



GUAM POWER AUTHORITY

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

27 January 2021

CFO 2021 062
Honorable Speaker Therese Terlaje
36th Guam Legislature
163 Chalan Santo Papa
Hagatna, Guam 96910

Received: M.C.
Time: 1:42 pm

01-28-2021

OFFICE OF THE SPEAKER
THERESE M. TERLAJE

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SUBJECT: Guam Power Authority
Ref: November / December 2020 - Monthly Financials

Dear Honorable Speaker Terlaje:

Enclosed is the Guam Power Authority's Financial Statements for the months of November – December 2020, submitted in accordance with Public Law 30-55 Chapter XIII §4.

Should you require further information, please feel free to contact me at 648-3120 or E-Mail jjekim@gpagwa.com.

Sincerely,


John J.E. Kim
Chief Financial Officer

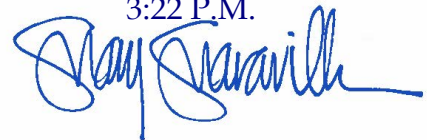
cc: Mr. Benjamin J. Cruz, Public Auditor, OPA

COMMITTEE ON RULES

RECEIVED:

Jan. 28, 2021

3:22 P.M.





GUAM POWER AUTHORITY

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GUAM POWER AUTHORITY FINANCIAL STATEMENT OVERVIEW November 2020

Attached are the financial statements and supporting schedules for the month and fiscal year ended November 30, 2020.

Summary

The increase in net assets for the month ended was \$1.0 million as compared to the anticipated net increase of \$0.8 million projected at the beginning of the year. The total kWh sales for the year were 2.75% more than projected and non-fuel revenues were in line with the estimated amounts. O & M expenses for the month were \$5.4 million which was also in line with our projections for this year. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to \$2.9 million, which was \$0.3 million less than the projected amounts. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	3.56	2.63	2
Days in Receivables	43	45	52
Days in Payables	18	44	30
LEAC (Over)/Under Recovery Balance -YTD	\$6,296,650	\$8,733,140	\$10,970,556
T&D Losses	5.77%	5.79%	<7.00%
Debt Service Coverage	1.50	1.52	1.75
Long-term equity ratio	2.54%	2.72%	30 - 40%
Days in Cash	330	340	60

The Quick Ratio has been a challenge for GPA historically. However, the influx of cash from insurance proceeds continues to improve this ratio. GPA has current obligations of approximately \$75 million and approximately \$199 million in cash and current receivables. The LEAC under-recovery for the month was \$2.4 million. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statements
November 2020

Significant Assumptions

The significant assumptions in the financial statements are as follows:

- Accrual cutoff procedures were performed at month end
- An inventory valuation is performed at year-end only
- Accounts Receivable includes accruals based on prior months' usage.

Prepared by:



Lenora M. Sanz
Controller

Reviewed by:



John J.E. Kim
Chief Financial Officer

Approved by:



John M. Benavente, P.E.
General Manager

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
November 30, 2020 and September 30, 2020

