

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**Financial Statements And Independent Auditor's Report
And Additional Information**

For The Year Ended September 30, 2009

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
(a Public Corporation)

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September 30, 2009

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Guam Housing and Urban Renewal Authority:

I have audited the accompanying statements of net assets, revenues, expenses and changes in net assets and cash flows of each major fund and the aggregate remaining fund information of the Guam Housing and Urban Renewal Authority (GHURA), a component unit of the Government of Guam as of and for the year ended September 30, 2009, which collectively comprise GHURA's basic financial statements. These financial statements are the responsibility of the GHURA's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the GHURA's internal control over financial reporting. Accordingly, I express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of Guam Housing and Urban Renewal Authority as of September 30, 2009, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 3 through 23 is not a required part of the basic financial statements but is supplementary information required by the Government Accounting Standards Board. This supplementary information is the responsibility of the management of the Guam Housing and Urban Renewal Authority. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining financial statements and schedules listed in Section I. E. of the foregoing Table of Contents, which is also the responsibility of the management of GHURA, is presented for purposes of additional analysis and is not a required part of the financial statements of GHURA. The accompanying schedule on page 142 is also presented for purpose of additional analysis. This schedule is not a required part of the basic financial statements and is the responsibility of the management of GHURA. Such information has been subjected to the auditing procedures applied in my audit of the basic financial statements and, in my opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, I have also issued my report dated April 29, 2010 on my consideration of the Guam Housing and Urban Renewal Authority's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of my testing of internal controls over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

J. Scott Magliani + Company
Hagåtña, Guam
April 29, 2010

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis September 30, 2009

As the management of the Guam Housing and Urban Renewal Authority (the "Authority"), a component unit of the Government of Guam, we offer readers the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal year ended September 30, 2009. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 24.

Please read it in conjunction with the Authority's financial statements, which follow this section. The annual financial report consists of four parts, management's discussion and analysis (this section), the basic financial statements, the accompanying footnotes, and the supplementary information.

PROFILE OF THE AUTHORITY

Our Mission

To assure the availability of quality housing for low-income persons and to promote the civic involvement and economic self-sufficiency of residents and to further the expansion of affordable housing on Guam.

General Information

Created in 1962, the GHURA's goal is to provide adequate housing and community planning for those who live in any of our communities and receive assistance through our various rental and homeownership programs. Our programs are designed to support our clients and enable them to fulfill goals for themselves and their families. Our goal is to create opportunities for our client's successful participation in the workforce, and housing in the private/public sector.

The GHURA's staff's commitment to Excellence is the foundation for facilitating our clients' goals. We aggressively pursue partnerships with public and/or private entities to allow for the implementation of programs beneficial to our clients.

Neighborhood by neighborhood, we are changing the definition of public housing. Public housing no longer means fencing off a property where no one from outside the "project" dares to wander in. Today, it means modernizing our developments that blend in and become part of the surrounding community.

At GHURA, we welcome constructive suggestions, regarding how we can improve our services. We look forward to meeting the affordable housing needs for the island of Guam.

Financial Highlights

The Authority had revenues of \$47,697,141 and expenses of \$48,943,961 for the year ended September 30, 2009 (\$45,052,862 and \$48,165,859 for the year ended September 30, 2008), representing increases of \$2,644,279 and \$778,102 (approximately 5.9% and 1.6%), respectively, from September 30, 2008.

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Total assets of the Authority decreased by \$227,772 or approximately 0.4% as of September 30, 2009 (\$5,305,722 or approximately 9.2% as of September 30, 2008).

The Authority's cash and cash equivalents at September 30, 2009 totaled \$6,825,171, an increase of \$2,136,464, or approximately 45.6% from September 30, 2008.

The Authority's working capital decreased by \$196,425, or approximately 1.3% at September 30, 2009.

Overview of the Financial Statements

The management discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: 1) authority-wide financial statements; and 2) notes to the financial statements. This report also contains the Schedule of Expenditures of Federal Awards as supplementary information in addition to the basic financial statements themselves.

Authority-Wide Financial Statements

The Authority-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The Statement of Net Assets presents information on all of the Authority's assets and liabilities with the difference between the two reported as net assets. The Statement of Net Assets reports all financial and capital resources for the Authority. The Statement is presented in the format where assets, minus liabilities, equal "Net Assets", formerly known as equity. Assets and liabilities are presented in order of liquidity, and are classified as "Current" (convertible into cash within one year), and "Non-current".

The focus of the Statement of Net Assets (the "Unrestricted Net Assets") is designed to represent the net available liquid (non-capital) assets, net of liabilities, for the entire Authority. Net Assets (formerly equity) are reported in three broad categories:

Net Assets, Invested in Capital Assets, Net of Related Debt: This component of Net Assets consists of all Capital Assets, reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Assets: This component of Net Assets consists of restricted assets, when constraints are placed on the asset by creditors (such as debt covenants), grantors, contributors, laws, regulations, etc.

Unrestricted Net Assets: Consists of Net Assets that do not meet the definition of "Net Assets Invested in Capital Assets, Net of Related Debt", or "Restricted Net Assets".

The Authority-wide financial statements also include a Statement of Revenues, Expenses and Changes in Fund Net Assets (similar to an Income Statement). This Statement includes Operating Revenues, such as rental income, Operating Expenses, such as administrative, utilities, and maintenance, and depreciation, and Non-Operating Revenue and Expenses, such as grant

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Management Discussion and Analysis September 30, 2009

revenue, investment income and interest expense. The focus of the Statement of Revenues, Expenses and Changes in Fund Net Assets is the “Change in Net Assets”, which is similar to Net Income or Loss.

Finally, a Statement of Cash Flows is included, which discloses net cash provided by, or used for operating activities, non-capital financing activities, and from capital and related financing activities.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the authority-wide financial statements. The notes to the financial statements can be found on pages 29 through 54 of this report.

Supplementary Information

The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-profit Organizations. The Schedule of Expenditures of Federal Awards can be found on page 116 of this report.

Fund Financial Statements

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is now on Major Funds, rather than fund types. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an Enterprise fund. Enterprise funds utilize the full accrual basis of accounting. The Enterprise method of accounting is similar to accounting utilized by the private sector accounting.

The Authority’s Funds

Business Type Funds

Public Housing - Asset Management Projects

Public Housing was established to provide decent, safe, and sanitary rental housing for eligible families, the elderly, and persons with disabilities. Public Housing comes in all sizes and types – from scattered single-family houses to clustered units for elderly families or persons with disabilities. The Public Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides Operating Subsidy funding to enable the PHA to provide housing at a rent that is based on 30% of household income.

The intention of asset management is to improve the short- and long-term management of public housing through more accurate information and better decision-making. By converting to asset management, we had three main advantages to offer our clients: increased efficiency, improved accountability, and better planning for the future.

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This transition to asset management further represents an effort to align public housing with accepted practice in the private housing market. HUD has move public housing away from the traditional "Government Housing era" to the present model of private property management. The multi-family housing industry has long considered asset management to be an essential component of a successful real estate operation. Physical needs assessments, income and expense statements, and debt service coverage ratios represent the language of the for-profit housing industry.

Each Asset Management Properties (AMP) has a manager directly responsible for not only the AMP's budget, but also for the daily operation of public housing residents' homes. AMP managers oversee resident services, work orders, income reexaminations, evictions, etc.

GHURA owns and operates 750 Public Housing units consisting of four (4) AMP's which are site based and consist of the following developments:

AMP 1 – Central Site Base consists of 158 units located at Sinajana, Agana Heights, Mongmong and Asan.

AMP 2 – Southeast Site Base consists of 163 units located at Yona, Inarajan, Talofoyo and Talofoyo Elderly.

AMP 3 – Southwest Site Base consists of 195 units located at Agat, Agat Elderly, Merizo, Merizo Elderly and Umatac.

AMP 4 – Northern Site Base consists of 234 units located at Toto, Dededo and Dededo Elderly.

The Authority is dedicated to providing quality, public and affordable housing for all. Each of our developments is a special place, reflecting the rich diversity in the experiences and backgrounds of our residents and the surrounding neighborhoods. We welcome people from many walks of life and enjoy being part of their lives in a meaningful way by providing decent, safe, sanitary, and affordable housing. We work diligently to create positive living environments to enhance the quality of life for our residents.

At the end of FY2009, the Authority had 663 units leased with an occupancy rate of 97%. Of the 750 units, 66 units are scheduled for modernization. For the fiscal year ended September 30, 2009, the Authority was awarded \$4.16 million in Operating Subsidy funds, \$1.9 million in American Recovery and Reinvestment Act (ARRA) Capital Fund Program and \$1.5 million in Capital Fund Program funds.

Capital Fund Program

In order to maintain its public housing inventory as a viable source of affordable housing, the Authority developed an annual Capital Improvement Plan. Through the Capital Fund Program, the Authority received an annual formula grant of approximately \$1.5 million and another \$1.9 million in ARRA funds to implement such plans.

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The Modernization (MOD) Division is responsible for carrying out the capital improvements program for the Public Housing family and elderly developments. The Capital Fund Program includes the development and oversight of state and federal (HUD-funded) capital budgets and the selection and management of consultants and contractors. The MOD Division is responsible for all aspects of project management, from the planning stage through design, bidding, and construction.

Section 8 Housing Choice Voucher

GHURA administers 2,525 vouchers and receives an average of \$2.4 million per month to pay out to the landlords, tenant utility allowances, and the family self-sufficiency program. HUD provides ACC funding to enable the Authority to structure a lease that sets the participants' rents at 30% of the household income.

Families are free to choose where they live and to transfer their assistance when they move. Through a transfer process called portability, voucher participants can move almost anywhere in the United States of America and its territories.

Units rented through the Section 8 program must pass a basic health and safety inspection, known as a Housing Quality Standards (HQS) inspection. The rent for the unit must also be reasonable and comparable to rents for similar units in the neighborhood. Property owners who participate in the Section 8 Housing Choice Voucher Program can receive market rate rents and reliable assistance payments from GHURA. Participating owners continue to manage their rental units and screen and select their own tenants.

Mainstream Program

The Mainstream Program assists low-income people with disabilities who face difficulties locating suitable, accessible housing in the private market. The program is designed to help tenants with disabilities live independently in the community. Mainstream tenants are selected from the existing Section 8 Wait List and referred by the Department of Integrated Services for Individuals with Disabilities (DISID) and organizations involved with people with disabilities. Of the 2,525 vouchers for Section 8, there are 175 vouchers for this program.

Homeownership

GHURA's Section 8 Homeownership Program was implemented in 2004. The objective of the program is to graduate Section 8 families into homeownership. Currently, there are 51 families on the Family Self-Sufficiency (FSS) wait list for homeownership. Unfortunately, at least 90 percent of the families on the wait list require credit repair and/or homeownership education and counseling.

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Project-based Program

GHURA administers the Guma Trankilidat Elderly Program, which is subsidized under the HUD Multi-family Project-based Program. The Project-based program is tied to the Section 515 loan through Rural Development. The Guma Trankilidat Program provides 49 single unit homes for elderly age 62 years and older and persons with disabilities. The Program was established in 1981 to provide safe, decent and sanitary housing for elderly households.

Section 8 Family Unification Program

Family unification vouchers are made available to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in the prevention of reunifying children with their families. Family unification vouchers enable these families to lease or purchase decent, safe and sanitary housing that is affordable in the private housing market. Of the 2,525 vouchers for Section 8, there are 133 vouchers for this program.

Veterans Affairs Supportive Housing (VASH) Program

The Veterans Affairs Supportive Housing (VASH) program combines the Housing Choice Voucher rental assistance for homeless veterans provided by GHURA with case management and clinical services provided by the Veterans Affairs at its medical centers and in the community. Of the 2,525 vouchers for Section 8, there are 10 vouchers for this program.

Family Self Sufficiency (FSS) Program

The Family Self Sufficiency (FSS) Program is a voluntary initiative to help families obtain the skills they need to achieve financial independence. Case management support is offered to participating families through referrals to local agencies for education, job fairs, workshops, budget management and other appropriate services to assist the family. All FSS participants must be participants in either the Section 8 Housing Choice Voucher or Public Housing Programs with the Authority.

COMMUNITY PLANNING AND DEVELOPMENT FUNDS

Guam receives funds through HUD's Office of Community Planning and Development (CPD) to address housing and community needs in Guam. Authorized by the Governor of Guam, Guam Housing and Urban Renewal Authority (GHURA) is the designated administrator of HUD CPD funds for Guam, as received in the form of three formula grants - the Community Development Block Grant (CDBG), the HOME Investment Partnership Grant (HOME), and the Emergency Solutions Grant (ESG). Guam also administers funds competitively awarded under the Continuum of Care (CoC) Program, grants for the Supportive Housing Program (SHP) and the Shelter Plus Care (S+C) Program specifically to address the needs of homeless populations.

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For Fiscal Year 2009, a total of \$4,353,553 was received to fund eligible projects and activities with formula grant funds. CoC funds totaling \$779,815 were awarded for activities in FY2009. The award of formula grant funds were conducted through a competitive process. Project selection was based on the review of applications submitted by eligible public non-profit organizations and government agencies. Activities were chosen based on their ability to address goals and objectives identified in the report "Guam's FY2005-2009 Consolidated Plan". The Consolidated Plan is a HUD-approved planning report guiding Guam's use of HUD CPD funds over a five-year time horizon.

Community Development Block Grants (CDBG)

With CDBG funds, the Authority engages in community development activities for the benefit of low- and moderate income populations throughout the island. Guam receives CDBG funding for economic development programs, public service programs, and the construction and development of public facilities and improvements, activities intended to improve or sustain suitable living environments for low and moderate income persons. CDBG funds are also authorized for the administration and planning of eligible activities. Funding is determined on an annual basis by HUD. In FY2009, CDBG funds were used to engage in a diverse array of projects.

Economic Development – Guam funded the Pacific Islands Microcredit Institute (PIMI), an organization providing business training and micro-loans to low and moderate-income persons for the purpose of funding business ventures.

Public Service – The Salvation Army Corps Guam received funds for the operations services of the Lighthouse Recovery Center (LRC) and the Family Service Center/One-Stop Homeless Assistance Center (FSC/One-Stop). LRC and FSC/One-Stop are community organizations providing housing (LRC only) and other services to individuals and families of low- and very-low income. Guam funded Homeless Awareness Outreach activities serving homeless populations.

Public Facilities and Improvements – Construction activities are at the heart of most of CDBG-funded activities. In FY 2009, GHURA continued the development and construction of one new community facilities serving the needs of Guam's youth population, the Dededo Skate Park. GHURA is also engaged in the ongoing construction of an expanded Lighthouse Recovery Center, (a transitional housing facility for homeless men in substance abuse recovery, the expansion and renovation of the Southern Health Clinic, the new construction of a Southern Police Precinct, the new construction of a fire station to serve the villages of Agat & Santa Rita, and the new construction of a community pool facility to serve the northern villages.

Emergency Shelter Grant (ESG)

The Emergency Shelter Grant program provides funding for activities serving homeless populations. ESG can assist with the operational costs of a shelter facility, the provision of essential services to homeless persons, and for homeless prevention assistance for eligible persons at imminent risk of becoming homeless. ESG funds are also used for the administration of the grant. In FY 2009, Guam funded the operations of the Lighthouse Recovery Center. ESG funds were also awarded to the Family Services Center/One-Stop Homeless Assistance Center to fund the provision of essential services and a homeless prevention program.

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HOME Investment Partnerships Program (HOME)

In FY 2009, HOME funds are awarded for homeowner and homebuyer activities benefitting low- and moderate-income persons.

Homeowner Assistance – In FY2009, HOME funds were used to assist homeowners to make essential improvements or correct substandard deficiencies to their homes. The GHURA-administered Homeowner Rehabilitation Loan Program (REHAB) assisted eight families to sustain or extend the useful physical and economic life of their primary homes by funding such improvements as roof-hardening, plumbing upgrades, electrical system overhauls, retrofits to accommodate homeowners with disabilities, and weatherization mitigation. To date, the Authority has assisted 114 households to restore their primary residences to meet local building code standards. The program contributes to the sustainability of Guam's existing housing stock.

Homebuyer Assistance – GHURA administers funds awarded for the Sagan Bonita Affordable Housing Project (Bonita). The Bonita project is a joint venture between the Micronesia Self-Help Housing Corporation, GHURA, and Rural Development, U.S. Dept. of Agriculture, to develop and construct 56 units of affordable housing for purchase by income eligible individuals and families. HUD monies were awarded to fund the purchase of the lot and for the development of on-site infrastructure improvements. Guam has also funded the purchase of properties for development by Habitat for Humanity to provide affordable homes for purchase through a sweat equity program.

Shelter Plus Care Program

GHURA's Shelter Plus Care Program (S + C) provides rental assistance to homeless individuals. To qualify for assistance, participants must be homeless and disabled by chronic alcohol or drug problems, serious mental illness, or other disabilities. In addition to receiving a rental subsidy, Shelter Plus Care participants receive support services through a network of local service agencies.

In FY 2009, two programs were ongoing, funded by the SPC grant:

1. The *Housing First Voucher Program* providing tenant-based rental assistance to disabled individuals. GHURA administers the program with the assistance of the Department of Mental Health and Substance Abuse who provides referrals, assessments, and supportive services for program participants.
2. The *Lighthouse Recovery Center Aftercare Program* provides post-treatment permanent housing assistance to men continuing in their recovery from substance abuse. The Salvation Army Corps Guam administers this S+C-funded program.

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Supportive Housing Program

The Supportive Housing Program (SHP) is designed to develop supportive housing and services that will allow homeless persons to live as independently as possible. Assistance in the Supportive Housing Program is provided to help homeless persons meet three overall goals:

1. Achieve residential stability,
2. Increase their skill levels and/or incomes, and
3. Obtain greater self-determination (i.e. more influence over decisions that affect their lives).

SHP funds are awarded to organization in FY 2009 as follows:

1. *Homeless Management Information System (HMIS)*. The HMIS is a client-level database used by Guam homeless service providers to improve the coordination and delivery of services to homeless persons. The project is sponsored by The Salvation Army Corps Guam.
2. *Oasis Empowerment Center*. Oasis provides transitional housing and supportive services to homeless women in recovery from substance abuse. The project is sponsored by Elim Pacific Ministries.
3. *Transitional Housing Case Management*. Residents of the transitional housing units of the Liheng Apartments receive case management assistance. The project is sponsored by Catholic Social Service.
4. *Guma' Hinemlo*. Hinemlo' is a permanent supportive housing facility serving persons with disabilities. For most of FY 2009, the Hinemlo' project sponsor was the Department of Mental Health and Substance Abuse.
5. *Caridad Supportive Services*. SHP funds are used for the provision of supportive services to clients residing in Karidat apartments in Mongmong. The project is sponsored by Catholic Social Service, also the owner of the Karidat apartments.

State and Local Funds

These Funds consist of various community projects funded through the local government and grants-in aid. They also include programs for land sales and leases to low to moderate-income individuals and various urban renewal and development projects.

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Authority-Wide Financial Statements

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets compared to prior year. The Authority is engaged only in Business-Type Activities.

TABLE 1

STATEMENT OF NET ASSETS

	2009 (in millions of dollars)	2008 (in millions of dollars)	2007 (in millions of dollars)	2006 (in millions of dollars)
Current Assets	\$ 21.1	\$ 19.9	\$23.6	\$17.9
Capital Assets and Other, Net	30.3	31.0	32.8	37.2
Other Non-Current Assets	<u>1.0</u>	<u>1.3</u>	<u>1.1</u>	<u>1.1</u>
Total Assets	<u>\$ 52.4</u>	<u>\$ 52.2</u>	<u>\$ 57.5</u>	<u>\$56.2</u>
Current Liabilities	\$ 6.0	\$ 4.5	\$ 6.8	\$ 6.7
Long-Term Debt, Net	1.4	1.4	1.5	1.6
Other Non-Current Liabilities	<u>0.5</u>	<u>0.5</u>	<u>0.3</u>	<u>0.3</u>
Total Liabilities	<u>7.9</u>	<u>6.4</u>	<u>8.6</u>	<u>8.6</u>
Net Assets:				
Invested in Capital Assets, Net of Related Debt	33.4	33.3	35.2	35.6
Restricted	3.5	4.7	8.3	0.5
Unrestricted	<u>7.6</u>	<u>7.8</u>	<u>5.4</u>	<u>11.5</u>
Total Net Assets	<u>\$ 44.5</u>	<u>\$45.8</u>	<u>\$ 48.9</u>	<u>\$47.6</u>

During 2009, there was an overall increase in assets of approximately \$0.2 million (decrease of \$5.3 million in 2008). The increase was primarily attributable to current year operations, and net capital transactions for the period from the following: \$0.8 million net increase in cash and cash equivalents (local funds); \$0.5 million increase in receivables from HUD for CDBG, HOME, Capital Fund and Continuum of Care grants; a \$0.2 million increase in receivables from Tobacco Backed Asset Bond funding (local funds); decrease of \$0.1 million for change in reserve for receivable accounts (local funds); \$0.9 million net decrease in net capital assets (primarily Low Rent Housing, Capital Fund and local programs); and a decrease of \$0.1 million in notes receivables (local funds) and a decrease of \$0.2 million in other assets.

For more detailed information see pages 24 and 25 for the Statement of Net Assets.

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Major Factors Affecting the Statement of Net Assets

Table 2 presents details on the change in Unrestricted Net Assets for the fiscal year ended September 30, 2009.

TABLE 2

CHANGE IN UNRESTRICTED NET ASSETS

	<u>2009</u> <u>Amount</u> <u>(millions of</u> <u>dollars)</u>	<u>2008</u> <u>Amount</u> <u>(millions of</u> <u>dollars)</u>	<u>2007</u> <u>Amount</u> <u>(millions of</u> <u>dollars)</u>	<u>2006</u> <u>Amount</u> <u>(millions of</u> <u>dollars)</u>
Unrestricted Net Assets at End of Year	\$7.6	\$7.8	\$ 5.4	\$11.5
Results of Operations	(1.2)	(3.1)	1.3	3.2
Adjustments:				
Depreciation (1)	<u>2.9</u>	<u>3.0</u>	<u>2.4</u>	<u>2.4</u>
Adjusted Results from Operations	<u>1.7</u>	<u>(0.1)</u>	<u>3.7</u>	<u>5.6</u>
Reclassification to Restricted Assets	1.1	3.7	(7.8)	0.0
Capital Activity, net	3.0	(1.2)	(2.0)	(0.3)
Prior period adjustment	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1.7</u>
Unrestricted Net Assets at Beginning of Year	<u>\$7.8</u>	<u>\$5.4</u>	<u>\$11.5</u>	<u>\$4.5</u>

(1) Depreciation is treated as an expense and reduces the results of operations but does not have an impact on Unrestricted Net Assets.

While the results of operations are a significant measure of the Authority's activities, the analysis of the changes in Unrestricted Net Assets provides a clearer change in financial well-being.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
September 30, 2009

TABLE 3

STATEMENT OF REVENUES AND EXPENSES

The following schedule compares the revenues and expenses for the current and previous fiscal years. The Authority is engaged only in Business-Type Activities.

	2009	2008	2007	2006
	(millions of dollars)	(millions of dollars)	(millions of dollars)	(millions of dollars)
Revenues:				
Operating Subsidies and Grants	\$42.9	\$38.5	\$43.5	\$37.8
Capital Grants	2.2	1.4	2.0	0.8
Other Income	2.1	4.6	1.3	2.5
Tenant Revenue – Rents and Other	0.3	0.3	0.4	0.3
Investment Income	<u>0.2</u>	<u>0.3</u>	<u>0.3</u>	<u>0.1</u>
Total Revenue	<u>47.7</u>	<u>45.1</u>	<u>47.5</u>	<u>41.5</u>
Expenses:				
Housing Assistance Payments	31.5	29.7	28.3	24.6
Maintenance	3.5	3.5	7.2	2.4
Administrative	9.7	10.6	7.1	7.7
Depreciation	3.0	3.0	2.5	2.5
Tenant Services	0.3	0.3	0.4	0.5
General and Other	0.6	0.8	0.4	0.4
Utilities	<u>0.3</u>	<u>0.3</u>	<u>0.3</u>	<u>0.2</u>
Total Expenses	<u>48.9</u>	<u>48.2</u>	<u>46.2</u>	<u>38.3</u>
 Excess (Deficiency) of Revenues over Expenses	 <u>\$(1.2)</u>	 <u>\$(3.1)</u>	 <u>\$1.3</u>	 <u>\$3.2</u>

Major Factors Affecting the Statement of Revenue, Expenses and Changes In Net Assets

Revenues

Tenant Revenue

Tenant related revenue, which accounted for 0.6% of total current year revenues, increased by \$105,418, or approximately 56%, from the prior year. This increase is attributed to an increase in tenant dwelling rent charges for the period.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis September 30, 2009

Operating Subsidies and Grants

Operating subsidies, operating and capital grant revenue increased by a net \$5.2 million, or approximately 13.1% from the prior year. The net increase resulted primarily from of \$3.1 million in Housing Choice Voucher program activities; \$0.7 million in Low Rent Public Housing; \$1.3 million in Capital Grant program activities; decreases of \$0.6 and \$0.1 million in CDBG and HOME programs, respectively; increase of \$0.7 million in Tobacco Asset Backed Bond (for the Southern Community Health Center renovation and expansion project; and an increase of \$0.1 million in Supportive Housing Program grants.

