GUAM POWER AUTHORITY

ATURIDÅT ILEKTRESEDÅT GUAHAN
P.O.BOX 2977 • AGANA, GUAM U.S.A. 96932-2977

26 July 2017

GL# 34-17-803
Speaker Benjamin J.F. Cruz

AUG 0 1 2017
Time: 8:30 [AM] [ ] PM File No. 34-713
Received By:

Honorable Benjamin J.F. Cruz, Speaker
I Mina 'trentai Kuattro Na Liheslaturan Guahan
Suite 107, 155 Hesler Place
Hagatna, Guam 96910
senator@senatorbjcruz.com

Subject: April & May 2017 Financial Statements

Dear Honorable Speaker Cruz:

Enclosed is Guam Power Authority's Monthly Financial Statement for the months of April & May 2017 which was approved at the Consolidated Commission on Utilities board meeting on Tuesday, July 25, 2017.

Should you require further information, please do not hesitate to call me at 648-3120 or E-Mail at jjekim@gpagwa.com.

Sincerely,

JOHN J.E. KIM
Chief Financial Officer

2017 AUG -1 AM 9:16 RCVD

cc: CFO 133-17

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GUAM POWER AUTHORITY
ATURIDÅT ILEKTRESEDÅT GUAHAN
P O BOX 2977 • AGANA GUAM U S A 96932 2977

GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
April 2017

Attached are the financial statements and supporting schedules for the month and fiscal year ended April 30, 2017.

Summary
The increase in net assets for the month ended was $1.7 million as compared to the anticipated net increase of $6.4 million projected at the beginning of the year. The total kWh sales for the month were 3.93% more than projected and non-fuel revenues were $0.2 million more than the estimated amount. O & M expenses for the month were $3.8 million which was $0.9 million less than our projections for the month. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to $4.1 million, which was $0.2 million more than the projected amount. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	2.03	2.08	2
Days in Receivables	36	39	52
Days in Payables	32	43	30
LEAC (Over)/Under Recovery Balance -YTD	$5,090,577	$6,964,627	$5,688,074
T&D Losses	4.87%	4.80%	7.00%
Debt Service Coverage	2.11	2.10	1.75
Long-term equity ratio	12%	13%	30 – 40%
Days in Cash	214	221	60

The Quick Ratio has been a challenge for GPA historically. However, over the last two fiscal years, the influx of cash has continued to improve this ratio. GPA has current obligations of approximately $81.6 million and approximately $169.5 million in cash and current receivables. The increase in cash is attributable to the receipt of $34M in insurance proceeds during the fiscal year. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statement
April 2017
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:	Reviewed by:	Approved by:
Lenora M. Sanz	John J.E. Kim	John M. Benavente, P.E.
Controller	Chief Financial Officer	General Manager

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
April 30, 2017 and September 30, 2016

	Unaudited April 2017	Unaudited September 2016	Change from Sept 30 2016
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 5,137,291	$ 16,005,063	$ (10,867,772)
Bond indenture funds	64,482,918	69,821,815	(5,338,897)
Held by Guam Power Authority:			
Bond indenture funds	136,929,264	126,992,587	9,936,677
Self insurance fund-restricted	19,247,710	19,506,796	(259,086)
Energy sense fund	1,392,322	1,646,041	(253,719)
Total cash and cash equivalents	227,189,505	233,972,302	(6,782,797)
Accounts receivable, net	32,059,515	62,635,764	(30,576,249)
Total current receivables	32,059,515	62,635,764	(30,576,249)
Materials and supplies inventory	12,816,290	13,555,719	(739,429)
Fuel inventory	46,322,417	31,326,367	14,996,050
Prepaid expenses	5,416,761	754,024	4,662,737
Total current assets	323,804,488	342,244,176	(18,439,688)
Utility plant, at cost:			
Electric plant in service	1,027,289,536	990,594,593	36,694,943
Construction work in progress	22,742,754	17,206,429	5,536,325
Total	1,050,032,290	1,007,801,022	42,231,268
Less: Accumulated depreciation	(558,597,042)	(540,262,575)	(18,334,467)
Total utility plant	491,435,248	467,538,447	23,896,801
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,547,770	48,550,887	(3,117)
Unamortized debt issuance costs	4,425,345	4,646,601	(221,256)
Total other non-current assets	52,973,115	53,197,488	(224,373)
Total assets	868,212,851	862,980,111	5,232,740
Deferred outflow of resources:			
Deferred fuel revenue	6,964,627	1,492,325	5,472,302
Unamortized loss on debt refunding	11,596,204	12,324,400	(728,196)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	703,758	796,718	(92,960)
Total deferred outflows of resources	27,433,307	22,782,161	4,651,146
	$ 895,646,158	$ 885,762,272	$ 9,883,886