	Unaudited November 2020	Unaudited September 2020	Change from Sept 30 2020
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	\$ 11,889,773	\$ 38,059,527	\$ (26,169,754)
Bond indenture funds	22,030,383	22,590,787	(560,404)
Held by Guam Power Authority:			
Bond indenture funds	159,663,287	175,309,549	(15,646,262)
Self insurance fund-restricted	19,469,799	19,469,799	0
Energy sense fund	891,886	261,171	630,715
Total cash and cash equivalents	<u>213,945,128</u>	<u>255,690,833</u>	<u>(41,745,705)</u>
Accounts receivable, net	<u>37,591,461</u>	<u>35,364,783</u>	<u>2,226,678</u>
Total current receivables	<u>37,591,461</u>	<u>35,364,783</u>	<u>2,226,678</u>
Materials and supplies inventory	14,356,725	14,501,590	(144,865)
Fuel inventory	41,069,470	32,346,582	8,722,888
Prepaid expenses	<u>9,131,889</u>	<u>1,876,268</u>	<u>7,255,621</u>
Total current assets	<u>316,094,673</u>	<u>339,780,056</u>	<u>(23,685,383)</u>
Utility plant, at cost:			
Electric plant in service	1,098,325,423	1,097,908,313	417,110
Construction work in progress	47,039,893	46,936,698	103,195
Total	<u>1,145,365,316</u>	<u>1,144,845,011</u>	<u>520,305</u>
Less: Accumulated depreciation	<u>(674,431,530)</u>	<u>(669,124,765)</u>	<u>(5,306,765)</u>
Total utility plant	<u>470,933,786</u>	<u>475,720,246</u>	<u>(4,786,460)</u>
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,490,461	48,532,630	(42,169)
Unamortized debt issuance costs	<u>1,908,092</u>	<u>1,952,816</u>	<u>(44,724)</u>
Total other non-current assets	<u>50,398,553</u>	<u>50,485,446</u>	<u>(86,893)</u>
Total assets	<u>837,427,012</u>	<u>865,985,748</u>	<u>(28,558,736)</u>
Deferred outflow of resources:			
Deferred fuel revenue	8,733,140	5,137,018	3,596,122
Unamortized loss on debt refunding	22,072,684	22,452,744	(380,060)
Pension	12,264,214	12,264,214	0
Other post employment benefits	19,869,789	19,869,789	0
Unamortized forward delivery contract costs	<u>132,718</u>	<u>159,278</u>	<u>(26,560)</u>
Total deferred outflows of resources	<u>63,072,545</u>	<u>59,883,043</u>	<u>3,189,502</u>
	<u>\$ 900,499,557</u>	<u>\$ 925,868,791</u>	<u>\$ (25,369,234)</u>

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
November 30, 2020 and September 30, 2020

	Unaudited November 2020	Unaudited September 2020	Change from Sept 30 2020
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	\$ 21,540,000	\$ 20,515,000	\$ 1,025,000
Current obligations under capital leases	748,228	2,226,222	(1,477,994)
Accounts payable			
Operations	33,368,580	28,907,900	4,460,680
Others	1,083,118	830,203	252,915
Accrued payroll and employees' benefits	959,985	2,464,369	(1,504,384)
Current portion of employees' annual leave	3,127,620	2,828,972	298,648
Interest payable	5,178,129	14,417,948	(9,239,819)
Customer deposits	9,519,702	8,729,186	790,516
	<u>75,525,362</u>	<u>80,919,800</u>	<u>(5,394,438)</u>
Regulatory liabilities:			
Provision for self insurance	19,345,291	19,345,291	0
	<u>19,345,291</u>	<u>19,345,291</u>	<u>0</u>
Long term debt, net of current maturities			
Obligations under capital leases, net of current portion	538,429,390	560,599,190	(22,169,800)
Net Pension liability	0	0	0
Other post employment benefits liability	77,735,966	78,277,138	(541,172)
DCRS sick leave liability	120,278,682	120,278,682	0
Employees' annual leave net of current portion	1,331,151	1,331,151	0
Customer advances for construction	1,204,085	1,204,085	0
	430,741	425,814	4,927
	<u>834,280,668</u>	<u>862,381,151</u>	<u>(28,100,483)</u>
Deferred inflows of resources:			
Unearned forward delivery contract revenue	486,682	584,018	(97,336)
Pension	2,371,109	2,371,109	0
Other post employment benefits	49,240,169	49,240,169	0
	<u>52,097,960</u>	<u>52,195,296</u>	<u>(97,336)</u>
Commitments and contingencies			
Net Position:			
Net investment in capital assets	(19,693,730)	(36,922,563)	17,228,834
Restricted	27,682,249	57,080,028	(29,397,779)
Unrestricted	6,132,409	(8,865,122)	14,997,531
	<u>14,120,928</u>	<u>11,292,344</u>	<u>2,828,586</u>
	<u>\$ 900,499,557</u>	<u>\$ 925,868,791</u>	<u>\$ (25,369,234)</u>

