

*Financial Statements and
Supplementary Information*

Guam Preservation Trust

(A Component Unit of the Government of Guam)

*Year ended September 30, 2019
with Report of Independent Auditors*



Building a better
working world

Guam Preservation Trust
(A Component Unit of the Government of Guam)

**Financial Statements and
Supplementary Information**

Year ended September 30, 2019

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Report of Independent Auditors

The Board of Directors
Guam Preservation Trust

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Guam Preservation Trust (the Trust), a component unit of the Government of Guam, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Trust's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Trust as of September 30, 2019, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Other matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis on pages 4 through 12 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Trust's basic financial statements. The supplementary comparative financial statement information included in pages 27 and 28 and the Schedule of Grant Projects Reserved for Encumbrances included in page 29 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary comparative financial statement information and the Schedule of Grant Projects Reserved for Encumbrances are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the comparative financial statement information and the Schedule of Grant Projects Reserved for Encumbrances are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated February 26, 2020 on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Trust's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Trust's internal control over financial reporting and compliance.

Ernst & Young LLP

February 26, 2020

Guam Preservation Trust
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Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) of the Guam Preservation Trust's financial performance provides an overall review of the Trust's financial activities for the fiscal year ended September 30, 2019. This presentation is provided to better understand the Trust and its financial status in accordance with United States generally accepted accounting principles promulgated by the Standards of the Government Accounting Standards Board (GASB).

Introduction

The Guam Preservation Trust (the Trust) was created in 1990 as a non-profit, public corporation governed by a Board of Directors. It is dedicated to preserving Guam's historic sites and culture as well as educating the public about those issues. Although primarily tasked with restoring historic structures, which are listed in the Guam Register of Historic Places and/or the National Register of Historic Places, the Guam Preservation Trust also supports various types of heritage projects.

Management

The Trust is a 501(c) 3 Non-profit Corporation comprised of ten board members representing five disciplines (Archaeology, Architecture, Chamorro Culture, Community Planning, and History). Each discipline is represented by a primary and an alternate Board Member. Board Members appointed by the Governor and approved by the Legislature to the Historic Review Board of the Guam Department of Parks and Recreation, automatically sit on the Trust Board. The Board of Directors conducts its regular monthly meeting on the second Friday of the month at 3:00pm. In Fiscal Year 2019, a total of eight (8) Trust Board of Directors meetings were conducted and a total of forty one (41) board resolutions were made. Attendance of Board Members representing four of the five disciplines constitutes a quorum.



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Management's Discussion and Analysis, continued

Management, continued

The Trust Board Members by discipline are:

<u>Discipline</u>	<u>Primary</u>	<u>Alternate</u>
Architecture	Michael Makio, AIA (Board Chair)	(Vacant)
Archaeology	Vacant	Jolie Liston, Ph.D.
Chamorro Culture	Rebecca Dueñas	(Vacant)
History	Eric Forbes	(Vacant)
Planning	Dave Lotz	(Vacant)

The Trust is currently staffed by Joseph Quinata, Chief Program Officer; Ruby Santos, Administrative Services Coordinator; Andrew Tenorio, Program Officer, Charmaine Ledesma, Program Officer, and Lawrence Borja, Development Officer. The Trust personnel are non-government employees and are governed by the Trust's personnel handbook. Legal and accounting services are contracted by the Trust.

The Trust Vision

Historic Preservation on Guam is a public responsibility that is shared through education, cooperation, and advocacy all linking to Guam's Cultural Heritage.

The Trust Mission

The Trust will preserve and protect Guam's historic sites, culture, and perspectives for the benefit of our people and our future.

2019 Highlights

Restoration, Rehabilitation, and Reconstruction of Historic Structures

The Guam Preservation Trust Board of Directors had approved funding of about \$671,752 and as of September 30, 2019 expended about \$448,335.00 for the rehabilitation and reconstruction of the ***Antonia Chargualaf House*** in Inarajan, and the ***Architectural and Engineering Design*** of the ***Augustine San Nicolas House*** in Inarajan and the ***Vicente Rosario House*** in Hagåtña.

Capacity Building for Historic Preservation in Guam and the Pacific

The Guam Preservation Trust, in partnership with the U.S. Department of Interior, have provided technical training to build the capacity of professionals in historic preservation specific to Pacific World Heritage Opportunities and Grants Management Training. A total of about 80 professionals from the fields of archaeology, architecture, engineering, and historic preservation technicians from the region participated in their respective training sessions. A total of \$63,217 was awarded to the Guam Preservation Trust for the Pacific World Heritage Opportunities and Grants Management Training (www.pacificpreservation.org) and the Pacific.

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Management's Discussion and Analysis, continued

2019 Highlights, continued

Historic Preservation and Secondary School-Aged Youth

The Guam Preservation Trust in partnership with local, national, and international organizations continue to provide teachers and our youth with resources and opportunities to become stewards in heritage preservation. Two significant programs are the ***Guam/National History Day*** (<http://guamhistoryday.weebly.com/>) and the ***Humåtak Community Archaeology*** project. With the Trust and community funding from both national and local communities, these programs continue to provide necessary tools for students to participate in historic preservation in their respective communities. Approximately \$200,000 of funding and in-kind contributions is dedicated annually and biennially towards the betterment for our children...our future.

Community Partnerships and Investments

In 2019, the Trust partnered with over 50 public and private organizations, and individuals from the community to oversee 20 grants and projects to accomplish our *proposed outcomes* (Goals) for the year. All have been successful in their respective delivery to the community for their benefit and appreciation.