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
April 30, 2017 and September 30, 2016

	Unaudited April 2017	Unaudited September 2016	Change from Sept 30 2015
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 5,137,291	$ 16,005,063	$ (10,867,772)
Bond indenture funds	64,482,918	69,821,815	(5,338,897)
Held by Guam Power Authority:			
Bond indenture funds	135,723,247	126,992,587	8,730,660
Self insurance fund-restricted	20,453,727	19,506,796	946,931
Energy sense fund	1,392,322	1,646,041	(253,718)
Total cash and cash equivalents	227,189,505	233,972,302	(6,782,797)
Accounts receivable, net	32,059,515	62,635,764	(30,576,249)
Total current receivables	32,059,515	62,635,764	(30,576,249)
Materials and supplies inventory	12,816,290	13,555,719	(739,429)
Fuel inventory	46,322,417	31,326,367	14,996,050
Prepaid expenses	5,416,761	754,024	4,662,737
Total current assets	323,804,488	342,244,176	(18,439,688)
Utility plant, at cost:			
Electric plant in service	1,027,289,536	990,594,593	36,694,943
Construction work in progress	22,742,754	17,206,429	5,536,325
Total	1,050,032,290	1,007,801,022	42,231,268
Less: Accumulated depreciation	(558,597,042)	(540,760,575)	(18,184,467)
Total utility plant	491,435,248	467,538,447	23,896,801
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,547,770	48,550,887	(3,117)
Unamortized debt issuance costs	4,425,345	4,646,601	(221,256)
Total other non-current assets	52,973,115	53,197,488	(224,373)
Total assets	868,212,851	862,980,111	5,232,740
Deferred outflow of resources:			
Deferred fuel revenue	6,964,627	1,492,325	5,472,302
Unamortized loss on debt refunding	11,596,204	12,324,400	(728,196)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	703,758	796,718	(92,960)
Total deferred outflows of resources	27,433,307	22,782,161	4,651,146
	$ 895,646,158	$ 885,762,272	$ 9,883,886

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
April 30, 2017 and September 30, 2016

	Unaudited April 2017	Unaudited September 2016	Change from Sept 30 2015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	$ 1,780,000	$ 115,000	$ 1,665,000
Current obligations under capital leases	16,737,242	16,737,242	0
Accounts payable			
Operations	35,958,639	24,622,615	11,336,024
Others	11,740,232	23,012,732	(11,272,500)
Accrued payroll and employees' benefits	1,545,123	1,533,906	11,217
Current portion of employees' annual leave	2,517,456	2,405,799	111,657
Interest payable	3,121,631	15,146,696	(12,025,065)
Customer deposits	8,218,205	8,381,571	(163,366)
Total current liabilities	81,618,528	91,955,561	(10,337,033)
Regulatory liabilities:			
Provision for self insurance	19,550,977	19,550,977	0
Total regulatory liabilities	19,550,977	19,550,977	0
Long term debt, net of current maturities	591,697,577	595,057,769	(3,360,192)
Obligations under capital leases, net of current portion	40,291,653	22,872,720	17,418,933
Net Pension liability	67,229,487	71,049,220	(3,819,733)
DCRS sick leave liability	3,436,738	3,436,738	0
Employees' annual leave net of current portion	806,762	806,762	0
Customer advances for construction	342,119	319,321	22,798
Total liabilities	804,973,841	805,049,068	(75,227)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	2,579,411	2,920,088	(340,677)
Pension	732,788	732,788	0
Total deferred inflows of resources	3,312,199	3,652,876	(340,677)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(46,382,655)	(49,190,903)	2,808,248
Restricted	10,903,678	4,645,344	6,258,334
Unrestricted	122,839,094	121,605,887	1,233,207
Total net position	87,360,117	77,060,328	10,299,789
	$ 895,646,158	$ 885,762,272	$ 9,883,886