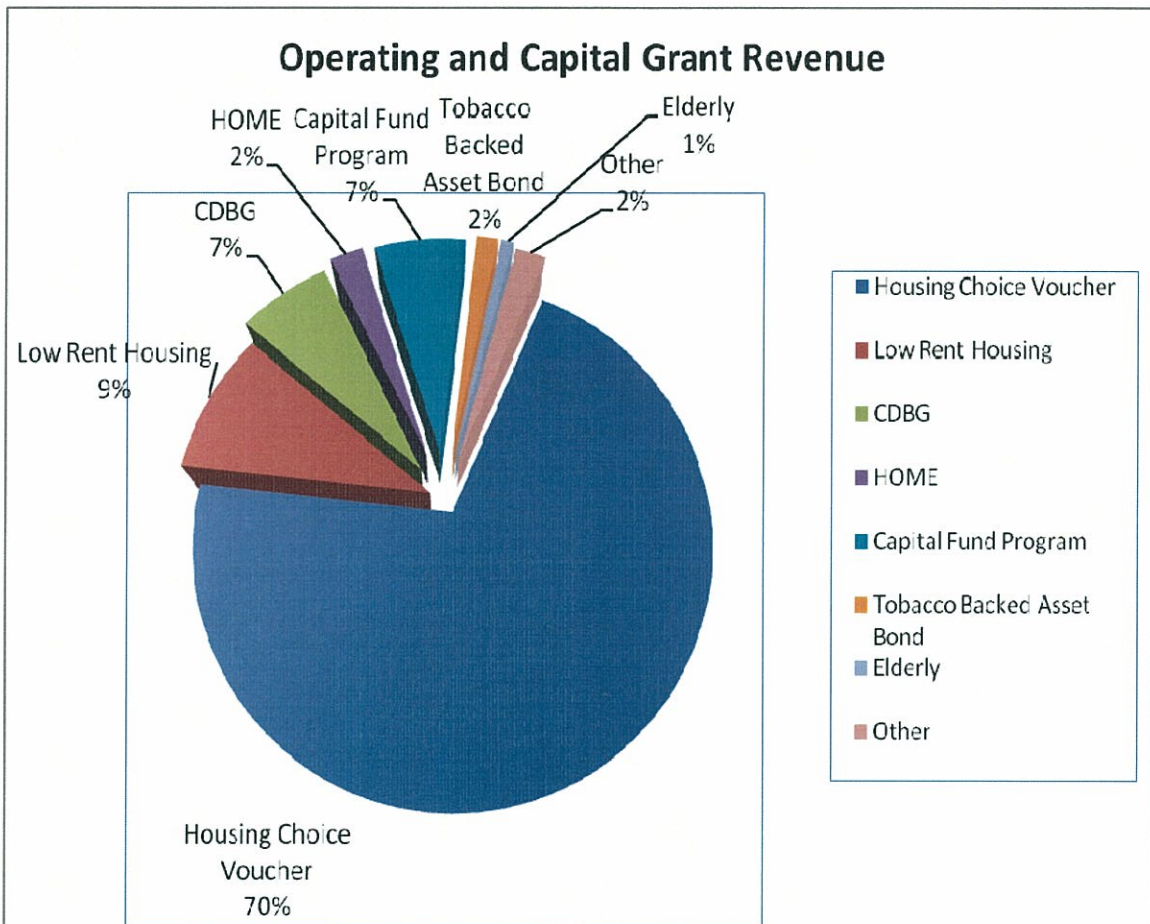
The following table and chart summarizes the major program sources of operating and capital grant revenue.

Operating and Capital Grant Revenue by Major Program Sources

<u>Program</u>	<u>2009</u> <u>(in</u> <u>millions)</u>	<u>As a %</u>	<u>2008</u> <u>(in</u> <u>millions)</u>	<u>As a %</u>	<u>2007</u> <u>(in</u> <u>millions)</u>	<u>As a %</u>	<u>2006</u> <u>(in</u> <u>millions)</u>	<u>As a %</u>
Housing Choice Voucher	\$31.8	70.4%	\$28.7	71.9%	\$31.1	68.3%	\$30.1	78.0%
CDBG	3.0	6.6%	3.7	9.2%	3.6	7.8%	2.1	5.4%
Low Rent Public Housing	4.2	9.3%	3.5	8.7%	3.4	7.4%	3.1	7.8%
HOME	1.1	2.4%	1.2	3.1%	2.8	6.2%	0.8	2.1%
Capital Fund Program	2.9	6.6%	1.6	4.2%	2.3	5.0%	1.1	3.1%
Tobacco Asset Backed Bond	0.7	1.5%	0.0	0.0%	0.0	0.0%	0.0	0.0%
DOI – Compact Impact	0.0	0.0%	0.0	0.0%	1.1	2.5%	0.0	0.3%
Elderly	0.4	0.9%	0.4	1.0%	0.4	0.9%	0.4	1.0%
HRSA – Com. Health Ctr.	0.0	0.0%	0.0	0.0%	0.4	0.9%	0.1	0.3%
Others	<u>1.0</u>	<u>2.2%</u>	<u>0.8</u>	<u>1.9%</u>	<u>0.4</u>	<u>0.9%</u>	<u>0.9</u>	<u>0.5%</u>
Total	<u>\$45.1</u>	<u>100.00%</u>	<u>\$39.9</u>	<u>100.0%</u>	<u>\$45.5</u>	<u>100.0%</u>	<u>\$38.6</u>	<u>100.0%</u>

Guam Housing and Urban Renewal Authority

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Other Revenue

Other income consists of program income, land sales, interest earned on investments, and includes other income realized from the desegregation of public housing through long-standing net liabilities of approximately \$2.8 million.

Expenses

Operating Expenses

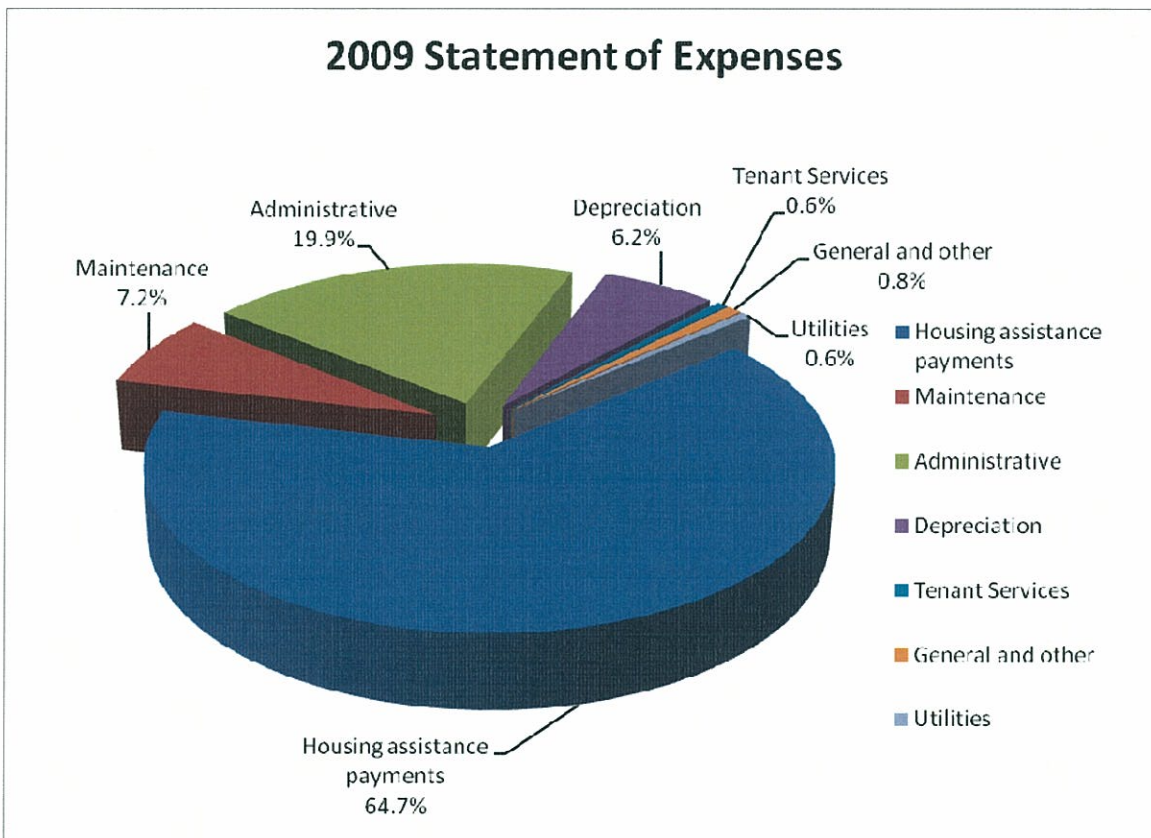
Operating expenses totaled \$14.4 million in 2009 (\$15.4 million in 2008), which represents a 6.3% decrease from the prior year. Administrative expense was approximately 20.3% of total revenues (23.5% of total revenues in 2008).

Other Expenses

During 2009, there was a 6% increase in housing assistance payment activity for the Section 8 Housing Choice Voucher program due to higher unit leasing levels (4.6% increase in 2008). Housing assistance payment expenses increased by \$1.8 million (increase of approximately \$1.3 million in 2008).

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
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Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2009, the Authority had approximately \$30.3 million invested in a variety of capital assets as reflected in the following schedule, which represents a net decrease of \$0.7 million (net decrease of \$1,755,075, or approximately 5.4% in 2008).

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
September 30, 2009

TABLE 4

**CAPITAL ASSETS AT YEAR-END
(NET OF ACCUMULATED DEPRECIATION)**

	Business-type Activities			
	2009	2008	2007	2006
Land and land rights	\$ 3,675,882	\$ 3,675,882	\$ 3,675,882	\$ 3,675,882
Buildings	80,643,269	78,598,505	77,419,237	75,540,535
Equipment – Administrative	1,348,923	2,146,722	2,160,029	1,875,039
Equipment – Dwelling	2,062,263	1,064,427	988,645	912,996
Accumulated Depreciation	<u>(57,447,357)</u>	<u>(54,486,930)</u>	<u>(51,490,112)</u>	<u>(49,013,566)</u>
Total	<u>\$30,282,980</u>	<u>\$30,998,606</u>	<u>\$32,753,681</u>	<u>\$32,990,886</u>

The following reconciliation summarizes the change in Capital Assets, which is presented in detail on page 45 of the Notes to the accompanying financial statements.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
September 30, 2009

TABLE 5

CHANGE IN CAPITAL ASSETS
Business Type Activities

	2009	2008	2007	2006
Balance at Beginning of Year	\$30,998,606	\$32,753,681	\$32,990,886	\$34,534,055
Additions	2,244,801	1,673,213	2,239,341	917,695
Dispositions/Transfers	-	(431,470)	-	(759)
Depreciation	<u>(2,960,427)</u>	<u>(2,996,818)</u>	<u>(2,476,546)</u>	<u>(2,460,105)</u>
Balance at End of Year	<u>\$30,282,980</u>	<u>\$30,998,606</u>	<u>\$32,753,681</u>	<u>\$32,990,886</u>

Major additions are summarized as follows:

	2009	2008	2007	2006
Business – Type Activities:				
Capital Improvements Programs (modernization completed on variety of the Authority’s Public Housing buildings)	\$ 2,044,764	\$ 1,610,738	\$ 1,878,802	\$ 839,227
Building improvements and plans	-	-	-	-
Land purchase	-	-	-	-
Equipment Purchases	<u>200,037</u>	<u>62,475</u>	<u>360,639</u>	<u>78,468</u>
Total Additions	\$ <u>2,244,801</u>	\$ <u>1,673,213</u>	\$ <u>2,239,341</u>	\$ <u>917,695</u>

Debt Outstanding

As of September 30, 2009, the Authority had \$1,442,123 in debt (mortgage loan) outstanding as compared to \$1,483,089 in the year, for a \$40,966 decrease (debt retirement):

Table 6

OUTSTANDING DEBT, AT YEAR-END
(IN MILLIONS)

Business Type	2009	2008	2007	2006
RD Loan- Guma Trankilidat	\$1.44	\$1.48	\$1.52	\$1.55

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
September 30, 2009

TABLE 7

STATEMENTS OF CASH FLOWS
(In millions of dollars)

	2009	2008	2007	2006
Cash flows (used) provided by operating activities	\$ 2.3	\$ (1.4)	\$ 3.3	\$ 6.3
Cash flows used in capital and related financing Activity	(2.2)	(1.6)	(2.2)	(0.9)
Cash flows provided by (used in) investing activities	<u>0.7</u>	<u>(6.4)</u>	<u>(0.2)</u>	<u>(0.3)</u>
Net increase (decrease) in cash and cash equivalents	0.8	(9.4)	0.9	5.1
Cash and cash equivalents at beginning of year	<u>13.9</u>	<u>14.1</u>	<u>13.2</u>	<u>8.1</u>
Cash and cash equivalents at end of year	<u>\$14.7</u>	<u>\$ 4.7</u>	<u>\$14.1</u>	<u>\$ 13.2</u>
Reconciliation in change in net assets to net cash (used) provided by operating activities				
Net income (loss)	\$(1.2)	\$ (3.1)	\$ 1.3	\$ 3.2
Adjustments to reconcile net income (loss) to net cash (used) provided by operating activities:				
Depreciation	3.0	3.0	2.5	2.5
Bad debts	0.0	0.2	0.0	0.0
Prior period adjustment	0.0	0.0	0.0	1.7
(Increase) decrease in assets	(3.9)	(0.4)	(0.8)	(0.2)
Increase (decrease) in liabilities	<u>5.0</u>	<u>(1.1)</u>	<u>0.3</u>	<u>(0.9)</u>
Net cash (used) provided by operating activities	<u>\$2.9</u>	<u>\$ (1.4)</u>	<u>\$ 3.3</u>	<u>\$ 6.3</u>

In 2009, net increase in cash flows arose primarily from operations of the Low Rent Public Housing and Elderly housing programs.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis September 30, 2009

Economic factors

Significant economic factors that affect the Authority are as follows:

The Authority locally administers certain programs of the U. S. Housing and Urban Development (HUD). The funding source for all major programs is virtually 100% dependent on the U. S. Federal government, through HUD. Funding and funding related issues are therefore subject to Congressional approval on an annual basis. Major changes continue to occur in HUD program rules, regulations, and requirements, particularly as they relate to funding methodology, which will affect the Authority's future operations and administration of these federal programs. Funding is provided for HUD programs on a calendar year basis.

On September 19, 2005, the Public Housing Operating Fund final rule was published. This rule required that PHAs implement asset management at an asset management project level, to include project-based funding, project-based management, project-based budgeting, and project-based accounting. The implementation dates began in calendar year 2007 with the new Operating Fund formula. The project-based budgeting, funding, and year-end project-based financial statement reporting will be effective in FY 2008. The Authority will implement a management fees or fee for service concept in accordance with HUD's phase-in requirements for asset management. Full implementation of the final rule will take place by 2011.

The local economy is heavily dependent on the tourism industry, the source of which is from Asian markets, primarily Japan. Unlike most public housing authorities in the U. S. mainland, the local economy does not follow the U. S. national economic trends. The tourism industry appears to be in an initial recovery stage. However, adverse economic conditions, compounded by the effects of ever-increasing worldwide price of oil, are and will continue to impact residents, clients, and partners. The local government revenues have greatly reduced the amount of welfare assistance provided to those tenants of the Authority, who were or are welfare recipients.

Local inflationary, recessionary and unemployment trends continue to affect resident incomes and therefore the amount of dwelling rental income the Authority is able to charge and collect. Unemployment is estimated at 8%, and has affected those individuals with low to moderate income paying jobs, many of whom include the tenants in the Authority's housing programs. Tenants' reduced incomes result in lower dwelling rental income received by the Authority, and lower collection rates, which have impacted operations.

Inflationary pressure on utility rates, supplies and other costs – The local government power and water agencies will be increasing fees due to increasing oil prices and problems with collections from the Government of Guam. Utility rates have been on the increase. Utility costs must be factored into utility allowances for tenants, which increase the level of assistance provided in terms of utility allowances, which increases the costs of the housing programs in general.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis September 30, 2009

Audit and Compliance

In order to ensure accountability for performance and results, the Executive Management is using a Management Scorecard. The Executive Management will use this scorecard to track how well departments are executing the management initiatives, and where they stand at a given point in time against the overall standards for success.

Scores are based on standards established under the Public Housing Assessment System (PHAS), Section Eight Management Assessment System (SEMAP), Voucher Management System (VMS), Rental Integrity Monitoring (RIM) Reviews, and Independent Audits, to name a few.

Over time, the scores should improve as departments correct the problems. The Executive Management will update this report twice a year and issue a mid-year report. We will hold ourselves responsible and report honestly when progress is too slow.

Systems, Controls, and Legal Compliance

Systems

The Authority faces challenges in upgrading its financial management systems. Many financial management systems need upgrading or replacing before they can provide information to support efforts to achieve the goal of a citizen-centered, results-oriented, and market-based government.

The success of financial systems upgrading efforts is dependent, in part, on standardized financial management across the Authority. Towards this end, each division has been working together to better clarify and achieve consistency of standards for financial systems. In addition, each division is working together to develop a definitive set of information requirements that will ensure government-wide reporting requirements can be met through routine processes and system functions.

Controls

Management controls are the organization, policies, and procedures used to reasonably ensure that (1) programs achieve their intended results; (2) resources are used consistent with agency mission; (3) programs and resources are protected from waste, fraud, and mismanagement; (4) laws and regulations are followed; and (5) reliable and timely information is obtained, maintained, reported and used for decision making.

Managers must take systematic and proactive measures to (1) develop and implement appropriate, cost-effective management controls for results-oriented management; (2) assess the adequacy of management controls in Federal programs and operations; (3) identify needed improvements; (4) take corresponding corrective action; and (5) report monthly, semi-annually, and annually on management controls.

Guam Housing and Urban Renewal Authority

Management Discussion and Analysis
September 30, 2009

Legal Compliance

The Authority is required to comply with a wide range of laws and regulations, including appropriations, employment, health and safety, and others. Responsibility for compliance primarily rests with agency management; compliance is addressed as part of agency financial statement audits.

Accountability

Management accountability is the expectation that managers are responsible for the quality and timeliness of program performance, increasing productivity, controlling costs and mitigating adverse aspects of agency operations, and assuring that programs are managed with integrity and in compliance with applicable law.

Fraud, Waste, and Abuse

The Authority must maintain their credibility with applicant and participant families, owners, HUD, and the larger community by enforcing program requirements. When families, owners, or GHURA employees fail to adhere to program requirements, the Authority must take appropriate action. The action that is appropriate depends on the particular case of circumstances.

The Authority will address program errors, omissions, fraud, or abuse through both prevention and detection. Preventive measures are the most effective way to deter widespread program irregularities. Errors, omissions, fraud, and abuse will occur, and the Authority will have preventive measures in place so that any irregularity can be quickly detected and resolved as efficiently, professionally, and fairly as possible. Because preventive measures are the most effective way to deter widespread program irregularities, they will be an integral part of daily operations.

GHURA must ensure that the Authority operates legally and with integrity. The central principle underlying the public ethics codes is the Conflict of Interest, more specifically, the conflict between a public official's individual self-interest and the public interest.

We, as public officials, are held to a higher standard than individuals in the private sector. Public officials are repositories of the public trust and as such have a duty to faithfully and honestly represent the interests of the public.

Financial Contact

Requests regarding any information contained in this report or any additional information or questions concerning the report should be addressed to Mr. Raymond F.Y. Blas, Executive Director, Guam Housing and Urban Renewal Authority, 117 Bien Venida Avenue, Sinajana, Guam 96910. Mr. Blas can also be contacted by telephone at (671) 475-1378.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
 Statement of Net Assets
 September 30, 2009

Assets	Major Enterprise Funds									
	Total	Eliminations	Community Development Block Grant	CDBG ARRA Program	Low Income Housing	Housing Assistance Payments	Public Housing Capital Fund Program	Capital Fund Stimulus ARRA	Non-Major Enterprise Funds	Other Enterprise Funds
Current assets:										
Cash: (Notes 1 and 2)										
Unrestricted	\$ 4,524,216	\$ -	\$ -	\$ -	\$ 21,081	\$ 1,978,266	\$ -	\$ -	\$ 465,541	\$ 2,059,328
Restricted - other (Note 3)	2,285,889	-	-	-	-	834,861	-	-	191,478	1,259,550
Restricted - Security Deposits	15,066	-	-	-	-	-	-	-	15,066	-
Total cash	6,825,171	-	-	-	21,081	2,813,127	-	-	672,085	3,318,878
Accounts receivable:										
Notes receivable - current portion (Note 4)	45,942	-	-	-	-	-	-	-	-	45,942
Tenants (Note 1)	50,564	-	-	47,256	-	-	-	-	3,308	-
HUD	1,424,097	-	634,841	6,376	812	-	384,592	-	397,476	-
Due from other funds (Notes 1 and 5)	-	(12,552,395)	-	-	6,026,456	1,400	-	-	99,325	6,425,214
Interest	16,110	-	-	-	585	14,759	-	-	100	666
Other	1,029,440	-	-	-	5,943	219,046	-	-	2,070	802,381
Allowance for doubtful accounts	2,566,153	(12,552,395)	634,841	6,376	6,081,052	235,205	384,592	-	502,279	7,274,203
Total accounts receivable, net	(112,372)	-	-	-	(33,144)	-	-	-	-	(79,228)
	2,453,781	(12,552,395)	634,841	6,376	6,047,908	235,205	384,592	-	502,279	7,194,975
Investments (Notes 1, 2, 3 and 11):										
Unrestricted	5,295,809	-	-	-	1,009,713	2,935,538	-	-	-	1,350,558
Restricted/reserved by fiscal agent	2,587,388	-	-	-	182,327	2,202,003	-	-	203,058	-
Total investments	7,883,197	-	-	-	1,192,040	5,137,541	-	-	203,058	1,350,558
Prepaid and other current assets										
Inventories (Note 1)	160,597	-	1,169	-	38,913	5,298	-	-	2,083	113,134
Other real estate (Notes 1 and 6)	197,546	-	-	-	193,964	-	-	-	3,582	-
	3,603,912	-	-	-	-	-	-	-	-	3,603,912
Total current assets	21,124,204	(12,552,395)	636,010	6,376	7,493,906	8,191,171	384,592	-	1,383,087	15,581,457
Noncurrent assets:										
Capital assets, net (Notes 1 and 7)	30,282,980	-	46,825	-	21,714,727	61,480	5,023,438	847,296	2,184,233	404,981
Notes receivable - noncurrent (Note 4)	963,690	-	-	-	-	-	-	-	-	963,690
Other assets	37,056	-	-	-	-	37,056	-	-	-	-
Total noncurrent assets	31,283,726	-	46,825	-	21,714,727	98,536	5,023,438	847,296	2,184,233	1,368,671
Total assets	\$ 52,407,930	\$ (12,552,395)	\$ 682,835	\$ 6,376	\$ 29,208,633	\$ 8,289,707	\$ 5,408,030	\$ 847,296	\$ 3,567,320	\$ 16,950,128

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
 Statement of Net Assets, Continued
 September 30, 2009

Liabilities	Major Enterprise Funds									
	Total	Eliminations	Community Development Block Grant	Community Development Block Grant ARRA	Low Income Housing	Housing Assistance Payments	Public Housing Capital Fund Program	Capital Fund Stimulus ARRA	Non-Major Enterprise Funds	Other Enterprise Funds
Current liabilities:										
Current portion of note payable (Note 8)	\$ 41,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,000	\$ -
Vendors/contractors	195,212	-	120,000	-	-	51,754	-	-	10,193	13,265
Current portion of compensated absences (Note 1)	38,604	-	4,104	-	8,839	7,917	-	-	2,739	15,005
HUD	406,166	-	-	-	532	405,634	-	-	-	-
Due to other funds (Notes 1 and 5)	-	(12,552,395)	402,978	5,694	380,211	3,669,504	251,726	-	1,187,548	6,654,734
Security deposits	127,332	-	-	-	113,600	-	-	-	13,732	-
Accrued salaries and wages	46,789	-	7,359	682	16,605	17,601	-	-	4,542	-
Accrued liabilities	340,463	-	-	-	24,793	-	-	-	-	315,670
Deferred revenues	2,104,489	-	22,937	-	-	-	132,866	-	9,740	1,938,946
Other current liabilities	2,673,194	-	-	-	916	369,888	-	-	-	2,302,390
Total current liabilities	5,973,249	(12,552,395)	557,378	6,376	545,496	4,522,298	384,592	-	1,269,494	11,240,010
Noncurrent liabilities:										
Long-term portion of note payable (Notes 8 and 9)	1,401,123	-	-	-	-	-	-	-	1,401,123	-
Accrued compensated absences (Notes 1 and 9)	524,216	-	78,631	-	133,095	135,633	-	-	50,969	125,888
Total noncurrent liabilities	1,925,339	-	78,631	-	133,095	135,633	-	-	1,452,092	125,888
Total liabilities	7,898,588	(12,552,395)	636,009	6,376	678,591	4,657,931	384,592	-	2,721,586	11,365,898
Net assets: (Note 11)										
Invested capital assets, net of related debt	34,281,713	-	46,826	-	23,551,670	61,480	5,023,438	847,296	742,110	4,008,893
Restricted	2,621,538	-	-	-	-	2,202,003	-	-	394,535	25,000
Unrestricted	7,606,091	-	-	-	4,978,372	1,368,293	-	-	(290,911)	1,550,337
Total net assets	44,509,342	-	46,826	-	28,530,042	3,631,776	5,023,438	847,296	845,734	5,584,230
Total liabilities and net assets	\$ 52,407,930	\$ (12,552,395)	\$ 682,835	\$ 6,376	\$ 29,208,633	\$ 8,289,707	\$ 5,408,030	\$ 847,296	\$ 3,567,320	\$ 16,950,128