Regional, National, and International Support

The Trust made strides in developing partnerships with technical and professional resources in the preservation arena. These resources are invaluable and contribute to the capacity building of our community in advancing preservation on Guam. The following are preservation partners in the region, the nation, and international:

Friends of the Mariana Trench, Palau Conservation Society, Micronesia Conservation Trust, Conservation Society of Pohnpei, , St. Croix Crician Heritage and Nature Tourism, Asian & Pacific Islanders American for Historic Preservation (APIAHiP); National History Day, Inc. (NHD); The National Trust for Historic Preservation (NTHP); National Park Service; Association for Preservation Technology International (APT); U.S. Department of Interior (OIA/TAP); National Preservation Partners Network; University of Pompeu Fabra Barcelona, Spain, Xiamen University, Xaimen China

The Department of Interior Preservation Technology grant of \$94,801; the National Trust for Historic Preservation's Richard & Julia Moe \$10,000 grant; and the Organization of American Historians Grant \$9940 are examples of the funding partners with national organizations and the federal government for 2019.

Trust Standards of Success (Goals)

Guam's preservation stakeholders presented the Trust Five-Year Historic Preservation Strategic Plan as a statement of our community's bold step towards taking action to preserve and protect our heritage for all to benefit. Today, the Trust presents its report as a testimony of the diligence and dedication of the Trust Board of Directors, staff, and the preservation community in accomplishing this year's *proposed outcomes* and achieving the ***standards of success*** or goals expected by the community.

Guam Preservation Trust
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Management's Discussion and Analysis, continued

The Guam Preservation Trust Goals

1. Historic Property Documentation and Register Nomination

The Trust will provide opportunities for the documentation of the historic significance of places, objects, structures, buildings, and sites, and is in the formal process for registration and nomination for listing on the Guam and/or National Register of Historic Places.

Action Outcomes

No proposals were received for this category; therefore, no funding was approved for FY19.

2. Public Interpretation and Presentation

The Trust will assist historians and other writers in the interpretation and presentation of historic properties for public education and appreciation

Action Outcomes

Project Name	Date Approved	Approved Amount	Expenditures To Date	Balance at 9/30/19
Taleyfac Bridge Signage	4/17/2013	\$10,000	\$215	\$9,785
Teaching With Historic Places	8/13/15	\$14,400	\$5,515	\$8,885
Capital Campaign	7/10/17	\$20,000	\$266	\$19,734
Pacific Heritage Youth Summit	7/10/17	\$20,000	\$6,960	\$13,040
Humatak Revitalization Plan	11/8/17	\$50,000	\$37,500	\$12,500
Takhelo na Tiningo gi Fino Yan Kutturan CHamoru	4/13/18	\$55,606	\$55,606	\$0
APIAHIP Forum	8/21/18	\$20,000	\$20,155	-\$155
NTHP Conference	8/21/18	\$9,933	\$9,933	\$0
*CHamoru Language Competition	1/11/19	\$500	\$211	\$289
National History Day 2019	2/22/19	\$20,000	\$20,000	\$0
Latte in the Marianas & Art Icon	10/15/18	\$5,428	\$0	\$5,428
Women in History	2/22/19	\$1,000	\$1,000	\$0
Ekungok I Estoriata	2/22/19	\$10,000	\$0	\$10,000
Marianas History Conference	4/26/19	\$5,000	\$5,000	\$0
Pacific Historic Parks Consortium	4/26/19	\$2,500	\$2,500	\$0
Modern Guam Rises from the Destruction of War	2/22/19	\$17,151	\$4,288	\$12,863
Learning CHamoru – Discovering Guam's History	8/9/19	\$9,950	\$0	\$9,950
Kantan Hereru – A Blacksmith's Song, Film & Curriculum	9/6/19	\$7,660	\$0	\$7,660
Total		\$279,128	\$169,149	\$109,979

**Unused balance at September 30, 2019 will be reverted back to the Trust*

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Management's Discussion and Analysis, continued

3. Architectural Research

The Guam Preservation Trust, in collaboration with architectural and engineering organizations, will develop architectural research and documentation of historic structures for use in rehabilitation, renovation, restoration, or re-construction

Action Outcomes

Project Name	Date Approved	Approved Amount	Expenditures To Date	Balance at 9/30/19
FQ Sanchez Facility A&E	12/18/14	\$208,054	\$207,554	\$500
Architecture Book for Guam	2/23/15	\$49,500	\$45,375	\$4,125
Conceptual Design – Site 2303 Mahgua	12/10/18	\$18,740	\$18,740	\$0
Guam Historic Courthouse Restoration Planning	9/6/19	\$50,000	\$0	\$50,000
Total		\$326,294	\$271,669	\$54,625

4. Ethnography and Oral History

The Guam Preservation Trust, in collaboration with organizations involved in ethnography and oral history, will dedicate resources, to research and document: 1) Historic places; and 2) Traditional cultural values and practices significant to Guam

Action Outcomes

No proposals were received for this category; therefore, no funding was approved for FY19

5. Repair, Rehabilitation, Restoration, or Renovation of Historic Buildings and Structures

The Guam Preservation Trust, in collaboration with other organizations and property owners, will dedicate resources for the care and treatment of deteriorating historic structures and buildings

Action Outcomes

Project Name	Date Approved	Approved Amount	Expenditures To Date	Balance at 9/30/19
Guam Congress Building	5/18/15	\$2,783,379	\$2,758,379	\$25,000
4 Historic Homes in Inarajan – Const. Admin	6/22/15	\$128,960	\$72,619	\$24,205
Amend to remove Meno House		-\$32,136		
Antonia Chargualaf House	8/18/17	\$350,000	\$310,665	\$39,335
Change Order 1	9/29/17	\$43,350	\$43,350	\$0
Rosario House A&E	1/31/18	\$96,488	\$28,946	\$67,542
San Nicolas House A&E	1/31/18	\$83,218	\$24,966	\$58,252
Soils Testing	8/9/18	\$1,872	\$1,872	\$0
Fencing – Archbishop Flores House	4/13/18	\$10,000	\$6,493	\$3,507
Total		\$3,465,131	\$3,247,290	\$217,841