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 2017	Unaudited 2016	% of change Inc (dec)	Unaudited 2017	Unaudited 2016	% of change Inc (dec)
Revenues						
Sales of electricity	$ 27,164,645	$ 24,420,985	11	$ 181,992,936	$ 179,057,510	2
Miscellaneous	231,810	70,065	231	1,374,103	1,443,072	(5)
Total	27,396,455	24,491,050	12	183,367,039	180,500,582	2
Bad debt expense	(93,433)	(91,667)	2	(603,532)	(641,669)	(6)
Total revenues	27,303,022	24,399,383	12	182,763,507	179,858,913	2
Operating and maintenance expenses						
Production fuel	13,940,258	10,255,577	36	87,952,290	87,679,220	0
Other production	929,249	1,824,967	(49)	8,569,181	9,222,338	(7)
	14,869,507	12,080,544	23	96,521,471	96,901,558	(0)
Depreciation	3,672,773	3,416,133	8	24,940,846	23,464,405	6
Energy conversion cost	1,748,311	926,923	89	11,110,221	9,401,292	18
Transmission & distribution	674,302	973,965	(31)	6,788,967	6,405,704	6
Customer accounting	342,778	321,264	7	2,395,186	3,376,622	(29)
Administrative & general	1,851,854	1,594,583	16	14,264,026	17,379,766	(18)
Total operating and maintenance expenses	23,159,525	19,313,412	20	156,020,717	156,929,347	(1)
Operating income	4,143,497	5,085,971	(19)	26,742,790	22,929,566	17
Other income (expenses)						
Interest income	152,112	60,369	152	817,615	595,003	37
Interest expense and amortization	(2,848,085)	(2,859,806)	(0)	(19,866,907)	(20,455,138)	(3)
Bond issuance costs	76,827	68,617	12	537,789	480,319	12
Allowance for funds used during construction	309,475	341,139	(9)	2,224,303	2,500,391	(11)
Other expense	(162,587)	(4,291)	3,689	(192,363)	36,852	(622)
Total other income (expenses)	(2,472,258)	(2,393,972)	3	(16,479,563)	(16,842,573)	(2)
Income (loss) before capital contributions	1,671,239	2,691,999	(38)	10,263,227	6,086,993	69
Capital contributions	0	315,629	0	36,561	1,724,396	(98)
Increase (decrease) in net assets	1,671,239	3,007,628	(44)	10,299,788	7,811,389	32
Total net assets at beginning of period (restated)	85,688,878	86,431,536	(1)	77,060,329	81,627,775	(6)
Total net assets at end of period	$ 87,360,117	$ 89,439,164	(2)	$ 87,360,117	$ 89,439,164	(2)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended April 30, 2017

	Month Ended 4/30/2017	YTD Ended 4/30/2017
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$ 24,859,212	$ 213,430,360
Cash payments to suppliers and employees for goods and services	14,233,044	158,035,159
Net cash provided by operating activities	10,626,168	55,395,202
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	152,112	817,615
Net cash provided by investing activities	152,112	817,615
Cash flows from non-capital financing activities		
Interest paid on short term debt	(6,576)	(43,174)
Provision for self insurance funds	-	(946,931)
Net cash provided by noncapital financing activities	(6,576)	(990,105)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(1,720,447)	(48,837,635)
Principal paid on bonds and other long-term debt	-	(115,000)
Interest paid on bonds(net of capitalized interest)	(14,066,725)	(26,529,822)
Interest paid on capital lease obligations	(452,052)	(3,094,674)
Interest & principal funds held by trustee	11,830,944	10,867,772
Reserve funds held by trustee	(4,434)	3,117
Bond funds held by trustee	28,529	5,338,897
Principal payment on capital lease obligations	(1,903,672)	17,418,933
Grant from DOI/FEMA	-	36,561
Debt issuance costs/loss on defeasance	(225,743)	(1,580,201)
Net cash provided by (used in) capital and related financing activities	(6,513,600)	(46,492,052)
Net (decrease) increase in cash and cash equivalents	4,258,104	8,730,660
Cash and cash equivalents, beginning	131,465,143	126,992,587
Cash and cash equivalents-Funds held by GPA, April 30, 2017	**$ 135,723,247**	**$ 135,723,247**

