prepaid expenses	24,129	(566,164)
Unamortized costs	24,115	96,459
Deferred asset	13,279	53,117
Other assets	70,005	74,823
Increase (decrease) in liabilities:		
Accounts payable-operations	(182,481)	(24,631,591)
Customers deposits	53,914	(7,196)
Accrued payroll and employees' benefits	370,479	707,025
Deferred credit-self insurance funds	252,130	1,149,349
Deferred credit repurchase agreement	(48,668)	(2,351,421)
Deferred credit - others	804,255	5,106,883
Employees' annual leave	(109,370)	(475,837)
Net cash provided by operating activities	\$1,056,395	\$9,655,980