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

	November 30		% of change Inc (dec)	Two Months Ended November 30		% of change Inc (dec)
	Unaudited 2020	Unaudited 2019		Unaudited 2020	Unaudited 2019	
Revenues						
Sales of electricity	\$ 23,853,184	\$ 32,446,278	(26)	\$ 47,816,837	\$ 66,051,140	(28)
DSM-Rebates	322,469	-	0	625,329	-	0
Miscellaneous	217,043	158,017	37	280,244	282,436	(1)
Total	<u>24,392,696</u>	<u>32,604,295</u>	(25)	<u>48,722,410</u>	<u>66,333,576</u>	(27)
Bad debt expense	<u>(87,083)</u>	<u>(90,917)</u>	(4)	<u>(174,166)</u>	<u>(181,834)</u>	(4)
Total revenues	<u>24,305,613</u>	<u>32,513,378</u>	(25)	<u>48,548,244</u>	<u>66,151,742</u>	(27)
Operating and maintenance expenses						
Production fuel	10,984,229	19,088,151	(42)	21,894,551	39,253,360	(44)
Other production	1,321,410	1,426,919	(7)	2,270,010	2,705,672	(16)
	<u>12,305,639</u>	<u>20,515,070</u>	(40)	<u>24,164,561</u>	<u>41,959,032</u>	(42)
Depreciation	3,761,362	3,103,969	21	6,588,893	6,202,636	6
Energy conversion cost	1,059,870	1,020,920	4	2,161,496	2,028,012	7
Transmission & distribution	1,110,532	1,005,152	10	2,391,427	2,060,742	16
Customer accounting	401,099	374,740	7	796,441	876,089	(9)
Administrative & general	2,555,715	2,674,685	(4)	5,445,763	5,159,467	6
Total operating and maintenance expenses	<u>21,194,217</u>	<u>28,694,536</u>	(26)	<u>41,548,581</u>	<u>58,285,978</u>	(29)
Operating income	<u>3,111,396</u>	<u>3,818,842</u>	(19)	<u>6,999,663</u>	<u>7,865,764</u>	(11)
Other income (expenses)						
Interest income	51,359	314,663	(84)	91,761	530,088	(83)
Interest expense and amortization	(2,189,177)	(2,320,981)	(6)	(4,384,500)	(4,630,019)	(5)
Bond issuance costs	89,228	89,228	0	178,456	178,456	0
Bid bond forfeiture	-	-	0	-	-	0
Pandemic-COVID19	(45,187)	-	0	(48,204)	-	0
Losses due to typhoon	-	-	0	-	-	0
Bid bond forfeiture	-	-	0	-	-	0
Other expense	(4,298)	(4,291)	0	(8,592)	(8,582)	0
Total other income (expenses)	<u>(2,098,075)</u>	<u>(1,921,381)</u>	9	<u>(4,171,079)</u>	<u>(3,930,057)</u>	6
Income (loss) before capital contributions	1,013,321	1,897,461	(47)	2,828,584	3,935,707	(28)
Capital contributions	-	-	0	-	-	0
Increase (decrease) in net assets	1,013,321	1,897,461	(47)	2,828,584	3,935,707	(28)
Total net assets at beginning of period	<u>13,107,607</u>	<u>5,179,841</u>	153	<u>11,292,345</u>	<u>3,141,595</u>	259
Total net assets at end of period	<u>\$ 14,120,928</u>	<u>\$ 7,077,302</u>	<u>100</u>	<u>\$ 14,120,928</u>	<u>\$ 7,077,302</u>	<u>100</u>

