

PORT AUTHORITY OF GUAM

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NEWS RELEASE

Board Unanimously Approves FY25 Budget

Piti, Guam, August 30, 2024: The Port Authority of Guam Board of Directors unanimously approved the agency's budget for Fiscal Year 2025 during today's monthly board meeting.

The board members approved the new budget, projecting total revenues of \$54.2 M which is \$1.7M higher than the previous year's projected revenues of \$52.5M and FY 2025's total expenses of \$53M.

To arrive at a feasible revenue forecast, the Port Authority utilized a formula considering Guam's economic growth to project an added 3% increase in cargo-related proceeds to arrive at a realistic revenue projection for the agency. Using fiscal prudence, the Port's total expenses were based on the needs of each division and annual obligations to include yearly debt service of \$5.7 million, maintaining a Debt-Service Coverage Ratio (DSCR) of 1.5, days cash on hand – 500, and funding for capital improvement projects from bond, federal and local funding sources.

"Our 'bottom-up zero-based budgeting' approach focuses on financial accountability and sensible spending strategies while identifying cost-saving alternatives, and I am very pleased that this approach has proven successful for our previous fiscal years," said Port General Manager Rory J. Respicio. "I thank our Board of Directors for their support and for recognizing that this FY 2025 Budget demonstrates our best estimation of the upcoming fiscal year's resources, operational, and capital requirements. These numbers provide realistic valuations for the Port's financial position for FY 2025."

With the projected numbers on revenue and expense, the funds available for debt service will result in a debt ratio of 1.8.

"We have been spot-on achieving our revenue projections while spending significantly less than what we have been authorized to spend, and our decisions are prudent and transparent," said Respicio.

A copy of the approved FY 2025 budget will be uploaded on the Port's website at www.portofguam.com.

TRAGIC DEATH OF STEVEDORING SUPERINTENDENT REED TOPASNA DISCUSSED

Respicio today also formally notified the Board of the passing of Stevedoring Superintendent Reed Topasna who died in a tragic accident on August 24, 2024 during a hiking expedition at the Mount Taene area in Santa Rita-Sumai. Reed was with a group of fellow hikers when he fell into a 35-foot hole during the hike. Despite efforts to rescue Reed and airlift him to Naval Hospital via a military helicopter, he passed away from his injuries. Reed was a well-known hiker in the community where he served as

President of the non-profit hiking organization Guam Boonie Stompers. His days off were often spent hiking and exploring the beauty of our island.

“Reed significantly contributed to the agency’s growth, particularly in safeguarding Guam’s supply chain,” Respicio told the Board. “Reed consistently upheld the highest standards of integrity, treating fellow employees and Port customers with respect. His outstanding performance in fulfilling his duties and responsibilities is commendable.”

Mass and rosary are being held nightly at St. Jude Church in Sinajana. Funeral arrangements are set for September 9, 2024, at Our Lady of Peace and Safe Journey Catholic Church in Chalan Pago from 9:00 a.m. to 12:30 p.m., with the Funeral Mass at 1:00 p.m. On the same day at 8:00 a.m., Reed’s body will arrive at the Port for a proper greeting and send-off by the Governor, Lt. Governor, our Board, and all Port employees.

“Reed had a special light about him,” Respicio said. “He was always upbeat and positive, no matter the challenges before him. He loved the Port so much and inspired many, including myself. Reed will be deeply missed but never forgotten.”

Respicio also said that our continued prayers and condolences go out to Reed’s family, particularly Loretta Lynn Topasna, a member of our Port Strong Family, his daughter Shantae Cabrera, and his sons Blayz Reed Topasna, Rayden Zane Topasna, Sky San Augustin, Ryu Topasna, and Rafael Taitano. The Port also extends our deepest condolences and prayers to his siblings, Ryan and Ron Topasna, his sister Lorilee Crisostomo, his parents Ramon Tainatongo Topasna and Lucia Lydia Sanchez Topasna, his family, and Reed’s Port Strong Family and members of his hiking community.