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	Major Enterprise Funds									
	Total	Eliminations	Community Development Block Grant	Community Development Block Grant ARRA	Low Income Housing	Housing Assistance Payments	Public Housing Capital Fund Program	Capital Fund Stimulus ARRA	Non-Major Enterprise Funds	Other Enterprise Funds
Operating revenues:										
HUD PHA Operating Grants	\$ 42,188,141	\$ -	\$ 94,331	\$ 4,160,590	\$ 31,841,115	\$ 767,912	\$ -	\$ 2,326,606	\$ -	
Management fees	1,400,388	-	-	-	-	-	-	-	1,400,388	
Other Government Grants	738,338	-	-	-	-	-	-	-	738,338	
Tenant rental income	293,712	-	-	215,980	-	-	-	77,732	-	
Bookkeeping fees	284,377	-	-	-	-	-	-	-	284,377	
Other income	209,568	-	9,295	70,096	-	1,739	-	111,237	17,201	
Asset management fees	90,000	-	-	-	-	-	-	-	90,000	
Property sales	14,034	-	-	-	-	-	-	-	14,034	
Total operating revenues	45,218,558	-	94,331	4,446,666	31,841,115	769,651	-	2,515,575	2,544,338	
Operating expenses:										
Housing assistance payments	31,460,029	-	-	-	31,460,029	-	-	-	-	
Administrative salaries	3,851,641	-	457,742	1,035,112	1,026,246	58,295	-	256,989	1,014,486	
Other administrative expenses	3,778,672	-	1,021,769	163,308	191,006	532,112	-	1,277,828	589,863	
Depreciation	2,960,427	-	6,921	2,489,814	25,485	343,639	-	78,820	15,748	
Repairs and maintenance	2,859,896	-	1,281,842	226,184	1,099	492,347	-	93,341	770,469	
Management fees	1,400,388	-	85,500	559,820	504,975	156,752	-	80,815	307,491	
Employee benefits	1,229,572	-	137,974	319,934	365,699	16,840	-	-	-	
Bookkeeping fees	284,377	-	-	65,429	218,948	-	-	-	-	
Utilities	284,027	-	-	143,542	25,062	-	-	90,361	25,062	
Insurance	221,539	-	2,749	182,529	5,992	239	-	10,339	19,691	
Professional fees	172,172	-	13,872	23,406	29,719	-	-	7,457	97,718	
Asset management fees	90,000	-	-	90,000	-	-	-	-	-	
Compensated absences	71,037	-	(6,569)	(71,846)	(10,459)	-	-	2,194	157,717	
Protective services	54,975	-	132	50,269	102	4,149	-	221	102	
Travel	53,054	-	-	7,924	8,551	-	-	8,979	35,524	
Advertising and marketing	33,667	-	11,871	(35,718)	2,147	1,264	-	7,732	4,729	
Bad debts	33,575	-	-	7,005	-	-	-	-	69,293	
Payments in-lieu of taxes	7,005	-	-	-	-	-	-	-	-	
Tenant service	149	-	-	-	-	-	-	-	149	
Total operating expenses	48,848,202	-	3,013,803	5,256,712	33,854,601	1,113,290	-	2,407,423	3,108,042	
Operating income (loss)	(3,629,644)	-	(6,921)	(810,046)	(2,013,486)	(343,639)	-	108,152	(563,704)	
Non-operating revenues (expenses):										
Interest income on unrestricted investments	171,910	-	-	31,722	111,475	-	-	4,397	24,316	
Interest income on restricted investments	4,141	-	-	-	3,663	-	-	478	-	
Other income	116,244	-	-	13,987	96,693	-	-	3,771	1,793	
Capital Grants	2,186,291	-	-	-	-	1,338,995	847,296	(86,059)	-	
Interest expense	(86,059)	-	-	-	-	-	-	-	-	
Total non-operating revenues (expenses)	2,392,527	-	-	45,709	211,831	1,338,995	847,296	(77,413)	26,109	
Change in net assets	(1,237,117)	-	(6,921)	(764,337)	(1,801,655)	995,356	847,296	30,739	(537,595)	
Total net assets at beginning of year	45,746,459	-	53,747	29,294,379	5,433,431	4,028,082	-	814,995	6,121,825	
Total net assets at end of year	\$ 44,509,342	\$ -	\$ 46,826	\$ 28,530,042	\$ 3,631,776	\$ 5,023,438	\$ 847,296	\$ 845,734	\$ 5,584,230	

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Statement of Cash Flows

For the Year Ended September 30, 2009

Major Enterprise Funds

	Total	Eliminations	Community Development Block Grant	Community Development Block Grant ARRA	Low Income Housing	Housing Assistance Payments	Public Housing Capital Fund Program	Capital Fund Stimulus ARRA	Non-Major Enterprise Funds	Other Enterprise Funds
Cash flows from operating activities:										
Receipts from customers	\$ 47,298,881	\$ -	\$ 2,997,587	\$ 94,331	\$ 4,462,264	\$ 31,841,115	\$ 2,106,907	\$ 847,296	\$ 2,408,109	\$ 2,541,272
Payments to suppliers	(40,032,637)	-	(2,411,166)	(90,741)	(1,519,416)	(31,460,029)	(724,515)	-	(2,125,745)	(1,701,025)
Payments to employees	(4,961,572)	-	(595,716)	(3,590)	(1,283,200)	(1,391,945)	(75,135)	-	(288,917)	(1,323,069)
Other cash receipts (payments)	628,572	-	9,295	-	(1,712,277)	648,461	40,389	-	237,095	1,405,609
Net cash provided by (used in) operating activities	2,933,244	-	-	-	(52,629)	(362,398)	1,347,646	847,296	230,542	922,787
Cash flows from investing activities:										
Acquisition of fixed assets	(2,244,801)	-	-	-	(39,497)	(4,982)	(1,347,646)	(847,296)	(5,380)	-
Net cash used for capital and related financing activities	(2,244,801)	-	-	-	(39,497)	(4,982)	(1,347,646)	(847,296)	(5,380)	-
Cash flows from investing activities:										
Repayment of notes payable	(40,966)	-	-	-	-	-	-	-	(40,966)	-
Decrease (increase) in investments	83,620	-	-	-	109,261	(5,135)	-	-	3,628	(24,134)
Increase in restricted assets	1,414,018	-	-	-	-	1,414,018	-	-	-	-
Net cash used in investing activities	1,456,672	-	-	-	109,261	1,408,883	-	-	(37,338)	(24,134)
Net increase (decrease) in cash and cash equivalents	2,145,115	-	-	-	17,135	1,041,503	-	-	187,824	898,653
Cash and cash equivalents at beginning year	4,688,707	-	-	-	3,946	1,771,624	-	-	492,912	2,420,225
Cash and cash equivalents at end of year	\$ 6,833,822	\$ -	\$ -	\$ -	\$ 21,081	\$ 2,813,127	\$ -	\$ -	\$ 680,736	\$ 3,318,878
Cash, including time deposits	4,524,216	\$ -	\$ -	\$ -	\$ 21,081	\$ 1,978,266	\$ -	\$ -	\$ 465,541	\$ 2,059,328
Restricted cash, including time deposits	2,300,955	-	-	-	-	834,861	-	-	206,544	1,259,550
Total cash and cash equivalents at end of year	\$ 6,825,171	\$ -	\$ -	\$ -	\$ 21,081	\$ 2,813,127	\$ -	\$ -	\$ 672,085	\$ 3,318,878

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
 Statement of Cash Flows, Continued
 For the Year Ended September 30, 2009

	Major Enterprise Funds									
	Total	Eliminations	Community Development Block Grant	Community Development Block Grant ARRA	Low Income Housing	Housing Assistance Payments	Public Housing Capital Fund Program	Capital Fund Stimulus ARRA	Non-Major Enterprise Funds	Other Enterprise Funds
Reconciliation in change in net assets to net cash provided by operating activities:										
Change in net assets	\$ (1,237,117)	\$ -	\$ (6,921)	\$ -	\$ (764,337)	\$ (1,801,655)	\$ 995,356	\$ 847,296	\$ 30,739	\$ (537,595)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:										
Depreciation	2,960,427	-	6,921	-	2,489,814	25,485	343,639	-	78,820	15,748
Bad debts	33,575	-	-	-	(35,718)	-	-	-	-	69,293
(Increase) decrease in assets:										
Tenant receivables	(11,857)	-	-	-	(10,217)	-	-	-	(1,640)	-
Accounts receivable - HUD	(234,430)	-	19,230	(6,376)	(1,064)	-	(117,558)	-	(128,662)	-
Accounts receivable - Due from other funds	(3,825,871)	-	-	-	(1,466,554)	31,968	-	-	(64,203)	(2,327,082)
Promissory notes	66,289	-	-	-	(1,086)	-	-	-	-	67,375
Accounts receivable - Interest	244	-	-	-	679	(3,243)	-	-	1,551	1,257
Travel advances	24,000	-	-	-	-	-	-	-	-	24,000
Accounts receivable - Other	(270,479)	-	-	-	(75,580)	-	-	-	(941)	(193,958)
Prepaid and other assets	242,712	-	2,688	-	15,434	1,639	239	-	1,041	221,671
Inventories	(88,420)	-	-	-	(90,624)	-	-	-	2,204	-
Land held for sale	173,265	-	-	-	-	-	-	-	-	173,265
Increase (decrease) in liabilities:										
Accounts payable - vendors/contractors	2,247,795	-	-	-	-	-	-	-	1,726	2,246,069
Accounts payable - HUD	-	-	-	-	-	-	-	-	-	-
HUD settlement	(113,522)	-	-	-	-	(113,522)	-	-	-	-
Accounts payable - Due to other funds	3,788,826	-	56,429	5,694	(137,342)	1,480,698	192,122	-	356,950	1,834,275
Compensated absences and sick leave	(16,973)	-	(89,304)	-	(71,846)	(10,459)	(6,844)	-	3,762	157,718
Accrued salaries and wages	33,774	-	4,934	682	16,605	17,007	-	-	(5,454)	-
Other current liabilities	85,264	-	-	-	-	85,264	-	-	-	-
Security deposits	(10,514)	-	-	-	(9,201)	-	-	-	(1,313)	-
Accrued liabilities	128,636	-	-	-	6,090	-	-	-	-	122,546
Other liabilities	(942,007)	-	-	-	916	-	-	-	(1,569)	(941,354)
Deferred revenues	(100,373)	-	6,023	-	5,822	-	(59,308)	-	(42,469)	(10,441)
Net cash provided by (used in) operating activities	\$ 2,933,244	\$ -	\$ -	\$ -	\$ (52,629)	\$ (362,398)	\$ 1,347,646	\$ 847,296	\$ 230,542	\$ 922,787

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies*

a) Organization and Program Descriptions

The Guam Housing and Urban Renewal Authority (GHURA or the Authority), a component unit of the Government of Guam, was created on December 18, 1962 by Government Code, Vol. II, Title XIV, Chapter X, 13902. GHURA, formed to pursue an active community development program through urban renewal projects and to provide housing of low income, administers the following community programs. The primary purpose of the Authority is to provide safe, decent, sanitary, and affordable housing to low to moderate-income families and elderly families in the Territory of Guam, and to operate its housing programs in accordance with federal and local laws and regulations. The Authority's federal programs are administered through the U.S. Department of Housing Urban Development (HUD) under the provisions of the U.S. Housing Act of 1937, as amended.

The Authority's primary operations are comprised of a number of housing and grant programs as follows:

Major Enterprise Funds

Community Development Block Grants (CDBG)

These grants are used to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services. All CDBG activities must meet one of the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain community development needs having a particular urgency. Some of the activities that these funds can be used for include the acquisition of real property; rehabilitation of residential and nonresidential properties; provision of public facilities and improvements, such as water, sewer, streets, and community centers; clearance, demolition and removal of buildings and improvements; homeownership assistance; and assistance to for-profit businesses for economic development activities.

Low Income Housing Program

Under this program, the Authority rents its own units to low-income households. The Low Income Housing Program is operated under an Annual Contributions Contract (ACC) with HUD, and HUD provides operating subsidies to enable the Authority to provide the housing at a rent that is based on 30 percent of household income. GHURA entered into an ACC which allowed the Authority to develop and operate a Low-Income Housing Program. Since that time, nine projects were developed: Guam 1-1 through 1-9. These completed projects provided a total of 750 units, of which, 728 units or 97% were leased as of September 30, 2009. These properties are modernized under HUD's Capital Funds Program.

The Authority implemented HUD's mandated transition to "Project-Based Accounting" based on their Asset Management Model during fiscal year 2009. As such, the Authority has organized its 750 units into four Asset Management Project (AMP) sites. The new financial reporting model allows for the Authority to develop and maintain a system of budgeting and accounting for each project in a manner that allows for analysis of actual revenues and expenses associated to each property.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

Major Enterprise Funds, continued

Housing Choice Voucher Program

The Housing Choice Voucher Program is funded by HUD. The principal purpose of the program is to enable lower income families to reside in existing privately owned housing. Assistance is calculated according to family needs and paid directly to the dwelling owner. GHURA was authorized by HUD to approve housing assistance payment contracts for 2,515 dwelling units, of which, 2,463 were leased or 98% as of September 30, 2009.

Public Housing Capital Fund Program

The Capital Fund Program Grant accounts for modernization funds received from HUD for capital improvements, major repairs, management improvements, operational costs and related planning costs to improve the physical quality of low-income housing. Upon completion of major capital improvement, the assets are transferred to the Low Income Housing Program.

Community Development Block Grants/Special Purpose Grants/Insular Areas – (Recovery Act Funded)

The CDBG Special Purpose Grant/Insular Areas (Recovery Act Funded) program is to provide community development assistance to the Pacific Islands of American Samoa, Guam, the Northern Mariana Islands, and the Virgin Islands in the Caribbean. Insular CDBG-R program funds are to be used to maximize job retention and creation, and economic benefit, carry out infrastructure improvements on an expedited basis, carry out activities to encourage energy efficiency, and provide assistance to unemployed persons.

Public Housing Capital Fund Stimulus (formula) Recovery Act Funded

The Public Housing Capital Fund Stimulus (formula) Recovery Act Funded program provides funds for the capital and management activities including modernization and development of public housing with the exception that funds cannot be used for operations or rental assistance. .

Non-Major Enterprise Funds

Supportive Housing for the Elderly

The Supportive Housing for the Elderly project is designed to provide housing accommodations for elderly residents of Guam. The land on which this project was built was donated by the Government of Guam at an appraised value of \$1,380,000. The project officially commenced operations in March 1980. Rentals are subsidized through the Department of Housing and Urban Development's Section 8 program.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

Non-Major Enterprise Funds, continued

Supportive Housing Program

This program is designed to promote the development of supportive housing and supportive services, including innovative approaches to assist homeless persons in the transition from homelessness, and to promote the provision of supportive housing to homeless persons so they can live as independently as possible.

Shelter Plus Care

This program links rental assistance to supportive services for hard-to-reach homeless, persons with disabilities, primarily those who are seriously mentally ill, and have chronic substance abuse problems, or have acquired immunodeficiency syndrome (AIDS) and their families if they are also homeless.

HOME Investment Partnership Program

This grant program is designed to increase homeownership and affordable housing opportunities for low- and very low-income Americans. The HOME program funds are used to provide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition, new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, among others.

Emergency Shelter Grant Program

This program provides grants to help increase both the number and quality of emergency shelters for homeless individuals and families, to operate these facilities and provide essential supportive services, and to help prevent homelessness.

Other Enterprise Funds

The following funds were determined to be non-major enterprise funds for the year ended September 30, 2009:

Local Funds

GHURA is also charged with administrative oversight responsibility for a variety of community projects as established and funded by the Government of Guam through contributions and local grants-in-aid.

Other Funds

Other funds consist primarily of local projects that have been completed and have undergone a final close out audit. Such projects include disaster rehabilitation for Typhoon Pamela, Yona and Sinajana Urban Renewals, and neighborhood facilities constructed in Agat and Sinajana.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

Other Enterprise Funds

Revolving and Trust Funds

These funds function primarily to facilitate cash management for all funds.

The basic financial statements of the Guam Housing and Urban Renewal Authority have been prepared in conformity with accepted accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are described below.

b) Reporting Entity

The administration and operation of GHURA is under the control of a seven-member Board of Commissioners appointed by the Governor of Guam with the advice and consent of the Legislature with one of the seven members being a resident of the Public Housing program, elected by the residents and appointed by the Governor. The Authority is not financially dependent on the Government of Guam's general fund but is considered a component unit of the Government of Guam. The Authority has no component units to be reported in accordance with GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*.

c) New Accounting Standards

In June 2007, the GASB issued Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*. This Statement addresses whether and when intangible assets, including easements, water rights, timber rights, patents, trademarks, and computer software should be considered capital assets for financial reporting purposes. This Statement is not effective until June 30, 2010. The Corporation has not determined its effect on the financial statements.

In November 2007, GASB issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. This Statement improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting amounts in similar entities that exist to invest resources for the purpose of generating income. The provisions of this Statement are effective for periods beginning after June 15, 2008. The implementation of this Statement did not have a material effect on the accompanying financial statements of the Corporation.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

c) *New Accounting Standards, continued*

In December 2008, GASB issued Technical Bulletin No. 2008-1, *Determining the Annual Required Contribution Adjustment for Postemployment Benefit*, which clarifies the requirements of GASB Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, and Statement No. 45, *Accounting and Financial Reporting by Employers of Postemployment Benefits Other Than Pensions*, for calculating the annual required contribution (ARC) adjustment. The provisions of this Statement are effective for periods beginning after December 15, 2008. Management does not believe that the implementation of this Statement will have a material effect on the accompanying financial statements of the Corporation.

In June 2008, GASB issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. This Statement is intended to improve how State and Local governments report information about derivative instruments – financial arrangements based by governments to manage specific risks or make investments in their financial statements. The provisions of this Statement are effective for periods beginning after June 15, 2009. Management does not believe that the implementation of this Statement will have a material effect on the accompanying financial statements of the Corporation.

In February 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The provisions of this Statement are effective for periods beginning after June 15, 2010. Management does not believe that the implementation of this Statement will have a material effect on the accompanying financial statements of the Corporation.

In March 2009, GASB issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement is to improve financial reporting by contributing to the GASB efforts to codify all generally accepted accounting principles (GAAP) for State and Local governments so that they derive from a single source.

In March 2009, GASB issued Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. This Statement incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants (AICPA) auditing literature into the GASB's accounting and financial reporting literature for State and Local governments, and addresses three issues from the AICPA's literature – related party transactions, going concern considerations and subsequent events.

In December 2009, GASB issued Statement No. 58, *Accounting and Financial Reporting for Chapter 9 Bankruptcies*, which provides accounting and financial reporting guidance for governments that have petitioned for protection for creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. This statement is effective beginning after June 15, 2009 with retroactive application for all periods presented during which a government was in bankruptcy.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) Summary of Significant Accounting Policies, continued

c) New Accounting Standards, continued

In March 2008, the Financial Accounting Standards Board (FASB) issued Statements of Financial Accounting Standards (SFAS) No. 161, *Disclosures About Derivative Instruments and Hedging Activities - An Amendment of FASB Statement No. 133*, which requires enhanced disclosures about (a) how and why an entity uses derivative instruments, (b) how derivative instruments and related hedged items are accounted for under SFAS 133 and its related interpretations, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. SFAS No. 161 is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The adoption of SFAS 161 did not have an impact on the Authority's financial position, results of operations, or cash flows.

d) Fund Financial Statements

The accounts of GHURA are organized and operated on the basis of funds and grant programs. Fund financial statements report detailed information about the Authority. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, net assets, revenues, and expenses. The focus in of the fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in single separate columns to distinguish between federal and local funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

A fund is considered major if it is the primary operating fund or if the total assets, liabilities, revenues, or expenses of that individual enterprise fund are at least 10% of the corresponding total for all enterprise funds.

e) Basis of Accounting

The Authority has elected to use proprietary fund types as its principle reporting. Proprietary funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. GHURA's proprietary funds are enterprise funds used to account for those operations that are financed and operated in a manner similar to private business or where GHURA has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. Depreciation of assets is recognized in the statements of revenues, expenses and net assets. All assets and liabilities that are associated with the operation of the Authority are included in the statement of net assets. The principal operating revenues of the Authority are operating subsidies and administrative fees received from HUD and rental revenues received from residents. Grants and similar items are recognized as revenue as soon as all eligible requirements have been met. Gains from sale of capital assets are included in operating revenues. Other expenses for the Authority include the cost of operating housing units, administrative expenses, depreciation and loss from sale of capital assets. Housing assistance payments from HUD are received by the Authority for each unit rented to qualified tenants in the public housing and Section 8 programs.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

e) Basis of Accounting, continued

Under GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, all proprietary funds must follow Financial Accounting Standards Board (FASB) issued on or before November 30, 1989. However, subsequent to that date, proprietary funds must choose (1) not apply all new FASB Standards (including amendments of earlier pronouncements), or (2) to continue to follow all new FASB pronouncements (unless they conflict with GASB guidance). The Authority has chosen not to apply new FASB standards subsequent to November 30, 1989.

f) Budgets

Budgets are adopted for applicable enterprise funds on a basis consistent with generally accepted accounting principles. GHURA is not legally required to adopt budgets for such funds. However, GHURA has contractual requirements to adopt budgets for applicable HUD programs.

The Authority's governing body, the Board of Commissioners, adopts budgets on a program or fund level basis. These budgets are submitted by the Authority's Executive Director, and approved by resolutions of the Board of Commissioners. The Authority is segmented into divisions and/or cost centers. These organizational units, individually and collectively, are expressed financially by program or fund source and budgets are developed annually for 12 month terms, which begin October 1st and ends September 30th of fiscal each year.

Annual budgets are adopted for all enterprise funds. Throughout the fiscal year, the Authority monitors and evaluates expenditures rates and patterns. However, timely notice is not given to executive management regarding forthcoming changes in objectives or other conditions that may cause significant variations from approved budget defined plans.

The Authority's Board of Commissioners may authorize amendments to the budget based on the availability of financial resources. Formal budget revisions are authorized in the same manner as original budget submissions. When necessary, all HUD grant program revisions are submitted to HUD for required approval. During 2009, several budget revisions were necessary and the final Authority-wide budgets to actual amounts were not provided for financial statement presentation.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

g) Cash and Investments

For purposes of the statement of cash flows, the Authority considers cash to be cash on hand, cash in checking and savings account and time certificates of deposit with original maturities of less than three months.

GHURA's investments consist solely of restricted and unrestricted bank certificates of deposit with original maturities of more than three months. Time certificates of deposit with initial maturities of less than three months are included in cash and cash equivalents. Investments are stated at amortized costs including accrued interest.

All of GHURA's certificates of deposit and bank accounts are held with FDIC insured banks. GHURA maintains collateralization on all bank accounts and certificates of deposit. Of GHURA's cash and investment accounts, approximately \$14,705,968 is subject to coverage by the Federal Deposit Insurance Corporation (FDIC).

h) Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds and programs for goods and services rendered. The balances of these receivables/payables at September 30, 2009 are classified as due from other funds or due to other funds and are eliminated on the statement of net assets for financial statement presentation.

i) Inventories

Inventories are stated at the lower of weighted average cost or market (net realizable value).

j) Prepayments

Payments made to vendors for services that will benefit periods beyond September 30, 2009 are recorded as prepaid items.

k) Restricted Assets

Certain assets are classified as restricted because of the specific nature and purpose of their existence.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

l) Capital Assets and Depreciation

All capital assets with a value greater than \$5,000 and a useful life over one year are capitalized. Capital assets are stated at cost or at estimated historical cost if actual historical cost is not available except for certain parcels of land donated by the Government of Guam, which are recorded at the estimated fair market value at date of donation.

The cost of maintenance and repairs is charged to operations as incurred and improvements are capitalized. Depreciation of capital assets is computed using the straight-line method over the estimated useful lives of the assets. Property and equipment items for the Supportive Housing for the Elderly are stated at cost, while property that was donated or contributed is carried at the fair value on the date of donation or contribution. Property and equipment items for this project are depreciated utilizing straight-line method over their estimated useful lives. Capital assets are depreciated on a straight-line basis method over estimated useful lives as follows:

<u>Category</u>	<u>Useful Life</u>
Buildings	40
Equipment	5
Furniture and fixtures	7
Vehicles	5

Upon retirement or other disposition of capital assets recorded, the cost and related accumulated depreciation are removed from the respective program's or fund's accounts and any gain or loss is included in the respective program's or fund's current operations. The Authority also has other assets, which consist primarily of property inventory under the Local Funds programs. Additionally, other assets include deferred charges, developmental costs, management improvements, and dwelling and non-dwelling costs from other various projects.

m) Other Real Estate

Other real estate consists primarily of land transferred from the Government of Guam to the Authority to construct 500 single-family homes under the GHURA 500 Low Cost Housing Project. This property is recorded at the fair value less estimated selling cost. Valuations are periodically performed by management and property held for sale is carried at the lower of new cost basis or fair value less cost to sell. Impairment losses on property to be held and used are measured as the amount by which the carrying amount of the property exceeds its fair value. Costs of significant improvement are capitalized, whereas costs relating to holding property are expensed.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

n) Compensated Absences

Earned employee vacation due is accrued at year end for financial statement reporting purposes. Included in the accounts payable and accrued liabilities at September 30, 2009 are amounts related to compensated absences earned but unused. The amounts are included as a component of operating expense in the Statement of Revenues, Expenses and Changes in Net Assets. As of September 30, 2009, accrued earned compensated absences totaled \$562,820.

Pursuant to Public Law 26-86, employees under the Defined Contribution Retirement System (DCRS) plan, upon their retirement, will be paid by its employer a lump sum payment of their unused sick leave up to fifty percent. At September 30, 2009, the total amount of unused sick leave for members under the DCRS plan was \$361,388 of which 50%, or \$180,694 was accrued in the accompanying financial statements.

o) Management fees

In lieu of cost allocation plan, HUD now requires Housing Authorities to charge each AMP property management and bookkeeping fees (\$7.50 per eligible unit) and an asset management fee (\$10 per AMP unit). Such fees are accounted for in the Authority's newly created Central Office Cost Center (COCC) which is reported in the Other Enterprise Funds. For the year ended September 30, 2009, the Authority paid management fees to COCC of \$1,774,765. HUD regulates the amount of management fees that can be paid.

p) Administrative and General Expenses

Certain operating facilities and materials used by the programs are shared with other programs. Costs associated with these facilities and materials are accumulated and paid by a central disbursement fund which allocates such costs to the various programs based on each program's pro rata share of payroll hours.

q) Accounts Receivables – Tenants

The Authority recognizes bad debts using the allowance method and is only written off after approval by management and subsequent reporting to the Board of Commissioners.

r) Noncurrent Liabilities

Noncurrent liabilities include principal amounts of notes payable; and estimated amounts for accrued compensated absences for annual and sick leave earned by employees.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) Summary of Significant Accounting Policies, continued

s) Net Assets

Net assets represent the residual interest in the Authority's assets after liabilities are deducted and consist of three categories: net assets invested in capital assets, net of related debt; restricted and unrestricted. Net assets invested in capital assets, net of related debt include capital assets, restricted and unrestricted, net of related accumulated depreciation, reduced by outstanding debt. Net assets are reported as restricted when constraints are imposed by third parties, grantors or enabling legislation. The Authority's restricted are net assets expendable. All other net assets are unrestricted.

t) HUD Subsidies and Contributions

Subsidies and contributions from HUD are received periodically and represent the most significant source of revenues and contributed capital to the Authority. The terms of these subsidies are defined in various Consolidated Annual Contributions Contracts. HUD subsidies for ongoing operations and housing assistance payments for each unit rented to qualified tenants are recorded as operating grant revenues in the accompanying Statement of Revenues, Expenses and Changes in Net Assets. HUD contributions for project acquisition and development or modernization are recorded under nonoperating revenues as capital grants in the accompanying Statement of Revenues, Expenses and Changes in Net Assets.

u) Tenant Rental Income

Revenue from rental charges to residents is recognized ratably over the terms of the lease agreements, which are generally on a month-to-month basis or 12 month period.