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Management's Discussion and Analysis, continued

6. Archaeological Research

The Guam Preservation Trust will work with archaeological organizations to provide for archaeological research to better understand Guam's history

Action Outcomes

Project Name	Date Approved	Approved Amount	Expenditures To Date	Balance at 9/30/19
Latte Quarrying Project	10/22/15	\$6,200	\$2,592	\$3,608
Developing Maritime Archaeology	2/27/17	\$20,250	\$20,250	\$0
**Archaeological Field School Training	1/11/19	\$2,500	\$0	\$2,500
Guam Rock Art Study	8/9/19	\$12,000	\$0	\$12,000
Total		\$40,950	\$22,842	\$18,108

**Board approved but program cancelled

7. Archival Research

The Guam Preservation Trust, in collaboration with archival organizations, will develop and provide archival research that focuses on specific historic places or broad patterns of events significant in Guam's history for public education and appreciation.

Action Outcomes

No proposals were received for this category; therefore, no funding was approved for FY19.

8. Grants Awarded to GPT

The Guam Preservation Trust applied and was awarded grants from local, federal, and national institutions to fund community outreach programs in preservation.

Action Outcomes

Project Name	Date Approved	Approved Amount	Expenditures To Date	Balance at 9/30/19
Take Care Grant – Heritage Communities are Healthy Communities	1/11/19	\$3,000	\$2,027	\$973
NTHP Richard & Julia Moe Grant – Ekungok I Estoriata	2/22/19	\$10,000	\$493	\$9,507
Dept. of Interior Grant -Pacific Preservation Technologies	4/29/19	\$94,801	\$0	\$94,801
Organization of American Historians Grant – Manenggon – National Historic Landmark Nomination	4/26/19	\$9,940	\$178	\$9,762
Dept. of Interior Grant - World Heritage Training and Workshop Opportunities	9/6/19	\$63,217	\$0	\$63,217
Total		\$180,958	\$2,698	\$178,260

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Management's Discussion and Analysis, continued

Financial Analysis

Our analysis is based on the following condensed financial data for the years ended September 30, 2019, 2018 and 2017.

	September 30, 2019	September 30, 2018	September 30, 2017	(decrease) from 2018	2019 % increase
				(decrease) from 2018	2019 % increase
<u>Statement of Net Position</u>					
Assets:					
Cash and cash equivalents	\$ 684,031	\$ 765,712	\$ 330,233		-10.67%
Investments	934,239	1,212,885	2,124,789		-22.97%
Due from building permit fund, net	82,118	122,889	---		-33.18%
Other receivable	4,286	---	---		---
Other assets	<u>10,563,838</u>	<u>10,282,859</u>	<u>10,268,911</u>		2.73%
Total assets	<u>12,268,512</u>	<u>12,384,345</u>	<u>12,723,933</u>		-0.94%
Liabilities:					
Accrued expenses	80,940	74,471	63,574		8.69%
Deferred revenue	---	---	14,364		---
Deposits payable - grants	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>		0.00%
Total liabilities	<u>88,940</u>	<u>82,471</u>	<u>85,938</u>		7.84%
Net position:					
Invested in capital assets	655,137	374,159	360,211		75.10%
Unrestricted	1,615,734	2,019,015	2,369,084		-19.97%
Restricted	<u>9,908,701</u>	<u>9,908,700</u>	<u>9,908,700</u>		0.00%
Total net position	<u>\$ 12,179,572</u>	<u>\$ 12,301,874</u>	<u>\$ 12,637,995</u>		-0.99%

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Management's Discussion and Analysis, continued

Financial Analysis, continued

	Year ended September 30, 2019	Year ended September 30, 2018	Year ended September 30, 2017	2019 % increase (decrease) from 2018
<u>Statement of Activities</u>				
Building permit fees	\$ 820,229	\$ 611,435	\$ 676,182	34.15%
Grants / support - unrestricted	301,829	109,600	70,344	175.39%
Interest income	<u>66,808</u>	<u>84,199</u>	<u>85,235</u>	-20.65%
Total revenues	1,188,866	805,234	831,761	47.64%
Expenditures	(1,211,168)	(1,141,355)	(1,811,467)	6.12%
Transfer to other fund	(<u>100,000</u>)	(<u>---</u>)	(<u>---</u>)	
Decrease in net position	<u>(122,302)</u>	<u>(336,121)</u>	<u>(979,706)</u>	-63.61%
Net position at beginning of year	<u>12,301,874</u>	<u>12,637,995</u>	<u>13,617,701</u>	-2.66%
Net position at end of year	<u>\$ 12,179,572</u>	<u>\$ 12,301,874</u>	<u>\$ 12,637,995</u>	-0.99%

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Management's Discussion and Analysis, continued

Revenues

The Trust receives most of its revenues from the Building Permit Fees administered by the Guam Department of Public Works. A compilation is conducted every quarter by our accounting services provider to cross check totals listed on the Trust's Special Accounts with the Guam Department of Administration. This allows a check and balance for any discrepancies such discrepancies are then reported to the Director of Public Works who oversees to Building Permit Section.

Public Law 66-33

Public Law 33-66 amended Article 6, Chapter 76, Title 21 of the Guam Code Annotated, to allow for 50% of all building permit fees to be deposited in the Trust's fund. This became effective starting fiscal year ending September 30, 2016. In the same law, separate from the 50% re-allocation, the legislature further amended Article 6, Chapter 76, Title 21 that mandated \$100,000 to the Guam State Historic Preservation Office for the mitigation fund to hire archaeologist for the division.

