



# GUAM WATERWORKS AUTHORITY

"GOOD WATER ALWAYS"

Post Office Box 3010, Hagåtña, Guam 96932

Phone: (671) 647-2583 Fax: (671) 646-2590

AUG 29 2008

GUAM LEGISLATURE  
155 Hesler Street  
Hagåtña, Guam 96910

Honorable Speaker Won Pat,

Pursuant to Public Law 29-19, Chapter VI, Section 5, please find attached is the Guam Waterworks Authority's Revenues and Expenditures report for the month ending July 31, 2008

Should you have any questions, please call my office at 647-2583.

GREG P. CRUZ

CHIEF FINANCIAL OFFICER

*RC*

Office of the Speaker  
Judith T. Won Pat, Ed. D.  
Date 8/29/08  
Time 10:10  
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8/29/08  
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<b>GUAM WATERWORKS AUTHORITY</b>			
<b>Balance Sheet -Unaudited</b>			
<b>July 31, 2008</b>			
		<b>AUDITED</b>	
<b>ASSETS</b>	<b>July 31, 2008</b>	<b>30-Sep-07</b>	<b>CHANGE</b>
<b>Property, Plant and Equipment</b>			
Land	\$ 64,288		\$ 64,288
Utility Plant in Service:			
Water System	\$ 221,251,894	\$ 221,201,894	\$ 50,000
Wastewater System	\$ 190,748,623	\$ 189,769,331	\$ 979,292
Non Utility Property	\$ 15,511,860	\$ 15,511,860	\$ (0)
Construction Work in Progress	\$ 39,307,915	\$ 22,730,312	\$ 16,577,603
<b>Total Property, Plant and Equipment</b>	<b>\$ 466,884,579</b>	<b>\$ 449,213,397</b>	<b>\$ 17,671,182</b>
Less Accumulated Depreciation	\$ (203,381,586)	\$ (194,814,113)	\$ (8,567,473)
<b>Net Property, Plant and Equipment</b>	<b>\$ 263,502,993</b>	<b>\$ 254,399,284</b>	<b>\$ 9,103,709</b>
<b>Current Assets:</b>			
Cash			
Unrestricted	\$ 7,432	\$ 980,849	\$ (973,417)
Restricted Funds:			
Debt Service Reserve Fund -Bond 2005	\$ 7,633,237	\$ 7,685,596	\$ (52,359)
Capitalized Interest and Principal Funds Held by Trustee for Debt Payment-Bond 2005	\$ 668,385	\$ 1,932,412	\$ (1,264,026)
Construction Funds by Held by Trustee-Bond 2005	\$ 34,396,654	\$ 47,053,565	\$ (12,656,911)
Other Restricted Funds	\$ 8,122,835	\$ 8,528,222	\$ (405,387)
<b>Total Cash</b>	<b>\$ 50,828,543</b>	<b>\$ 66,180,644</b>	<b>\$ (15,352,101)</b>
Accounts Receivables			
Accounts Receivable-trade	\$ 22,947,672	\$ 22,578,758	\$ 368,914
Accounts Receivable, Federal/Other	\$ 1,345,439	\$ 1,078,333	\$ 267,106
Total Trade Receivables	\$ 24,293,111	\$ 23,657,091	\$ 636,020
Less: Accum. Provision for Uncollectible Accounts	\$ (16,713,660)	\$ (15,880,326)	\$ (833,333)
Accounts Receivables-net	\$ 7,579,452	\$ 7,776,765	\$ (197,313)
Materials & Supplies Inventory, Net of Allowance for for Obsolescence of \$332,009.00	\$ 2,347,263	\$ 2,207,701	\$ 139,562
Other Current Assets:			
Unamortized Debt Issuance Cost & Other Assets	\$ 2,871,769	\$ 3,007,697	\$ (135,928)
<b>Total Current Assets</b>	<b>\$ 63,627,026</b>	<b>\$ 79,172,806</b>	<b>\$ (15,545,780)</b>
<b>TOTAL ASSETS</b>	<b>\$ 327,130,019</b>	<b>\$ 333,572,090</b>	<b>\$ (6,442,071)</b>
<b>LIABILITIES AND RETAINED EARNINGS</b>			
<b>Current Liabilities:</b>			
Current Portion:			
-United States Navy	\$ 450,000	\$ 462,559	\$ (12,559)
-Guam Power Authority	\$ 2,100,000	\$ 2,274,623	\$ (174,623)
-Bond 2005	\$ 2,355,000	\$ 2,355,000	\$ -
Accounts Payable Trade	\$ 4,865,912	\$ 5,164,936	\$ (299,024)
Accrued Payroll and Employee Benefits	\$ 482,171	\$ 593,965	\$ (111,794)
Accrued Interest and Other payable	\$ 1,416,336	\$ 2,542,003	\$ (1,125,667)
Current Portion of Employee Annual Leave	\$ 535,641	\$ 535,641	\$ 0
Contractor's & Rtn Payable/Bid & Escrow Deposits	\$ 2,995,743	\$ 3,151,411	\$ (155,668)
Customer Deposits	\$ 1,969,333	\$ 1,580,286	\$ 389,047
<b>Total Current Liabilities</b>	<b>\$ 17,170,136</b>	<b>\$ 18,660,424</b>	<b>\$ (1,490,287)</b>
<b>Long Term Debt:</b>			
Bond 2005	\$ 100,239,120	\$ 102,204,246	\$ (1,965,126)
United States Navy	\$ 6,265,580	\$ 6,641,023	\$ (375,443)
Guam Power Authority	\$ 3,466,984	\$ 5,026,603	\$ (1,559,618)
Employee Annual Leave, Less Current Portion	\$ 1,022,819	\$ 1,022,819	\$ -
Retirement Fund Deferred Contributions	\$ 7,226,388	\$ 6,226,388	\$ 1,000,000
Accrued Retirees Supplemental & Medical Ins.	\$ 1,342,879	\$ 1,696,208	\$ (353,329)
Advances for Construction	\$ 167,636	\$ 166,812	\$ 824
Other Deferred Credits	\$ 1,214,976	\$ 1,214,976	\$ (0)
<b>TOTAL LIABILITIES</b>	<b>\$ 138,116,518</b>	<b>\$ 142,859,498</b>	<b>\$ (4,742,979)</b>
<b>RETAINED EARNINGS</b>	<b>\$ 189,013,501</b>	<b>\$ 190,712,592</b>	<b>\$ (1,699,091)</b>
<b>TOTAL LIAB AND RETAINED EARNINGS</b>	<b>\$ 327,130,019</b>	<b>\$ 333,572,090</b>	<b>\$ (6,442,071)</b>