The allowance for doubtful accounts is determined based on management estimates. While management believes the amount is adequate, the ultimate uncollectible balance may differ from the amounts provided.

v) Deferred Revenues

The Authority reports deferred revenues on its Statement of Net Assets. Deferred revenues arise when resources arrive before the Authority has legal claim for them, such as when federal award money is received before the qualifying expenditure is made. In the subsequent period, when the Authority has a legal claim to the resources, the liability for deferred revenue is removed from the Statement of Net Assets, and the revenue is recognized.

w) Income Taxes

Income derived or generated by the Authority is not subject to federal income tax pursuant to Internal Revenue Code Section 115. The Authority is exempt from local property taxes.

x) Advertising and Marketing Expenses

For the fiscal year ending September 30, 2009, the Authority incurred advertising and marketing costs totaling \$35,667. These costs primarily relate to construction bids and related procurement solicitation costs.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(1) *Summary of Significant Accounting Policies, continued*

y) *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(2) *Cash and Investments*

Cash and cash equivalents and investments at September 30, 2009 consist of the following:

	2009
Cash on hand and due from banks	\$ 6,825,171
Investments	7,883,197
	<u>\$14,708,368</u>

Of the above cash and cash equivalents and investments, \$4,873,277 was restricted for at September 30, 2009. Refer to Note 3 for further discussion on restricted cash, cash equivalents and investments.

The deposits and investment policies of the Authority are governed by 5 GCA 21, *Investments and Deposits*. Legally authorized investments include securities issued or guaranteed by the U.S. Treasury or agencies of the United States government; demand and time deposits in or certificates of, or bankers' acceptances issued by, any eligible financial institution; corporate debt obligations, including commercial paper; certain money market funds; state and local government securities, including municipal bonds; and repurchase and investment agreements. With the exception of investments in U.S. government securities, where are explicitly guaranteed by the United States government, all other investments must be rated Aa1/P-1 by Moody's.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(2) *Cash and Investments, continued*

A. Deposits

GASB Statement No. 3 requires government entities to categorize deposits to give an indication of the level of credit risk assumed by the entity at year-end based on the following categories:

- Category 1 Deposits that are federally insured or collateralized with securities held by the Authority or its agent in the Authority's name;
- Category 2 Deposits that are uninsured but fully collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name; or
- Category 3 Deposits that are collateralized with securities held by the pledging financial institution's trust department or agent but not in Authority's name and non-collateralized deposits.

GASB Statement No. 40 amended GASB Statement No. 3 to in effect eliminate disclosure for deposits falling into categories 1 and 2 but retained disclosures for deposits falling under category 3. Category 3 deposits are those deposits that have exposure to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Such deposits are not covered by depository insurance and are either uncollateralized with securities held by the pledging financial institution or held by the pledging financial institution but not in the depositor-government's name. The Authority has an investment and deposit policy for custodial credit risk. For deposits, a general depository agreement pursuant to HUD regulations must be executed by the Authority and the depository. The depository bank must be a bank or financial institution whose deposits are insured by FDIC, Federal Savings and Loan Insurance Corporation or the National Credit Union Administration and all deposits must be fully collateralized by U.S. securities.

For credit risk in the case of deposits, there is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of September 30, 2009, the carrying amount of the Authority's total cash and cash equivalents was \$14,708,368 with a corresponding bank balance was \$14,705,968 is insured by the Federal Deposit Insurance Corporation or fully collateralized by securities held by a trustee in the name of the financial institution. As of September 30, 2009, bank deposits in the amount of \$250,000 were FDIC insured. The FDIC insurance was raised from \$100,000 to \$250,000 until December 31, 2013. Accordingly, deposits levels in excess of FDIC coverage are fully collateralized and are not exposed to custodial credit risk.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(2) *Cash and Investments, continued*

B. Investments:

GASB Statement No. 3 previously required government entities to present deposit risks in terms of whether the deposits fell into the following categories:

- | | |
|------------|---|
| Category 1 | Investments that are insured or registered, or securities held by the Authority or its agent in the Authority's name; |
| Category 2 | Investments that are uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the Authority's name; or |
| Category 3 | Investments that are uninsured and unregistered, with securities held by the counterparty's trust department or agent but not in Authority's name. |

GASB Statement No. 40 amended GASB Statement No. 3 to in effect eliminate disclosure for deposits falling into categories 1 and 2 and provided for disclosure requirements addressing other common risks of investments such as credit risk, interest rate risk, concentration of credit risk, and foreign currency risk. GASB Statement No. 40 did retain and expand the element of custodial risk in GASB Statement No. 3. As of September 30, 2009, the Authority did not have any investments subject to GASB Statement No. 40. The Authority's investments are in certificates of deposits placed with FDIC insured financial institutions and are all collateralized by US securities.

Credit risk for investments is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Bank of Guam manages various special funds and invests securities in U.S. Treasuries, U.S. Agencies and Money Market Funds. The U.S. Treasuries are backed by the full faith and credit of the U.S. Government. While Agencies do have the same backing, they are implied to have the backing of the U.S. Government.

(3) *Restricted Cash*

Supportive Housing for the Elderly

In accordance with the Farmers Home Administration loan covenants, the Authority is required to maintain a reserve account of \$168,600 to be held as collateral for loan reserves. Of this amount, no less than 50%, or \$84,300, shall be maintained in cash. The remaining 50% may be deposited or invested in time certificates of deposit which must be insured by the Federal Deposit Insurance Corporation. As of September 30, 2009, GHURA had \$191,478 and \$203,058 in a restricted cash account and in time certificates of deposit, respectively, for the Supportive Housing for the Elderly. Interest income earned is reinvested when related time certificates of deposit mature.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(3) *Restricted Cash, continued*

Section 8 HCV and Low Rent Housing

An escrow account has been established for Section 8 and Low Rent Public Housing participants in the Family Self-Sufficiency program (FSS). A portion of rent paid by residents participating in this program is held from them until the participating family meets individually established self-sufficiency goals. The escrow amount is remitted to the head of household upon completion of their specific work plan or 30 percent of the family's monthly adjusted income equals or exceeds the appropriate fair market rent. Escrows are nonrefundable if the family leaves the program. Interest is accrued on the account. For the year ended September 30, 2009, FSS escrow amounts held by the Authority for the Section 8 and Low Rent Public Housing participants in the FSS program totaled \$834,861 and \$95,495, respectively.

The Section 8 HCV program also has restricted investments of \$2,202,003, which represents the remaining housing assistance payment (HAP) revenue that has accumulated since January 1, 2005. HUD PIH Notice 2006-03 required that excess (unused) HAP funding received in excess of related HAP expenses, from the above date be recognized as revenue, and that the accumulated revenue (HAP equity) be segregated as part of undesignated fund balance. Upon further clarification by HUD in PIH Notice 2008-09, which was issued on January 30, 2008, concerning the implementation of the aforementioned notice, the associated cash related to the aforementioned HAP equity under proprietary fund reporting should be reported as restricted. These funds are available only for certain eligible HAP expenses and not for program administrative purposes. This amount also represents HAP restricted equity balance as of September 30, 2009.

The Low Rent Housing program also has additional restricted cash funds totaling \$1,063,872, which consists primarily of a separate, HUD approved typhoon coverage self-insurance fund. Based on the terms of the self-insurance agreement with HUD, the Authority would need HUD's approval for any withdrawal and expenditure of these funds. As of September 30, 2009, there was a balance of \$1,017,805 in the self-insurance account which is maintained in the Central Office Cost Center fund and reported in Other Enterprise Funds.

(4) *Loans Receivable*

Loans receivable consist primarily for first time homebuyers under the Authority's Down Payment and Closing Cost Assistance Program to provide assistance to eligible residents to purchase or construct a primary owner-occupied dwelling. The loans are interest free loan and with a maximum loan amount of the lesser of \$18,000.00 or 18% of the purchase price and are collateralized by second mortgages on real estate and consist of the following:

	2009
	<hr/>
Due in varying monthly installments, interests free, with maturities to 2026, including loans	\$ 1,009,632
Less current portion	<hr/> (45,942) <hr/>
	<hr/> \$ 963,690 <hr/>

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(5) *Interfund Receivable/Payable Accounts*

GHURA maintains interfund receivable and payable accounts for all housing projects and funds that it administers and reports interfund transfers between many of its funds. The outstanding balances between funds result mainly from time lags between the date that 1) interfund goods and services are provided or reimbursable expenditures occur; 2) transactions are recorded in the accounting system; and 3) payments between funds are made. The amounts payable to the revolving fund are expected to be collected in the subsequent year. In accordance with GASBS No. 38, account balances for inter-fund activities were eliminated for financial statement reporting purposes. The composition of the inter-fund receivable and payable balances as of September 30, 2009 is as follows:

	Due from other Funds	Due to other Funds	Net Receivable (Payable)
CDBG	\$ -	\$ 408,672	\$ (408,672)
Low Income Housing	6,026,456	380,211	5,646,245
Section 8 Programs	1,400	3,669,504	(3,668,104)
Capital Fund Program	-	251,726	(251,726)
Non-Major Enterprise Funds	99,325	1,187,548	(1,088,223)
Other Enterprise Funds	6,425,214	6,654,734	(229,520)
Net Interfund balances	\$ 12,552,395	\$ 12,552,395	\$ -

(6) *Other Real Estate*

The Government of Guam transferred 5 parcels of land to the Authority to construct 500 single-family homes under the GHURA 500 Low Cost Housing Project. Upon completion of the construction and the Authority's conversion from other comprehensive basis of accounting (HUD accounting) to GAAP, the estimated value per house based on the development cost incurred totaled \$34,653. As of September 30, 2009, the Authority had one hundred nine (104) lots in its inventory with an estimated value of \$3,603,912.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(7) *Capital Assets*

A summary of changes in capital assets for the year ended September 30, 2009 is as follows:

	<u>Balance 9/30/2008</u>	<u>Additions</u>	<u>Transfers Disposals</u>	<u>Balance 9/30/2009</u>
Land	\$ 3,675,882	\$ -	\$ -	\$ 3,675,882
Structures	78,598,505	2,044,764	-	80,643,269
Furniture, Fixtures and Equipment	<u>3,211,149</u>	<u>200,037</u>	<u>-</u>	<u>3,411,186</u>
	85,485,536	2,244,801	-	87,730,337
Less: Accumulated depreciation	<u>(54,486,930)</u>	<u>(2,960,427)</u>	<u>-</u>	<u>(57,447,357)</u>
Net Capital Assets	\$ <u>30,998,606</u>	\$ <u>(715,626)</u>	\$ <u>-</u>	\$ <u>30,282,980</u>
	<u>Balance 9/30/2007</u>	<u>Additions</u>	<u>Transfers Disposals</u>	<u>Balance 9/30/2008</u>
Land	\$ 3,675,882	\$ -	\$ -	\$ 3,675,882
Structures	77,419,237	1,610,738	(431,470)	78,598,505
Furniture, Fixtures and Equipment	<u>3,148,674</u>	<u>62,475</u>	<u>-</u>	<u>3,211,149</u>
	84,243,793	1,673,213	(431,470)	85,485,536
Less: Accumulated depreciation	<u>(51,490,112)</u>	<u>(2,996,818)</u>	<u>-</u>	<u>(54,486,930)</u>
Net Capital Assets	\$ <u>32,753,681</u>	\$ <u>(1,323,605)</u>	\$ <u>(431,470)</u>	\$ <u>30,998,606</u>

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(8) *Notes Payable – Non-HUD*

GHURA borrowed funds from an entity other than HUD to finance the construction of the elderly housing project, as follows:

Due to USDA Rural Development, interest at 6%, principal and interest thereon payable at \$10,540 per month, maturing in April 2030, (Supportive Housing for the Elderly) \$ 1,442,123

Less current portion (41,000)

Long-term portion of note payable \$ 1,401,123

Maturities of long-term debt are as follows:

Year ending September 30	Principal	Interest	Total Debt Service
2010	\$ 41,000	\$ 85,480	\$ 126,480
2011	44,000	82,480	126,480
2012	46,000	80,480	126,480
2013	49,000	77,480	126,480
2014	52,000	74,480	126,480
2015 through 2019	312,000	320,400	632,400
2020 through 2024	421,000	211,400	632,400
2025 through 2029	<u>477,123</u>	<u>155,277</u>	<u>632,400</u>
	\$ <u>1,442,123</u>	\$ <u>1,087,477</u>	\$ <u>2,529,600</u>

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(9) Noncurrent Liabilities

Noncurrent liability activity at September 30, 2009 was as follows:

	Outstanding Balance <u>09/30/08</u>	<u>Increase</u>	<u>Decrease</u>	Outstanding Balance <u>09/30/09</u>	<u>Current</u>	<u>Noncurrent</u>
Note payable	\$ 1,483,089	\$ -	\$ (40,966)	\$ 1,442,123	\$ 41,000	\$ 1,401,123
HUD settlement	113,522	-	(113,522)	-	-	-
Compensated Absences	<u>498,626</u>	<u>64,194</u>	<u>-</u>	<u>562,820</u>	<u>38,604</u>	<u>524,216</u>
	<u>\$ 2,095,237</u>	<u>\$ 64,194</u>	<u>\$ (154,488)</u>	<u>\$ 2,004,943</u>	<u>\$ 79,604</u>	<u>\$ 1,925,339</u>
	Outstanding Balance <u>09/30/07</u>	<u>Increase</u>	<u>Decrease</u>	Outstanding Balance <u>09/30/08</u>	<u>Current</u>	<u>Noncurrent</u>
Note payable	\$ 1,517,799	\$ -	(\$ 34,710)	\$ 1,483,089	\$ 38,000	\$ 1,445,089
HUD settlement	1,255,432	-	(1,141,910)	113,522	113,522	-
Compensated Absences	<u>497,868</u>	<u>758</u>	<u>-</u>	<u>498,626</u>	<u>42,895</u>	<u>455,731</u>
	<u>\$ 3,271,099</u>	<u>\$ 758</u>	<u>\$(1,176,620)</u>	<u>\$ 2,095,237</u>	<u>\$ 194,417</u>	<u>\$ 1,900,820</u>

(10) HUD Contributions Earned - HAP

HUD contributions earned by GHURA consist of housing assistance payments and an administrative fee. For fiscal year 2009, the administrative fee varied amount based upon the number of units leased. The Authority earned an administrative fee totaling \$2,520,771 for the fiscal year ended September 30, 2009.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(11) Net Assets - Section 8 Housing Choice Vouchers (HCV)

Beginning with the fiscal year ended September 30, 2009, HCV program equity is composed of Administrative Fee Equity and HAP Equity. Administrative Fee Equity, which consists of administrative fees earned in excess of program administrative expenses and can be utilized for administrative costs for the program or additional HAP to eligible families. HAP Equity, which represents excess HAP budget authority disbursed to the Authority that is not utilized to assist families and can be used only for HAP payments to eligible families.

As of September 30, 2009, the Authority's Section 8 HCV net assets were comprised as following:

	Balance at 9/30/08	Net Change	Balance at 9/30/09
Administrative Fee Equity:			
Invested in capital assets, net of related debt	\$ 81,983	\$ (20,503)	\$ 61,480
Unrestricted net assets	<u>1,130,189</u>	<u>238,104</u>	<u>1,368,293</u>
Total Administrative Fee Equity	1,212,172	217,601	1,429,773
HAP Equity:			
Restricted net assets	<u>4,221,259</u>	<u>(2,019,256)</u>	<u>2,202,003</u>
Total Housing Choice Voucher Equity	<u>\$5,433,431</u>	<u>\$(1,801,655)</u>	<u>\$ 3,631,776</u>

(12) Commitments

Housing Assistance Payments

At September 30, 2009, GHURA had approximately 2,463 voucher contracts with dwelling owners, all of which are funded for a period of twelve months. The entire amount of assistance payments committed under these contracts will be funded by HUD.

Community Development Block Grant

GHURA entered into a memorandum of agreement between the Department of Public Health and Social Services and Guam Economic Development and Commerce Authority to provide construction management and procurement administration of the expansion of the Southern Region Community Health Center (SRCHC) facility. The SRCHC is an eligible activity and meets the CDBG program's National Objectives pursuant to 24 CFR Part 570.

HOME Investment Partnership Program

GHURA entered into a memorandum of agreement between U.S. Department of Agriculture, Rural Development and Micronesia Self-Help Housing Corporation effective October 27, 2008 to engage in the development of affordable housing, the Sagan Bonita Subdivision. GHURA has agreed to provide HOME funds to acquire the property and supplement the development of on-site infrastructure.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(12) Commitments, continued

Local Funds

Proceeds from the sale of property in the amount of \$460,000 have been committed for use in a construction project jointly agreed to by GHURA and the Government of Guam. As of September 30, 2009, \$459,403 has been expended for the construction project.

GHURA 500 proceeds in the amount of \$320,000 have been restricted pending notification from the Government of Guam as to when the amount should be remitted to the General fund.

Construction Work-in-Progress

GHURA has entered into development stage contracts for certain programs. Unliquidated contracts as of September 30, 2009, are as follows:

	<u>Contract Amount</u>	<u>Liquidations</u>	<u>Unliquidated Contract</u>
Low Income Housing	\$ 3,197,327	\$ 1,259,602	\$ 1,937,725
CDBG Grants	<u>9,118,125</u>	<u>550,042</u>	<u>8,568,083</u>
	<u>\$ 12,315,452</u>	<u>\$ 1,809,644</u>	<u>\$ 10,505,808</u>

(13) Employees Retirement Plan

The Corporation participates in the Government of Guam Defined Benefit (DB) Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Government of Guam Retirement Fund (GGRF). The DB Plan provides retirement, disability, and survivor benefits to plan members who enrolled in the plan prior to October 1, 1995. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Guam Legislature. Article 1 of 4 GCA 8, Section 8105, requires that all employees of the Government of Guam, regardless of age or length of service, become members of the DB Plan prior to the operative date. Employees of a public corporation of Government of Guam, which includes the Corporation, have the option of becoming members of the DB Plan prior to the operative date. All employees of Government of Guam, including employees of Government of Guam public corporations, whose employment commences on or after October 1, 1995, are required to participate in the Defined Contribution Retirement System (DCRS). Hence, the DB Plan became a closed group. Until December 31, 1999, those employees who were members of the defined benefit plan with less than 20 years of service at September 30, 1995, had the option to switch to the DCRS. Requirements of both plans are established by Title 4 Guam Code Annotated, Chapter 8, Articles 1 and 2.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(13) *Employees Retirement Plan, continued*

The Defined Benefit Plan (DB) and the DCRS are administered by the Government of Guam Retirement Fund (GGRF), to which the Corporation contributes based upon a fixed percentage of the payroll for those employees who are members of the Plan.

The DB Plan was originally designated as a single-employer plan but was redesignated by Government of Guam's Department of Administration as a cost-sharing multiple-employer plan, effective October 1, 2008. The redesignation was based on the determination as outlined under GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, that all risks, rewards, and costs, including benefit costs, are shared and are not attributed individually to the separate employers. A single actuarial valuation is performed annually covering all plan members and the same contribution rate applies to each employer.

Employees of the Authority hired before September 30, 1995 are under the Government of Guam Employees' Retirement System (a defined benefit, contributory pension plan). Employees hired after September 30, 1995 are members of the Government of Guam's Defined Contribution Retirement System (DCRS). Until December 31, 1999, those employees who were members of the defined benefit plan with less than 20 years of service at September 30, 1995, had the option to switch to the DCRS. Requirements of both plans are established by Title 4 Guam Code Annotated, Chapter 8, Articles 1 and 2.

The Defined Benefit Plan (DB) and the DCRS are administered by the Government of Guam Retirement Fund, to which the Corporation contributes based upon a fixed percentage of the payroll for those employees who are members of the Plan.

As a result of the most recent actuarial valuation performed as of September 30, 2007, 2006, 2005, the annual actuarially required contribution rates for the years ended September 30, 2009, 2008 and 2007, respectively, have been determined as follows:

	2009	2008	2007
Normal Cost (as % of DB Plan payroll)	17.36%	17.94%	18.21%
Employee contributions (DB Plan employees)	9.50%	9.50%	9.50%
Employer portion of normal cost (% of DB Plan payroll)	7.86%	8.44%	8.71%
Unfunded liability costs, as % of total payroll	19.68%	20.75%	20.66%
Government contribution as % of DB Plan payroll	25.20%	24.74%	27.47%

The statutory contribution rates as a percent of the DB payroll is as follows:

	2009	2008	2007
Employer rate	25.20%	24.07%	22.94%
Employee rate	9.50%	9.50%	9.50%

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(13) *Employees Retirement Plan, continued*

The Annual Required Contribution for the years ended September 30, 2009, 2008 and 2007 was determined as part of the September 30, 2006, 2005 and 2004 actuarial valuation using the “entry age normal”. Significant valuations included the actuarial assumptions as follows:

Interest rate and rate of return	7.0%
Payroll increases	3.5%
Salary increases	4.0% - 8.5%

The assumptions did not include cost-of-living adjustments. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded liability is being amortized as a level percentage of total payroll through May 1, 2031.

The actuarial valuations performed as of September 30, 2006, 2005 and 2004, did not provide a breakdown of actuarial present value of vested and non-vested accumulated plan benefits by sponsor or net assets available for benefits by sponsor.

Contributions in the DCRS by members are based on an automatic deduction of 5% of the member’s regular base pay. The contribution is periodically deposited into an individual annuity account within the DCRS. Employees are afforded the opportunity to select from different annuity accounts available under the DCRS.

Statutory employer contributions into the DCRS for the years ended September 30, 2009 and 2007 are determined using the same rates as the DB plan. Of the amount contributed by the employer, only 5% of the member’s regular base pay is deposited in the member’s individual annuity account. The remaining amount is contributed towards the unfunded liability of the defined benefit plan.

Members of the DCRS who have completed five years of government service, and have attained the age of 55 years at termination, have a vested balance of 100% of both member and employer contributions plus any earnings thereon.

For the year ended September 30, 2009, the retirement expense contribution was \$371,904 and \$582,545 for the DB and DCRS Plans, respectively.

GGRF issues a publicly available financial report that includes financial statements and required supplementary information for the DB Plan. That report may be obtained by writing to the Government of Guam Retirement Fund, 424 A Route 8, Maite, Guam 96910, or by visiting GGRF’s website – www.ggrf.com.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements
September 30, 2009

(13) *Employees Retirement Plan, continued*

Other Post Employment Benefits

The Government of Guam (GovGuam), through its substantive commitment to provide other post-employment benefits (OPEB), maintains a cost-sharing multiple employer defined benefit plan to provide certain postretirement healthcare benefits to retirees who are members of the Government of Guam Retirement Fund. Under the Plan, known as the GovGuam Group Health Insurance Program, GovGuam provides medical, dental, and life insurance coverage. The retiree medical and dental plans are fully-insured products provided through insurance companies. GovGuam shares in the cost of these plans, with GovGuam's contribution amount set each year at renewal. Current statutes prohibit active and retired employees from contributing different amounts for the same coverage. As such, GovGuam contributes substantially more to the cost of retiree healthcare than to active healthcare. For the life insurance plan, GovGuam provides retirees with \$10,000 of life insurance coverage through an insurance company. Retirees do not share in the cost of this coverage.

Because the Plan consists solely of GovGuam's firm commitment to provide OPEB through the payment of premiums to insurance companies on behalf of its eligible retirees, no stand-alone financial report is either available or generated.

(14) *Risk Management*

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; operation liability, errors and omissions, employee injuries and illnesses; employee health, dental and accident benefits and natural disasters. The Authority maintains commercial insurance to provide for claims arising from most of these risks except for typhoon insurance.

Beginning in fiscal year 2005, the Authority decided to stop carrying commercial insurance for typhoon coverage because it was cost prohibitive. A typhoon insurance coverage waiver was granted by HUD provided that the Authority establish and maintain a separate typhoon coverage escrow account in which it will deposit \$200,000 annually until the account balance reaches a minimum of balance of \$1 million. HUD must approve each draw against the typhoon coverage escrow account. When funds are used to pay typhoon claims, the Authority must replenish the escrow account on an annual basis to maintain the \$1 million minimum balance. During fiscal year 2009, the Authority deposited \$200,000 into the typhoon coverage escrow account. Deposits into the account total \$1,000,000. The typhoon coverage escrow account balance as of September 30, 2009 is \$1,017,805.

There were no material losses sustained as a result of GHURA's risk management practices.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(15) *Contingencies*

Federal Award Programs

The Authority participates in a number of federal award programs for specific purposes that are subject to review and audit by grantor agencies, namely the U.S. Department of Housing and Urban Development. Although the Authority has been audited in accordance with the provisions of OMB Circular A-133, these programs are still subject to financial and compliance audits by grantor or their representatives. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under the terms of the grant.

Litigation

GHURA is subject to various claims, unlawful detainer complaints and other legal actions in the normal course of business. GHURA consults their legal counsel whenever there is a potential or asserted claim, and relies on the advice of counsel for direction and for establishing reserves for potential unfavorable outcomes.

There is no material pending or threatened litigation as the amounts in question in those matters will not rise to \$5,000.

(16) *Lease Commitments*

The Authority lease office space under an operating lease with original term of two (2) years expiring January 2010. This lease was renewed with an extended term expiring January 2013. The future minimum annual lease payments for this rental commitment under this non-cancelable operating lease are as follows:

<u>Year ending</u> <u>September 30,</u>	<u>Amount</u>
2010	\$ 70,718
2011	74,599
2012	77,182
2013	<u>26,158</u>
	<u>\$248,657</u>

Rent expense for the year ended September 30, 2009 was \$65,119 which was allocated between the CDBG, HOME and Section 8 programs.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Notes to Combined Financial Statements September 30, 2009

(17) *Economic Dependency*

Statement of Financial Accounting Standard (SFAS) No 14 requires disclosure in the financial statements of a situation where one entity provides more than 10% of the audit entity's revenues. HUD provided approximately \$44.4 million to the Authority, which represents approximately 98% of the Authority's total revenues for the year ended September 30, 2009.

