




# GUAM POWER AUTHORITY

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

10 July 2013

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

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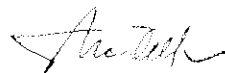
**SUBJECT: GPA Financial Statements**  
**Ref: April 2013**


Dear Honorable Speaker Won Pat:

Enclosed is the Guam Power Authority's Financial Statements for the month ending April 30, 2013 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](mailto:lsanz@gpagwa.com).

Sincerely,



 Randall V. Wiegand  
Chief Financial Officer

Enclosures

cc: Ms. Doris Flores Brooks, CPA, CGFM Public Auditor  
File - CFO 094 13

32-13-596 for  
Office of the Speaker  
Judith T. Won Pat, Ed. D.  
Date 16 July 13  
Time 1:33  
Received by RAI



**Guam Power Authority**  
**Financial Report**  
**April 30, 2013**

**GUAM POWER AUTHORITY**  
**(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)**  
**Statements of Net Assets**  
**April 30, 2013 and September 30, 2012**

	Unaudited April 2013	Audited September 2012	Change from Sept 30 2012
<b>ASSETS</b>			
<b>Utility plant at cost:</b>			
Electric plant in service	\$ 899,764,860	\$ 895,300,449	\$ 4,464,411
Construction work in progress	59,942,898	38,508,601	21,434,297
	959,707,758	933,809,050	25,898,708
Less: Accumulated depreciation	(441,808,288)	(432,120,103)	(9,688,185)
<b>Total utility plant at cost</b>	<b>517,899,470</b>	<b>501,688,947</b>	<b>16,210,523</b>
<b>Restricted funds</b>			
Reserve funds held by trustee			
Revenue bonds	49,167,483	45,342,828	3,824,655
Self insurance fund	16,055,554	14,912,430	1,143,124
<b>Total restricted funds</b>	<b>65,223,037</b>	<b>60,255,258</b>	<b>4,967,779</b>
<b>Funds identified for special purposes</b>			
Interest and principal funds			
held by Trustee for debt repayment	9,886,721	36,454,297	(26,567,576)
Bond Funds held by Trustee	83,980,964	104,606,653	(20,625,689)
Reserve funds for LC payments	24,663	24,661	2
Reserve funds held by GPA			
Bond indenture funds held by GPA	39,785,729	48,471,148	(8,685,419)
<b>Total cash reserves</b>	<b>198,901,114</b>	<b>249,812,017</b>	<b>(50,910,903)</b>
<b>Current receivables</b>			
Accounts receivable (net of allowance)	54,824,728	53,415,430	1,409,298
Current installment-Long term receivable	1,263,707	2,430,120	(1,166,413)
<b>Total current receivables</b>	<b>56,088,435</b>	<b>55,845,550</b>	<b>242,885</b>
<b>Materials and supplies</b>			
Fuel oil	21,068,988	18,887,646	2,181,342
Prepaid expenses	52,308,714	54,478,801	(2,170,087)
	707,639	501,402	206,237
<b>Total current assets</b>	<b>329,074,890</b>	<b>379,525,416</b>	<b>(50,450,526)</b>
<b>Regulatory assets</b>			
Cancelled unit, net of amortization	64,386	135,655	(71,269)
<b>Total regulatory asset</b>	<b>64,386</b>	<b>135,655</b>	<b>(71,269)</b>
<b>Other assets</b>			
Unamortized costs	15,011,606	9,100,194	5,911,412
Deferred asset	1,341,198	1,434,158	(92,960)
Other assets	397,347	567,935	(170,588)
<b>Total other assets</b>	<b>16,750,151</b>	<b>11,102,287</b>	<b>5,647,864</b>
<b>Total Assets</b>	<b>\$ 863,788,897</b>	<b>\$ 892,452,305</b>	<b>(28,663,408)</b>

**GUAM POWER AUTHORITY**  
**(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)**  
**Statements of Net Assets, Continued**  
**April 30, 2013 and September 30, 2012**

