GUAM POWER AUTHORITY

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

24 January 2018

GCH 34-18-1489
Speaker Benjamin J.F. Cruz

FEB 0 1 2018
Time: 2:16 [ ] AM [ ] PM File No. ____
Received By: ____

Senator Benjamin J. F. Cruz
Office of the Speaker
I Mina' Trentai Kuattro Liheslaturan Guahan
34th Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

2018 FEB -1 PM 3:33

SUBJECT: Guam Power Authority
Ref: Monthly Financials – October / November 2017

Dear Honorable Speaker Cruz:

Enclosed is the Guam Power Authority's Financial Statement for the months of October & November 2017, 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: Ms. Doris Flores Brooks, CPA, CGFM Public Auditor
File/ CFO 048 17

1489

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

GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
October 2017

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

Summary

The increase in net assets for the month ended was $0.9 million as compared to the anticipated net decrease of $0.6 million projected at the beginning of the year. The total kWh sales for the month were 2.17% less than projected and non-fuel revenues were $0.2 million less than the estimated amount. O & M expenses for the month were $5.2 million which was $1.8 million under 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 $4.0 million, which was right in line with the projected amount as well. There were no other significant departures from the budget during the period.

Analysis

Description	Previous Month	Current Month	Target
Quick Ratio	1.55	2.19	2
Days in Receivables	41	39	52
Days in Payables	48	29	30
LEAC (Over)/Under Recovery Balance -YTD	$16,751,048	$16,079,742	$10,663,392
T&D Losses	4.95%	4.87%	7.00%
Debt Service Coverage	1.95	1.82	1.75
Long-term equity ratio	13%	13%	30 – 40%
Days in Cash	196	163	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 $71 million and approximately $156 million in cash and current receivables. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statement
October 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

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Net Position
October 31, 2017 and September 30, 2017

	Unaudited October 2017	Unaudited September 2017	Change from Sept 30 2017
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 4,420,377	$ 18,061,879	$ (13,641,502)
Bond indenture funds	55,528,643	56,907,535	(1,378,892)
Held by Guam Power Authority:			
Bond indenture funds	120,064,136	132,579,889	(12,515,753)
Self insurance fund-restricted	19,251,372	19,251,372	0
Energy sense fund	889,161	1,074,491	(185,330)
Total cash and cash equivalents	200,153,689	227,875,166	(27,721,477)
Accounts receivable, net	35,912,815	35,603,289	309,526
Total current receivables	35,912,815	35,603,289	309,526
Materials and supplies inventory	12,249,373	11,989,745	259,628
Fuel inventory	40,853,187	52,387,369	(11,534,182)
Prepaid expenses	2,652,368	682,814	1,969,554
Total current assets	291,821,432	328,538,383	(36,716,951)
Utility plant, at cost:			
Electric plant in service	1,037,744,631	1,037,419,517	325,114
Construction work in progress	19,062,740	18,382,414	680,326
Total	1,056,807,371	1,055,801,931	1,005,440
Less: Accumulated depreciation	(568,757,221)	(565,144,900)	(3,612,321)
Total utility plant	488,050,150	490,657,031	(2,606,881)
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,515,413	48,576,863	(61,450)
Unamortized debt issuance costs	4,235,697	4,267,305	(31,608)
Total other non-current assets	52,751,110	52,844,168	(93,058)
Total assets	832,622,692	872,039,582	(39,416,890)
Deferred outflow of resources:			
Deferred fuel revenue	16,079,742	16,751,048	(671,306)
Unamortized loss on debt refunding	10,972,036	11,076,064	(104,028)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	624,078	637,358	(13,280)
Total deferred outflows of resources	35,844,574	36,633,188	(788,614)
	$ 868,467,266	$ 908,672,770	$ (40,205,504)

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statement of Net Position, Continued
October 31, 2017 and September 30, 2017