Building Permit Revenues Collection

For fiscal year 2019, the Trust recorded a total of \$820,229 of building permit fee income (50% of the total collected revenues from Building Permit Fees), an increase by \$208,794 or about 34% from the FY 2018 total of \$611,435. This increase is due to the increase in construction activity in 2019. Construction activity can be as large as a hotel development or as small as renovation on a home or existing small structure.

Investments

Interest income on investments decreased slightly between FY 2018 and FY 2019. In FY 2019, \$66,808 was earned on interest income, compared to \$84,199 in FY 2018. The slight decrease is due to the drawdowns from investment accounts to pay for capital improvement project such as the Antonia Chargualaf House Project. These drawdowns were anticipated for FY 2019.

Expenditures

Overall expenditures for FY 2019 is \$1,211,168, an increase of approximately 6% from FY 2018 total of \$1,141,355. This is attributed mostly to the last payment of construction retaining balance for the Chargualaf House project.

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Governmental Funds Balance Sheet/Statement of Net Position

September 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets:			
Cash and cash equivalents	\$ 684,031	\$ ---	\$ 684,031
Investments	934,239	---	934,239
Due from Government of Guam Building Permit Fund, net	82,118	---	82,118
Other receivable	4,286	---	4,286
Depreciable capital assets, net	---	58,530	58,530
Nondepreciable capital assets	---	10,505,308	10,505,308
 Total assets	 <u>\$ 1,704,674</u>	 <u>10,563,838</u>	 <u>12,268,512</u>
Liabilities and Fund Balance/Net Position:			
Accrued expenses	\$ 28,779	---	28,779
Grant deposit	8,000	---	8,000
Long-term liability:			
Due in one year	---	10,467	10,467
Due after one year	---	41,694	41,694
 Total liabilities	 <u>36,779</u>	 <u>52,161</u>	 <u>88,940</u>
Commitments and contingencies			
Fund balances - assigned	<u>1,667,895</u>	(<u>1,667,895</u>)	
Total fund balances	<u>1,667,895</u>	(<u>1,667,895</u>)	
Total liabilities and fund balances	<u>\$ 1,704,674</u>		
Net position:			
Invested in capital assets	655,137		655,137
Unrestricted	1,615,734		1,615,734
Restricted	9,908,701		9,908,701
Total net position	<u>\$ 12,179,572</u>	\$ <u>12,179,572</u>	

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**Statement of Governmental Fund Revenues, Expenditures and Changes in Fund
Balance/Statement of Activities**

Year ended September 30, 2019

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Building permit fees	\$ 820,229	\$ ---	\$ 820,229
Grants and other support	20,269	281,560	301,829
Interest income	<u>66,808</u>	<u>---</u>	<u>66,808</u>
Total revenues	<u>907,306</u>	<u>281,560</u>	<u>1,188,866</u>
Expenditures:			
Program services - projects/grants	<u>626,883</u>	<u>---</u>	<u>626,883</u>
Supporting services:			
Personnel	415,273	6,515	421,788
Contractual	58,255	---	58,255
Insurance	26,757	---	26,757
Travel	17,067	---	17,067
Supplies and equipment rental	16,779	---	16,779
Utilities	15,214	---	15,214
Trust fund and investment fees	11,152	---	11,152
Depreciation expense	---	7,300	7,300
Communication	4,532	---	4,532
Advertising	2,723	---	2,723
Stipend	1,550	---	1,550
Miscellaneous	1,168	---	1,168
Capital outlay	<u>6,719</u>	<u>(6,719)</u>	<u>---</u>
	<u>577,189</u>	<u>7,096</u>	<u>584,285</u>
Total expenditures/expenses	<u>1,204,072</u>	<u>7,096</u>	<u>1,211,168</u>
Deficiency of revenues under expenditures before transfer	(<u>296,766</u>)	---	---
Other financing uses - transfer out to other fund	(<u>100,000</u>)	---	(<u>100,000</u>)
Deficiency of revenues under expenditures	(<u>396,766</u>)	396,766	
Decrease in net position	(<u>122,302</u>)	(<u>122,302</u>)	
Fund balance/net position:			
Beginning of year	<u>2,064,661</u>	<u>---</u>	<u>12,301,874</u>
End of year	<u>\$ 1,667,895</u>	<u>\$ ---</u>	<u>\$ 12,179,572</u>

Guam Preservation Trust
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Notes to Financial Statements

Year ended September 30, 2019

1. Organization

The Guam Preservation Trust (the Trust) was established by Public Law 20-151 dated March 21, 1990 (as amended by Public Law 21-07 on April 19, 1991 and amended by Public Law 27-89 on May 6, 2004) as a public, non-profit corporation.

The Trust is a component unit of the Government of Guam. The Trust is governed by a Board of Directors, who shall be appointed by the Governor of Guam with the advice and consent of the Guam Legislature. Employees of the Trust are not Government of Guam employees and, accordingly, do not participate in the Government of Guam's retirement system.

The Trust was created for the following purposes:

- To seek grants and donations;
- To acquire title to threatened Guam properties for the preservation of their value whether in fee simple, leasehold, or by easement, through donation, transfer, dedication, purchase and eminent domain;
- To award grants for archaeological investigations;
- To prepare a Guam Preservation Trust Master Plan (the Plan) identifying by order of priority, the buildings, structures and sites which in the opinion of the Trust are deserving of preservation and which shall be preserved. The Trust shall hold a public hearing on the proposed plan and shall transmit the Plan to I Liheslaturan Guahan sixty (60) days prior to its implementation; and
- To support other activities directly related to increasing public appreciation of and benefit from historical places.