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended April 30, 2017

	Month Ended 4/30/2017	YTD Ended 4/30/2017
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$ 4,143,497	$ 26,742,790
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,672,773	24,940,846
Other expense	(85,767)	345,426
(Increase) decrease in assets:		
Accounts receivable	(2,443,810)	30,576,249
Materials and inventory	(60,335)	739,429
Fuel inventory	(5,725,478)	(14,996,050)
Prepaid expenses	(594,578)	(4,662,737)
Unamortized debt issuance cost	31,608	221,256
Deferred fuel revenue	(1,874,050)	(5,472,302)
Unamortized loss on debt refunding	104,028	728,196
Unamortized forward delivery contract costs	13,280	92,960
Increase (decrease) in liabilities:		
Accounts payable-operations	26,595,754	11,336,024
Accounts payable-others	(12,501,392)	(11,018,781)
Accrued payroll and employees' benefits	73,341	11,217
Net pension liability	(693,245)	(3,819,733)
Employees' annual leave	(611)	111,657
Customers deposits	19,821	(163,366)
Customer advances for construction	-	22,798
Unearned forward delivery contract revenue	(48,668)	(340,677)
Net cash provided by operating activities	**$ 10,626,168**	**$ 55,395,202**

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GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
May 2017

Attached are the financial statements and supporting schedules for the month and fiscal year ended May 31, 2017.

Summary
The decrease in net assets for the month ended was $1.5 million as compared to the anticipated net increase of $0.2 million projected at the beginning of the year. The total kWh sales for the month were 7.48% more than projected and non-fuel revenues were $1.0 million more than the estimated amount. O & M expenses for the month were $4.7 million which was $1.5 million less than our projections for the month. Other expenses for the month such as interest expense, IPP costs, (net of interest income and other income) totaled to $4.1 million, which was $0.2 million more than the projected amount. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	2.06	2.29	2
Days in Receivables	39	43	52
Days in Payables	43	30	30
LEAC (Over)/Under Recovery Balance -YTD	$6,964,627	$9,086,643	$6,285,186
T&D Losses	4.80%	4.83%	7.00%
Debt Service Coverage	2.10	2.14	1.75
Long-term equity ratio	13%	13%	30 – 40%
Days in Cash	221	200	60

The Quick Ratio has been a challenge for GPA historically. However, over the last two fiscal years, the influx of cash has continued to improve this ratio. GPA has current obligations of approximately $70.9 million and approximately $162 million in cash and current receivables. The increase in cash is attributable to the receipt of $34M in insurance proceeds during the fiscal year. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statement
May 2017
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:	Reviewed by:	Approved by:
Lenora M. Sanz Controller	John J.E. Kim Chief Financial Officer	John M. Benavente, P.E. General Manager

[redacted]

