



GUAM WATERWORKS AUTHORITY

"Good Water Always"

Post Office Box 3010, Hagåtña, Guam 96932

Phone: (671)647-7838/2588/7055 Fax: (671)646-2594

October 17, 2008

Margaret P. Aguilar
Guam Environmental Protection Agency
P.O. Box 22439
GMF, GU 96921

RE: Financial Summary -- GWA Wastewater Revolving Loan Fund

Dear Margaret:

Pursuant to our Memorandum of Understanding, I would like to submit our Wastewater Revolving Loan Fund's annual financial summary (please see attached).

If you should have any questions, please feel free to contact Joseph P. Claveria, Assistant CFO, at 647-2596 or myself at 647-2588.

Sincerely yours,

Greg P. Cruz
Chief Financial Officer

Sewer Hookup Loan Revolving Fund

Annual Activity Report – September 30, 2008

Highlights

- In July 2008, the Memorandum of Understanding between Guam Waterworks Authority and Guam Environmental Protection Agency was signed.
- In August 2008, GWA received the Seventy-Five Thousand Dollars (\$75,000) to implement the revolving loan fund.
- GWA is currently in the process of:
 - Researching and developing the proper and necessary documents for the loan program.
 - The development of a program brochure for public dissemination.
 - Developing the pertinent standard operating procedures.
 - The procurement of loan-making software.
 - Performing an operational impact assessment to include, but not limited to, the identification of resources available.
- The target date of implementation is December 1, 2008.
- Attached is the financial report for September 30, 2008.

Guam WaterWorks Authority
Sewer Hookup Revolving Loan Fund¹
Statement of Net Assets
September 30, 2008
(Unaudited)

Assets	
Current	
Cash	75,026
Loans Receivable	-
Total assets	<u>\$ 75,026</u>
Liabilities	<u>-</u>
Net Assets:	
Restricted ²	73,026
Unrestricted ³	<u>2,000</u>
Total net assets	<u>75,026</u>
	<u>\$ 75,026</u>

¹ Stipulated Order for Preliminary Relief, Part III, ¶ 34.

² Available for loan proceeds per MOU.

³ Available for administrative costs per MOU.

Guam WaterWorks Authority
Sewer Hookup Revolving Loan Fund
Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2008
(Unaudited)

Operating Revenues:	
Federal Contribution ^{1, 2}	\$ 75,000
Interest on loans receivable ³	-
Loan origination fees	-
Other	-
Total operating revenue	<u>75,000</u>
Operating Expenses:	
Loan origination costs	-
Contractual Services	-
Administrative	-
Total operating expenses	<u>-</u>
Income from operations	<u>75,000</u>
Non-operating revenues (expenses):	
Interest income on bank deposits ³	26
Other	-
Total non-operating revenues (expenses)	<u>26</u>
Increase (decrease) in net assets	75,026
Net assets at beginning of year	<u>0</u>
Net assets at end of year	<u>\$ 75,026</u>

¹ Pursuant to MOU between GWA and GEPA of July 2008.

² Funds provided by the Guam EPA Water Planning Committee.

³ Interest earned is part of *corpus*.