	Unaudited April 2013	Audited September 2012	Change from Sept 30 2012
<b>LIABILITIES AND NET ASSETS</b>			
<b>Current liabilities</b>			
Current portion, debt			
Revenue bonds, Series A	\$ 12,310,000	\$ 20,815,000	\$ (8,505,000)
Accrued bond interest	2,330,331	15,300,606	(12,970,275)
Current obligation under capital lease	11,562,495	11,562,495	0
Accounts payable			
Operations & fuel oil	16,557,376	38,783,072	(22,225,696)
Other accounts payable	0	3,574,285	(3,574,285)
Accrued payroll & benefits	1,186,056	1,023,251	162,805
Current portion of employees' annual leave	2,408,452	2,263,391	145,061
Bid bond and customers' deposits	7,874,483	6,638,156	1,236,327
Interest payable on customers' deposit	<u>705,220</u>	<u>706,817</u>	<u>(1,597)</u>
<b>Total current liabilities</b>	<b><u>54,934,413</u></b>	<b><u>100,667,073</u></b>	<b><u>(45,732,660)</u></b>
<b>Regulatory liabilities</b>			
Deferred fuel revenue, net	24,245,306	15,195,623	9,049,683
Deferred credit - self insurance	<u>16,004,204</u>	<u>13,887,062</u>	<u>2,117,142</u>
<b>Total regulatory liabilities</b>	<b><u>40,249,510</u></b>	<b><u>29,082,685</u></b>	<b><u>11,166,825</u></b>
<b>Long term debt, less current maturities</b>			
Obligation under capital lease (less current portion)	533,701,961	527,783,792	5,918,169
DCRS Sick leave liability	79,695,220	86,267,770	(6,572,550)
Employee annual leave, less current portion	2,274,481	2,274,481	0
Customer advances for construction	619,029	619,029	0
Deferred revenues	3,100,295	3,100,295	0
<b>Total liabilities</b>	<b><u>719,847,391</u></b>	<b><u>755,194,084</u></b>	<b><u>(35,346,693)</u></b>
<b>Commitments and contingencies</b>			
<b>Net assets</b>			
Invested in capital assets, net of related debt	32,642,045	31,683,251	958,794
Restricted	23,612,563	37,851,487	(14,238,924)
Unrestricted	<u>87,686,897</u>	<u>67,723,484</u>	<u>19,963,413</u>
<b>Total net assets</b>	<b><u>143,941,506</u></b>	<b><u>137,258,222</u></b>	<b><u>6,683,284</u></b>
<b>Total liabilities and net assets</b>	<b>\$ 863,788,897</b>	<b>\$ 892,452,305</b>	<b>(28,663,408)</b>

**GUAM POWER AUTHORITY**  
**(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)**  
**Statement of Revenues, Expenses and Changes in Net Assets**

	April 30			Seven Months Ended April 30		
	Unaudited 2013	Audited 2012	% of change Inc (dec)	Unaudited 2013	Audited 2012	% of change Inc (dec)
<b>Revenues</b>						
Sales of electricity	\$ 36,552,638	\$ 34,832,134	5	\$ 253,500,515	\$ 248,684,899	2
Working Capital surcharge	922,362	-		6,647,935	-	
Miscellaneous	<u>229,569</u>	<u>781,297</u>	(71)	<u>1,385,356</u>	<u>1,522,996</u>	(9)
Total	37,704,569	35,613,431	6	261,533,806	250,207,895	5
Bad debt expense	<u>(102,333)</u>	<u>(119,584)</u>	(14)	<u>(716,331)</u>	<u>(694,416)</u>	3
<b>Total revenues</b>	<b><u>37,602,236</u></b>	<b><u>35,493,847</u></b>	<b>6</b>	<b><u>260,817,475</u></b>	<b><u>249,513,479</u></b>	<b>5</b>
<b>Operating and maintenance expenses</b>						
Production fuel	24,628,458	23,058,205	7	169,061,507	165,661,773	2
Other production	<u>2,212,446</u>	<u>2,838,861</u>	(22)	<u>11,997,874</u>	<u>12,745,350</u>	(6)
	<u>26,840,904</u>	<u>25,897,066</u>	4	<u>181,059,381</u>	<u>178,407,123</u>	1
Depreciation	2,645,814	2,260,965	17	17,155,836	16,388,695	5
Energy conversion cost	1,757,458	1,678,629	5	11,652,357	11,444,084	2
Transmission & distribution	965,669	1,019,300	(5)	7,596,363	6,512,744	17
Customer accounting	321,994	288,660	12	2,170,045	2,062,676	5
Administrative & general	<u>3,357,809</u>	<u>3,421,241</u>	(2)	<u>18,839,359</u>	<u>18,698,301</u>	1
Total operating and maintenance expenses	<u>35,889,648</u>	<u>34,565,861</u>	4	<u>238,473,340</u>	<u>233,513,623</u>	2
<b>Operating income</b>	<b><u>1,712,588</u></b>	<b><u>927,986</u></b>	<b>85</b>	<b><u>22,344,134</u></b>	<b><u>15,999,856</u></b>	<b>40</b>
<b>Other income (expenses)</b>						
Interest income	244,128	177,243	38	1,356,647	1,421,228	(5)
Interest expense and amortization	(3,294,424)	(3,663,612)	(10)	(24,919,335)	(25,544,337)	(2)
Amortization	(299,943)	(153,373)	96	(2,099,600)	(1,073,608)	96
Allowance for funds used during construction	373,014	421,059	(11)	2,926,348	1,869,055	57
Other	<u>(14,473)</u>	<u>(24,934)</u>	(42)	<u>(148,146)</u>	<u>(174,538)</u>	(15)
Total other income (expenses)	<u>(2,991,698)</u>	<u>(3,243,617)</u>	(8)	<u>(22,884,086)</u>	<u>(23,502,200)</u>	(3)
<b>Income (loss) before capital contributions</b>	<b>(1,279,110)</b>	<b>(2,315,631)</b>	<b>(45)</b>	<b>(539,952)</b>	<b>(7,502,344)</b>	<b>(93)</b>
<b>Capital contributions</b>	<b><u>358,979</u></b>	<b><u>45,077</u></b>		<b><u>7,223,236</u></b>	<b><u>917,142</u></b>	<b>688</b>
<b>Increase (decrease) in net assets</b>	<b>(920,131)</b>	<b>(2,270,554)</b>	<b>(59)</b>	<b>6,683,284</b>	<b>(6,585,203)</b>	<b>(201)</b>
<b>Total net assets at beginning of period</b>	<b><u>144,861,638</u></b>	<b><u>135,285,235</u></b>	<b>7</b>	<b><u>137,258,222</u></b>	<b><u>139,599,884</u></b>	<b>(2)</b>
<b>Total net assets at end of period</b>	<b><u>\$ 143,941,506</u></b>	<b><u>\$ 133,014,681</u></b>	<b>8</b>	<b><u>\$ 143,941,506</u></b>	<b><u>\$ 133,014,681</u></b>	<b>8</b>

