



CONSOLIDATED COMMISSION ON UTILITIES

Guam Power Authority | Guam Waterworks Authority

P.O. Box 2977 Hagatna, Guam 96932 | (671) 648-3002 | guamccu.org

RESOLUTION NO 53 - FY2018

**RELATIVE TO APPROVING THE CHARGE- OFF OF GUAM WATERWORKS
AUTHORITY RECEIVABLES DEEMED UNCOLLECTIBLE**

WHEREAS, under 12 G.C.A. § 14105, the Consolidated Commission on Utilities (“CCU”) has plenary authority over financial, contractual and policy matters relative to the Guam Waterworks Authority (“GWA”); and

WHEREAS, the Guam Waterworks Authority (“GWA”) is a Guam Public Corporation established and existing under the laws of Guam; and

WHEREAS, GWA Management has reviewed the balance of accounts receivables as of August 2018 totaling \$28 million of which \$9 million is comprised of accounts that have been inactive dating back to 1996 through 2014; and

WHEREAS, GWA referred these accounts to multiple collection agencies over the years and said agencies collected only small percentages of amounts referred; and

WHEREAS, despite other efforts by GWA to collect these outstanding balances, the age of these receivables exceeds the statute of limitations; and

1
2 **WHEREAS**, after consideration of the aforementioned management recommends
3 GWA charge off the \$9,265,968 as summarized herein and further detailed in Exhibit A:

4
5 FY1996-FY2003 \$ 59,814
6 FY2004-FY2014 \$ 9,206,155
7 TOTAL CHARGE - OFF **\$ 9,265,969**

8
9 **NOW BE IT THEREFORE RESOLVED**, the Consolidated Commission on Utilities does
10 hereby approve and authorize the items listed herein:

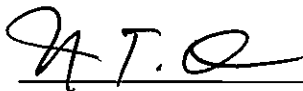
11
12 **Section 1.** The foregoing recitals hereby constitute the findings of the CCU.

13
14 **Section 2.** The CCU affirms management's recommendation to charge off these past
15 due inactive receivables for accounts which were terminated between 1996 and 2014 for which
16 reasonable efforts were made to collect **\$9,265,969** as outlined in Exhibit A.

17
18 **RESOLVED** that the Chairman certifies and the Board Secretary attests to the
19 adoption of this Resolution.

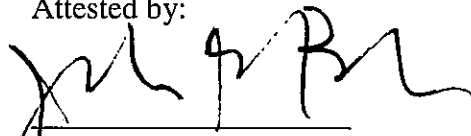
20
21 **DULY AND REGULARLY ADOPTED**, this 25th day of September, 2018.

22
23 Certified by:

24 

25 _____
26 **JOSEPH T. DUENAS**
27 Chairperson

28 Attested by:

29 

30 _____
31 **J. GEORGE BAMBA**
32 Secretary

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32

I, **J. George Bamba**, Board Secretary of the Consolidated Commission on Utilities, as evidenced by my signature above do hereby certify as follows:

The foregoing is a full, true and accurate copy of the resolution duly adopted at a regular meeting by the members of the Guam Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

AYES:	<u>5</u>
NAYS:	<u>0</u>
ABSTENTIONS:	<u>0</u>
ABSENT:	<u>0</u>



Guam Waterworks Authority
 Schedule of Proposed Accounts Receivable Charge Off
 Summary by Fiscal Year and Class

EXHIBIT A

YEAR	W-AGRICULTURE	W-COM1	W-COM2	W-COM3	W-FEDERAL	W-GOVGUAM	W-IRRIGATION	W-RESIDENTIAL	TOTAL
1996								1,693	1,693
1997								326	326
1998								104	104
1999					6,438				6,438
2000					6,517			99	6,616
2001		175			25,356		72	855	26,457
2002						2,554		5,175	7,729
2003		412						10,039	10,451
2004	21,716	88,969	10,927	12,349		147,902	3,312	814,792	1,099,968
2005	11,753	570,379	829	32,495		556,336	6,280	1,541,523	2,719,594
2006	6,230	57,163	36,221	17,021		7,672	618	571,939	696,863
2007	11,754	110,793	1,402	4,286			2,871	701,740	832,845
2008	8,846	42,511		21,885		10,217	2,063	658,765	744,287
2009	3,137	62,270						277,245	342,652
2010	6,533	26,136		8,728				331,715	373,112
2011		419,286		662				262,339	682,286
2012	758	17,216					12,421	246,464	276,858
2013	2,740	82,135	94,733	176			273	452,409	632,466
2014	9,076	157,619	5,150	2,433		472	18,197	612,277	805,223
TOTAL	82,543	1,635,064	149,262	100,035	38,311	725,152	46,105	6,489,498	9,265,969