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended November 30, 2020

	Month Ended 11/30/2020	YTD Ended 11/30/2020
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$ 23,439,637	\$ 46,313,431
Cash payments to suppliers and employees for goods and services	9,201,672	50,726,032
Net cash provided by operating activities	\$ 14,237,965	\$ (4,412,601)
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	51,359	91,761
Net cash provided by investing activities	51,359	91,761
Cash flows from non-capital financing activities		
Interest paid on short term debt	(4,435)	4,971
Provision for self insurance funds	-	-
Net cash provided by noncapital financing activities	(4,435)	4,971
Cash flows from capital and related financing activities		
Acquisition of utility plant	(1,187,878)	(1,802,432)
Principal paid on bonds and other long-term debt	-	(20,515,000)
Interest paid on bonds(net of capitalized interest)	(45,187)	(13,658,954)
Interest paid on capital lease obligations	(6,197)	(18,540)
Interest & principal funds held by trustee	(3,977,984)	26,169,754
Reserve funds held by trustee	(425)	42,169
Bond funds held by trustee	(191)	560,404
Principal payment on capital lease obligations	(742,070)	(1,477,994)
Grant from DOI/FEMA	-	-
Debt issuance costs/loss on defeasance	(314,900)	(629,800)
Net cash provided by (used in) capital and related financing activities	(6,274,832)	(11,330,393)
Net (decrease) increase in cash and cash equivalents	8,010,057	(15,646,262)
Cash and cash equivalents, beginning	151,653,230	175,309,549
Cash and cash equivalents-Funds held by GPA, November 30, 2020	\$ 159,663,287	\$ 159,663,287

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended November 30, 2020

	Month Ended 11/30/2020	YTD Ended 11/30/2020
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$3,111,396	\$6,999,663
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,761,362	6,588,893
Other expense	84,930	169,864
(Increase) decrease in assets:		
Accounts receivable	(853,229)	(2,226,678)
Materials and inventory	73,120	144,865
Fuel inventory	(4,285,676)	(8,722,888)
Prepaid expenses	(5,282,618)	(7,255,621)
Unamortized debt issuance cost	22,362	44,724
Deferred fuel revenue	(2,436,490)	(3,596,122)
Unamortized loss on debt refunding	190,030	380,060
Unamortized forward delivery contract costs	13,280	26,560
Increase (decrease) in liabilities:		
Accounts payable-operations	19,545,833	4,460,680
Accounts payable-others	(462,505)	(377,800)
Accrued payroll and employees' benefits	231,013	(1,504,384)
Net pension liability	(269,916)	(541,172)
Employees' annual leave	112,964	298,648
Customers deposits	725,850	790,516
Customer advances for construction	4,927	4,927
Unearned forward delivery contract revenue	(48,668)	(97,336)
Net cash provided by operating activities	\$14,237,965	\$ (4,412,601)



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GUAM POWER AUTHORITY FINANCIAL STATEMENT OVERVIEW December 2020

Attached are the financial statements and supporting schedules for the month and fiscal year ended December 31, 2020.

Summary

The increase in net assets for the month ended was \$1.7 million as compared to the anticipated net increase of \$1.2 million projected at the beginning of the year. The total kWh sales for the year were 0.38% more than projected and non-fuel revenues were \$148 thousand more than the estimated amounts. O & M expenses for the month were \$5.3 million which was \$0.3 million over our projections for this year. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to \$3.0 million, which was \$0.2 million less than the projected amounts. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	2.63	3.40	2
Days in Receivables	45	47	52
Days in Payables	44	17	30
LEAC (Over)/Under Recovery Balance -YTD	\$8,733,140	\$10,796,841	\$13,733,820
T&D Losses	5.79%	5.61%	<7.00%
Debt Service Coverage	1.52	1.53	1.75
Long-term equity ratio	2.72%	3.05%	30 - 40%
Days in Cash	340	314	60

The Quick Ratio has been a challenge for GPA historically. However, the influx of cash from insurance proceeds continues to improve this ratio. GPA has current obligations of approximately \$55 million and approximately \$186 million in cash and current receivables. The LEAC under-recovery for the month was \$2.1 million. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statements
December 2020

Significant Assumptions

The significant assumptions in the financial statements are as follows:

- Accrual cutoff procedures were performed at month end
- An inventory valuation is performed at year-end only
- Accounts Receivable includes accruals based on prior months' usage.