(18) *HUD Settlement*

The Authority was cited for applying an incorrect payment standard. The Authority erroneously established two payment standards, one with utilities and one without utilities. The total amount of the error for recovery was \$1,255,432. The Authority sought the appeal process and to have the amount offset against the current funding. On June 21, 2008, the Authority was notified by HUD that the full amount is payable and due. A provision has been made in the accompanying financial statements resulting from this error and will be paid from the Section 8 Housing Choice Voucher equity reserves.

On December 31, 2008, the Authority received official notification of a repayment agreement. Pursuant to the terms of the settlement agreement, the Authority paid \$1,000,000 initial payment on January 4, 2008 and is making required monthly payments of \$14,190 until the amount has been paid in full. During 2008 GHURA paid HUD \$1,141,910 of the total settlement due with the remaining balance of \$113,522 paid during 2009.

(19) *Subsequent Events*

The Authority evaluated subsequent events from September 30, 2009 through April 29, 2010, the date the financial statements were available to be issued. The Authority did not note any subsequent events requiring disclosure or adjustment to the statement of financial condition.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**COMMUNITY DEVELOPMENT BLOCK GRANTS
CFDA NO. 14.225**

Combining Statement of Net Assets
September 30, 2009

ASSETS	TOTAL	B-04-ST- 66-0001	B-05-ST- 66-0001	B-06-ST- 66-0001	B-07-ST- 66-0001	B-08-ST- 66-0001
Cash - restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable:	-	-	-	-	-	-
HUD	634,841	66,160	132,875	144,812	58,452	232,542
Due from other funds	-	-	-	-	-	-
Prepaid and other assets	1,169	191	-	-	189	789
Capital assets, net	46,825	-	19,699	14,973	12,153	-
Total Assets	\$ 682,835	\$ 66,351	\$ 152,574	\$ 159,785	\$ 70,794	\$ 233,331

LIABILITIES AND NET ASSETS

Accounts payable:						
Accounts payable	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000
Due to other funds	402,978	54,375	129,100	140,929	52,140	26,434
Accrued salaries and wages	7,359	-	-	-	4,252	3,107
Compensated absences - current	4,104	-	-	-	-	4,104
Deferred revenues	22,937	11,976	3,775	3,882	2,249	1,055
Total current liabilities	557,378	66,351	132,875	144,811	58,641	154,700
Noncurrent liabilities:						
Compensated absences - noncurrent	78,631	-	-	-	-	78,631
Total noncurrent liabilities	78,631	-	-	-	-	78,631
Total liabilities	636,009	66,351	132,875	144,811	58,641	233,331
Net Assets:						
Invested in capital assets, net of related debt	46,826	-	19,699	14,974	12,153	-
Restricted	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-
Total net assets	46,826	-	19,699	14,974	12,153	-
Total Liabilities and Net Assets	\$ 682,835	\$ 66,351	\$ 152,574	\$ 159,785	\$ 70,794	\$ 233,331

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
COMMUNITY DEVELOPMENT BLOCK GRANTS
CFDA NO. 14.225

Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	B-04-ST- 66-0001	B-05-ST- 66-0001	B-06-ST- 66-0001	B-07-ST- 66-0001	B-08-ST- 66-0001
Revenues:					
Federal contributions	\$ 22,564	\$ 608,557	\$ 908,238	\$ 761,221	\$ 697,007
Other	-	-	-	3,150	6,145
Total Revenues	22,564	608,557	908,238	764,371	703,152
Operating expenses:					
Repairs and maintenance	-	535,128	-	411,981	334,733
Other	22,564	1,646	759,413	160,515	77,631
Administrative salaries	-	53,737	113,577	202,776	87,652
Employee benefits	-	18,046	33,861	59,675	26,392
Management fees	-	-	-	-	85,500
Professional fees	-	-	-	7,302	6,570
Advertising and marketing	-	-	-	10,485	1,386
Depreciation	-	-	3,883	3,038	-
Compensated absences	-	-	-	(89,304)	82,735
Insurance	-	-	1,387	928	434
Protective services	132	-	-	13	119
Total operating expenses	22,564	608,557	912,121	767,409	703,152
Operating loss	(6,921)	-	(3,883)	(3,038)	-
Non-operating revenues:					
Interest income	-	-	-	-	-
Capital Grants	-	-	-	-	-
Total non-operating revenues	-	-	-	-	-
Change in net assets	(6,921)	-	(3,883)	(3,038)	-
Total net assets, beginning of year	53,747	19,699	18,857	15,191	-
Total net assets, end of year	\$ 46,826	\$ 19,699	\$ 14,974	\$ 12,153	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

COMMUNITY DEVELOPMENT BLOCK GRANTS

CFDA NO. 14.225

Combining Statement of Cash Flows
For the Year Ended September 30, 2009

	B-04-ST- 66-0001	B-05-ST- 66-0001	B-06-ST- 66-0001	B-07-ST- 66-0001	B-08-ST- 66-0001
Cash flows from operating activities:					
Receipts from customers	\$ 22,564	\$ 608,557	\$ 908,238	\$ 761,221	\$ 697,007
Payments to suppliers	(2,411,166)	(536,774)	(760,800)	(501,920)	(589,108)
Payments to employees	-	(71,783)	(147,438)	(262,451)	(114,044)
Other receipts	9,295	-	-	3,150	6,145
Net cash provided by (used in) operating activities	-	-	-	-	-
Cash flows from capital and related financing activities:					
Acquisition of fixed assets	-	-	-	-	-
Net cash used in capital and related financing activities	-	-	-	-	-
Cash flows from investing activities:					
Increase in investments	-	-	-	-	-
Net cash provided by (used in) investing activities	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-	-
Cash and cash equivalents at beginning year	-	-	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:					
Change in net assets	\$ (6,921)	\$ -	\$ (3,883)	\$ (3,038)	\$ -
Adjustments to reconcile net loss to net cash provided by (used) operating activities:					
Depreciation	6,921	-	3,883	3,038	-
(Increase) decrease in assets:					
Accounts receivable - HUD	19,230	20,174	(142,275)	147,707	(6,376)
Accounts receivable - Due to other funds	-	-	-	-	-
Prepaid and other assets	2,688	-	1,388	1,300	-
Increase (decrease) in liabilities:					
Accounts payable - Due to other funds	56,429	(23,949)	140,888	(66,204)	5,694
Compensated absences	(89,304)	-	-	(89,304)	-
Accrued salaries and wages	4,934	-	-	4,252	682
Deferred revenues	6,023	3,775	(1)	2,249	-
Other liabilities	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

COMMUNITY DEVELOPMENT BLOCK GRANTS - (ARRA)

CFDA NO. 14.254

Statement of Net Assets

September 30, 2009

ASSETS	ARRA B-09-ST- 66-0001
Cash - restricted	\$ -
Accounts Receivable:	
HUD	6,376
Due from other funds	-
Prepaid and other assets	-
Capital assets, net	-
Total Assets	\$ 6,376
LIABILITIES AND NET ASSETS	
Accounts payable:	
Accounts payable	\$ -
Due to other funds	5,694
Accrued salaries and wages	682
Compensated absences - current	-
Deferred revenues	-
Total current liabilities	6,376
Noncurrent liabilities:	
Compensated absences - noncurrent	-
Other noncurrent liabilities - sick leave	-
Total noncurrent liabilities	-
Total liabilities	6,376
Net Assets:	
Invested in capital assets, net of related debt	-
Restricted	-
Unrestricted	-
Total net assets	-
Total Liabilities and Net Assets	\$ 6,376

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
COMMUNITY DEVELOPMENT BLOCK GRANTS - (ARRA)
CFDA NO. 14.254

Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	ARRA B-09-ST- 66-0001
Revenues:	
Federal contributions	\$ 94,331
Other	-
Total Revenues	94,331
Operating expenses:	
Repairs and maintenance	87,955
Other	2,786
Administrative salaries	2,771
Employee benefits	819
Management fees	-
Professional fees	-
Advertising and marketing	-
Depreciation	-
Compensated absences	-
Insurance	-
Protective services	-
Total operating expenses	94,331
Operating loss	-
Non-operating revenues:	
Interest income	-
Capital Grants	-
Total non-operating revenues	-
Change in net assets	-
Total net assets, beginning of year	-
Total net assets, end of year	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**COMMUNITY DEVELOPMENT BLOCK GRANTS - (ARRA)
CFDA NO. 14.254**

Statement of Cash Flows
For the Year Ended September 30, 2009

	ARRA B-09-ST- 66-0001
Cash flows from operating activities:	
Receipts from customers	\$ 94,331
Payments to suppliers	(90,741)
Payments to employees	(3,590)
Other receipts	-
Net cash provided by (used in) operating activities	-
Cash flows from capital and related financing activities:	
Acquisition of fixed assets	-
Net cash used in capital and related financing activities	-
Cash flows from investing activities:	
Increase in investments	-
Net cash provided by (used in) investing activities	-
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents at beginning year	-
Cash and cash equivalents at end of year	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:	
Change in net assets	\$ -
Adjustments to reconcile net loss to net cash provided by (used) operating activities:	
Depreciation	-
(Increase) decrease in assets:	
Accounts receivable - HUD	(6,376)
Accounts receivable - Due to other funds	-
Prepaid and other assets	-
Increase (decrease) in liabilities:	
Accounts payable - Due to other funds	5,694
Compensated absences	-
Accrued salaries and wages	682
Deferred revenues	-
Other liabilities	-
Net cash provided by (used in) operating activities	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

LOW INCOME PUBLIC HOUSING

CFDA No. 14.850a

Combining Statement of Net Assets

September 30, 2009

ASSETS	Total	AMP 1	AMP 2	AMP 3	AMP 4
Current assets:					
Cash:					
Cash - General Fund	\$ 21,081	\$ 3,860	\$ 1,106	\$ 4,431	\$ 11,684
Restricted Cash - FSS Escrow	-	-	-	-	-
Restricted Cash - other	-	-	-	-	-
Total cash	<u>21,081</u>	<u>3,860</u>	<u>1,106</u>	<u>4,431</u>	<u>11,684</u>
Accounts receivable:					
Tenants	47,256	7,086	9,393	16,275	14,502
Promissory notes	5,943	4,686	300	812	145
HUD	812	-	812	-	-
Due from other programs	6,026,456	1,973,919	1,083,073	925,712	2,043,752
Interest	585	19	89	268	209
Other	-	-	-	-	-
	<u>6,081,052</u>	<u>1,985,710</u>	<u>1,093,667</u>	<u>943,067</u>	<u>2,058,608</u>
Allowance for doubtful accounts	<u>(33,144)</u>	<u>(2,042)</u>	<u>(4,436)</u>	<u>(13,973)</u>	<u>(12,693)</u>
Total accounts receivable	<u>6,047,908</u>	<u>1,983,668</u>	<u>1,089,231</u>	<u>929,094</u>	<u>2,045,915</u>
Inventories	193,964	38,714	44,017	43,906	67,327
Investments:					
General fund	1,009,713	-	141,835	497,945	369,933
Restricted - security deposits	182,327	38,410	39,626	47,405	56,886
Total investments	<u>1,192,040</u>	<u>38,410</u>	<u>181,461</u>	<u>545,350</u>	<u>426,819</u>
Prepaid and other current assets	<u>38,913</u>	<u>8,700</u>	<u>9,211</u>	<u>11,494</u>	<u>9,508</u>
Total current assets	<u>7,493,906</u>	<u>2,073,352</u>	<u>1,325,026</u>	<u>1,534,275</u>	<u>2,561,253</u>
Noncurrent assets:					
Capital assets:					
Land	2,130,777	299,151	450,147	533,031	848,448
Infrastructure	651,548	85,239	107,587	289,788	168,934
Buildings and improvements, at cost	71,505,111	11,800,439	15,674,746	22,032,814	21,997,112
Furniture and equipment, at cost	2,011,409	700,506	554,940	316,906	439,057
Accumulated depreciation	<u>(54,584,118)</u>	<u>(9,050,308)</u>	<u>(12,143,514)</u>	<u>(17,536,084)</u>	<u>(15,854,212)</u>
Net capital assets	<u>21,714,727</u>	<u>3,835,027</u>	<u>4,643,906</u>	<u>5,636,455</u>	<u>7,599,339</u>
Total assets	<u>\$ 29,208,633</u>	<u>\$ 5,908,379</u>	<u>\$ 5,968,932</u>	<u>\$ 7,170,730</u>	<u>\$ 10,160,592</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

LOW INCOME PUBLIC HOUSING
CFDA No. 14.850a

Combining Statement of Net Assets, Continued
September 30, 2009

LIABILITIES AND NET ASSETS	Total	AMP 1	AMP 2	AMP 3	AMP 4
Liabilities:					
Accounts payable:					
HUD	\$ 532	\$ -	\$ -	\$ 532	\$ -
Tenant security deposits	113,600	23,916	25,287	33,495	30,902
Due to other funds	380,211	-	-	380,211	-
Accrued salaries and wages	16,605	4,665	3,705	2,730	5,505
Compensated absences, current portion	8,839	2,426	2,750	1,400	2,263
Other current liabilities	916	313	-	603	-
Accrued liabilities	24,793	12,818	-	-	11,975
Total accounts payable	<u>545,496</u>	<u>44,138</u>	<u>31,742</u>	<u>418,971</u>	<u>50,645</u>
Deferred credits:					
Tenants prepaid rents	-	-	-	-	-
Other	-	-	-	-	-
Total deferred credits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>545,496</u>	<u>44,138</u>	<u>31,742</u>	<u>418,971</u>	<u>50,645</u>
Noncurrent liabilities:					
Compensated absences, net of current portion	133,095	46,035	31,980	17,643	37,437
Total noncurrent liabilities	<u>133,095</u>	<u>46,035</u>	<u>31,980</u>	<u>17,643</u>	<u>37,437</u>
Total liabilities	<u>678,591</u>	<u>90,173</u>	<u>63,722</u>	<u>436,614</u>	<u>88,082</u>
Net assets:					
Invested in capital assets, net of related debt	23,551,670	4,182,191	5,162,501	5,783,697	8,423,281
Restricted	-	-	-	-	-
Unrestricted	4,978,372	1,636,015	742,709	950,419	1,649,229
Total net assets	<u>28,530,042</u>	<u>5,818,206</u>	<u>5,905,210</u>	<u>6,734,116</u>	<u>10,072,510</u>
Total liabilities and net assets	<u>\$ 29,208,633</u>	<u>\$ 5,908,379</u>	<u>\$ 5,968,932</u>	<u>7,170,730</u>	<u>10,160,592</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

LOW INCOME PUBLIC HOUSING
CFDA No. 14.850a

Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	<u>Total</u>	<u>AMP 1</u>	<u>AMP 2</u>	<u>AMP 3</u>	<u>AMP 4</u>
Operating revenues:					
HUD PHA Operating Grants	\$ 4,160,590	\$ 906,738	\$ 876,755	\$ 1,015,659	\$ 1,361,438
Tenant rental income	215,980	128,176	(30,072)	(1,879)	119,755
Other income	70,096	16,797	14,474	23,753	15,072
Total operating revenues	<u>4,446,666</u>	<u>1,051,711</u>	<u>861,157</u>	<u>1,037,533</u>	<u>1,496,265</u>
Operating expenses:					
Depreciation	2,489,814	495,769	560,207	652,416	781,422
Management fees	559,820	120,062	123,784	143,998	171,976
Ordinary maintenance - salaries	499,464	140,943	92,100	87,323	179,098
Administrative salaries	306,280	66,982	75,211	70,844	93,243
Tenant services - salaries	229,368	45,262	63,136	51,911	69,059
Ordinary repairs and maintenance	226,184	40,582	39,133	37,740	108,729
Insurance	182,529	49,130	36,559	43,573	53,267
Employee benefits - ordinary maintenance	149,446	42,103	26,471	31,431	49,441
Utilities	143,542	26,861	31,982	51,528	33,171
Offices supplies	112,436	26,409	23,601	29,121	33,305
Employee benefits - administrative	97,236	22,365	23,493	22,586	28,792
Asset management fees	90,000	18,960	19,560	23,400	28,080
Employee benefits - tenant services	73,252	12,726	19,239	17,055	24,232
Bookkeeping fees	65,429	14,032	14,467	16,830	20,100
Other administrative expenses	60,572	11,478	7,207	12,902	28,985
Protective services	50,269	1,033	5,438	23,746	20,052
Legal and professional fees	23,406	4,484	4,626	6,530	7,766
Advertising and marketing	7,924	4,925	629	722	1,648
Payments in-lieu of taxes	7,005	5,447	-	-	1,558
Casualty loss	(9,700)	-	-	-	(9,700)
Bad debts	(35,718)	(9,118)	(14,491)	(10,647)	(1,462)
Compensated absences	(71,846)	(7,421)	(17,894)	(21,098)	(25,433)
Total operating expenses	<u>5,256,712</u>	<u>1,133,014</u>	<u>1,134,458</u>	<u>1,291,911</u>	<u>1,697,329</u>
Operating loss	<u>(810,046)</u>	<u>(81,303)</u>	<u>(273,301)</u>	<u>(254,378)</u>	<u>(201,064)</u>
Non-operating revenues:					
Interest on general fund investments	31,722	3,036	5,593	12,276	10,817
Other income	13,987	697	8,943	2,009	2,338
Total non-operating revenues	<u>45,709</u>	<u>3,733</u>	<u>14,536</u>	<u>14,285</u>	<u>13,155</u>
Changes in net assets	(764,337)	(77,570)	(258,765)	(240,093)	(187,909)
Total net assets, beginning of year	<u>29,294,379</u>	<u>5,895,776</u>	<u>6,163,975</u>	<u>6,974,209</u>	<u>10,260,419</u>
Total net assets, end of year	<u>\$ 28,530,042</u>	<u>\$ 5,818,206</u>	<u>\$ 5,905,210</u>	<u>\$ 6,734,116</u>	<u>\$ 10,072,510</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

LOW INCOME PUBLIC HOUSING
CFDA No. 14.850a

Combining Statement of Cash Flows
For the Year Ended September 30, 2009

	<u>Total</u>	<u>AMP 1</u>	<u>AMP 2</u>	<u>AMP 3</u>	<u>AMP 4</u>
Cash flows from operating activities:					
Receipts from customers	\$ 4,462,264	\$ 1,051,711	\$ 876,755	\$ 1,037,533	\$ 1,496,265
Payments to suppliers	(1,519,416)	(323,403)	(306,986)	(390,090)	(498,937)
Payments to employees	(1,283,200)	(322,960)	(281,756)	(260,052)	(418,432)
Other cash receipts (payments)	<u>(1,712,277)</u>	<u>(379,823)</u>	<u>(295,645)</u>	<u>(362,391)</u>	<u>(674,418)</u>
Net cash provided by operating activities	<u>(52,629)</u>	<u>25,525</u>	<u>(7,632)</u>	<u>25,000</u>	<u>(95,522)</u>
Cash flows from capital and related financing activities:					
Acquisition of fixed assets	<u>(48,146)</u>	<u>(25,000)</u>	<u>-</u>	<u>(23,146)</u>	<u>-</u>
Net cash used in capital and related financing activities	<u>(48,146)</u>	<u>(25,000)</u>	<u>-</u>	<u>(23,146)</u>	<u>-</u>
Cash flows from investing activities:					
Investment in time certificate of deposit	<u>117,910</u>	<u>3,035</u>	<u>8,438</u>	<u>(283)</u>	<u>106,720</u>
Net cash used in investing activities	<u>117,910</u>	<u>3,035</u>	<u>8,438</u>	<u>(283)</u>	<u>106,720</u>
Net increase in cash and cash equivalents	17,135	3,560	806	1,571	11,198
Cash and cash equivalents at beginning of year	<u>3,946</u>	<u>300</u>	<u>300</u>	<u>2,860</u>	<u>486</u>
Cash and cash equivalents at end of year	<u>\$ 21,081</u>	<u>\$ 3,860</u>	<u>\$ 1,106</u>	<u>\$ 4,431</u>	<u>\$ 11,684</u>
Reconciliation of change in net assets to net cash provided by operating activities:					
Changes in net assets	\$ (764,337)	\$ (77,570)	\$ (258,765)	\$ (240,093)	\$ (187,909)
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	2,489,814	495,769	560,207	652,416	781,422
Bad debts	(35,718)	(9,118)	(14,491)	(10,647)	(1,462)
(Increase) decrease in assets:					
Accounts receivable:					
Tenants	(10,217)	3,834	(3,993)	(6,395)	(3,663)
Promissory notes	(1,086)	(1,527)	(300)	450	291
Due from other funds	(1,466,554)	(385,767)	(267,185)	(202,196)	(611,406)
HUD	(1,064)	812	(1,344)	(532)	-
Interest	679	(19)	92	355	251
Inventories	(90,624)	(6,975)	(13,465)	(16,692)	(53,492)
Prepaid and other assets	15,434	2,813	2,985	3,491	6,145
Increase (decrease) in liabilities:					
Accrued salaries and wages	16,605	4,665	3,705	2,730	5,505
Due to other funds	(137,342)	-	-	(137,342)	-
Compensated absences	(71,846)	(7,421)	(17,895)	(21,097)	(25,433)
Security deposits	(9,201)	332	940	(1,498)	(8,975)
Accrued liabilities	6,090	5,135	-	(603)	1,558
Other liabilities	916	313	-	603	-
Deferred credits	<u>5,822</u>	<u>249</u>	<u>1,877</u>	<u>2,050</u>	<u>1,646</u>
Net cash provided by operating activities	<u>\$ (52,629)</u>	<u>\$ 25,525</u>	<u>\$ (7,632)</u>	<u>\$ 25,000</u>	<u>\$ (95,522)</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
HOUSING ASSISTANCE PAYMENTS PROGRAM

CFDA NO. 14.856, 14.857, and 14.871

Combining Statement of Net Assets

September 30, 2009

Contract No. SF-462

	Assets				
	Total	Certificate Program	Moderate Rehabilitation K-1	Moderate Rehabilitation K-2	Housing Choice Vouchers
Current assets:					
Cash:					
Unrestricted	\$ 1,978,266	\$ -	\$ -	\$ -	\$ 1,978,266
Restricted - HAP	-	-	-	-	-
Restricted - FSS escrow account	834,861	-	-	-	834,861
Total cash	2,813,127	-	-	-	2,813,127
Accounts receivable:					
HUD	-	-	-	-	-
Due from other funds	1,400	-	-	-	1,400
Interest	14,759	-	141	-	14,618
Other	219,046	-	16,850	(11,477)	213,673
Total accounts receivable	235,205	-	16,991	(11,477)	229,691
Prepaid expenses and other assets	5,298	-	-	-	5,298
Investments:					
Unrestricted	2,935,538	-	284,736	-	2,650,802
Restricted reserve fund	2,202,003	-	-	-	2,202,003
Total investments	5,137,541	-	284,736	-	4,852,805
Total current assets	8,191,171	-	301,727	(11,477)	7,900,921
Noncurrent assets:					
Capital Assets:					
Land, structures, and equipment	541,442	-	-	-	541,442
Accumulated depreciation	(479,962)	-	-	-	(479,962)
Total capital assets, net	61,480	-	-	-	61,480
Deferred assets	37,056	-	-	-	37,056
Total noncurrent assets	98,536	-	-	-	98,536
Total assets	\$ 8,289,707	\$ -	\$ 301,727	\$ (11,477)	\$ 7,999,457
Liabilities and Net Assets					
Current Liabilities:					
Accounts payable:					
HUD settlement - current portion	\$ -	\$ -	\$ -	\$ -	\$ -
HUD	405,634	-	-	-	405,634
Accounts payable	51,754	-	-	-	51,754
Accrued salaries and wages	17,601	-	-	-	17,601
Due to other funds	3,669,504	-	(91,010)	(33,368)	3,793,882
Compensated absences, current portion	7,917	-	-	-	7,917
Other current liabilities	369,888	-	-	-	369,888
Total current liabilities	4,522,298	-	(91,010)	(33,368)	4,646,676
Noncurrent Liabilities:					
HUD settlement - net of current portion	-	-	-	-	-
Compensated absences, net of current portion	93,574	-	-	-	93,574
Other liabilities - sick leave	42,059	-	-	-	42,059
Total noncurrent liabilities	135,633	-	-	-	135,633
Total Liabilities	4,657,931	-	(91,010)	(33,368)	4,782,309
Net Assets:					
Invested in capital assets, net of related debt	61,480	-	-	-	61,480
Restricted	2,202,003	-	-	-	2,202,003
Unrestricted	1,368,293	-	392,737	21,891	953,665
Total Net Assets	3,631,776	-	392,737	21,891	3,217,148
Total Liabilities and Net Assets	\$ 8,289,707	\$ -	\$ 301,727	\$ (11,477)	\$ 7,999,457

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
HOUSING ASSISTANCE PAYMENTS PROGRAM

CFDA NO. 14.856, 14.857, and 14.871

Combining Statement of Revenues, Expenses and Changes in Net Assets
 For the Year Ended September 30, 2009

Contract No. SF-462

	Total	Certificate Program	Moderate Rehabilitation K-1	Moderate Rehabilitation K-2	Housing Choice Vouchers
Operating revenues:					
HUD PHA Operating Grants	\$ 31,841,115	\$ -	\$ -	\$ -	\$ 31,841,115
Other income	-	-	-	-	-
Total operating revenues	31,841,115	-	-	-	31,841,115
Operating expenses:					
Housing assistance payments	31,460,029	-	-	-	31,460,029
Administrative salaries	1,026,246	-	-	-	1,026,246
Management fees	504,975	-	-	-	504,975
Employee benefit contribution	365,699	-	-	-	365,699
Bookkeeping fees	218,948	-	-	-	218,948
Other administrative expenses	191,006	-	-	-	191,006
Depreciation	25,485	-	-	-	25,485
Professional fees	29,719	-	-	-	29,719
Utilities	25,062	-	-	-	25,062
Travel	8,551	-	-	-	8,551
Repairs and maintenance	1,099	-	-	-	1,099
Insurance	5,992	-	-	-	5,992
Advertising and marketing	2,147	-	-	-	2,147
Compensated absences	(10,459)	-	-	-	(10,459)
Protective Services	102	-	-	-	102
Total operating expenses	33,854,601	-	-	-	33,854,601
Operating loss	(2,013,486)	-	-	-	(2,013,486)
Non-operating revenues:					
Interest on operating reserve investments	3,663	-	3,663	-	-
Interest on general fund investments	111,475	-	1,209	-	110,266
Other income	96,693	-	-	-	96,693
Total non-operating revenues	211,831	-	4,872	-	206,959
Change in net assets	(1,801,655)	-	4,872	-	(1,806,527)
Total net assets, beginning of year	5,433,431	-	387,865	21,891	5,023,675
Total net assets, end of year	\$ 3,631,776	\$ -	\$ 392,737	\$ 21,891	\$ 3,217,148