2. Summary of Significant Accounting Policies

The Trust's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

The financial statements of the Trust are prepared in accordance with U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing Governmental Accounting and Financial Reporting Principles.

Guam Preservation Trust
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Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Government-wide Financial Statements

The statement of net position presents the non-fiduciary financial condition of the Trust's assets after liabilities are deducted and consists of (1) assets invested in capital assets net of accumulated depreciation, (2) restricted assets reduced by liabilities and deferred inflows of resources related to those assets and (3) unrestricted assets.

Assets are reported as restricted when constraints are imposed by third parties or enabling legislation.

Measurement Focus/Government-wide and Fund Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus.

The governmental fund financial statements of the Trust are accounted for using a flow of current financial resources measurement focus. The statement of governmental fund revenues, expenditures and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means that the amount of the transaction can be determined and "available" means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for revenue recognition for all governmental fund type revenues. Expenditures are recorded when the related fund liability is incurred.

Fund Financial Statements

The Trust uses one governmental fund to report on its financial position and results of operations. The operations of this fund are accounted for with a self-balancing set of accounts that comprises its assets, liabilities, fund equity, revenues and expenditures.

Separate financial statements are provided for Governmental funds. The Trust presents a balance sheet and a statement of revenues, expenditures and changes in fund balance for its government fund. The ending fund balance on the balance sheet is then reconciled to the ending governmental net position.

Guam Preservation Trust
(A Component Unit of the Government of Guam)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Fund Financial Statements, continued

Adjustments required to reconcile total governmental fund balance to net position of governmental activities in the statement of net position as of September 30, 2019 are as follows:

Fund balance – governmental funds	\$ 1,667,895
Add – capital assets	10,563,838
Less – compensated absences payable	(<u>52,161</u>)
Net position of governmental activities	<u>\$12,179,572</u>

Adjustments required to reconcile net change in total governmental fund balance to change in net position of governmental activities in the statement of activities for the year ended September 30, 2019 are as follows:

Net change in fund balances – governmental funds	\$ (396,766)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which the depreciation exceeded capital outlays	(581)
Some income and expenses reported in the statement of activities do not affect the current financial resources and therefore are not reported as income and expenditures in the governmental funds. This amount consists of the change in the compensated absence balance and donated land	<u>275,045</u>
Change in net position of governmental activities	<u><u>\$ (122,302)</u></u>

Cash and Cash Equivalents

For the purpose of presentation in the Governmental Funds balance sheet/statement of net position, cash and cash equivalents consist of cash balances deposited in banks and money market accounts.

Investments

Investments are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale and are primarily determined based on quoted market values.

Budget

An annual appropriated budget has not been formally adopted on a legal basis or a basis consistent with GAAP. Accordingly, a budget to actual presentation is not required or presented.

Guam Preservation Trust
(A Component Unit of the Government of Guam)

Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Capital Assets

Property and equipment are stated at cost at the date of acquisition. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful life of the assets are expensed. Donated capital assets are recorded at estimated fair market value at the date of donation. Capital assets are depreciated over a period of 3 to 25 years using the straight-line method.

Impairment of Capital Assets

In accordance with GASB Statement No. 42 *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* the Trust evaluates prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred.

A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstances is outside the normal life cycle of the capital asset. Impaired capital assets that will no longer be used are reported at the lower of carrying value or fair value.

Revenue Recognition

Revenues are recorded upon notification of receipt of building permit fees by the Government of Guam's Department of Administration.

Revenues of the Trust are comprised of building permit fees and interest earned on cash and investment balances. Public Law 20-151, Section 13, provides that the Trust will receive building permit fees and re-inspection fees collected by the Department of Public Works of the Government of Guam and fines for vandalism and unlawful taking of historic properties.

Public Law 33-66 amended Article 6, Chapter 76, Title 21 of the Guam Code Annotated, to allow for 50% of all building permit fees to be deposited in the Trust's fund. This became effective starting fiscal year ending September 30, 2016.

Income Taxes

The Trust is exempt from Guam income taxes under Section 501(c)(3) of the Guam Territorial Income Tax Law.

Guam Preservation Trust
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Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Compensated Absences

GASB Statement No. 16, *Accounting for Compensated Absences*, provides that liabilities for vacation leave and other compensated absences, excluding sick leave, will be accrued provided the leave is attributable to past service.

The Trust compensates its employees for annual leave as follows:

- One half day (4 hours) for each full biweekly pay period in the case of employees with less than (1) to five (5) years of service;
- Three-fourths day (6 hours) for each biweekly pay period except that for accrual for the last full biweekly pay period in the year shall be one and one-fourth (10 hours) in the case of employees with six (6) to ten (10) years of service;
- One day (8 hours) for each full biweekly pay period in the case of employees with eleven (11) or more years of service.

Employees entitled to annual leave may accumulate up to four hundred eighty (480) hours thereof. Any annual leave earned by eligible employees in excess of four hundred eighty (480) hours shall be automatically credited to such employee's accumulated sick leave, provided, that not more than one hundred (100) hours shall be credited to said sick leave.

Fund Balances - Assigned

Assigned fund balances for governmental funds represent the amount available for funding historical preservation projects as determined by the Board of Directors of the Trust.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

Reclassification

Certain reclassifications have been made to the 2018 financial statements for comparative purposes. Such reclassifications have no effect on the previously reported decrease in net position.

Guam Preservation Trust
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Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Recently Adopted Accounting Pronouncements

In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance of this statement. The implementation of this statement did not have a material effect on the accompanying financial statements.

In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The implementation of this statement did not have a material effect on the accompanying financial statements.

Upcoming Accounting Pronouncements

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. GASB Statement No. 84 will be effective for fiscal year ending September 30, 2020.

In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. GASB Statement No. 87 will be effective for fiscal year ending September 30, 2021.