**GUAM WATERWORKS AUTHORITY**  
**Statement of Operations and Retained Earnings (Unaudited)**  
**For ten months ended July 31, 2008**

	YTD Actual Jul-08	YTD Actual Jul-07	Variance (unfavorable)
<b>OPERATING REVENUES</b>			
Total Water	\$ 25,289,004	\$ 22,160,496	14.12%
Total Wastewater	\$ 14,342,525	\$ 12,743,845	12.54%
GPA/Navy Surcharge	\$ 2,939,952	\$ 2,957,472	-0.59%
Retiree Surcharge	\$ 1,276,380	\$ 1,293,431	-1.32%
Fire Hydrant	\$ 215,850	\$ 215,850	0.00%
Other	\$ 780,823	\$ 670,274	16.49%
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 44,844,534</b>	<b>\$ 40,041,368</b>	<b>12.00%</b>
<b>OPERATING AND MAINTENANCE EXPENSES</b>			
Water Purchases	\$ 3,541,519	\$ 2,377,259	-48.97%
Power Purchases	\$ 12,477,768	\$ 9,722,325	-28.34%
	\$ 16,019,287	\$ 12,099,584	-32.40%
Salaries and wages	\$ 10,242,302	\$ 8,780,482	-16.65%
Pension and Benefits	\$ 2,762,110	\$ 2,351,631	-17.46%
Chemicals	\$ 828,994	\$ 812,928	-1.98%
Materials & Supplies	\$ 1,611,485	\$ 1,839,864	12.41%
Contractual-Audit, Meter Reading & Comp	\$ 373,398	\$ 550,078	32.12%
Contractual-Legal	\$ -	\$ -	0.00%
Contractual-Lab	\$ 225,494	\$ 102,583	-119.82%
Contractual-Other	\$ 914,533	\$ 1,312,485	30.32%
PMC-Management Fee	\$ 829,128	\$ 577,880	-43.48%
Training	\$ 187,953	\$ 175,231	-7.26%
Equipment Rental/Transportation Expense	\$ 1,069,362	\$ 1,030,028	-3.82%
Telephone and Communication	\$ 136,951	\$ 142,664	4.00%
Claims	\$ 123,744	\$ 126,720	2.35%
Insurance	\$ -	\$ -	0.00%
Advertising	\$ 235,363	\$ 132,017	-78.28%
Building Rental	\$ -	\$ -	0.00%
Regulatory	\$ 156,377	\$ 157,859	0.94%
Bad Debts Provision	\$ 833,333	\$ 625,017	-33.33%
Miscellaneous	\$ 192,142	\$ 112,923	-70.15%
Depreciation	\$ 8,567,473	\$ 7,877,380	-8.76%
Capitalized Labor	\$ (49,314)	\$ (118,167)	-58.27%
<b>TOTAL OPERATING AND MAINTENANCE EXPENSES</b>	<b>\$ 45,260,114</b>	<b>\$ 38,689,187</b>	<b>-16.98%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ (415,580)</b>	<b>\$ 1,352,181</b>	<b>-130.73%</b>
<b>OTHER INCOME(EXPENSE):</b>			
Grants from US & Local Government	\$ 1,443,819	\$ 1,514,549	-4.67%
Grants from Government of Guam	\$ 359,595	\$ -	100.00%
Other Income (Expense)	\$ 1,135,055	\$ 15,533	7207.38%
Recoveries	\$ 48,283	\$ -	100.00%
Unfunded Retirement Liability	\$ (1,000,000)	\$ -	100.00%
Management Fees	\$ -	\$ -	0.00%
Retiree Supp.Benefits & Medical Ins.	\$ (1,362,722)	\$ (703,523)	-93.70%
Interest/Investment Income	\$ 1,618,619	\$ 2,830,266	-42.81%
Amort. Of Debt Disc.& Exp.	\$ (24,590)	\$ (55,708)	55.86%
AFUDC	\$ 1,675,833	\$ 2,089,303	-19.79%
Interest Expense	\$ (5,177,402)	\$ (5,146,420)	-0.60%
	\$ (1,283,511)	\$ 544,000	-335.94%
<b>NET INC (DEC) IN RETAINED EARNINGS</b>	<b>\$ (1,699,091)</b>	<b>\$ 1,896,181</b>	<b>-189.61%</b>
<b>RETAINED EARNINGS, BEGINNING OF YEAR</b>	<b>\$ 190,712,592</b>	<b>\$ 192,645,644</b>	
<b>RETAINED EARNINGS, END OF PERIOD</b>	<b>\$ 189,013,501</b>	<b>\$ 194,541,825</b>	