

KUMISION INANGOKKON TANO' CHAMORRO (CHAMORRO LAND TRUST COMMISSION)

Fiscal Year 2015 Citizen Centric Report



Our Mission

To hold and protect Chamorro homelands for its beneficiaries and exercise diligence and uphold our fiduciary responsibility in the management of Chamorro homelands.

About CLTC

The Chamorro Land Trust Commission (CLTC) was created through the passage of Public Law 12-226 with the task to administer Chamorro Homelands. CLTC offers three types of lease programs which are residential, agriculture and commercial. CLTC has a land inventory of 11,061.78 acres that are located throughout the northern, central, and southern parts of Guam. The total land inventory administered by CLTC accounts for 33% of Government of Guam owned property. CLTC was merged with the Department of Land Management (DLM) through Advisory No. 9.

Our Goal

Advance the well-being of the Chamorro people by way of equitable land distribution.



Director

Michael J.B. Borja



Deputy Director

David V. Camacho

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Board Members

Pascual V.A. Sablan
Chairman

Joseph I. Cruz
Vice-Chairman

Amanda L. G. Santos
Commissioner

Gyongyi P. Fejeran
Commissioner

(Vacant)
Commissioner

Agriculture and Residential Program

In FY 2015 CLTC qualified a total of 49 applicants for its residential and agriculture programs amounting to a cumulative total of 11,263 since its inception. Furthermore, in FY 2015 CLTC issued a total of 100 residential and agriculture leases bringing total leased properties for the two programs to 2,846.22 acres.

Commercial Program

During FY 2015 the CLTC Board and Director worked collaboratively to initiate and complete the approval process of the CLTC Rules and Regulations for Commercial Use, in accordance with the Administrative Adjudication Law. As part of the process a public hearing was held and appropriate changes were made based on public comment. Immediately after board approval the Rules and Regulations was forwarded to the Office of the Attorney General for approval. Unfortunately, at the end of FY 2015 the proposed Commercial Rules and Regulations was disapproved by the Guam Legislature.

One commercial lease was issued in FY 2015 to GTA Teleguam for the properties occupied but granted a 10-year moratorium on lease payments as a result of the privatization sale.

Chamorro Home Loan Guaranty Program

In FY 2015 CLTC has work diligently with the Small Business Administration and Guam Housing Corporation to ensure that constituents with CLTC loan guaranties were current with their payments. As a result CLTC was able to identify loan guarantees that were considered charge-offs by the United States Treasury. Immediately after notifications were mailed and published. The constituents with charge-off accounts met with the Director to resolve the matter and prevent any defaults and foreclosures from occurring.

During FY 2015 two leases with loan guarantees have been reassigned and the new lessees assumed the indebtedness of the loans. At the end of FY 2015 CLTC Loan Guarantee liability decreased to \$8,762,603.

Real Property Taxes

At the end of FY 2015 real property tax assessment on CLTC property continued to experience anomalies associated with the identification and valuation of property. To address the concerns CLTC and Department of Revenue & Taxation initiated a Memorandum of Agreement (MOA) which is anticipated to be finalized and approved in the following fiscal year.



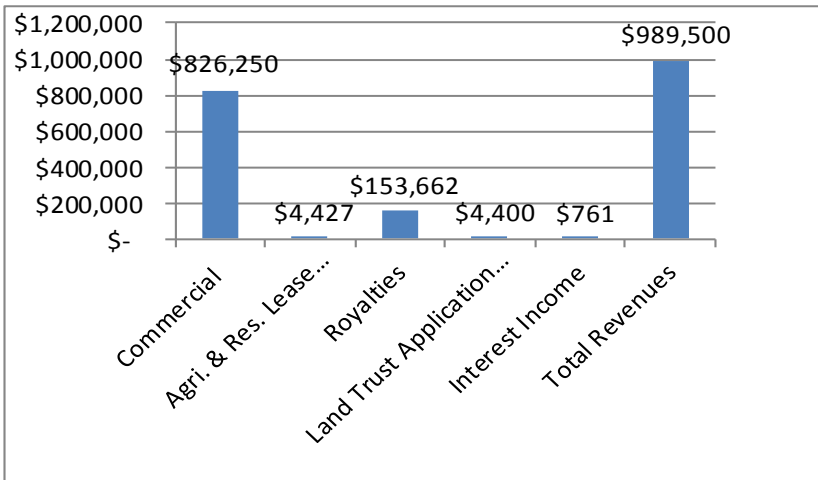
Financial System

The three previous financial audits conducted on CLTC each contained a finding regarding CLTC's lack of utilization of a formal accounting system. In FY 2015 CLTC implemented and utilized a financial accounting system. As a result this finding was not a rollover in CLTC's FY 2015 Financial Audit.