Guam Preservation Trust
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Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements, continued

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. GASB Statement No. 89 will be effective for fiscal year ending September 30, 2021.

In March 2018, GASB issued Statement No. 90, *Majority Equity Interests – An Amendment of GASB Statements No. 14 and 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. GASB Statement No. 90 will be effective for fiscal year ending September 30, 2020.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB Statement No. 91 will be effective for fiscal year ending September 30, 2022.

Guam Preservation Trust
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Notes to Financial Statements, continued

2. Summary of Significant Accounting Policies, continued

Upcoming Accounting Pronouncements, continued

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The requirements of this Statement will enhance comparability in the application of accounting and financial reporting requirements and will improve the consistency of authoritative literature. More comparable reporting will improve the usefulness of information for users of state and local government financial statements. This Statement addresses a variety of topics and includes specific provisions about leases; reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; applicability of Statement no. 73 and 84 for postemployment benefits, measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. GASB Statement No. 92 will be effective for fiscal year ending September 30, 2020.

The Trust is currently evaluating the effects the above upcoming accounting pronouncements might have on its financial statements.

3. Cash and Cash Equivalents and Investments

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, the Trust has assessed the custodial credit risk, interest rate risk, credit risk, and concentration of credit risk of its cash and cash equivalents, and investments.

Custodial Credit Risk

Custodial credit risk for cash and cash equivalents and investments is the risk that in the event of the failure of the counterparty to the transaction, the Trust's deposits and investments may not be returned to it. The Trust does not have a deposit and/or investment policy for custodial credit risk. As of September 30, 2019, cash and cash equivalents and investments were held by depositories and amounted to \$1,618,270 of which \$1,073,600 were insured and \$544,670 were uninsured and uncollateralized. Based on negotiated trust and custody contracts, all of the investments were held in the Trust's name by the Trust's custodial financial institution at September 30, 2019.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. To minimize interest rate risk, a majority of the Trust's investments have maturities of one year or less. This reduces the impact of interest rate movements seen with longer maturity investments.

Guam Preservation Trust
 (A Component Unit of the Government of Guam)

Notes to Financial Statements, continued

3. Cash and Cash Equivalents and Investments, continued

Concentration of Credit Risk

Concentration of credit risk for investments is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. The Trust minimized credit risk losses by limiting investments to low risk securities. The following represents the Trust's investments as of September 30, 2019:

Type	Amount	% of Portfolio
Time certificates of deposits (TCDs)	\$220,025	23%
Equity securities	342,528	37%
Mutual Funds	204,050	22%
Exchange Traded Funds (ETFs)	<u>167,636</u>	<u>18%</u>
	<u>\$934,239</u>	<u>100%</u>

Investments Measured at Fair Value

The Trust categories its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following presents the Trust's assets carried at fair value by fair value hierarchy at September 30, 2019:

	Total	Level 1	Level 2	Level 3
Investments by fair value :				
Equity securities	\$ 342,528	\$ 342,528	\$ ---	\$ ---
ETFs	167,636	167,636	---	---
Mutual Funds	<u>204,050</u>	<u>204,050</u>	<u>---</u>	<u>---</u>
Total investments by fair value level	<u>714,214</u>	<u>\$ 714,214</u>	<u>\$ ---</u>	<u>\$ ---</u>
Investment measured at a cost based measure:				
TCD	<u>220,025</u>			
	<u>\$ 934,239</u>			

Guam Preservation Trust
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Notes to Financial Statements, continued

3. Cash and Cash Equivalents and Investments, continued

Investments Measured at Fair Value, continued

At September 30, 2019, the Trust had the following investment maturities:

Investment type	Total	Less than 1	1 - 5	6 - 10	More than 10
		Year	Years	Years	Years
TCDs	\$ 220,025	\$ 220,025	\$ ---	\$ ---	\$ ---
Equity securities	342,528	342,528	---	---	---
ETFs	167,636	167,636	---	---	---
Mutual Funds	204,050	204,050	---	---	---
	\$ 934,239	\$ 934,239	\$ ---	\$ ---	\$ ---

4. Due from Government of Guam Building Permit Fund

The Trust records amounts due from the Government of Guam Building Permit Fund for accumulated building permit fees and re-inspection fees collected and deposited with the Treasurer of Guam by the Government of Guam's Department of Public Works but not yet transferred to the Trust. Management of the Trust is of the opinion that such balances are due and payable to the Trust. The Trust recorded an allowance for uncollectible receivables totaling \$1,535,014 as of September 30, 2019.

5. Property and Equipment

The following is a summary of the changes in capital assets for the year ended September 30, 2019:

	Beginning Balance <u>October 1, 2018</u>	Transfers and <u>Additions</u>	Transfers and <u>Deletions</u>	Ending Balance <u>September 30, 2019</u>
Capital assets depreciated:				
Furniture, fixtures, and equipment	\$ 116,090	\$ 6,719	\$ ---	\$ 122,809
Less accumulated depreciation	(56,979)	(7,300)	---	(64,279)
Net capital assets depreciated	<u>\$ 59,111</u>	<u>\$ (581)</u>	<u>\$ ---</u>	<u>\$ 58,530</u>
Capital assets not depreciated:				
Construction-in-progress	\$ 52,189	\$ ---	\$ ---	\$ 52,189
Land	<u>10,171,559</u>	<u>281,560</u>	<u>---</u>	<u>10,453,119</u>
	<u>\$10,223,748</u>	<u>\$281,560</u>	<u>\$ ---</u>	<u>\$10,505,308</u>

Guam Preservation Trust
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Notes to Financial Statements, continued

5. Property and Equipment, continued

In February 2014, the Trust received donated land with a fair market value of approximately \$9.9 million at the date of donation. The donor placed restrictions over the use of the land. Accordingly, the Trust recorded the land as a component of restricted net position.