	Unaudited October 2017	Unaudited September 2017	Change from Sept 30 2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	$ 1,495,000	$ 1,780,000	$ (285,000)
Current obligations under capital leases	16,949,416	16,949,416	0
Accounts payable			
Operations	31,615,497	56,671,898	(25,056,401)
Others	5,418,484	5,425,336	(6,852)
Accrued payroll and employees' benefits	1,914,336	1,546,860	367,476
Current portion of employees' annual leave	2,327,066	2,324,895	2,171
Interest payable	3,072,636	15,065,830	(11,993,194)
Customer deposits	8,613,720	8,503,783	109,937
Total current liabilities	71,406,155	108,268,018	(36,861,863)
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	588,848,119	590,568,862	(1,720,743)
Obligations under capital leases, net of current portion	28,352,011	30,343,708	(1,991,697)
Net Pension liability	64,109,499	64,596,253	(486,754)
DCRS sick leave liability	4,008,397	4,008,397	0
Employees' annual leave net of current portion	806,762	806,762	0
Customer advances for construction	369,180	369,180	0
Total liabilities	777,451,100	818,512,157	(41,061,057)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	2,287,403	2,336,071	(48,668)
Pension	732,788	732,788	0
Total deferred inflows of resources	3,020,191	3,068,859	(48,668)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(43,919,520)	(43,869,737)	(49,783)
Restricted	11,290,912	15,232,832	(3,941,920)
Unrestricted	120,624,582	115,728,658	4,895,924
Total net position	87,995,974	87,091,754	904,220
	$ 868,467,266	$ 908,672,770	$ (40,205,504)

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

	October 31 Unaudited 2017	October 31 Unaudited 2016	% of change Inc (dec)	One Month Ended October 31 Unaudited 2017	One Month Ended October 31 Unaudited 2016	% of change Inc (dec)
Revenues						
Sales of electricity	$ 29,561,020	$ 25,595,912	15	$ 29,561,020	$ 25,595,912	15
Miscellaneous	135,948	141,999	(4)	135,948	141,999	(4)
Total	29,696,968	25,737,911	15	29,696,968	25,737,911	15
Bad debt expense	(86,583)	(83,333)	4	(86,583)	(83,333)	4
Total revenues	29,610,385	25,654,578	15	29,610,385	25,654,578	15
Operating and maintenance expenses						
Production fuel	15,935,767	11,893,808	34	15,935,767	11,893,808	34
Other production	1,390,516	740,318	88	1,390,516	740,318	88
	17,326,283	12,634,126	37	17,326,283	12,634,126	37
Depreciation	3,617,856	3,532,300	2	3,617,856	3,532,300	2
Energy conversion cost	1,746,704	1,443,450	21	1,746,704	1,443,450	21
Transmission & distribution	878,512	868,141	1	878,512	868,141	1
Customer accounting	450,594	310,673	45	450,594	310,673	45
Administrative & general	2,432,579	1,739,874	40	2,432,579	1,739,874	40
Total operating and maintenance expenses	26,452,528	20,528,564	29	26,452,528	20,528,564	29
Operating income	3,157,857	5,126,014	(38)	3,157,857	5,126,014	(38)
Other income (expenses)						
Interest income	161,620	74,991	116	161,620	74,991	116
Interest expense and amortization	(2,753,427)	(2,810,236)	(2)	(2,753,427)	(2,810,236)	(2)
Bond issuance costs	76,827	76,827	0	76,827	76,827	0
Allowance for funds used during construction	265,647	323,194	(18)	265,647	323,194	(18)
Other expense	(4,303)	(4,291)	0	(4,303)	(4,291)	0
Total other income (expenses)	(2,253,636)	(2,339,515)	(4)	(2,253,636)	(2,339,515)	(4)
Income (loss) before capital contributions	904,221	2,786,499	(68)	904,221	2,786,499	(68)
Capital contributions	0	11,488	0	0	11,488	(100)
Increase (decrease) in net assets	904,221	2,797,987	(68)	904,221	2,797,987	(68)
Total net assets at beginning of period (restated)	87,091,754	77,060,329	13	87,091,754	77,060,329	13
Total net assets at end of period	$ 87,995,975	$ 79,858,316	10	$ 87,995,975	$ 79,858,316	10

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows
Period Ended October 31, 2017