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 7,681,808	$ 16,005,063	$ (8,323,255)
Bond indenture funds	64,409,484	69,821,815	(5,412,331)
Held by Guam Power Authority:			
Bond indenture funds	126,204,865	126,992,587	(787,722)
Self insurance fund-restricted	19,247,635	19,506,796	(259,161)
Energy sense fund	1,335,770	1,646,041	(310,271)
Total cash and cash equivalents	218,879,562	233,972,302	(15,092,740)
Accounts receivable, net	35,620,433	62,635,764	(27,015,331)
Total current receivables	35,620,433	62,635,764	(27,015,331)
Materials and supplies inventory	12,714,293	13,555,719	(841,426)
Fuel inventory	40,273,418	31,326,367	8,947,051
Prepaid expenses	4,476,120	754,024	3,722,096
Total current assets	311,963,826	342,244,176	(30,280,350)
Utility plant, at cost:			
Electric plant in service	1,017,295,917	990,594,593	26,701,324
Construction work in progress	21,987,044	17,206,429	4,780,615
Total	1,039,282,961	1,007,801,022	31,481,939
Less: Accumulated depreciation	(552,883,353)	(540,262,575)	(12,620,778)
Total utility plant	486,399,608	467,538,447	18,861,161
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,552,574	48,550,887	1,687
Unamortized debt issuance costs	4,393,737	4,646,601	(252,864)
Total other non-current assets	52,946,311	53,197,488	(251,177)
Total assets	851,309,745	862,980,111	(11,670,366)
Deferred outflow of resources:			
Deferred fuel revenue	9,086,643	1,492,325	7,594,318
Unamortized loss on debt refunding	11,492,176	12,324,400	(832,224)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	690,478	796,718	(106,240)
Total deferred outflows of resources	29,438,015	22,782,161	6,655,854
	$ 880,747,760	$ 885,762,272	$ (5,014,512)

[redacted]

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	[redacted]	[redacted]	[redacted]
Current liabilities:			
Current maturities of long-term debt	$ 1,780,000	$ 115,000	$ 1,665,000
Current obligations under capital leases	16,737,242	16,737,242	0
Accounts payable			
Operations	25,111,206	24,622,615	488,590
Others	8,783,216	23,012,732	(14,229,515)
Accrued payroll and employees' benefits	2,006,827	1,533,906	472,921
Current portion of employees' annual leave	2,517,310	2,405,799	111,511
Interest payable	5,511,672	15,146,696	(9,635,024)
Customer deposits	8,444,177	8,381,571	62,606
Total current liabilities	70,891,650	91,955,561	(21,063,911)
Regulatory liabilities:			
Provision for self insurance	19,550,977	19,550,977	0
Total regulatory liabilities	19,550,977	19,550,977	0
Long term debt, net of current maturities	591,471,834	595,057,769	(3,585,935)
Obligations under capital leases, net of current portion	38,373,686	22,872,720	15,500,966
Net Pension liability	66,761,586	71,049,220	(4,287,634)
DCRS sick leave liability	3,436,738	3,436,738	0
Employees' annual leave net of current portion	806,762	806,762	0
Customer advances for construction	349,950	319,321	30,629
Total liabilities	791,643,183	805,049,068	(13,405,885)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	2,530,743	2,920,088	(389,345)
Pension	732,788	732,788	0
Total deferred inflows of resources	3,263,531	3,652,876	(389,345)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(49,351,047)	(49,190,903)	(160,144)
Restricted	8,207,685	4,645,344	3,562,341
Unrestricted	126,984,407	121,605,887	5,378,520
Total net position	85,841,045	77,060,328	8,780,717
	$ 880,747,760	$ 885,762,272	$ (5,014,512)

[redacted]