In January 2016, the Trust purchased a historical home which will be rehabilitated. The cost of the home is \$52,189.

In November 2018, the Trust received donated property with a value assessed at \$281,560.

6. Commitments and Contingencies

In December 2010, the Trust entered into a memorandum of agreement with the Guam Department of Parks and Recreation and the State Historic Preservation office regarding the obligations and rights with respect to the occupancy and the maintenance of the Jose P. Lujan House ("Lujan House"). In exchange of using the Lujan House for office space at no cost, the Trust is to pay for certain costs, including utilities and insurance for the building. The term of the agreement will be for 25 years with a 5 year option to renew at the end of the term.

The Trust has commitments to pay \$559,477 to fund grants approved as of September 30, 2019. The Trust will release the funds to the grantees only upon satisfactory performance by the grantees of requirements called for in their respective grant agreements.

7. Employees' Retirement Plan

Employees of the Trust are not classified as Government of Guam employees and do not participate in the Government of Guam Employees' Retirement System. Instead, the Trust's Board of Directors, through Resolution 0806-31, approved the adoption of a Simple IRA Retirement Plan.

Employees can contribute up to the maximum allowable limit and the Trust offers a matching contribution of up to three percent (3%) of the gross annual salary of employees. To qualify, employees must complete one year of service with the Trust.

For the year ended September 30, 2019, the retirement contribution amounted to \$5,849 which is included as a component of personnel services in the accompanying Statement of Government Fund Revenues, Expenditures and Changes in Fund Balance/Statement of Activities.

8. Long-Term Liability

A summary of changes in long-term liability during fiscal year 2019 is as follows:

	Outstanding October 1, 2018	Increase	Decrease	Outstanding September 30, 2019	Current	Noncurrent
Compensated Absenses	\$ 45,646	\$ 13,030	\$(6,515)	\$ 52,161	\$ 10,467	\$ 41,694

Guam Preservation Trust
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Notes to Financial Statements, continued

9. Transfer

During 2019, the Government of Guam's Department of Administration transferred \$100,000 of GPT's building permit fee revenues to the Historic Preservation Archeological Mitigation Fund administered by the Government of Guam's Department of Parks and Recreation in accordance with Public Law 33-66.

10. Subsequent Events

The Trust has evaluated subsequent events through February 26, 2020. It is also the date that the financial statements were available to be issued.

Supplementary Information

Guam Preservation Trust
(A Component Unit of the Government of Guam)

Governmental Funds
Balance Sheet/Statement of Net Position
September 30, 2019
(With comparative totals as of September 30, 2018)

	General Fund <u>2019</u>	General Fund <u>2018</u>	Statement of Net Position <u>2019</u>	Statement of Net Position <u>2018</u>
Assets:				
Cash and cash equivalents	\$ 684,031	\$ 765,712	\$ 684,031	\$ 765,712
Investments	934,239	1,212,885	934,239	1,212,885
Due from Government of Guam				
Building Permit Fund, net	82,118	122,889	82,118	122,889
Other receivable	4,286	---	4,286	---
Depreciable capital assets, net	---	---	58,530	59,111
Nondepreciable capital assets	---	---	<u>10,505,308</u>	<u>10,223,748</u>
Total assets	<u>\$ 1,704,674</u>	<u>\$ 2,101,486</u>	<u>12,268,512</u>	<u>12,384,345</u>
Liabilities and Net Position:				
Accrued expenses	\$ 28,779	\$ 28,825	\$ 28,779	\$ 28,825
Grant deposit	8,000	8,000	8,000	8,000
Long-term liability:				
Due in one year	---	---	10,467	7,706
Due after one year	---	---	<u>41,694</u>	<u>37,940</u>
Total liabilities	<u>36,779</u>	<u>36,825</u>	<u>88,940</u>	<u>82,471</u>
Fund balances - assigned	<u>1,667,895</u>	<u>2,064,661</u>	<u>---</u>	<u>---</u>
Total fund balances	<u>1,667,895</u>	<u>2,064,661</u>	<u>---</u>	<u>---</u>
Total liabilities and fund balances	<u>\$ 1,704,674</u>	<u>\$ 2,101,486</u>		
Net position:				
Invested in capital assets			655,137	374,159
Unrestricted			1,615,734	2,019,015
Restricted			<u>9,908,701</u>	<u>9,908,700</u>
Total net position			<u>\$ 12,179,572</u>	<u>\$ 12,301,874</u>

Guam Preservation Trust
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**Statement of Governmental Fund Revenues, Expenditures and
 Changes in Fund Balance /Statement of Activities**
Year ended September 30, 2019
(With comparative totals for the year ended September 30, 2018)