	Month Ended 10/31/2017	YTD Ended 10/31/2017
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$ 29,292,364	$ 29,292,364
Cash payments to suppliers and employees for goods and services	37,562,192	37,562,192
Net cash provided by operating activities	(8,269,828)	(8,269,828)
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	161,620	161,620
Net cash provided by investing activities	161,620	161,620
Cash flows from non-capital financing activities		
Interest paid on short term debt	(6,393)	(6,393)
Net cash provided by noncapital financing activities	(6,393)	(6,393)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(1,010,976)	(1,010,976)
Principal paid on bonds and other long-term debt	(1,780,000)	(1,780,000)
Interest paid on bonds(net of capitalized interest)	(14,110,553)	(14,110,553)
Interest paid on capital lease obligations	(364,027)	(364,027)
Interest & principal funds held by trustee	13,641,502	13,641,502
Reserve funds held by trustee	61,450	61,450
Bond funds held by trustee	1,378,892	1,378,892
Principal payment on capital lease obligations	(1,991,697)	(1,991,697)
Grant from DOI/FEMA	-	-
Debt issuance costs/loss on defeasance	(225,743)	(225,743)
Net cash provided by (used in) capital and related financing activities	(4,401,152)	(4,401,152)
Net (decrease) increase in cash and cash equivalents	(12,515,753)	(12,515,753)
Cash and cash equivalents, beginning	132,579,889	132,579,889
Cash and cash equivalents-Funds held by GPA, October 31, 2017	**$ 120,064,136**	**$ 120,064,136**

GUAM POWER AUTHORITY
(A COMPONENT UNIT OF THE GOVERNMENT OF GUAM)
Statements of Cash Flows, continued
Period Ended October 31, 2017

	Month Ended 10/31/2017	YTD Ended 10/31/2017
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$ 3,157,857	$ 3,157,857
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,617,856	3,617,856
Other expense	72,524	72,524
(Increase) decrease in assets:		
Accounts receivable	(309,526)	(309,526)
Materials and inventory	(259,628)	(259,628)
Fuel inventory	11,534,182	11,534,182
Prepaid expenses	(1,969,554)	(1,969,554)
Unamortized debt issuance cost	31,608	31,608
Deferred fuel revenue	671,306	671,306
Unamortized loss on debt refunding	104,028	104,028
Unamortized forward delivery contract costs	13,280	13,280
Increase (decrease) in liabilities:		
Accounts payable-operations	(25,056,401)	(25,056,401)
Accounts payable-others	178,478	178,478
Accrued payroll and employees' benefits	367,476	367,476
Net pension liability	(486,754)	(486,754)
Employees' annual leave	2,171	2,171
Customers deposits	109,937	109,937
Unearned forward delivery contract revenue	(48,668)	(48,668)
Net cash provided by operating activities	**$ (8,269,828)**	**$ (8,269,828)**

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

GUAM POWER AUTHORITY
FINANCIAL STATEMENT OVERVIEW
November 2017

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

Summary

The increase in net assets for the month ended was $2.1 million as compared to the anticipated net decrease of $0.2 million projected at the beginning of the year. The total kWh sales for the month were 2.96% more than projected and non-fuel revenues were $0.4 million more than the estimated amount. O & M expenses for the month were $4.9 million which was $1.2 million under 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 $3.3 million, which was $0.7 million less 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	2.19	2.03	2
Days in Receivables	39	41	52
Days in Payables	29	24	30
LEAC (Over)/Under Recovery Balance -YTD	$16,079,742	$15,977,766	$9,997,499
T&D Losses	4.87%	4.91%	7.00%
Debt Service Coverage	1.82	2.03	1.75
Long-term equity ratio	13%	13%	30 – 40%
Days in Cash	163	136	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 $68 million and approximately $138 million in cash and current receivables. Debt Service Coverage ratio is calculated using the methodology in use before the Fiscal Year 2002 change in accounting practice.

Financial Statement
November 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

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

	Unaudited November 2017	Unaudited September 2017	Change from Sept 30 2017
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and cash equivalents:			
Held by trustee for restricted purposes:			
Interest and principal funds	$ 6,934,525	$ 18,061,879	$ (11,127,354)
Bond indenture funds	55,135,417	56,907,535	(1,772,118)
Held by Guam Power Authority:			
Bond indenture funds	99,909,451	132,579,889	(32,670,438)
Self insurance fund-restricted	19,251,372	19,251,372	0
Energy sense fund	847,042	1,074,491	(227,449)
Total cash and cash equivalents	182,077,807	227,875,166	(45,797,358)
Accounts receivable, net	37,969,245	35,603,289	2,365,956
Total current receivables	37,969,245	35,603,289	2,365,956
Materials and supplies inventory	12,721,956	11,989,745	732,211
Fuel inventory	47,971,255	52,387,369	(4,416,114)
Prepaid expenses	8,537,469	682,814	7,854,655
Total current assets	289,277,732	328,538,383	(39,260,651)
Utility plant, at cost:			
Electric plant in service	1,038,301,752	1,037,419,517	882,235
Construction work in progress	20,814,931	18,382,414	2,432,517
Total	1,059,116,683	1,055,801,931	3,314,752
Less: Accumulated depreciation	(572,306,120)	(565,144,900)	(7,161,220)
Total utility plant	486,810,563	490,657,031	(3,846,468)
Other non-current assets:			
Investment - bond reserve funds held by trustee	48,520,609	48,576,863	(56,254)
Unamortized debt issuance costs	4,204,089	4,267,305	(63,216)
Total other non-current assets	52,724,698	52,844,168	(119,470)
Total assets	828,812,993	872,039,582	(43,226,589)
Deferred outflow of resources:			
Deferred fuel revenue	15,977,766	16,751,048	(773,282)
Unamortized loss on debt refunding	10,868,008	11,076,064	(208,056)
Pension	8,168,718	8,168,718	0
Unamortized forward delivery contract costs	610,798	637,358	(26,560)
Total deferred outflows of resources	35,625,290	36,633,188	(1,007,898)
	$ 864,438,283	$ 908,672,770	$ (44,234,487)