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

HOUSING ASSISTANCE PAYMENTS PROGRAM

CFDA NO. 14.856, 14.857, and 14.871

Combining Statement of Cash Flows

Year Ended September 30, 2009

Contract No. SF-462

	Total	Certificate Program	Moderate Rehabilitation K-1	Moderate Rehabilitation K-2	Housing Choice Vouchers
Cash flows from operating activities:					
Receipts from customers	\$ 31,841,115	\$ -	\$ -	\$ -	\$ 31,841,115
Payments to suppliers and landlords	(31,460,029)	-	-	-	(31,460,029)
Payments to employees	(1,391,945)	-	-	-	(1,391,945)
Other cash receipts (payments)	648,461	-	5,088	-	643,373
Net cash provided by (used in) operating activities	(362,398)	-	5,088	-	(367,486)
Cash flows from capital and related financing activities:					
Fixed asset acquisitions	(4,982)	-	-	-	(4,982)
Net cash flows used for capital and related financing activities	(4,982)	-	-	-	(4,982)
Cash flows from investing activities:					
Decrease (increase) in investments	(5,135)	-	(5,088)	-	(47)
Increase in restricted assets	1,414,018	-	-	-	1,414,018
Net cash provided by (used in) investing activities	1,408,883	-	(5,088)	-	1,413,971
Net decrease in cash and cash equivalents	1,041,503	-	-	-	1,041,503
Cash and cash equivalents at beginning of year	1,771,624	-	-	-	1,771,624
Cash and cash equivalents at end of year	\$ 2,813,127	\$ -	\$ -	\$ -	\$ 2,813,127
Unrestricted cash	\$ 1,978,266	-	-	-	1,978,266
Restricted cash	834,861	-	-	-	834,861
Total cash and cash equivalents at end of year	\$ 2,813,127	\$ -	\$ -	\$ -	\$ 2,813,127

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

HOUSING ASSISTANCE PAYMENTS PROGRAM

CFDA NO. 14.856, 14.857, and 14.871

Combining Statement of Cash Flows, Continued

Year Ended September 30, 2009

	Total	Contract No. SF-462			
		Certificate Program	Moderate Rehabilitation K-1	Moderate Rehabilitation K-2	Housing Choice Vouchers
Reconciliation change in net assets to net cash provided by (used in) operating activities:					
Change in net assets	\$ (1,801,655)	\$ -	\$ 4,872	\$ -	\$ (1,806,527)
Adjustments to reconcile change in net assets to net cash provided by operating activities:					
Depreciation	25,485	-	-	-	25,485
(Increase) decrease in assets:					
Accounts receivable:					
Due from other funds	31,968	-	-	33,368	(1,400)
Interest	(3,243)	-	216	-	(3,459)
Other	(75,580)	-	-	-	(75,580)
Prepaid expenses and other assets	1,639	-	-	-	1,639
Increase (decrease) in liabilities:					
Accounts payable:					
HUD settlement	(113,522)	-	-	-	(113,522)
Accrued salaries and wages	17,007	-	-	-	17,007
Compensated absences and sick leave	(10,459)	-	-	-	(10,459)
Due to other funds	1,480,698	-	-	(33,368)	1,514,066
Other current liabilities	85,264	-	-	-	85,264
Net cash provided by operating activities	\$ (362,398)	\$ -	\$ 5,088	\$ -	\$ (367,486)

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

PUBLIC HOUSING CAPITAL FUND PROGRAM
CFDA NO. 14.872

Combining Statement of Net Assets
September 30, 2009

ASSETS	Total	GQ-50104	GQ-50105	GQ8D001501-03	GQ08P001501-06	GQ-501-07	GQ-501-08
Current assets:							
Cash:							
Cash - General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Cash - other	-	-	-	-	-	-	-
Total cash	-	-	-	-	-	-	-
Accounts receivable:							
HUD	384,592	-	12,956	-	71,498	127,335	172,803
Due from other programs	-	-	-	-	-	-	-
Allowance for doubtful accounts	-	-	-	-	-	-	-
Total accounts receivable	384,592	-	12,956	-	71,498	127,335	172,803
Inventories	-	-	-	-	-	-	-
Investments:							
General fund	-	-	-	-	-	-	-
Security deposits	-	-	-	-	-	-	-
Total investments	-	-	-	-	-	-	-
Prepaid and other current assets	-	-	-	-	-	-	-
Total current assets	384,592	-	12,956	-	71,498	127,335	172,803
Noncurrent assets:							
Capital Assets:							
Land, structures and equipment, at cost	5,566,239	1,121,733	1,660,300	535,370	1,683,926	415,727	149,183
Accumulated depreciation	(542,801)	(154,893)	(222,144)	(35,691)	(107,203)	(16,303)	(6,567)
Net capital assets	5,023,438	966,840	1,438,156	499,679	1,576,723	399,424	142,616
Other assets	-	-	-	-	-	-	-
Total noncurrent assets	5,023,438	966,840	1,438,156	499,679	1,576,723	399,424	142,616
Total assets	\$ 5,408,030	\$ 966,840	\$ 1,451,112	\$ 499,679	\$ 1,648,221	\$ 526,759	\$ 315,419

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

PUBLIC HOUSING CAPITAL FUND PROGRAM
CFDA NO. 14.872

Combining Statement of Net Assets, Continued
September 30, 2009

	Total	GQ-50104	GQ-50105	GQ8D001501-03	GQ08P001501-06	GQ-501-07	GQ-501-08
LIABILITIES AND NET ASSETS							
Liabilities:							
Accounts payable:							
Due to other funds	\$ 251,726	\$ (39,353)	\$ (5,771)	\$ (420)	\$ 53,049	\$ 99,801	\$ 144,420
Compensated absences, current portion	-	-	-	-	-	-	-
Total accounts payable	<u>251,726</u>	<u>(39,353)</u>	<u>(5,771)</u>	<u>(420)</u>	<u>53,049</u>	<u>99,801</u>	<u>144,420</u>
Deferred credits:							
Deferred revenue	132,866	39,353	27,853	420	9,323	27,534	28,383
Total deferred credits	<u>132,866</u>	<u>39,353</u>	<u>27,853</u>	<u>420</u>	<u>9,323</u>	<u>27,534</u>	<u>28,383</u>
Total current liabilities	<u>384,592</u>	<u>-</u>	<u>22,082</u>	<u>-</u>	<u>62,372</u>	<u>127,335</u>	<u>172,803</u>
Noncurrent liabilities:							
Compensated absences, net of current portion	-	-	-	-	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>384,592</u>	<u>-</u>	<u>22,082</u>	<u>-</u>	<u>62,372</u>	<u>127,335</u>	<u>172,803</u>
Net Assets:							
Invested in capital assets, net of related debt	5,023,438	966,840	1,429,030	499,679	1,585,849	399,424	142,616
Restricted	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-
Total net assets	<u>5,023,438</u>	<u>966,840</u>	<u>1,429,030</u>	<u>499,679</u>	<u>1,585,849</u>	<u>399,424</u>	<u>142,616</u>
Total liabilities and net assets	<u>\$ 5,408,030</u>	<u>\$ 966,840</u>	<u>\$ 1,451,112</u>	<u>\$ 499,679</u>	<u>\$ 1,648,221</u>	<u>\$ 526,759</u>	<u>\$ 315,419</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

PUBLIC HOUSING CAPITAL FUND PROGRAM
CFDA NO. 14.872

Combining Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	Total	GQ-50104	GQ-50105	GQ8D001501-03	GQ08P001501-06	GQ-501-07	GQ-501-08
Operating revenues:							
HUD PHA Grants	\$ 767,912	\$ -	\$ 46,437	\$ -	\$ 38,108	\$ 421,527	\$ 261,840
Program income	1,739	-	-	-	19	1,720	-
Total operating revenues	769,651	-	46,437	-	38,127	423,247	261,840
Operating expenses:							
Depreciation	343,639	77,337	116,016	35,691	91,725	16,303	6,567
Salaries and wages	58,295	-	41,988	-	16,307	-	-
Insurance	239	-	-	-	239	-	-
Advertising and marketing	1,264	-	-	-	252	1,012	-
Protective services	4,149	-	-	-	-	4,149	-
Management fees	156,752	-	-	-	-	-	156,752
Other miscellaneous expenses	532,112	-	-	-	8,938	418,086	105,088
Employee benefits	16,840	-	4,449	-	12,391	-	-
Total operating expenses	1,113,290	77,337	162,453	35,691	129,852	439,550	268,407
Operating loss	(343,639)	(77,337)	(116,016)	(35,691)	(91,725)	(16,303)	(6,567)
Non-operating revenues:							
Capital grants	1,338,995	-	80,871	-	701,114	407,827	149,183
Other income	-	-	-	-	-	-	-
Total non-operating revenues	1,338,995	-	80,871	-	701,114	407,827	149,183
Change in net assets	995,356	(77,337)	(35,145)	(35,691)	609,389	391,524	142,616
Total net assets, beginning of year	4,028,082	1,044,177	1,464,175	535,370	976,460	7,900	-
Total net assets, end of year	\$ 5,023,438	\$ 966,840	\$ 1,429,030	\$ 499,679	\$ 1,585,849	\$ 399,424	\$ 142,616

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

PUBLIC HOUSING CAPITAL FUND PROGRAM

CFDA No. 14.872

Combining Statements of Cash Flows
For the Year Ended September 30, 2009

	Total	GQ-50104	GQ-50105	G08D001501-03	GQ08P001501-06	GQ-501-07	GQ-501-08
Cash flows from operating activities:							
Receipts from customers	\$ 2,106,907	\$ -	\$ 127,308	\$ -	\$ 739,222	\$ 829,354	\$ 411,023
Payments to suppliers	(724,515)	-	-	-	(9,429)	(423,246)	(291,840)
Payments to employees	(75,135)	-	(46,437)	-	(28,698)	-	-
Other cash receipts	40,389	-	9,126	-	(456)	1,719	30,000
Net cash provided by operating activities	1,347,646	-	89,997	-	700,639	407,827	149,183
Cash flows from capital and related financing activities:							
Acquisition of fixed assets	(1,347,646)	-	(89,997)	-	(700,639)	(407,827)	(149,183)
Net cash provided by investing activities	(1,347,646)	-	(89,997)	-	(700,639)	(407,827)	(149,183)
Cash flows from investing activities:							
Investment in time certificate of deposit	-	-	-	-	-	-	-
Net cash used for investing activities	-	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year	-	-	-	-	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used in) by operating activities:							
Change in net assets	\$ 995,356	\$ (77,337)	\$ (35,145)	\$ (35,691)	\$ 609,389	\$ 391,524	\$ 142,616
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:							
Depreciation	343,639	77,337	116,016	35,691	91,725	16,303	6,567
(Increase) decrease in assets:							
Accounts receivable - HUD	(117,558)	-	21,377	-	14,297	19,571	(172,803)
Prepaid assets	239	-	239	-	-	-	-
Increase (decrease) in liabilities:							
Due to other funds	192,122	-	(29,769)	-	(21,696)	99,167	144,420
Compensated absences	(6,844)	-	(6,844)	-	-	-	-
Accrued liabilities	-	-	-	-	-	-	-
Deferred credits	(59,308)	-	24,123	-	6,924	(118,738)	28,383
Net cash provided by operating activities	\$ 1,347,646	\$ -	\$ 89,997	\$ -	\$ 700,639	\$ 407,827	\$ 149,183

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

FORMULA CAPITAL FUND STIMULUS - ARRA
CFDA NO. 14.885

Statement of Net Assets
September 30, 2009

ASSETS	ARRA CFRP 501095
Cash - restricted	\$ -
Accounts Receivable:	
HUD	-
Due from other funds	-
Prepaid and other assets	-
Capital assets, net	847,296
 Total Assets	 \$ 847,296
 <u>LIABILITIES AND NET ASSETS</u>	
Accounts payable:	
Accounts payable	\$ -
Due to other funds	-
Accrued salaries and wages	-
Compensated absences - current	-
Deferred revenues	-
Total current liabilities	-
Noncurrent liabilities:	
Compensated absences - noncurrent	-
Other noncurrent liabilities - sick leave	-
Total noncurrent liabilities	-
 Total liabilities	 -
Net Assets:	
Invested in capital assets, net of related debt	-
Restricted	847,296
Unrestricted	-
Total net assets	847,296
 Total Liabilities and Net Assets	 \$ 847,296

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

FORMULA CAPITAL FUND STIMULUS - ARRA
CFDA NO. 14.885

Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended September 30, 2009

	ARRA CFRP 501095
	<u> </u>
Revenues:	
Federal contributions	\$ -
Other	-
	<u> </u>
Total Revenues	<u> -</u>
Operating expenses:	
Repairs and maintenance	-
Other	-
Administrative salaries	-
Employee benefits	-
Management fees	-
Professional fees	-
Advertising and marketing	-
Depreciation	-
Compensated absences	-
Insurance	-
Protective services	-
	<u> -</u>
Total operating expenses	<u> -</u>
Operating loss	<u> -</u>
Non-operating revenues:	
Interest income	-
Capital Grants	847,296
	<u> </u>
Total non-operating revenues	<u> 847,296</u>
Change in net assets	847,296
Total net assets, beginning of year	<u> -</u>
Total net assets, end of year	<u><u> \$ 847,296</u></u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**FORMULA CAPITAL FUND STIMULUS - ARRA
CFDA NO. 14.885**

Statement of Cash Flows
For the Year Ended September 30, 2009

	ARRA CFRP 501095
Cash flows from operating activities:	
Receipts from customers	\$ 847,296
Payments to suppliers	-
Payments to employees	-
Other receipts	-
Net cash provided by (used in) operating activities	847,296
Cash flows from capital and related financing activities:	
Acquisition of fixed assets	(847,296)
Net cash used in capital and related financing activities	(847,296)
Cash flows from investing activities:	
Increase in investments	-
Net cash provided by (used in) investing activities	-
Net increase (decrease) in cash and cash equivalents	-
Cash and cash equivalents at beginning year	-
Cash and cash equivalents at end of year	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:	
Change in net assets	\$ 847,296
Adjustments to reconcile net loss to net cash provided by (used) operating activities:	
Depreciation	-
(Increase) decrease in assets:	
Accounts receivable - HUD	-
Accounts receivable - Due to other funds	-
Prepaid and other assets	-
Increase (decrease) in liabilities:	
Accounts payable - Due to other funds	-
Compensated absences	-
Accrued salaries and wages	-
Deferred revenues	-
Other liabilities	-
Net cash provided by (used in) operating activities	\$ 847,296

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
 Non-Major Enterprise Funds

Combining Statements of Net Assets
 September 30, 2009

ASSETS	TOTAL	Supportive Housing for the Elderly	Supportive Housing Program	Shelter Plus Care Program	Home Investment Partnerships Program	Emergency Shelter Grants Program
Current assets:						
Cash						
Unrestricted	\$ 465,541	\$ 455,377	\$ -	\$ -	\$ 10,164	\$ -
Restricted	191,478	191,478	-	-	-	-
Security deposit	15,066	15,066	-	-	-	-
Total cash	672,085	661,921	-	-	10,164	-
Accounts receivable:						
Tenants	3,308	3,308	-	-	-	-
Due from other funds	99,325	-	-	-	99,325	-
HUD	397,476	-	38,307	20,118	328,921	10,130
Interest	100	100	-	-	-	-
Other	2,070	2,070	-	-	-	-
Total accounts receivable	502,279	5,478	38,307	20,118	428,246	10,130
Investments:						
Unrestricted	-	-	-	-	-	-
Restricted/reserved by fiscal agent	203,058	203,058	-	-	-	-
Total investments	203,058	203,058	-	-	-	-
Prepaid and other assets	2,083	1,551	-	-	532	-
Inventories	3,582	3,582	-	-	-	-
Total current assets	1,383,087	875,590	38,307	20,118	438,942	10,130
Noncurrent assets:						
Capital assets, net						
Land and infrastructure	1,380,000	1,380,000	-	-	-	-
Depreciable buildings, property and equipment, net	804,233	785,270	-	-	18,963	-
Total non-current assets	2,184,233	2,165,270	-	-	18,963	-
Total assets	\$ 3,567,320	\$ 3,040,860	\$ 38,307	\$ 20,118	\$ 457,905	\$ 10,130

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Non-Major Enterprise Funds
 Combining Statements of Net Assets, Continued
 September 30, 2009

	TOTAL	Supportive Housing for the Elderly	Supportive Housing Program	Shelter Plus Care Program	Home Investment Partnerships Program	Emergency Shelter Grants Program
LIABILITIES AND NET ASSETS						
Liabilities:						
Accounts payable:						
Current portion of long-term debt	\$ 41,000	\$ 41,000	\$ -	\$ -	\$ -	\$ -
Vendors and contractors	10,193	1,943	-	-	8,250	-
Current portion of compensated absences	2,739	529	-	-	2,210	-
Due to other funds	1,187,548	745,827	38,307	15,632	377,652	10,130
Security Deposits	13,732	13,732	-	-	-	-
Deferred revenues	9,740	-	-	4,486	5,254	-
Accrued salaries and wages	4,542	1,306	-	-	3,236	-
Total current liabilities	1,269,494	804,337	38,307	20,118	396,602	10,130
Noncurrent liabilities:						
Long-term portion of notes payable	1,401,123	1,401,123	-	-	-	-
Accrued compensated absences	33,893	8,071	-	-	25,822	-
Other liabilities	17,076	558	-	-	16,518	-
Total noncurrent liabilities	1,452,092	1,409,752	-	-	42,340	-
Total liabilities	2,721,586	2,214,089	38,307	20,118	438,942	10,130
Net assets:						
Invested capital assets, net of related debt	742,110	723,147	-	-	18,963	-
Restricted	394,535	394,535	-	-	-	-
Unrestricted	(290,911)	(290,911)	-	-	-	-
Total net assets	845,734	826,771	-	-	18,963	-
Total liabilities and net assets	\$ 3,567,320	\$ 3,040,860	\$ 38,307	\$ 20,118	\$ 457,905	\$ 10,130

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Non-Major Enterprise Funds
 Combining Statements of Revenues, Expenses and Changes in Net Assets
 Year Ended September 30, 2009

	Supportive Housing for the Elderly	Supportive Housing Program	Shelter Plus Care Program	Home Investment Partnerships Program	Emergency Shelter Grant Program
Operating revenues:					
HUD PHA Operating Grants	\$ 387,482	\$ 521,343	\$ 189,924	\$ 1,084,801	\$ 143,056
Other Federal Grants	-	-	-	111,237	-
Tenant rental income	77,732	-	-	-	-
Total operating revenues	465,214	521,343	189,924	1,196,038	143,056
Operating expenses:					
Repairs and maintenance	52,506	-	-	439,841	-
Administrative salaries	43,496	-	-	208,476	5,017
Management fees	36,641	-	-	56,700	-
Utilities	90,361	-	-	-	-
Employee benefits	80,815	-	-	55,941	1,514
Depreciation	78,820	-	-	1,129	-
Insurance	10,339	-	-	1,361	-
Travel	8,979	-	-	8,979	-
Advertising and Marketing	7,732	-	-	5,680	-
Professional fees	7,457	-	-	3,012	-
Compensated absences	2,194	-	-	8,302	-
Protective services	221	-	-	57	-
Other	1,277,828	22,347	189,924	407,689	136,525
Total operating expenses	2,407,423	521,343	189,924	1,197,167	143,056
Operating loss	108,152	-	-	(1,129)	-
Non-operating revenues (expenses):					
Interest income on unrestricted investments	4,397	-	-	-	-
Interest income on restricted investments	478	-	-	-	-
Other income	3,771	-	-	-	-
Interest expense	(86,059)	-	-	-	-
Total non-operating revenues (expenses), net	(77,413)	-	-	-	-
Net income (loss) before adjustments and transfers	30,739	-	-	(1,129)	-
Changes in nets assets	30,739	-	-	(1,129)	-
Total net assets at beginning of year	814,995	794,903	-	20,092	-
Total net assets at end of year	\$ 845,734	\$ 826,771	\$ -	\$ 18,963	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Non-Major Enterprise Funds
Combining Statements of Cash Flows
Year Ended September 30, 2009

	Supportive Housing for the Elderly	Supportive Housing Program	Shelter Plus Care Program	Home Investment Partnerships Program	Emergency Shelter Grant Program
Cash flows from operating activities:					
Receipts from customers	\$ 2,408,109	\$ 521,343	\$ 189,924	\$ 1,084,801	\$ 143,056
Payments to suppliers	(2,125,745)	(303,553)	(189,924)	(967,869)	(143,056)
Payments to employees	(288,917)	(60,748)	-	(228,169)	-
Other cash receipts (payments)	237,095	125,858	-	111,237	-
Net cash provided by operating activities	230,542	230,542	-	-	-
Cash flows from capital and related financing activities:					
Acquisition of fixed assets	(14,031)	-	-	-	-
Net cash flows used for capital and related financing activities	(14,031)	-	-	-	-
Cash flows from investing activities:					
Repayment of notes payable	(40,966)	-	-	-	-
Increase in investments	3,628	-	-	-	-
Net cash used in investing activities	(37,338)	-	-	-	-
Net increase in cash and cash equivalents	179,173	179,173	-	-	-
Cash and cash equivalents at beginning of year	492,912	482,748	-	10,164	-
Cash and cash equivalents at end of year	\$ 672,085	\$ 661,921	\$ -	\$ 10,164	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:					
Change in net assets	\$ 30,739	\$ 31,868	\$ -	\$ (1,129)	\$ -
Adjustments to reconcile change net assets to net cash provided by operating activities:					
Depreciation	78,820	77,691	-	1,129	-
(Increase) decrease in assets:					
Accounts receivable:					
Due from other funds	(64,203)	-	-	(64,203)	-
HUD	(128,662)	-	(2,243)	(100,400)	(3,861)
Tenants	(1,640)	(1,640)	-	-	-
Interest	1,551	1,551	-	-	-
Others	(941)	(941)	-	-	-
Inventories	2,204	2,204	-	-	-
Prepaid and other assets	1,041	926	-	115	-
Increase (decrease) in liabilities:					
Due to other funds	356,950	133,269	(1,139)	198,801	3,861
Vendors and contractors	1,726	1,726	-	-	-
Accrued salaries and wages	(5,454)	(8,690)	-	3,236	-
Deposits	(1,313)	(1,313)	-	-	-
Compensated absences	3,762	(4,540)	-	8,302	-
Deferred revenues	(42,469)	-	3,382	(45,851)	-
Other	(1,569)	(1,569)	-	-	-
Net cash provided by operating activities	\$ 230,542	\$ 230,542	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

SUPPORTIVE HOUSING FOR THE ELDERLY

CFDA NO. 14.157

Statement of Net Assets

September 30, 2009

ASSETS

Current assets:	
Cash:	
Unrestricted	\$ 455,377
Restricted	191,478
Security deposits	15,066
Total cash	661,921
Accounts receivable:	
Tenants	3,308
Interest	100
Other	2,070
Total accounts receivable	5,478
Restricted investments	203,058
Inventories	3,582
Prepaid and other current assets	1,551
Total current assets	875,590
Noncurrent assets:	
Capital assets:	
Land	1,380,000
Buildings, property and equipment, net	785,270
Capital assets, net	2,165,270
Total Assets	\$ 3,040,860

LIABILITIES AND NET ASSETS

Liabilities:	
Current liabilities:	
Current portion of long-term debt	\$ 41,000
Vendors	1,943
Due to other funds	745,827
Security deposits	13,732
Accrued salaries and wages	1,306
Compensated absences - current portion	529
Total current liabilities	804,337
Noncurrent liabilities:	
Long-term debt, net of current portion	1,401,123
Compensated absences	8,071
Other liabilities	558
Total noncurrent liabilities	1,409,752
Total liabilities	2,214,089
Net assets:	
Invested capital assets, net of related debt	723,147
Restricted	394,535
Unrestricted	(290,911)
Total net assets	826,771
Total Liabilities and Net Assets	\$ 3,040,860

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

SUPPORTIVE HOUSING FOR THE ELDERLY

CFDA NO. 14.157

Statement of Revenues, Expenses and Changes in Net Assets

For the Year Ended September 30, 2009

Operating revenues:	
HUD PHA grants	\$ 387,482
Tenant income	<u>77,732</u>
Total operating revenues	<u>465,214</u>
Operating expenses:	
Utilities	90,361
Depreciation	77,691
Repairs and maintenance	52,506
Administrative salaries	43,496
Management fees	36,641
Employee benefits	23,360
Insurance	8,978
Legal and professional fees	4,445
Advertising and marketing	2,052
Protective services	164
Compensated absences	(6,108)
Miscellaneous	<u>22,347</u>
Total operating expenses	<u>355,933</u>
Operating income	<u>109,281</u>
Non-operating revenues (expense):	
Interest income on unrestricted investments	4,397
Interest income on restricted investments	478
Interest expense	(86,059)
Other income	<u>3,771</u>
Total non-operating expenses, net	<u>(77,413)</u>
Change in net assets	31,868
Total net assets at beginning of year	<u>794,903</u>
Total net assets at end of year	<u><u>\$ 826,771</u></u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

SUPPORTIVE HOUSING FOR THE ELDERLY

CFDA NO. 14.157

Statement of Cash Flows

For the Year Ended September 30, 2009

Cash flows from operating activities:	
Receipts from customers	\$ 466,677
Payments to suppliers	(290,543)
Payments to employees	(87,512)
Other cash receipts	140,525
	<hr/>
Net cash provided by operating activities	229,147
	<hr/>
Cash flows from capital and related financing activities:	
Acquisition of fixed assets	(5,380)
	<hr/>
Net cash used in capital and related financing activities	(5,380)
	<hr/>
Cash flows from investing activities:	
Repayment of notes payable	(40,966)
Increase in investments	(3,628)
	<hr/>
Net cash used in investing activities	(44,594)
	<hr/>
Net increase in cash and cash equivalents	179,173
Cash and cash equivalents at beginning of year	482,748
	<hr/>
Cash and cash equivalents at end of year	\$ 661,921
	<hr/> <hr/>
Cash and cash equivalents consist of the following:	
Cash	\$ 455,377
Security deposits	15,066
Restricted cash, including time deposits	191,478
	<hr/>
Total cash and cash equivalents at end of year	\$ 661,921
	<hr/> <hr/>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