	General Fund <u>2019</u>	General Fund <u>2018</u>	Statement of Activities <u>2019</u>	Statement of Activities <u>2018</u>
Revenues:				
Building permit fees	\$ 820,229	\$ 611,435	\$ 820,229	\$ 611,435
Grants and other support	20,269	109,600	301,829	109,600
Interest income	<u>66,808</u>	<u>84,199</u>	<u>66,808</u>	<u>84,199</u>
Total revenues	<u>907,306</u>	<u>805,234</u>	<u>1,188,866</u>	<u>805,234</u>
Expenditures:				
Program services - projects/grants	<u>626,883</u>	<u>562,700</u>	<u>626,883</u>	<u>562,700</u>
Supporting services:				
Personnel	415,273	356,250	421,788	401,896
Contractual	58,255	50,716	58,255	50,716
Insurance	26,757	27,124	26,757	27,124
Travel	17,067	32,614	17,067	32,614
Supplies and equipment rental	16,779	25,685	16,779	25,685
Utilities	15,214	7,650	15,214	7,650
Trust fund and investment fees	11,152	14,699	11,152	14,699
Capital outlay	6,719	21,672	---	---
Communication	4,532	4,693	4,532	4,693
Advertising	2,723	2,080	2,723	2,080
Stipend	1,550	1,450	1,550	1,450
Miscellaneous	1,168	2,324	1,168	2,324
Depreciation expense	---	---	7,300	7,724
	<u>577,189</u>	<u>546,957</u>	<u>584,285</u>	<u>578,655</u>
Total expenditures/expenses	<u>1,204,072</u>	<u>1,109,657</u>	<u>1,211,168</u>	<u>1,141,355</u>
Deficiency of revenues over expenditures before transfer	(296,766)	(304,423)	---	---
Other financing uses - transfer out to other fund	(100,000)	---	(100,000)	---
Deficiency of revenues over expenditures	(396,766)	(304,423)	(122,302)	(336,121)
Decrease in net position				
Beginning of year	2,064,661	2,369,084	12,301,874	12,637,995
End of year	<u>\$ 1,667,895</u>	<u>\$ 2,064,661</u>	<u>\$ 12,179,572</u>	<u>\$ 12,301,874</u>

Guam Preservation Trust
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Schedule of Grant Projects Reserved for Encumbrances

Description	Grant no.	Date approved	Grant amount	Year-to-date expenditures FYE 09/30/18	Expenditures year-ended 09/30/19	Outstanding encumbrance 09/30/19
Taleyfak Bridge Signage	HS10-01(A)	04/17/13	\$ 10,000	\$ 215	\$ -	\$ 9,785
FQ Sanchez Facility - A&E	HS15-01	12/18/14	208,054	207,554	-	500
Architecture Book for Guam	BP15-07	02/23/15	49,500	41,250	4,125	4,125
Guam Congress/Legislature Change Order 1	HS15-03	05/18/15	2,759,278	2,758,379	-	899
Historic Inarajan 4 Homes-Const Admin Amend to reduce Meno Hse \$32,136	HS13-01	06/22/15	128,960	34,083	38,536	56,341
Teaching with Historic Places	BP15-16	08/13/15	14,400	4,315	1,200	8,885
Latte Quarrying Project	BP16-02	10/22/15	6,200	2,592	-	3,608
Capital Campaign - GPT	BP17-10	07/10/17	20,000	266	-	19,734
Developing Capacity in Maritime Archaeology	GPTG17-02	02/27/17	20,250	15,200	5,050	-
Antonia Chargualaf House Amendment 1	HS17-01	08/18/17	350,000	-	310,665	39,335
Rosario & San Nicolas A&E Motion - Soils Testing	HS18-01	01/31/18	179,706	-	53,912	125,794
Takhelo na Tiningo gi Fino Yan Kutturan Chamoru	GPTG18-02	04/13/18	55,606	-	55,606	-
Humatak Revitalization Plan	BP18-02	11/08/17	50,000	12,500	25,000	12,500
Pacific Heritage Youth Summit	BP18-06	07/10/17	20,000	7,411	(451)	13,040
APIAHip NTHP	BP19-01	08/21/18	20,000	-	20,155	(155)
Latte in the Marianas & Art Icon in the Marianas Conceptual Design - Site 2303	BP19-02	10/15/18	5,428	-	-	5,428
*Fencing - Archbishop Flores House	BP19-03	12/10/18	18,740	-	18,740	-
*Chamoru Language Competition	BP19-05	04/13/18	10,000	-	6,493	3,507
**Archaeological Field School Training	BP19-06	01/11/19	500	-	211	289
Women in History	BP19-07	01/11/19	2,500	-	-	2,500
Ekungok I Estorriata	BP19-08	02/22/19	1,000	-	1,000	-
Marianas History Conference	BP19-09	02/22/19	10,000	-	-	10,000
Pacific Historic Parks Consortium	BP19-11	04/26/19	5,000	-	5,000	-
Modern Guam Rises From the Destruction of War	BP19-12	04/26/19	2,500	-	2,500	-
National History Day	GPTG19-01	02/22/19	17,151	-	4,288	12,863
Guam Rock Art Study	GPTG19-02	02/22/19	20,000	-	20,000	-
Learning Chamoru - Discovering Guam's History	GPTG19-03	08/09/19	12,000	-	-	12,000
Kantan Hereru- A Blacksmith's Song Film & Curriculum	GPTG19-04	08/09/19	9,950	-	-	9,950
***Guam Historic Courthouse Restoration Planning Project	GPTG19-05	09/06/19	7,660	-	-	7,660
	GPTG19-06	09/06/19	50,000	-	-	50,000
Awarded grants:						-
Heritage Communities Are Healthy Communities (Take Care Grant)	BP19-04	01/11/19	3,000	-	(3,000)	6,000
Ekungok I Estorriata (NTHP Richard & Julia Moe Grant)	BP19-09	02/22/19	10,000	-	493	9,507
Pacific Preservation Technology Proj	BP19-10	04/29/19	94,801	-	-	94,801
Manenggon Nomination - National Historic Landmark (Org of American Historians Grant)	BP19-13	04/26/19	9,940	-	178	9,762
World Heritage Training and Workshop Opportunities (Dept. of Interior Grant)	BP19-14	09/06/19	63,217	-	-	63,217
			\$ 4,292,461	\$ 3,083,765	\$ 626,883	\$ 581,813
Less: *Projects completed. Any unused portion will be reverted back to the Trust.						3,796
**Project Cancelled						2,500
*** Sponsorship award Granted by TakeCare, recorded as deduction. Total net of grant not incurred as of YE is \$973.						3,000
Total outstanding encumbrances as of FY2019						\$ 572,517