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

	Unaudited November 2017	Unaudited September 2017	Change from September 30 2017
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION			
Current liabilities:			
Current maturities of long-term debt	$ 1,495,000	$ 1,780,000	$ (285,000)
Current obligations under capital leases	16,949,416	16,949,416	0
Accounts payable			
Operations	28,249,143	56,671,898	(28,422,755)
Others	4,077,812	5,425,336	(1,347,524)
Accrued payroll and employees' benefits	696,671	1,546,860	(850,189)
Current portion of employees' annual leave	2,450,762	2,324,895	125,867
Interest payable	5,456,028	15,065,830	(9,609,802)
Customer deposits	8,691,492	8,503,783	187,709
Total current liabilities	68,066,324	108,268,018	(40,201,694)
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	588,622,376	590,568,862	(1,946,486)
Obligations under capital leases, net of current portion	26,307,404	30,343,708	(4,036,304)
Net Pension liability	63,611,305	64,596,253	(984,948)
DCRS sick leave liability	4,008,397	4,008,397	0
Employees' annual leave net of current portion	806,762	806,762	0
Customer advances for construction	372,489	369,180	3,309
Total liabilities	771,346,034	818,512,157	(47,166,123)
Deferred inflows of resources:			
Unearned forward delivery contract revenue	2,238,734	2,336,071	(97,337)
Pension	732,788	732,788	0
Total deferred inflows of resources	2,971,522	3,068,859	(97,337)
Commitments and contigencies			
Net Position:			
Net investment in capital assets	(43,240,096)	(43,829,737)	589,641
Restricted	6,977,996	15,232,832	(8,254,836)
Unrestricted	126,422,826	115,728,658	10,694,168
Total net position	90,120,726	87,091,754	3,028,972
	$ 864,438,283	$ 908,672,770	$ (44,234,487)

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

	November 30 Unaudited 2017	November 30 Unaudited 2016	% of change Inc (dec)	Two Months Ended November 30 Unaudited 2017	Two Months Ended November 30 Unaudited 2016	% of change Inc (dec)
Revenues						
Sales of electricity	$ 29,227,453	$ 24,837,474	18	$ 58,788,473	$ 50,433,386	17
Miscellaneous	148,862	238,596	(38)	284,810	380,595	(25)
Total	29,376,315	25,076,070	17	59,073,283	50,813,981	16
Bad debt expense	(86,583)	(83,333)	4	(172,167)	(166,667)	3
Total revenues	29,289,732	24,992,737	17	58,900,116	50,647,314	16
Operating and maintenance expenses						
Production fuel	15,400,262	11,215,220	37	31,336,029	23,109,028	36
Other production	1,198,788	1,767,647	(32)	2,589,304	2,507,965	3
	16,599,050	12,982,867	28	33,925,333	25,616,993	32
Depreciation	3,555,395	3,591,495	(1)	7,173,251	7,123,795	1
Energy conversion cost	1,762,816	1,471,717	20	3,509,520	2,915,167	20
Transmission & distribution	973,211	1,060,844	(8)	1,851,723	1,928,985	(4)
Customer accounting	383,931	365,779	5	834,524	676,451	23
Administrative & general	2,298,971	2,273,712	1	4,731,550	4,013,586	18
Total operating and maintenance expenses	25,573,374	21,746,414	18	52,025,901	42,274,977	23
Operating income	3,716,358	3,246,323	14	6,874,215	8,372,337	(18)
Other income (expenses)						
Interest income	848,816	78,412	983	1,010,436	153,403	559
Interest expense and amortization	(2,664,978)	(2,796,140)	(4)	(5,407,036)	(5,907,036)	(8)
Bond issuance costs	76,827	76,827	0	153,654	153,654	0
Allowance for funds used during construction	280,938	323,272	(13)	546,585	646,466	(15)
Other expense	(138,010)	(4,991)	2,650	(177,710)	(6,542)	2,617
Total other income (expenses)	(1,596,407)	(2,322,580)	(31)	(3,850,043)	(4,662,095)	(17)
Income (loss) before capital contributions	2,119,951	923,743	129	3,024,172	3,710,242	(18)
Capital contributions	4,795	0	0	4,795	11,488	(58)
Increase (decrease) in net assets	2,124,746	923,743	130	3,028,967	3,721,730	(19)
Total net assets at beginning of period (restated)	87,995,975	79,858,316	10	87,091,754	77,060,329	13
Total net assets at end of period	$ 90,120,721	$ 80,782,059	12	$ 90,120,721	$ 80,782,059	12