Revenues						
Sales of electricity	$ 30,213,220	$ 25,600,983	18	$ 212,206,156	$ 204,658,493	4
Miscellaneous	256,403	234,846	9	1,630,506	1,677,918	(3)
Total	30,469,623	25,835,829	18	213,836,662	206,336,411	4
Bad debt expense	(93,433)	(91,667)	2	(707,063)	(733,336)	(4)
Total revenues	30,376,190	25,744,162	18	213,129,599	205,603,075	4
Operating and maintenance expenses				10,099		
Production fuel	15,595,840	11,637,549	34	103,548,130	99,316,769	4
Other production	1,098,598	1,363,067	(19)	9,667,779	10,585,405	(9)
	16,694,438	13,000,616	28	113,215,909	109,902,174	3
Depreciation	7,375,681	3,385,826	118	32,316,527	26,850,231	20
Energy conversion cost	1,710,763	1,791,227	(4)	12,820,984	11,192,519	15
Transmission & distribution	952,077	733,403	30	7,741,044	7,139,107	8
Customer accounting	274,381	353,493	(22)	2,659,469	3,730,115	(29)
Administrative & general	2,353,353	2,120,826	11	16,617,379	19,500,592	(15)
Total operating and maintenance expenses	29,360,693	21,385,391	37	185,371,312	178,314,738	4
Operating income	1,015,497	4,358,771	(77)	27,758,287	27,288,337	2
Other income (expenses)						
Interest income	117,128	66,386	76	934,743	661,389	41
Interest expense and amortization	(2,[illegible])	(2,[illegible])	2	(22,[illegible])	(25,[illegible])	(8)
Bond issuance costs	76,827	68,617	12	614,616	548,936	12
Allowance for funds used during construction	305,095	341,165	(11)	2,529,398	2,841,556	(11)
Other expense	(201,691)	(4,791)	4,600	(894,054)	32,561	(3,310)
Total other income (expenses)	(2,548,432)	(2,432,276)	4	(19,015,995)	(19,274,849)	(1)
Income (loss) before capital contributions	(1,520,935)	1,926,495	(179)	8,742,292	8,013,488	9
Capital contributions	1,861	0	0	38,422	1,724,396	(98)
Increase (decrease) in net assets	(1,519,074)	1,926,495	(179)	8,780,714	9,737,884	(10)
Total net assets at beginning of period (restated)	87,360,117	89,439,164	(2)	77,060,329	81,627,775	(6)
Total net assets at end of period	$ 85,841,043	$ 91,365,659	(6)	$ 85,841,043	$ 91,365,659	(6)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended May31, 2017

	Month Ended 5/31/2017	YTD Ended 5/31/2017
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$26,847,610	$ 240,277,970
Cash payments to suppliers and employees for goods and services	30,592,781	188,627,940
Net cash provided by operating activities	($3,745,172)	51,650,030
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	117,128	934,743
Net cash provided by investing activities	117,128	934,743
Cash flows from non-capital financing activities		
Interest paid on short term debt	(5,992)	(49,166)
Provision for self insurance funds	-	(946,931)
Net cash provided by noncapital financing activities	(5,992)	(996,097)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(2,340,040)	(51,177,675)
Principal paid on bonds and other long-term debt	-	(115,000)
Interest paid on bonds(net of capitalized interest)	305,095	(26,224,727)
Interest paid on capital lease obligations	(437,757)	(3,532,431)
Interest & principal funds held by trustee	(2,544,517)	8,323,255
Reserve funds held by trustee	(4,804)	(1,687)
Bond funds held by trustee	73,434	5,412,331
Principal payment on capital lease obligations	(1,917,967)	15,500,966
Grant from DOI/FEMA	1,861	38,422
Debt issuance costs/loss on defeasance	(225,743)	(1,805,944)
Net cash provided by (used in) capital and related financing activities	(7,090,438)	(53,582,490)
Net (decrease) increase in cash and cash equivalents	(10,724,473.71)	(1,993,814)
Cash and cash equivalents, beginning	135,723,247	126,992,587
Cash and cash equivalents-Funds held by GPA, May 31, 2017	**$ 124,998,773**	**$ 124,998,773**

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended May31, 2017

	Month Ended 5/31/2017	YTD Ended 5/31/2017
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$1,015,497	$27,758,287
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	7,375,681	32,316,527
Other expense	(124,864)	220,562
(Increase) decrease in assets:		
Accounts receivable	(3,560,918)	27,015,331
Materials and inventory	101,997	841,426
Fuel inventory	6,048,999	(8,947,051)
Prepaid expenses	940,641	(3,722,096)
Unamortized debt issuance cost	31,608	252,864
Deferred fuel revenue	(2,122,016)	(7,594,318)
Unamortized loss on debt refunding	104,028	832,224
Unamortized forward delivery contract costs	13,280	106,240
Increase (decrease) in liabilities:		
Accounts payable-operations	(10,847,434)	488,590
Accounts payable-others	(2,900,463)	(13,919,244)
Accrued payroll and employees' benefits	461,704	472,921
Net pension liability	(467,901)	(4,287,634)
Employees' annual leave	(146)	111,511
Customers deposits	225,972	62,606
Customer advances for construction	7,831	30,629
Unearned forward delivery contract revenue	(48,668)	(389,345)
Net cash provided by operating activities	**($3,745,172)**	**$51,650,030**