



EDDIE BAZA CALVO
Governor

RAY TENORIO
Lieutenant Governor

Office of the Governor of Guam.

July 15, 2015

The Honorable Doris Flores Brooks, CPA, CGFM
Public Auditor
Suite 401, DNA Building
238 Archbishop Flores Street
Hagåtña, Guam 96910

Dear Mrs. Brooks,

I write to you in appreciation of your work to protect the interests of the people of Guam. The knowledge and experience you have as a professional have garnered respect from me and many other Guamanians. I have always been confident in your abilities and in the leadership you provide the office, which you serve. Your audits are extremely important and have been clearly driven by sound accounting practices and principles. I also want to thank professional companies like Deloitte and Touche that work with your office to ensure accountability in our government.

Thank you for acknowledging that the transition of Layon and Solid Waste management from GBB should begin sooner rather than later. A transition plan and manager are necessary to ensure that the local government is prepared to take over operations in a responsible manner once the Receiver leaves. You are right that there has been opposition to the creation of such a plan, as well as the hiring of the right people to make it happen.

It was with some concern that I read about the receiver's lack of cooperation in providing information and attending necessary meetings that caused a delay in the completion of the 2014 audit. My concern was compounded when you commented on the lack of professionalism with which GBB conducted business, and even the misrepresentation your office found in a GBB quarterly report to the District Court.

This administration is just as concerned about the lack of transparency in how the Receiver reports to the District Court how it is spending Guamanians' money. Prior to the start of this administration, David Manning looked me in the eye and told me that GBB was able to achieve a \$30 million savings. Not too long after that, he reversed his statement; the \$30 million savings disappeared.



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You note in your letter that the Receiver has been given free reign to spend tax payers' money and dictate to the people of Guam what must now be added to the list of Consent-Decree projects. I appreciate that you have raised the flag in concern of how new projects are being added to this growing list.

I was dismayed at his response to your letter. I don't believe that raising concerns in how the taxpayers' money is spent would be considered "wrong and disrespectful." This is an example of the challenges the administration has had to deal with over the years; whenever our team recommends solutions, their ideas are often met with disdain, and should anyone question their actions, GBB would react with anger.

The absence of accountability, an inability to create and live within a sound financial structure, and unwillingness to work with the local government contradict the objectives that GBB noted on their own website: "to work with Guam's government, the Guam Solid Waste Authority, solid waste companies, the people of Guam, and the U.S. military to establish a long-term, financially viable and sustainable waste management system for Guam."

In contrast, this administration in the last five years has worked tirelessly to improve its financial management — while also subsidizing a solid waste system overseen by GBB. The government is held to a certain standard by the people and that's as it should be — without accountability you can throw as much money at a problem and it still wouldn't be solved.

This administration has never argued that there have been improvements in the management of the island's solid waste system. But over seven years and \$200 million later, the Receiver is only now just nearing completion of the Consent Decree. The Receivership can't go on forever. At some point, the District Court must allow Guam to move forward as a community and be given the opportunity to manage GSWA.

Sincerely,

Eddie Baza Calvo
Governor of Guam