**GUAM POWER AUTHORITY**  
**(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)**  
**Statements of Cash Flows**  
**Period Ended April 30, 2013**

	Month Ended 4/30/2013	YTD Ended 4/30/2013
<b>Increase(decrease) in cash and cash equivalents</b>		
Cash flows from operating activities:		
Cash received from customers	\$41,435,860	260,647,523
Cash payments to suppliers and employees for goods and services	<u>36,111,230</u>	<u>242,647,710</u>
Net cash provided by operating activities	\$5,324,630	17,999,813
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>244,128</u>	<u>1,356,647</u>
Net cash provided by investing activities	244,128	1,356,647
Cash flows from non-capital financing activities:		
Interest paid on short term debt	(8,206)	(65,597)
Funds for LC/Fuel payments	-	(2)
Provision for self insurance funds	<u>(313,582)</u>	<u>(1,143,124)</u>
Net cash provided by noncapital financing activities	(321,788)	(1,208,723)
Cash flows from capital and related financing activities:		
Acquisition of utility plant	(4,495,052)	(33,366,360)
Principal paid on bonds and other long-term debt	-	(36,245,000)
Interest paid on bonds(net of capitalized interest)	(12,806,100)	(28,005,969)
Interest paid on capital lease obligations	(955,886)	(6,893,293)
Interest & principal funds held by trustee	10,556,003	26,567,576
Reserve funds held by trustee	(106,952)	(3,824,655)
Bond funds held by trustee	1,126,122	20,625,689
Principal payment on capital lease obligations	(967,805)	(6,572,550)
Grant from DOI/FEMA	358,979	7,223,236
Debt issuance costs/loss on defeasance	19,923	33,658,169
Net cash provided by (used in) capital and related financing activities	<u>(7,270,768)</u>	<u>(26,833,156)</u>
Net (decrease) increase in cash and cash equivalents	(2,023,798)	(8,685,419)
Cash and cash equivalents, beginning	<u>41,809,527</u>	<u>48,471,148</u>
<b>Cash and cash equivalents, April 30, 2013</b>	<b>\$ <u>39,785,729</u></b>	<b>\$ <u>39,785,729</u></b>

**GUAM POWER AUTHORITY**  
**(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)**  
**Statements of Cash Flows, Continued**  
**Period Ended April 30, 2013**

	Month Ended 4/30/2013	YTD Ended 4/30/2013
<b>Reconciliation of operating earnings to net cash provided by operating activities:</b>		
Operating earnings net of depreciation expense and excluding interest income	\$1,712,588	\$22,344,134
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	2,645,814	17,155,836
Other expense	(314,416)	(2,247,746)
(Increase) decrease in assets:		
Accounts receivable	3,797,556	(242,885)
Materials and inventory	(416,184)	(2,181,342)
Fuel inventory	22,916,354	2,170,087
Prepaid expenses	(29,719)	(206,237)
Deferred fuel costs	10,181	71,269
Unamortized costs	266,740	(5,911,412)
Deferred asset	13,280	92,960
Other assets	79,326	170,588
Increase (decrease) in liabilities:		
Accounts payable-operations	(29,037,339)	(22,225,696)
Customers deposits	1,309,342	1,236,327
Accrued payroll and employees' benefits	238,789	162,805
Deferred credit-self insurance funds	298,517	2,117,142
Deferred revenues	(48,668)	(126,477)
Deferred credit - others	1,867,173	9,049,683
Other accounts payable	-	(3,574,285)
Employees' annual leave	15,296	145,061
<b>Net cash provided by operating activities</b>	<b>\$5,324,630</b>	<b>\$17,999,813</b>