SUPPORTIVE HOUSING FOR THE ELDERLY

CFDA NO. 14.157

Statement of Cash Flows, Continued
For the Year Ended September 30, 2009

Reconciliation of change in net assets to net cash	
provided by operating activities:	
Change in net assets	\$ 31,868
Adjustments to reconcile change in net assets	
provided by operating activities:	
Depreciation	77,691
(Increase) decrease in assets:	
Accounts receivable:	
Tenants	(1,640)
Interest	155
Other	(941)
Inventories	2,204
Prepaid and other assets	926
Increase (decrease) in liabilities:	
Accounts payable:	
Vendors	1,726
Due to other funds	133,269
Accrued salaries and wages	(8,690)
Security deposits	(1,313)
Compensated absences	(4,540)
Other liabilities	(1,568)
	<hr/>
Net cash provided by operating activities	<u>\$ 229,147</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

SUPPORTIVE HOUSING PROGRAM
CFDA NO. 14.235

Combining Statements of Net Assets
September 30, 2009

ASSETS	GUO8-B40-0002	GUO8-B50-0001	GUO8-B50-0003	GUO8-B50-0004	GUO8-B50-0002	GUO8-B60-0001	GUO8-B60-0002	GUO8-B70-0003	GUO8-B70-0004	GUO8-B70-0005	GUO8-B70-0002	GUO7-B9C0-0801	GUO7-B9C0-0801
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable:													
HUD	38,307	-	-	-	-	-	-	-	-	-	-	-	11,616
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid and other assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital assets, net	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 38,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,616
LIABILITIES AND NET ASSETS													
Accounts payable:													
Due to other funds	\$ 38,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,616
HUD	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued liabilities:													
Compensated absences - current	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
Compensated absences - noncurrent	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	\$ 38,307	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,616

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**SUPPORTIVE HOUSING PROGRAM
CFDA NO. 14.235**

**Combining Statements of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009**

	GUOR-B40-0002	GUOR-B50-0001	GUOR-B50-0003	GUOR-B50-0004	GUOR-B50-0002	GUOR-B60-0001	GUOR-B60-0002	GUOR-B70-0003	GUOR-B70-0004	GUOR-B70-0005	GUOR-B70-0002	GUO7-B9CO-0801	GUO7-B9CO-0801
Revenues:													
Federal contributions	\$ 58,682	\$ -	\$ -	\$ -	\$ 154,293	\$ -	\$ 9,143	\$ 19,979	\$ 33,541	\$ 24,822	\$ 182,576	\$ 26,691	\$ 11,616
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	58,682	-	-	-	154,293	-	9,143	19,979	33,541	24,822	182,576	26,691	11,616
Operating expenses:													
Administrative salaries	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-	-	-	-	-	-	-
Repair and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	58,682	-	-	-	154,293	-	9,143	19,979	33,541	24,822	182,576	26,691	11,616
Total operating expenses	58,682	-	-	-	154,293	-	9,143	19,979	33,541	24,822	182,576	26,691	11,616
Operating income	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-operating revenues (expenditures):													
Interest income	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-operating revenues (expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total net assets, beginning of year	-	-	-	-	-	-	-	-	-	-	-	-	-
Total net assets, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**SUPPORTIVE HOUSING PROGRAM
CFDA NO. 14.235**

Combining Statements of Cash Flows
Year Ended September 30, 2009

	GUO8-B40-0002	GUO8-B50-0001	GUO8-B50-0003	GUO8-B50-0004	GUO8-B50-0002	GUO8-B60-0001	GUO8-B60-0002	GUO8-B70-0003	GUO8-B70-0004	GUO8-B70-0005	GUO8-B70-0002	GUO7-B9C0-0801	GUO7-B9C0-0801
Cash flows from operating activities:													
Receipts from customers	\$ 58,682	\$ -	\$ -	\$ -	\$ 154,293	\$ -	\$ 9,143	\$ 19,979	\$ 33,541	\$ 24,822	\$ 182,576	\$ 26,691	\$ 11,616
Payments to suppliers	(58,682)	-	-	-	(154,293)	-	(9,143)	(19,979)	(33,541)	(24,822)	(182,576)	(26,691)	(11,616)
Payments to employees	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows from capital and related financing activities:													
Acquisition of fixed assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash flows from investing activities:													
Increase in investment	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) investing activities	-	-	-	-	-	-	-	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at beginning year	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:													
Change in net assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:													
(Increase) decrease in assets:													
Accounts receivable - HUD	(22,158)	-	-	-	-	16,149	-	-	-	-	-	(26,691)	(11,616)
Accounts receivable - Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in liabilities:													
Accounts payable - Due to other funds	22,158	-	-	-	-	(16,149)	-	-	-	-	-	26,691	11,616
Other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**SHELTER PLUS CARE PROGRAM
CFDA NO. 14.238**

Combining Statement of Net Assets
September 30, 2009

<u>ASSETS</u>	<u>Total</u>	<u>GUO8-C10- 0001</u>	<u>GUO8-C40- 0001</u>	<u>GUO4-B90- 0801</u>	<u>GUO8-C70- 0006</u>
Cash	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable:					
HUD	20,118	2,588	2,243	6,697	8,590
Due from other funds	-	-	-	-	-
Prepaid and other assets	-	-	-	-	-
Capital assets, net	-	-	-	-	-
TOTAL	\$ 20,118	\$ 2,588	\$ 2,243	\$ 6,697	\$ 8,590
 <u>LIABILITIES AND NET ASSETS</u>					
Accounts payable:					
Due to other funds	\$ 15,632	\$ 2,588	\$ (2,243)	\$ 6,697	\$ 8,590
HUD	-	-	-	-	-
Deferred revenues	4,486	-	4,486	-	-
Total liabilities	20,118	2,588	2,243	6,697	8,590
Net assets	-	-	-	-	-
TOTAL	\$ 20,118	\$ 2,588	\$ 2,243	\$ 6,697	\$ 8,590

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**SHELTER PLUS CARE PROGRAM
CFDA NO. 14.238**

**Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009**

	<u>Total</u>	<u>GUO8-C10- 0001</u>	<u>GUO8-C40- 0001</u>	<u>GUO4-B90- 0801</u>	<u>GUO8-C70- 0006</u>
Revenues:					
Federal contributions	\$ 189,924	\$ 28,126	\$ 73,641	\$ 6,697	\$ 81,460
Other	-	-	-	-	-
Total Revenues	<u>189,924</u>	<u>28,126</u>	<u>73,641</u>	<u>6,697</u>	<u>81,460</u>
Operating expenses:					
Administrative salaries	-	-	-	-	-
Employee benefits	-	-	-	-	-
Depreciation	-	-	-	-	-
Other	189,924	28,126	73,641	6,697	81,460
Total operating expenses	<u>189,924</u>	<u>28,126</u>	<u>73,641</u>	<u>6,697</u>	<u>81,460</u>
Operating income	-	-	-	-	-
Non-operating revenues (expenditures):					
Interest income	-	-	-	-	-
Interest expense	-	-	-	-	-
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	-	-	-	-	-
Total net assets, beginning of year	-	-	-	-	-
Total net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**SHELTER PLUS CARE PROGRAM
CFDA NO. 14.238**

**Combining Statement of Cash Flows
Year Ended September 30, 2009**

	<u>Total</u>	<u>GUO8-C10- 0001</u>	<u>GUO8-C10- 0001</u>	<u>GUO4-B90- 0801</u>	<u>GUO8-C70- 0006</u>
Cash flows from operating activities:					
Receipts from customers	\$ 189,924	\$ 28,126	\$ 73,641	\$ 6,697	\$ 81,460
Payments to suppliers	(189,924)	(28,126)	(73,641)	(6,697)	(81,460)
Payments to employees	-	-	-	-	-
Net cash provided (used) by operating activities	-	-	-	-	-
Cash flows from investing activities:					
Acquisition of fixed assets	-	-	-	-	-
Net cash provided (used) by investing activities	-	-	-	-	-
Cash flows from capital and related financing activities:					
Transfers from fund balance	-	-	-	-	-
Net cash provided (used) by capital and related financing activities	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-	-
Cash and cash equivalents at beginning year	-	-	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided (used) by operating activities:					
Change in net assets	\$ -	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
(Increase) decrease in assets:					
Accounts receivable - HUD	(2,243)	-	(2,243)	(2,243)	(2,243)
Accounts receivable - Due from other funds	-	-	-	-	-
Other assets	-	-	-	-	-
Increase (decrease) in liabilities:					
Accounts payable - Due to other funds	(1,139)	-	(1,139)	(1,139)	(1,139)
Accounts payable - HUD	-	-	-	-	-
Accrued expenses	-	-	-	-	-
Deferred revenues	3,382	-	3,382	3,382	3,382
Net cash provided (used) by operating activities	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

HOME Investment Partnerships Program
CFDA NO. 14.239
Combining Statements of Net Assets
September 30, 2009

ASSETS	Total	M-99-ST- 66-0202	M-00-ST- 66-0202	M-01-ST- 66-0202	M-02-ST- 66-0202	M-03-ST- 66-0202	M-04-ST- 66-0202	M-05-ST- 66-0202	M-06-ST- 66-0202	M-07-ST- 66-0202	M-08-ST- 66-0202
Cash	\$ 10,164	\$ -	\$ -	\$ -	\$ 10,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts Receivable:											
HUD	328,921	-	-	-	70,973	5,913	23,472	(3,281)	(4,483)	113,900	122,427
Due from other funds	99,325	-	-	-	56,556	-	-	-	26,285	16,484	-
Prepaid and other assets	532	-	-	-	-	75	-	-	-	101	356
Capital assets	21,222	-	-	-	15,574	-	-	5,648	-	-	-
Accumulated depreciation	(2,259)	-	-	-	-	-	-	(2,259)	-	-	-
Total	\$ 457,905	\$ -	\$ -	\$ -	\$ 153,267	\$ 5,988	\$ 23,472	\$ 108	\$ 21,802	\$ 130,485	\$ 122,783

LIABILITIES AND NET ASSETS

Current liabilities:											
Vendors	\$ 8,250	\$ -	\$ -	\$ 8,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	377,652	-	-	129,443	734	23,472	(3,281)	20,996	806	129,496	76,792
Accrued salaries and wages	3,236	-	-	-	-	-	-	-	-	989	1,441
Compensated absences - current	2,210	-	-	-	-	-	-	-	-	-	2,210
Deferred revenues	5,254	-	-	-	5,254	-	-	-	-	-	-
Total current liabilities	396,602	-	-	137,693	5,988	23,472	(3,281)	21,802	806	130,485	80,443
Noncurrent liabilities:											
Compensated absences - noncurrent	25,822	-	-	-	-	-	-	-	-	-	25,822
Other liabilities - sick leave	16,518	-	-	-	-	-	-	-	-	-	16,518
Total noncurrent liabilities	42,340	-	-	-	-	-	-	-	-	-	42,340
Total liabilities	438,942	-	-	-	137,693	5,988	23,472	(3,281)	21,802	130,485	122,783
Net assets:											
Invested in capital, net of related debt	18,963	-	-	15,574	-	-	-	3,389	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	-	-	-	-	-	-	-	-	-	-	-
Total net assets	18,963	-	-	15,574	-	-	-	3,389	-	-	-
Total	\$ 457,905	\$ -	\$ -	\$ 153,267	\$ 5,988	\$ 23,472	\$ 108	\$ 21,802	\$ 130,485	\$ 122,783	

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

HOME Investment Partnerships Program
CFDA NO. 14.239

Combining Statements of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	M-99-ST- 66-0202	M-00-ST- 66-0202	M-01-ST- 66-0202	M-02-ST- 66-0202	M-03-ST- 66-0202	M-04-ST- 66-0202	M-05-ST- 66-0202	M-06-ST6 66-0202	M-07-ST 66-0202	M-08-ST 66-0202
Revenues:										
PHA Operating grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386	\$ 367,129	\$ 440,198	\$ 277,088
Other	-	-	-	43,464	-	-	-	38,563	29,210	-
Total Revenues	1,196,038			43,464			386	405,692	469,408	277,088
Operating expenses:										
Repairs and maintenance	439,841	-	-	-	-	-	-	330,049	109,792	-
Administrative salaries	208,476	-	-	813	-	-	-	46,963	126,787	33,913
Employee benefits	55,941	-	-	250	-	-	-	15,298	30,501	9,892
Management fees	56,700	-	-	-	-	-	-	-	-	56,700
Compensated absences	8,302	-	-	-	-	-	-	-	(36,248)	44,550
Travel	8,979	-	-	2,461	-	-	-	-	6,518	-
Professional fees	3,012	-	-	-	-	-	-	-	1,160	1,852
Advertising and marketing	5,680	-	-	-	-	-	(60)	2,296	2,280	1,164
Depreciation	1,129	-	-	-	-	-	1,129	-	-	-
Insurance	1,361	-	-	-	-	-	266	556	282	257
Protective services	57	-	-	-	-	-	-	-	-	57
Other	407,689	-	-	39,940	-	-	180	10,530	228,336	128,703
Total operating expenses	1,197,167			43,464			1,515	405,692	469,408	277,088
Operating loss	(1,129)						(1,129)			
Non-operating revenues:										
Capital grants	-	-	-	-	-	-	-	-	-	-
Total non-operating revenues	-									
Change in net assets	(1,129)						(1,129)			
Total net assets, beginning of year	20,092			15,574			4,518			
Total net assets, end of year	\$ 18,963			\$ 15,574			\$ 3,389			\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

HOME Investment Partnerships Program
CFDA NO. 14.239

Combining Statements of Cash Flows
Year Ended September 30, 2009

	M-99-ST- 66-0202	M-00-ST- 66-0202	M-01-ST- 66-0202	M-02-ST- 66-0202	M-03-ST- 66-0202	M-04-ST- 66-0202	M-05-ST- 66-0202	M-06-ST- 66-0202	M-07-ST- 66-0202	M-08-ST 66-0202
Cash flows from operating activities:										
Receipts from customers	\$ 1,084,801	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 386	\$ 367,129	\$ 440,198	\$ 277,088
Payments to suppliers	(967,869)	-	-	(42,401)	-	-	(386)	(343,431)	(348,368)	(233,283)
Payments to employees	(228,169)	-	-	(1,063)	-	-	-	(62,261)	(121,040)	(43,805)
Other receipts (payments)	111,237	-	-	43,464	-	-	-	38,563	29,210	-
Net cash provided by (used in) operating activities	-	-	-	-	-	-	-	-	-	-
Cash flows from investing activities:										
Acquisition of fixed assets	-	-	-	-	-	-	-	-	-	-
Net cash used in investing activities	-	-	-	-	-	-	-	-	-	-
Cash flows from capital and related financing activities:										
Transfers from fund balance	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) capital and related financing activities	-	-	-	-	-	-	-	-	-	-
Net decrease in cash and cash equivalents	-	-	-	-	-	-	-	-	-	-
Cash and cash equivalents at beginning year	10,164	-	-	10,164	-	-	-	-	-	-
Cash and cash equivalents at end of year	\$ 10,164	\$ -	\$ -	\$ 10,164	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:										
Change in net assets	\$ (1,130)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,130)	\$ -	\$ -	\$ -
Adjustments to reconcile change in net assets to net provided by (used in) operating activities:										
Depreciation	1,130	-	-	-	-	-	1,130	-	-	-
(Increase) decrease in assets:										
Accounts receivable - HUD	(100,400)	-	-	-	-	1,170	206	14,004	6,647	(122,427)
Accounts receivable - Due from other funds	(64,203)	-	-	(21,434)	-	-	-	(26,285)	(16,484)	-
Prepaid and other assets	115	-	-	-	-	-	(266)	556	181	(356)
Increase (decrease) in liabilities:										
Accrued salaries and wages	3,236	-	-	-	-	-	-	806	989	1,441
Compensated absences	8,302	-	-	-	-	-	-	-	(36,248)	44,550
Accounts payable - Due to other funds	198,801	-	-	67,285	-	(1,170)	60	10,919	44,915	76,792
Deferred revenues	(45,851)	-	-	(45,851)	-	-	-	-	-	-
Net cash provided by (used in) operating activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

EMERGENCY SHELTER GRANTS
CFDA NO. 14.231

Combining Statement of Net Assets
September 30, 2009

<u>ASSETS</u>	<u>Total</u>	<u>S-06-DC- 66-0001</u>	<u>S-07-DC- 66-0001</u>	<u>S-08-DC- 66-0001</u>
Cash	\$ -	\$ -	\$ -	\$ -
Accounts Receivable:				
HUD	10,130	-	527	9,603
Due from other funds	-	-	-	-
Prepaid and other assets	-	-	-	-
Capital assets, net	-	-	-	-
TOTAL	<u>\$ 10,130</u>	<u>\$ -</u>	<u>\$ 527</u>	<u>\$ 9,603</u>

LIABILITIES AND NET ASSETS

Accounts payable:				
Due to other funds	\$ 10,130	\$ -	\$ 527	\$ 9,603
HUD	-	-	-	-
Accrued liabilities:				
Compensated absences - current	-	-	-	-
Salaries and wages	-	-	-	-
Deferred revenue	-	-	-	-
Compensated absences - noncurrent	-	-	-	-
Net assets	-	-	-	-
TOTAL	<u>\$ 10,130</u>	<u>\$ -</u>	<u>\$ 527</u>	<u>\$ 9,603</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**EMERGENCY SHELTER GRANTS
CFDA NO. 14.231**

Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	<u>Total</u>	<u>S-06-DC- 66-0001</u>	<u>S-07-DC- 66-0001</u>	<u>S-08-DC- 66-0001</u>
Revenues:				
Federal contributions	\$ 143,056	\$ -	\$ 44,753	\$ 98,303
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>143,056</u>	<u>-</u>	<u>44,753</u>	<u>98,303</u>
Operating expenses:				
Administrative salaries	5,017	-	4,836	181
Employee benefits	1,514	-	1,464	50
Repair and maintenance	-	-	-	-
Depreciation	-	-	-	-
Legal	-	-	-	-
Travel	-	-	-	-
Other	136,525	-	38,453	98,072
Total operating expenses	<u>143,056</u>	<u>-</u>	<u>44,753</u>	<u>98,303</u>
Operating income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Non-operating revenues (expenses):				
Interest income	-	-	-	-
Interest expense	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	-	-	-	-
Total net assets, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

**EMERGENCY SHELTER GRANTS
CFDA NO. 14.231**

**Combining Statement of Cash Flows
Year Ended September 30, 2009**

	<u>Total</u>	<u>S-06-DC- 66-0001</u>	<u>S-07-DC- 66-0001</u>	<u>S-08-DC- 66-0001</u>
Cash flows from operating activities:				
Receipts from customers	\$ 143,056	\$ -	\$ 44,753	\$ 98,303
Payments to suppliers	(143,056)	-	(44,753)	(98,303)
Payments to employees	-	-	-	-
Net cash provided (used) by operating activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:				
Acquisition of fixed assets	-	-	-	-
Net cash provided (used) by investing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Transfers from fund balance	-	-	-	-
Net cash provided (used) by capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	-	-	-	-
Cash and cash equivalents at beginning year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of change in net assets to net cash provided (used) by operating activities:				
Change in net assets	\$ -	\$ -	\$ -	\$ -
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
(Increase) decrease in assets:				
Accounts receivable - HUD	(3,861)	525	5,217	(9,603)
Increase (decrease) in liabilities:				
Accounts payable - Due to other funds	3,861	(525)	(5,217)	9,603
Net cash provided (used) by operating activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Other Enterprise Funds
 Combining Statement of Net Assets
 September 30, 2009

ASSETS	TOTAL	Local Funds	Revolving Funds	Trust Funds	Other Funds
Current assets:					
Cash					
Unrestricted	\$ 2,059,328	\$ 1,547,765	\$ 511,563	\$ -	\$ -
Restricted	1,259,550	1,159,367	100,183	-	-
Total cash	<u>3,318,878</u>	<u>2,707,132</u>	<u>611,746</u>	-	-
Accounts receivable:					
Due from other funds	6,425,214	3,133,776	2,737,568	7,062	546,808
Interest	666	320	-	35	311
Promissory notes, current portion	45,942	45,942	-	-	-
Allowance for doubtful accounts	(79,228)	(75,553)	(3,675)	-	-
Other	802,381	511,918	287,023	-	3,440
Total accounts receivable	<u>7,194,975</u>	<u>3,616,403</u>	<u>3,020,916</u>	<u>7,097</u>	<u>550,559</u>
Investments	1,350,558	647,874	-	70,967	631,717
Prepaid and other assets	113,134	10,078	103,056	-	-
Other real estate	3,603,912	3,603,912	-	-	-
Total current assets	<u>15,581,457</u>	<u>10,585,399</u>	<u>3,735,718</u>	<u>78,064</u>	<u>1,182,276</u>
Noncurrent assets:					
Capital assets, net	404,981	61,295	41,598	-	302,088
Promissory notes - noncurrent	963,690	963,690	-	-	-
Total non-current assets	<u>1,368,671</u>	<u>1,024,985</u>	<u>41,598</u>	-	<u>302,088</u>
Total Assets	<u>\$ 16,950,128</u>	<u>\$ 11,610,384</u>	<u>\$ 3,777,316</u>	<u>\$ 78,064</u>	<u>\$ 1,484,364</u>
LIABILITIES AND NET ASSETS					
Liabilities:					
Accounts payable:					
Due to other funds	\$ 6,654,734	\$ 3,860,635	\$ 1,324,854	\$ -	\$ 1,469,245
Vendors and contractors	13,265	10,702	2,563	-	-
Compensated absences - current portion	15,005	15,005	-	-	-
Other	2,302,390	-	2,302,390	-	-
Accrued liabilities	315,670	136,835	178,835	-	-
Deferred revenues	1,938,946	1,909,406	29,540	-	-
Total Current Liabilities	<u>11,240,010</u>	<u>5,932,583</u>	<u>3,838,182</u>	-	<u>1,469,245</u>
Noncurrent liabilities:					
Accrued compensated absences	83,000	83,000	-	-	-
Accrued sick leave	42,888	42,888	-	-	-
Total noncurrent liabilities	<u>125,888</u>	<u>125,888</u>	-	-	-
Total Current Liabilities	<u>11,365,898</u>	<u>6,058,471</u>	<u>3,838,182</u>	-	<u>1,469,245</u>
Net Assets:					
Invested capital assets, net of related debt	4,008,893	3,665,207	41,598	-	302,088
Restricted	25,000	-	25,000	-	-
Unrestricted	1,550,337	1,886,706	(127,464)	78,064	(286,969)
Total Net Assets	<u>5,584,230</u>	<u>5,551,913</u>	<u>(60,866)</u>	<u>78,064</u>	<u>15,119</u>
Total Liabilities and Net Assets	<u>\$ 16,950,128</u>	<u>\$ 11,610,384</u>	<u>\$ 3,777,316</u>	<u>\$ 78,064</u>	<u>\$ 1,484,364</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	TOTAL	Local Funds	Revolving Funds	Trust Funds	Other Funds
Operating revenues:					
Property Sales	\$ 14,034	\$ 12,500	\$ -	\$ -	\$ 1,534
Management fees	1,400,388	1,400,388	-	-	-
Asset management fees	90,000	90,000	-	-	-
Bookkeeping fees	284,377	284,377	-	-	-
Other Government Grants	738,338	-	738,338	-	-
Other	17,201	10,937	5,172	-	1,092
Total operating revenues	<u>2,544,338</u>	<u>1,798,202</u>	<u>743,510</u>	<u>-</u>	<u>2,626</u>
Operating expenses:					
Administrative salaries	1,014,486	1,014,486	-	-	-
Employee benefits	307,491	307,491	-	-	-
Repairs and maintenance	770,469	3,061	738,338	-	29,070
Legal and professional fees	97,718	97,718	-	-	-
Travel	35,524	35,524	-	-	-
Depreciation	15,748	15,748	-	-	-
Utilities	25,062	25,062	-	-	-
Bad debts	69,293	70,518	(1,225)	-	-
Insurance	19,691	19,691	-	-	-
Tenant services	149	149	-	-	-
Advertising and marketing	4,729	4,729	-	-	-
Protective services	102	102	-	-	-
Compensated absences	157,717	157,717	-	-	-
Other	589,863	538,721	51,142	-	-
Total operating expenses	<u>3,108,042</u>	<u>2,290,717</u>	<u>788,255</u>	<u>-</u>	<u>29,070</u>
Operating income (loss)	<u>(563,704)</u>	<u>(492,515)</u>	<u>(44,745)</u>	<u>-</u>	<u>(26,444)</u>
Non-operating revenues:					
Other income	1,793	1,793	-	-	-
Investment income	24,316	12,143	151	1,214	10,808
Total non-operating revenues	<u>26,109</u>	<u>13,936</u>	<u>151</u>	<u>1,214</u>	<u>10,808</u>
Change in net assets	<u>(537,595)</u>	<u>(478,579)</u>	<u>(44,594)</u>	<u>1,214</u>	<u>(15,636)</u>
Total net assets at beginning of year	<u>6,121,825</u>	<u>6,030,492</u>	<u>(16,272)</u>	<u>76,850</u>	<u>30,755</u>
Total net assets at end of year	<u>\$ 5,584,230</u>	<u>\$ 5,551,913</u>	<u>\$ (60,866)</u>	<u>\$ 78,064</u>	<u>\$ 15,119</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Other Enterprise Funds
 Combining Statement of Cash Flows
 Year Ended September 30, 2009