Prepared by:



Lenora M. Sanz
Controller

Reviewed by:



John J.E. Kim
Chief Financial Officer

Approved by:



John M. Benavente, P.E.
General Manager

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
December 31, 2020 and September 30, 2020

	Unaudited December 2020	Unaudited September 2020	Change from Sept 30 2020
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	\$ 15,867,762	\$ 38,059,527	\$ (22,191,765)
Bond indenture funds	21,370,880	22,590,787	(1,219,907)
Held by Guam Power Authority:			
Bond indenture funds	146,568,567	175,309,549	(28,740,982)
Self insurance fund-restricted	19,472,914	19,469,799	3,115
Energy sense fund	1,014,763	261,171	753,592
Total cash and cash equivalents	<u>204,294,886</u>	<u>255,690,833</u>	<u>(51,395,947)</u>
Accounts receivable, net	<u>37,685,610</u>	<u>35,364,783</u>	<u>2,320,827</u>
Total current receivables	<u>37,685,610</u>	<u>35,364,783</u>	<u>2,320,827</u>
Materials and supplies inventory	14,267,447	14,501,590	(234,143)
Fuel inventory	32,266,013	32,346,582	(80,569)
Prepaid expenses	<u>8,548,527</u>	<u>1,876,268</u>	<u>6,672,259</u>
Total current assets	<u>297,062,483</u>	<u>339,780,056</u>	<u>(42,717,573)</u>
Utility plant, at cost:			
Electric plant in service	1,098,384,852	1,097,908,313	476,539
Construction work in progress	47,581,330	46,936,698	644,632
Total	<u>1,145,966,182</u>	<u>1,144,845,011</u>	<u>1,121,171</u>
Less: Accumulated depreciation	<u>(677,562,602)</u>	<u>(669,124,765)</u>	<u>(8,437,837)</u>
Total utility plant	<u>468,403,580</u>	<u>475,720,246</u>	<u>(7,316,666)</u>
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,496,236	48,532,630	(36,394)
Unamortized debt issuance costs	<u>1,885,730</u>	<u>1,952,816</u>	<u>(67,086)</u>
Total other non-current assets	<u>50,381,966</u>	<u>50,485,446</u>	<u>(103,480)</u>
Total assets	<u>815,848,029</u>	<u>865,985,748</u>	<u>(50,137,719)</u>
Deferred outflow of resources:			
Deferred fuel revenue	10,796,841	5,137,018	5,659,823
Unamortized loss on debt refunding	21,882,654	22,452,744	(570,090)
Pension	12,264,214	12,264,214	0
Other post employment benefits	19,869,789	19,869,789	0
Unamortized forward delivery contract costs	<u>119,438</u>	<u>159,278</u>	<u>(39,840)</u>
Total deferred outflows of resources	<u>64,932,936</u>	<u>59,883,043</u>	<u>5,049,893</u>
	<u>\$ 880,780,965</u>	<u>\$ 925,868,791</u>	<u>\$ (45,087,826)</u>

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
December 31, 2020 and September 30, 2020