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

	Month Ended 11/30/2017	YTD Ended 11/30/2017
Increase(decrease) in cash and cash equivalents		
Cash flows from operating activities:		
Cash received from customers	$ 27,233,943	$ 56,526,307
Cash payments to suppliers and employees for goods and services	41,509,321	79,071,513
Net cash provided by operating activities	$ (14,275,378)	$ (22,545,206)
Cash flows from investing activities:		
Interest and dividends on investments and bank accounts	848,816	1,010,436
Net cash provided by investing activities	848,816	1,010,436
Cash flows from non-capital financing activities		
Interest paid on short term debt	(6,009)	(12,402)
Net cash provided by noncapital financing activities	(6,009)	(12,402)
Cash flows from capital and related financing activities		
Acquisition of utility plant	(2,315,801)	(3,326,777)
Principal paid on bonds and other long-term debt	-	(1,780,000)
Interest paid on bonds(net of capitalized interest)	280,938	(13,829,615)
Interest paid on capital lease obligations	(295,578)	(659,605)
Interest & principal funds held by trustee	(2,514,148)	11,127,354
Reserve funds held by trustee	(5,196)	56,254
Bond funds held by trustee	393,226	1,772,118
Principal payment on capital lease obligations	(2,044,607)	(4,036,304)
Grant from DOI/FEMA	4,795	4,795
Debt issuance costs/loss on defeasance	(225,743)	(451,486)
Net cash provided by (used in) capital and related financing activities	(6,722,114)	(11,123,266)
Net (decrease) increase in cash and cash equivalents	(20,154,684.54)	(32,670,438)
Cash and cash equivalents, beginning	120,064,136	132,579,889
Cash and cash equivalents-Funds held by GPA, November 30, 2017	**$ 99,909,451**	**$ 99,909,451**

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

	Month Ended 11/30/2017	YTD Ended 11/30/2017
Reconciliation of operating earnings to net cash provided by operating activities:		
Operating earnings net of depreciation expense and excluding interest income	$3,716,358	$6,874,215
Adjustments to reconcile operating earnings to net cash provided by operating activities:		
Depreciation and amortization	3,555,395	7,173,251
Other expense	(41,183)	31,341
(Increase) decrease in assets:		
Accounts receivable	(2,056,430)	(2,365,956)
Materials and inventory	(472,583)	(732,211)
Fuel inventory	(7,118,068)	4,416,114
Prepaid expenses	(5,885,101)	(7,854,655)
Unamortized debt issuance cost	31,608	63,216
Deferred fuel revenue	101,976	773,282
Unamortized loss on debt refunding	104,028	208,056
Unamortized forward delivery contract costs	13,280	26,560
Increase (decrease) in liabilities:		
Accounts payable-operations	(3,366,354)	(28,422,755)
Accounts payable-others	(1,298,553)	(1,120,075)
Accrued payroll and employees' benefits	(1,217,665)	(850,189)
Net pension liability	(498,194)	(984,948)
Employees' annual leave	123,696	125,867
Customers deposits	77,772	187,709
Customer advances for construction	3,309	3,309
Unearned forward delivery contract revenue	(48,669)	(97,337)
Net cash provided by operating activities	**($14,275,378)**	**($22,545,206)**