	TOTAL	Local Funds	Revolving Funds	Trust Funds	Other Funds
Cash flows from operating activities:					
Receipts from customers	\$ 2,541,272	\$ 1,795,567	\$ 743,510	\$ 1,268	\$ 927
Payments to suppliers	(1,701,025)	(882,475)	(789,480)	-	(29,070)
Payments to employees	(1,323,069)	(1,321,977)	-	-	(1,092)
Other cash receipts	1,405,609	1,058,698	306,387	-	40,524
Net cash provided by operating activities	922,787	649,813	260,417	1,268	11,289
Cash flows from capital and related financing activities:					
Acquisition of fixed assets	-	-	-	-	-
Net cash flows used for capital and related financing activities	-	-	-	-	-
Cash flows from investing activities:					
Increase in investments	(24,134)	(11,577)	-	(1,268)	(11,289)
Net cash used for investing activities	(24,134)	(11,577)	-	(1,268)	(11,289)
Net increase in cash and cash equivalents	898,653	638,236	260,417	-	-
Cash and cash equivalents at beginning of year	2,420,225	2,068,896	351,329	-	-
Cash and cash equivalents at end of year	\$ 3,318,878	\$ 2,707,132	\$ 611,746	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used for) operating activities:					
Change in net assets	\$ (537,595)	\$ (478,579)	\$ (44,594)	\$ 1,214	\$ (15,636)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:					
Depreciation	15,748	15,748	-	-	-
Bad debts	69,293	70,518	(1,225)	-	-
(Increase) decrease in assets:					
Accounts receivable:					
Due from other funds	(2,327,082)	(1,462,388)	(864,694)	-	-
Travel advances	24,000	-	24,000	-	-
Promissory notes	67,375	67,375	-	-	-
Interest	1,257	722	-	54	481
Others	(193,958)	58,609	(252,567)	-	-
Prepaid expenses and other assets	221,637	231,637	(9,966)	-	-
Land held for sale	173,265	173,265	-	-	-
Increase (decrease) in liabilities:					
Due to other funds	1,834,275	1,795,290	11,449	-	27,536
Vouchers	2,246,069	10,568	2,235,501	-	-
Compensated absences	157,718	157,718	-	-	-
Accrued liabilities	122,546	15,971	107,667	-	(1,092)
Deferred revenues	(10,441)	(6,641)	(3,800)	-	-
Other	(941,354)	-	(941,354)	-	-
Net cash provided by operating activities	\$ 922,787	\$ 649,813	\$ 260,417	\$ 1,268	\$ 11,289

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

LOCAL FUNDS
Combining Statement of Net Assets
September 30, 2009

ASSETS	TOTAL	Sinajana Non-Title I	Gov Guam Astumbo	Naumi Project	Gov Guam	Low Cost Housing	Central Office Cost Center	Down Payment Closing Cost	Home Rehabilitation
Current assets:									
Cash - unrestricted	\$ 1,547,765	\$ -	\$ -	\$ -	\$ -	\$ 445,381	\$ 928,958	\$ 168,281	\$ 5,145
Cash - restricted for FSS	95,495	-	-	-	-	-	95,495	-	-
Cash - other restricted	1,063,872	-	-	-	-	-	1,063,872	-	-
Total cash	2,707,132	-	-	-	-	445,381	2,088,325	168,281	5,145
Accounts receivable:									
Due from other funds	3,133,776	1,666	776,148	4,835	43,727	-	2,307,579	-	(179)
HUD	-	-	-	-	-	-	-	-	-
Promissory notes, current portion	45,942	-	-	-	-	-	-	45,942	-
Allowance for doubtful accounts	(75,553)	-	-	-	-	-	-	(75,553)	-
Accrued interest receivable	320	-	-	-	-	320	-	-	-
Other	511,918	-	-	-	-	141	-	511,777	-
Total accounts receivable	3,616,403	1,666	776,148	4,835	43,727	461	2,307,579	482,166	(179)
Investments	647,874	-	-	-	-	647,874	-	-	-
Prepaid and other assets	10,078	-	-	-	-	-	10,078	-	-
Land held for sale	3,603,912	-	-	-	-	3,603,912	-	-	-
Total current assets	10,585,399	1,666	776,148	4,835	43,727	4,697,628	4,405,982	650,447	4,966
Noncurrent assets:									
Capital assets	139,238	-	1,774	-	-	1,385	136,079	-	-
Accumulated depreciation	(77,943)	-	(16)	-	-	-	(77,927)	-	-
Capital assets, net	61,295	-	1,758	-	-	1,385	58,152	-	-
Promissory notes, noncurrent	963,690	-	-	-	-	-	-	844,232	119,458
Other assets	-	-	-	-	-	-	-	-	-
Total non-current assets	1,024,985	-	1,758	-	-	1,385	58,152	844,232	119,458
Total assets	\$ 11,610,384	\$ 1,666	\$ 777,906	\$ 4,835	\$ 43,727	\$ 4,699,013	\$ 4,464,134	\$ 1,494,679	\$ 124,424

LIABILITIES AND NET ASSETS

Liabilities:									
Accounts payable:									
Vendors	\$ 10,702	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,702	\$ -	\$ -
Due to other funds	3,860,635	-	124,543	-	-	70,087	3,816,744	(124,234)	(26,505)
Compensated absences - current portion	15,005	-	-	-	-	-	15,005	-	-
Accrued liabilities	136,835	-	-	-	-	25,737	111,098	-	-
Deferred revenues	1,909,406	-	-	-	-	-	56,539	1,705,229	147,638
Total current liabilities	5,932,583	-	124,543	-	-	95,824	4,010,088	1,580,995	121,133
Noncurrent liabilities:									
Accrued compensated absences	83,000	-	-	-	-	-	83,000	-	-
Accrued sick leave	42,888	-	-	-	-	-	42,888	-	-
Total noncurrent liabilities	125,888	-	-	-	-	-	125,888	-	-
Total liabilities	6,058,471	-	124,543	-	-	95,824	4,135,976	1,580,995	121,133
Net assets:									
Invested capital assets, net of related debt	3,665,207	-	1,758	-	-	3,605,297	58,152	-	-
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	1,886,706	1,666	651,605	4,835	43,727	997,892	270,006	(86,316)	3,291
Total net assets	5,551,913	1,666	653,363	4,835	43,727	4,603,189	328,158	(86,316)	3,291
Total liabilities and net assets	\$ 11,610,384	\$ 1,666	\$ 777,906	\$ 4,835	\$ 43,727	\$ 4,699,013	\$ 4,464,134	\$ 1,494,679	\$ 124,424

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

LOCAL FUNDS
Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	TOTAL	Sinjajana Non-Title I	Gov Guam Astumbo	Nauru Project	Gov Guam	Low Cost Housing	Central Office Cost Center	Down Payment Closing Cost	Home Rehabilitation
Operating revenues:									
Property Sales	\$ 12,500	\$ -	\$ -	\$ -	\$ -	12,500	\$ -	\$ -	-
Management fees	1,400,388	-	-	-	-	-	1,400,388	-	-
Asset management fees	90,000	-	-	-	-	-	90,000	-	-
Bookkeeping fees	284,377	-	-	-	-	-	284,377	-	-
Other	10,937	-	-	-	-	-	4,622	5,520	795
Total operating revenues	1,798,202	-	-	-	-	12,500	1,779,387	5,520	795
Operating expenses:									
Administrative salaries	1,014,486	-	-	-	-	8,582	1,005,904	-	-
Employee benefits	307,491	-	-	-	-	2,325	305,166	-	-
Professional fees	97,718	-	6,975	-	-	-	90,743	-	-
Travel	35,524	-	-	-	-	-	35,524	-	-
Tenant services	149	-	-	-	-	-	149	-	-
Insurance	19,691	-	-	-	-	-	19,691	-	-
Protective services	102	-	-	-	-	-	102	-	-
Repairs and maintenance	3,061	-	-	-	-	-	3,061	-	-
Depreciation	15,748	-	-	-	-	-	15,748	-	-
Compensated absences	157,717	-	-	-	-	-	157,717	-	-
Advertising and marketing	4,729	-	-	-	-	-	4,729	-	-
Utilities	25,062	-	-	-	-	-	25,062	-	-
Bad debts	70,518	-	-	-	-	-	-	70,518	-
Other	538,721	-	-	-	-	173,265	364,976	480	-
Total operating expenses	2,290,717	-	6,975	-	-	184,172	2,028,572	70,998	-
Operating income (loss)	(492,515)	-	(6,975)	-	-	(171,672)	(249,185)	(65,478)	795
Non-operating revenues:									
Other income	1,793	-	1,793	-	-	-	-	-	-
Investment income	12,143	-	194	-	-	12,177	(228)	-	-
Total non-operating income	13,936	-	1,987	-	-	12,177	(228)	-	-
Change in net assets	(478,579)	-	(4,988)	-	-	(159,495)	(249,413)	(65,478)	795
Total net assets at beginning of year	6,030,492	1,666	658,351	4,835	43,727	4,762,684	577,571	(20,838)	2,496
Total net assets at end of year	\$ 5,551,913	\$ 1,666	\$ 653,363	\$ 4,835	\$ 43,727	\$ 4,603,189	\$ 328,158	\$ (86,316)	\$ 3,291

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

LOCAL FUNDS
Combining Statement of Cash Flows
Year Ended September 30, 2009

	Sinjana Non-Title I	Gov Guam Astumbo	Nauru Project	Gov Guam	Low Cost Housing	Central Office Cost Center	Down Payment Closing Cost	Home Rehabilitation
TOTAL								
Cash flows from operating activities:								
Receipts from customers	\$ 1,795,567	\$ 1,987	\$ -	\$ -	\$ 12,500	\$ 1,774,765	\$ 5,520	\$ 795
Payments to suppliers	(882,475)	(6,975)	-	-	(173,265)	(701,755)	(480)	-
Payments to employees	(1,321,977)	-	-	-	(10,907)	(1,311,070)	-	-
Other cash receipts (payments)	1,058,698	4,988	-	-	183,848	779,706	100,521	(10,365)
Net cash provided by operating activities	649,813	-	-	-	12,176	541,646	105,561	(9,570)
Cash flows from capital and related financing activities:								
Acquisition of capital assets	-	-	-	-	-	-	-	-
Net cash used in capital and related financing activities	-	-	-	-	-	-	-	-
Cash flows from investing activities:								
Decrease (increase) in investments	(11,577)	-	-	-	(11,577)	-	-	-
Net cash used in investing activities	(11,577)	-	-	-	(11,577)	-	-	-
Net increase (decrease) in cash and cash equivalents	638,236	-	-	-	599	541,646	105,561	(9,570)
Cash and cash equivalents at beginning of year	2,068,896	-	-	-	444,782	1,546,679	62,720	14,715
Cash and cash equivalents at end of year	\$ 2,707,132	\$ -	\$ -	\$ -	\$ 445,381	\$ 2,088,325	\$ 168,281	\$ 5,145
Reconciliation of change in net assets to net cash provided by (used in) operating activities:								
Change in net assets	\$ (478,579)	\$ -	\$ -	\$ -	\$ (159,495)	\$ (249,413)	\$ (65,478)	\$ 795
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:								
Depreciation	15,748	-	-	-	-	15,748	-	-
Bad debts	70,518	-	-	-	-	-	70,518	-
(Increase) decrease in assets:								
Accounts receivable:								
Due from other funds	(1,462,388)	-	-	-	-	(1,462,388)	-	-
Promissory notes	67,375	-	-	-	493	229	96,886	(29,511)
Interest	722	-	-	-	-	-	58,609	-
Other	58,609	-	-	-	-	231,637	-	-
Prepaid and other assets	231,637	-	-	-	-	-	-	-
Land held for sale	173,265	-	-	-	173,265	-	-	-
Increase (decrease) in liabilities:								
Accounts payable:								
Due to other funds	1,795,290	4,988	-	-	(2,225)	1,803,738	8,192	(19,403)
Vendors and contractors	10,568	-	-	-	-	10,568	-	-
Compensated absences	157,718	-	-	-	-	157,718	-	-
Accrued liabilities	15,971	-	-	-	138	15,833	-	-
Deferred revenue	(6,641)	-	-	-	-	17,976	(63,166)	38,549
Other	-	-	-	-	-	-	-	-
Net cash provided by operating activities	\$ 649,813	\$ -	\$ -	\$ -	\$ 12,176	\$ 541,646	\$ 105,561	\$ (9,570)

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

REVOLVING FUNDS
Combining Statement of Net Assets
September 30, 2009

<u>ASSETS</u>	<u>Total</u>	<u>Local Revolving Fund</u>	<u>Revolving Fund</u>
Current Assets:			
Cash:			
Unrestricted	\$ 511,563	\$ 54,312	\$ 457,251
Restricted	100,183	-	100,183
Total cash	<u>611,746</u>	<u>54,312</u>	<u>557,434</u>
Accounts Receivable:			
Due from other funds	2,737,568	528	2,737,040
Other	287,023	-	287,023
Travel advances	-	-	-
Allowance for doubtful accounts - other	(3,675)	-	(3,675)
Total accounts receivable	<u>3,020,916</u>	<u>528</u>	<u>3,020,388</u>
Investments	-	-	-
Prepaid and other assets	<u>103,056</u>	-	<u>103,056</u>
Total current assets	<u>3,735,718</u>	<u>54,840</u>	<u>3,680,878</u>
Noncurrent Assets:			
Capital Assets:			
Land	41,598	41,598	-
Furniture and equipment	37,434	37,434	-
Accumulated depreciation	(37,434)	(37,434)	-
	<u>41,598</u>	<u>41,598</u>	<u>-</u>
Total non-current assets	<u>41,598</u>	<u>41,598</u>	<u>-</u>
Total assets	<u>\$ 3,777,316</u>	<u>\$ 96,438</u>	<u>\$ 3,680,878</u>
LIABILITIES AND NET ASSETS			
Liabilities:			
Accounts Payable:			
Due to other funds	\$ 1,324,854	\$ 254,710	\$ 1,070,144
Vendors	2,563	-	2,563
Other	2,302,390	-	2,302,390
Other accrued liabilities	178,835	-	178,835
Deferred revenues	29,540	-	29,540
Total liabilities	<u>3,838,182</u>	<u>254,710</u>	<u>3,583,472</u>
Net assets:			
Invested in capital assets, net of related debt	41,598	41,598	-
Restricted	25,000	-	25,000
Unrestricted	(127,464)	(199,870)	72,406
Total net assets (deficit)	<u>(60,866)</u>	<u>(158,272)</u>	<u>97,406</u>
Total liabilities and net assets	<u>\$ 3,777,316</u>	<u>\$ 96,438</u>	<u>\$ 3,680,878</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

REVOLVING FUNDS

Combining Statement of Revenues, Expenses, and Changes in Net Assets
Year Ended September 30, 2009

	Total	Local Revolving Fund	Revolving Fund
Operating revenues:			
Other Government Grants	\$ 738,338	\$ -	\$ 738,338
Other	5,172	-	5,172
	<u>743,510</u>	<u>-</u>	<u>743,510</u>
Total operating revenues			
Operating Expenses:			
Administrative salaries	-	-	-
Employee benefits	-	-	-
Depreciation	-	-	-
Travel	-	-	-
Bad debts	(1,225)	-	(1,225)
Repairs and maintenance	738,338	-	738,338
Other	51,142	37,316	13,826
	<u>788,255</u>	<u>37,316</u>	<u>750,939</u>
Total operating expenses			
Operating income (loss)	<u>(44,745)</u>	<u>(37,316)</u>	<u>(7,429)</u>
Non-operating revenues:			
Investment income	151	151	-
	<u>151</u>	<u>151</u>	<u>-</u>
Total non-operating revenues			
Change in net assets	(44,594)	(37,165)	(7,429)
Total net assets (deficit) at beginning of year	<u>(16,272)</u>	<u>(121,107)</u>	<u>104,835</u>
Total net assets (deficit) at end of year	<u>\$ (60,866)</u>	<u>\$ (158,272)</u>	<u>\$ 97,406</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY

Other Enterprise Funds

REVOLVING FUNDS

Combining Statement of Cash Flows

Year Ended September 30, 2009

	<u>Total</u>	<u>Local Revolving Fund</u>	<u>Revolving Fund</u>
Cash flows from operating activities:			
Receipts from customers	\$ 743,510	\$ -	\$ 743,510
Payments to suppliers	(789,480)	(37,316)	(752,164)
Payments to employees	-	-	-
Other cash receipts (payments)	306,387	27,248	279,139
	<u>260,417</u>	<u>(10,068)</u>	<u>270,485</u>
Net cash provided by (used in) operating activities			
Cash flows from investing activities:			
Increase in investments	-	-	-
Net cash provided by (used in) investing activities	-	-	-
Net increase (decrease) in cash and cash equivalents	260,417	(10,068)	270,485
Cash and cash equivalents at beginning of year	351,329	64,380	286,949
Cash and cash equivalents at end of year	<u>\$ 611,746</u>	<u>\$ 54,312</u>	<u>\$ 557,434</u>
Reconciliation of change in net assets to net cash provided by (used in) operating activities:			
Change in net assets	\$ (44,594)	\$ (37,165)	\$ (7,429)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:			
Depreciation	-	-	-
Bad debts	(1,225)	-	(1,225)
(Increase) decrease in assets:			
Accounts receivable:			
Due from other funds	(864,694)	-	(864,694)
Travel advances	24,000	-	24,000
Other	(252,567)	-	(252,567)
Prepaid expenses and other assets	(9,966)	-	(9,966)
Increase (decrease) in liabilities:			
Accounts payable:			
Due to other funds	11,449	27,097	(15,648)
Vouchers	2,235,501	-	2,235,501
Other	(941,354)	-	(941,354)
Other accrued liabilities	107,667	-	107,667
Deferred revenues	(3,800)	-	(3,800)
Net cash provided by (used in) operating activities	<u>\$ 260,417</u>	<u>\$ (10,068)</u>	<u>\$ 270,485</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

TRUST FUNDS
Combining Statement of Net Assets
September 30, 2009

Assets	Total	Yona Rehab Loan Escrow	Sinajana Rehabilitation Escrow	War in the Pacific
Accounts receivable:				
Due from other funds	\$ 7,062	\$ 900	\$ 3,197	\$ 2,965
Interest	35	-	\$ 35	\$ -
Investments	70,967	-	70,967	-
Total assets	\$ 78,064	\$ 900	\$ 74,199	\$ 2,965
Liabilities and Net Assets				
Liabilities	\$ -	\$ -	\$ -	\$ -
Total liabilities	-	-	-	-
Net assets:				
Invested capital assets, net of related debt	-	-	-	-
Restricted	-	-	-	-
Unrestricted	78,064	900	74,199	2,965
Total net assets	78,064	900	74,199	2,965
Total liabilities and net assets	\$ 78,064	\$ 900	\$ 74,199	\$ 2,965

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

TRUST FUNDS

Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	<u>Total</u>	<u>Yona Rehab Loan Escrow</u>	<u>Sinajana Rehabilitation Escrow</u>	<u>War in the Pacific</u>
Revenues:				
Property sales	\$ -	\$ -	\$ -	\$ -
Investment income	1,214	-	1,214	-
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,214</u>	<u>-</u>	<u>1,214</u>	<u>-</u>
Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	1,214	-	1,214	-
Net assets at beginning of year	<u>76,850</u>	<u>900</u>	<u>72,985</u>	<u>2,965</u>
Net assets at end of year	<u>\$ 78,064</u>	<u>\$ 900</u>	<u>\$ 74,199</u>	<u>\$ 2,965</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

TRUST FUNDS
Combining Statement of Cash Flows
Year Ended September 30, 2009

	<u>Total</u>	<u>Yona Rehab Loan Escrow</u>	<u>Sinajana Rehabilitation Escrow</u>	<u>War in the Pacific</u>
Cash flows from operating activities:				
Receipts from customers	\$ 1,268	\$ -	\$ 1,268	\$ -
Net cash provided by operating activities	<u>1,268</u>	<u>-</u>	<u>1,268</u>	<u>-</u>
Cash flows from investing activities:				
Increase in investments	<u>(1,268)</u>	<u>-</u>	<u>(1,268)</u>	<u>-</u>
Net cash used in investing activities	<u>(1,268)</u>	<u>-</u>	<u>(1,268)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	-	-	-	-
Cash and cash equivalents at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of change in net assets to net cash provided by operating activities:				
Change in net assets	\$ 1,214	\$ -	\$ 1,214	\$ -
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
(Increase) decrease in assets:				
Accounts receivable:				
Due from other funds	-	-	-	-
Interest	54	-	54	-
Increase (decrease) in liabilities:				
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided by operating activities	<u>\$ 1,268</u>	<u>\$ -</u>	<u>\$ 1,268</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

OTHER FUNDS
Combining Statement of Net Assets
September 30, 2009

ASSETS	TOTAL	Yona Urban Renewal	Sinajana Urban Renewal	GHURA Rehabilitation	Existing Operating Reserve	Program Income Account Asan	Program Income Account Sinajana
Current assets:							
Accounts receivable:							
Due from other funds	\$ 546,808	-	2,161	-	439,280	\$ 105,367	-
Interest	311	311	-	-	-	-	-
Other	3,440	-	-	3,440	-	-	-
	<u>550,559</u>	<u>311</u>	<u>2,161</u>	<u>3,440</u>	<u>439,280</u>	<u>105,367</u>	<u>-</u>
Investments	631,717	631,717	-	-	-	-	-
Total current assets	<u>1,182,276</u>	<u>632,028</u>	<u>2,161</u>	<u>3,440</u>	<u>439,280</u>	<u>105,367</u>	<u>-</u>
Noncurrent assets:							
Capital assets, net	302,088	-	38,815	-	163,391	99,882	-
Total non-current assets	<u>302,088</u>	<u>-</u>	<u>38,815</u>	<u>-</u>	<u>163,391</u>	<u>99,882</u>	<u>-</u>
Total assets	<u>\$ 1,484,364</u>	<u>\$ 632,028</u>	<u>\$ 40,976</u>	<u>\$ 3,440</u>	<u>\$ 602,671</u>	<u>\$ 205,249</u>	<u>\$ -</u>
LIABILITIES AND NET ASSETS							
Liabilities:							
Accounts payable:							
Due to other funds	\$ 1,469,245	\$ 58,825	\$ 12,488	\$ 95	\$ 1,176,423	\$ 93,167	\$ 128,247
Accrued liabilities	-	-	-	-	-	-	-
Total liabilities	<u>1,469,245</u>	<u>58,825</u>	<u>12,488</u>	<u>95</u>	<u>1,176,423</u>	<u>93,167</u>	<u>128,247</u>
Net assets:							
Invested capital assets, net of related debt	302,088	-	38,815	-	163,391	99,882	-
Unrestricted	<u>(286,969)</u>	<u>573,203</u>	<u>(10,327)</u>	<u>3,345</u>	<u>(737,143)</u>	<u>12,200</u>	<u>(128,247)</u>
Total net assets	<u>15,119</u>	<u>573,203</u>	<u>28,488</u>	<u>3,345</u>	<u>(573,752)</u>	<u>112,082</u>	<u>(128,247)</u>
Total liabilities and net assets	<u>\$ 1,484,364</u>	<u>\$ 632,028</u>	<u>\$ 40,976</u>	<u>\$ 3,440</u>	<u>\$ 602,671</u>	<u>\$ 205,249</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

OTHER FUNDS

Combining Statement of Revenues, Expenses and Changes in Net Assets
Year Ended September 30, 2009

	TOTAL	Yona Urban Renewal	Sinjajana Urban Renewal	GHURA Rehabilitation	Existing Operating Reserve	Program Income Account Asan	Program Income Account Sinajana
Operating revenues:							
Property Sales	\$ 1,534	\$ -	\$ -	\$ -	\$ -	\$ 1,534	\$ -
Other	<u>1,092</u>	-	-	-	<u>1,092</u>	-	-
Total operating revenues	<u>2,626</u>	-	-	-	<u>1,092</u>	<u>1,534</u>	-
Operating expenses:							
Administrative salaries	-	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-
Repairs and maintenance	<u>29,070</u>	<u>29,070</u>	-	-	-	-	-
Bad debts	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total operating expenses	<u>29,070</u>	<u>29,070</u>	-	-	-	-	-
Operating income (loss)	<u>(26,444)</u>	<u>(29,070)</u>	-	-	<u>1,092</u>	<u>1,534</u>	-
Non-operating revenues:							
Investment income	<u>10,808</u>	<u>10,808</u>	-	-	-	-	-
Total non-operating revenues (expenses)	<u>10,808</u>	<u>10,808</u>	-	-	-	-	-
Change in net assets	<u>(15,636)</u>	<u>(18,262)</u>	-	-	<u>1,092</u>	<u>1,534</u>	-
Total net assets at beginning of year	<u>30,755</u>	<u>591,465</u>	<u>28,488</u>	<u>3,345</u>	<u>(574,844)</u>	<u>110,548</u>	<u>(128,247)</u>
Total net assets at end of year	<u>\$ 15,119</u>	<u>\$ 573,203</u>	<u>\$ 28,488</u>	<u>\$ 3,345</u>	<u>\$ (573,752)</u>	<u>\$ 112,082</u>	<u>\$ (128,247)</u>

The accompanying notes are an integral part of these financial statements.

GUAM HOUSING AND URBAN RENEWAL AUTHORITY
Other Enterprise Funds

OTHER FUNDS
Combining Statement of Cash Flows
Year Ended September 30, 2009

	TOTAL	Yona Urban Renewal	Sinjajana Urban Renewal	GHURA Rehabilitation	Existing Operating Reserve	Program Income Account Asan	Program Income Account Sinajana
Cash flows from operating activities:							
Receipts from customers	\$ 927	\$ -	\$ -	\$ -	\$ -	\$ 927	\$ -
Payments to suppliers	(29,070)	(29,070)	-	-	-	-	-
Payments to employees	(1,092)	-	-	-	(1,092)	-	-
Other cash receipts (payments)	40,524	40,359	-	-	1,092	(927)	-
Net cash provided by operating activities	11,289	11,289	-	-	-	-	-
Cash flows from capital and related financing activities:							
Acquisition of fixed assets	-	-	-	-	-	-	-
Net cash flows (used for) provided by capital and related financing activities	-	-	-	-	-	-	-
Cash flows from investing activities:							
Increase in investments	(11,289)	(11,289)	-	-	-	-	-
Net cash used in investing activities	(11,289)	(11,289)	-	-	-	-	-
Net increase in cash and cash equivalents	-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year	-	-	-	-	-	-	-
Cash and cash equivalents at end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation of change in net assets to net cash provided by (used in) operating activities:							
Change in net assets	\$ (15,636)	\$ (18,262)	\$ -	\$ -	\$ 1,092	\$ 1,534	\$ -
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:							
Depreciation	-	-	-	-	-	-	-
Bad debts	-	-	-	-	-	-	-
(Increase) decrease in assets:							
Due from other funds	-	-	-	-	-	-	-
Interest	481	481	-	-	-	-	-
Others	-	-	-	-	-	-	-
Increase (decrease) in liabilities:							
Accounts payable:							
Due to other funds	27,536	29,070	-	-	-	(1,534)	-
Accrued liabilities	(1,092)	-	-	-	(1,092)	-	-
Others	-	-	-	-	-	-	-
Net cash provided by operating activities	\$ 11,289	\$ 11,289	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.