	Unaudited December 2020	Unaudited September 2020	Change from Sept 30 2020
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	\$ 21,540,000	\$ 20,515,000	\$ 1,025,000
Current obligations under capital leases	6,166	2,226,222	(2,220,056)
Accounts payable			
Operations	10,711,172	28,907,900	(18,196,728)
Others	1,723,577	830,203	893,374
Accrued payroll and employees' benefits	1,382,568	2,464,369	(1,081,801)
Current portion of employees' annual leave	3,172,607	2,828,972	343,635
Interest payable	7,249,599	14,417,948	(7,168,349)
Customer deposits	8,966,388	8,729,186	237,202
	<u>54,752,077</u>	<u>80,919,800</u>	<u>(26,167,723)</u>
Regulatory liabilities:			
Provision for self insurance	19,345,291	19,345,291	0
	<u>19,345,291</u>	<u>19,345,291</u>	<u>0</u>
Long term debt, net of current maturities	538,114,490	560,599,190	(22,484,700)
Obligations under capital leases, net of current portion	0	0	0
Net Pension liability	77,465,759	78,277,138	(811,379)
Other post employment benefits liability	120,278,682	120,278,682	0
DCRS sick leave liability	1,331,151	1,331,151	0
Employees' annual leave net of current portion	1,204,085	1,204,085	0
Customer advances for construction	428,111	425,814	2,297
	<u>812,919,646</u>	<u>862,381,151</u>	<u>(49,461,505)</u>
Deferred inflows of resources:			
Unearned forward delivery contract revenue	438,014	584,018	(146,004)
Pension	2,371,109	2,371,109	0
Other post employment benefits	49,240,169	49,240,169	0
	<u>52,049,292</u>	<u>52,195,296</u>	<u>(146,004)</u>
Commitments and contingencies			
Net Position:			
Net investment in capital assets	(21,818,069)	(36,922,563)	15,104,494
Restricted	29,891,452	57,080,028	(27,188,576)
Unrestricted	7,738,643	(8,865,122)	16,603,765
	<u>15,812,026</u>	<u>11,292,344</u>	<u>4,519,684</u>
	<u>\$ 880,780,965</u>	<u>\$ 925,868,791</u>	<u>\$ (45,087,826)</u>

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

	December 31		% of change Inc (dec)	Three Months Ended December 31		% of change Inc (dec)
	Unaudited 2020	Unaudited 2019		Unaudited 2020	Unaudited 2019	
Revenues						
Sales of electricity	\$ 24,688,476	\$ 32,912,856	(25)	\$ 72,505,313	\$ 98,963,996	(27)
DSM-Rebates	311,381	0	0	936,710	0	0
Miscellaneous	200,764	(58,717)	(442)	481,008	223,719	115
Total	<u>25,200,621</u>	<u>32,854,139</u>	(23)	<u>73,923,031</u>	<u>99,187,715</u>	(25)
Bad debt expense	(87,083)	(90,917)	(4)	(261,249)	(272,751)	(4)
Total revenues	<u>25,113,538</u>	<u>32,763,222</u>	(23)	<u>73,661,782</u>	<u>98,914,964</u>	(26)
Operating and maintenance expenses						
Production fuel	11,434,659	19,697,132	(42)	33,329,210	58,950,492	(43)
Other production	1,190,947	1,185,228	0	3,460,957	3,890,900	(11)
	<u>12,625,606</u>	<u>20,882,360</u>	(40)	<u>36,790,167</u>	<u>62,841,392</u>	(41)
Depreciation	3,138,335	2,913,848	8	9,727,228	9,116,484	7
Energy conversion cost	1,080,398	1,002,901	8	3,241,894	3,030,913	7
Transmission & distribution	1,188,944	1,093,088	9	3,580,371	3,153,830	14
Customer accounting	392,354	449,294	(13)	1,188,795	1,325,383	(10)
Administrative & general	2,872,844	2,644,775	9	8,318,607	7,804,242	7
Total operating and maintenance expenses	<u>21,298,481</u>	<u>28,986,266</u>	(27)	<u>62,847,062</u>	<u>87,272,244</u>	(28)
Operating income	<u>3,815,057</u>	<u>3,776,956</u>	1	<u>10,814,720</u>	<u>11,642,720</u>	(7)
Other income (expenses)						
Interest income	54,860	345,894	(84)	146,621	875,982	(83)
Interest expense and amortization	(2,216,186)	(2,328,876)	(5)	(6,600,686)	(6,958,895)	(5)
Bond issuance costs	89,228	89,228	0	267,684	267,684	0
Pandemic-COVID19	(47,572)	0	0	(95,776)	0	0
Losses due to typhoon	0	(72,646)	0	0	(72,646)	0
Other expense	(4,289)	(4,291)	(0)	(12,881)	(12,873)	0
Total other income (expenses)	<u>(2,123,959)</u>	<u>(1,970,691)</u>	8	<u>(6,295,038)</u>	<u>(5,900,748)</u>	7
Income (loss) before capital contributions	1,691,098	1,806,265	(6)	4,519,682	5,741,972	(21)
Capital contributions	0	0	0	0	0	0
Increase (decrease) in net assets	1,691,098	1,806,265	(6)	4,519,682	5,741,972	(21)
Total net assets at beginning of period	<u>14,120,928</u>	<u>7,077,302</u>	100	<u>11,292,345</u>	<u>3,141,595</u>	259
Total net assets at end of period	<u>\$ 15,812,026</u>	<u>\$ 8,883,567</u>	<u>78</u>	<u>\$ 15,812,026</u>	<u>\$ 8,883,567</u>	<u>78</u>