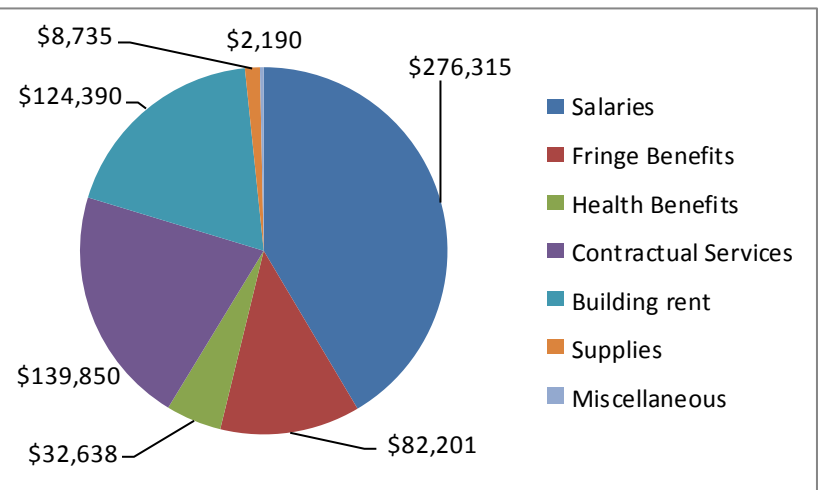
A Financial Audit conducted on CLTC's FY 2015 financial statements received an unmodified (clean) opinion from independent auditors, Deloitte and Touche, LLP.

CLTC Operations Fund

Commercial	\$ 826,250
Agri. & Res. Lease License	\$ 4,427
Royalties	\$ 153,662
Land Trust Application Fees	\$ 4,400
Interest Income	\$ 761
Total Revenues	\$ 989,500

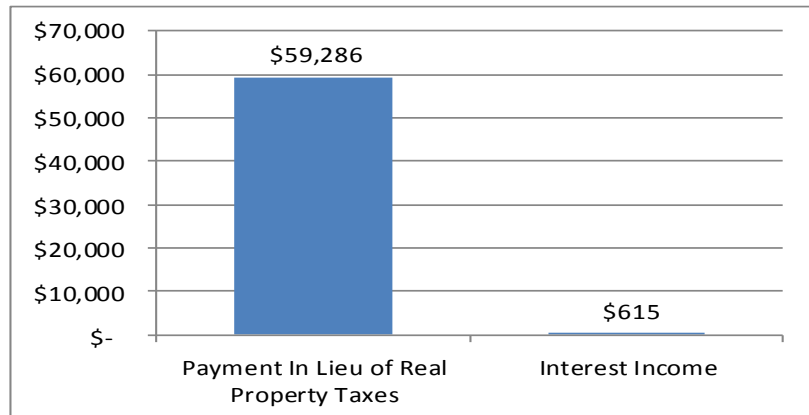


Salaries	\$ 276,315
Fringe Benefits	\$ 82,201
Health Benefits	\$ 32,638
Contractual Services	\$ 139,850
Building rent	\$ 124,390
Supplies	\$ 8,735
Miscellaneous	\$ 2,190
Total Expenditures	\$ 666,319



Chamorro Loan Guaranty Fund

Payment In Lieu of Real	\$ 59,286
Interest Income	\$ 615
Total Revenues	\$ 59,901



Future Challenges

FY 2015 has been a productive fiscal year for CLTC. Although, there are challenges that continue to adversely affect CLTC's ability to perform and accomplish our tasks mandated by law. Constituents are burden with the responsibility to survey property leased. Unfortunately, this has caused a delay in the issuance of leases due to the constituents inability to afford the cost of survey. Furthermore, CLTC does not have the financial resources to pay for the installation of basic infrastructure for leased property. Which has restricted our constituents from utilizing leased property to its full potential and calling a place home. CLTC has many other programs that have been dormant due to the unfunded accounts of several revolving and special funds.

Outlook

The Board of Commissioners and Director will continue to work with the resources made available through legislative appropriation to ensure that CLTC continues to fulfill our tasks mandated by law. Furthermore, management will continue the open door policy to work with our constituents, senators and the administration to ensure we bring our constituents a step closer to obtaining a land lease and calling a place home.



We Want to Hear from You

Did you find this report informative? Do you think we need more information added? If yes, please contact our office at 649-5263 ext. 600 or email us at dldir@land.guam.gov. Complete budgetary reports may be found on our website www.dlm.guam.gov