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended December 31, 2020

	Month Ended 12/31/2020	YTD Ended 12/31/2020
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	\$ 25,041,620	\$ 71,355,052
Cash payments to suppliers and employees for goods and services	<u>33,006,445</u>	<u>83,732,478</u>
Net cash provided by operating activities	\$ (7,964,825)	\$ (12,377,426)
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	<u>54,860</u>	<u>146,621</u>
Net cash provided by investing activities	54,860	146,621
Cash flows from non-capital financing activities		
Interest paid on short term debt	(111,510)	(106,539)
Provision for self insurance funds	<u>(3,115)</u>	<u>(3,115)</u>
Net cash provided by noncapital financing activities	(114,625)	(109,654)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(608,129)	(2,410,561)
Principal paid on bonds and other long-term debt	-	(20,515,000)
Interest paid on bonds(net of capitalized interest)	(47,572)	(13,706,526)
Interest paid on capital lease obligations	(33,206)	(51,745)
Interest & principal funds held by trustee	(3,977,989)	22,191,765
Reserve funds held by trustee	(5,775)	36,394
Bond funds held by trustee	659,503	1,219,907
Principal payment on capital lease obligations	(742,062)	(2,220,056)
Grant from DOI/FEMA	-	-
Debt issuance costs/loss on defeasance	(314,900)	(944,700)
Net cash provided by (used in) capital and related financing activities	<u>(5,070,130)</u>	<u>(16,400,522)</u>
Net (decrease) increase in cash and cash equivalents	(13,094,720)	(28,740,982)
Cash and cash equivalents, beginning	<u>159,663,287</u>	<u>175,309,549</u>
Cash and cash equivalents-Funds held by GPA, December 31, 2020	\$ <u>146,568,567</u>	\$ <u>146,568,567</u>

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended December 31, 2020

	Month Ended 12/31/2020	YTD Ended 12/31/2020
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	\$ 3,815,057	\$ 10,814,720
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,138,335	9,727,228
Other expense	84,939	254,803
(Increase) decrease in assets:		
Accounts receivable	(94,149)	(2,320,827)
Materials and inventory	89,278	234,143
Fuel inventory	8,803,457	80,569
Prepaid expenses	583,362	(6,672,259)
Unamortized debt issuance cost	22,362	67,086
Deferred fuel revenue	(2,063,701)	(5,659,823)
Unamortized loss on debt refunding	190,030	570,090
Unamortized forward delivery contract costs	13,280	39,840
Increase (decrease) in liabilities:		
Accounts payable-operations	(22,657,407)	(18,196,728)
Accounts payable-others	517,581	139,782
Accrued payroll and employees' benefits	422,583	(1,081,801)
Net pension liability	(270,207)	(811,379)
Employees' annual leave	44,987	343,635
Customers deposits	(553,314)	237,202
Customer advances for construction	(2,630)	2,297
Unearned forward delivery contract revenue	(48,668)	(146,004)
Net cash provided by operating activities	\$ (7,964,825)	\$ (12,377,426)