

# Pacific Daily News

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HABA ADAI, IT'S WEDNESDAY

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75¢ on Guam



■ Don't forget to vote in today's Pacific Daily News poll. Today's question:

**Should DO-DEA students be eligible for Guam merit scholarships?**

■ Results from yesterday's PDN poll are on **PAGE 2**



**CHECK UP ON KIDS**

Parent-teacher conferences coming up. **SEE STORY, PAGE 2**



**ONLINE MUSINGS**

Tips show how to get your own blog started. **SEE STORY, PAGE 22**

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## Four arrested in ice smuggling

### Two men in detention allegedly coordinated drop-off

#### TO THE POINT

▲ Police have arrested four people for allegedly conspiring to smuggle the drug ice to inmates at the Hagåtña detention facility.



Francisco



Agustine



Anastacio

**By Tammy Anderson**

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Four people were arrested yesterday for allegedly conspiring to smuggle a package containing the drug ice into the Hagåtña detention facility.

Police and officials from the Department of Corrections began an in-

vestigation last week after DOC guards saw individuals in a vehicle allegedly throw a package over the 16-foot fence and into the yard of the prison facility.

Authorities yesterday arrested the two suspects, Bradley Agustine and Priscilla Martin Teliu.

▲ See **Inmates**. Page 4

## Subdivision's fate in judge's hands

**Temporary:** A portable toilet sits along the side of a Gill-Baza subdivision road in Yigo. Residents are required to install the toilets as part of an agreement to delay the eviction of residents.

▲ See **story**, Page 3



Ric A. Eusebio/Pacific Daily News/reusebio@guampdn.com



**TRIAL SET TO GO**

Davina Lujan still scheduled for sentencing today.

**SEE STORY, PAGE 8**

## Voters ignore Abramoff issue

**By Steve Limtiaco**

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The involvement of an off-island lobbyist in Guam's elections carries little weight with them and will not affect their decisions at the polls, several residents yesterday told the Pacific Daily News.

The head of the island's Democratic Party yesterday said the lobbyist issue needs to be explored more thor-

#### TO THE POINT

Voters interviewed yesterday said news of an off-island lobbyist's involvement in Guam's elections won't affect their decision in this year's elections.

#### INSIDE

▲ **Scandal:** Congressman Tom DeLay plans to resign. **Page 5**  
▲ **Inner circle:** Federal probe has edged closer to DeLay. **Page 14**

oughly, and the head of the Republican Party said he does not think it should be

an issue.

Former lobbyist Jack Abramoff has been linked to a 1998 effort to bring a federal investigation against then-Gov. Carl Gutierrez, and former Guam Delegate Robert Underwood has said Abramoff could be behind a 2002 mailer that painted Underwood as being allegedly biased

against Filipinos.

"It doesn't matter," said Tamuning resident Eva Gonzales, who said all gubernatorial candidates seem to do the same types of things.

Gonzales said she already has made up her mind for the gubernatorial election and plans to vote for former Gov. Gutierrez because he seems to be easier to approach and there's "not too much bureaucracy that you have to

▲ See **Elections**. Page 4



**FINANCIAL PITFALLS**

Audit reveals AGMH financial mishaps.

**SEE STORY, PAGE 3**



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# Audit report reveals financial problems at GMH

By Mark-Alexander Pieper

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A \$35 million write-off in uncollected fees, payment agreements that extend beyond 400 years, and more than \$600,000 in payments sitting unused because the hospital couldn't identify who made the payments, were just some of the findings listed in an audit of the Guam Memorial Hospital.

Guam's public auditor's office released the report of its fiscal 2004 financial audit into the island's civilian hospital, which for years has struggled financially and continues to have trouble handling and tracking payments, receipts and other financial documents.

"GMH has a lot of (financial) control issues," Public Auditor Doris Flores Brooks said yesterday, adding that collection practices were so bad in fiscal 2004 that the hospital managed to collect only 26 cents on every dollar it was owed. That was a slight improvement from the previous fiscal audit, when it collected 24 cents of every dollar in receivables.

In addition to the hospital's struggles to collect its debts, the auditor raised concerns over the lack of policies and procedures in regard to writing off debts. The report noted that \$35 million in what the hospital expected to receive over several years was written off without upper management approval.

Brooks reiterated that the hospital needed a permanent government subsidy and stable leadership with sound financial management. GMH Board of Trustees Chairman Phil Flores said he wasn't surprised by the findings, adding "the accounting department was in shambles a couple years ago." He said the hospital has improved since Chief Financial Officer Austin Swett was hired.

"The things that come out that were obviously wrong don't surprise me and the stuff she says in there is absolutely inexcusable and you're not going to hear me defend it," Flores said of the findings.

"You can't come in and fix it by flipping on the light. In 2003 and 2004, there was tremendous turmoil with so much infighting. It's awfully hard to do anything else than put out the immediate fires."

Flores said steps have been taken to correct the problem including working on hiring a management company to run the hospital's administration.

Flores said the hospital is addressing several of the issues under Administrator Peter John Camacho. Camacho was unavailable for comment yesterday.

Flores also noted that Camacho's predecessor, Bill McMillan, did not have the time to fix all the necessary problems by the time the fiscal year was over.

Flores said the hospital is addressing several of the issues under Administrator Peter John Camacho. Camacho was unavailable for comment yesterday.

Flores also noted that Camacho's predecessor, Bill McMillan, did not have the time to fix all the necessary problems by the time the fiscal year was over.

### ON THE NET

▲ To view the entire audit report, visit the Office of the Public Auditor Web site at [www.guampdn.com](http://www.guampdn.com).

### 'Just stupid'

Some of the more interesting findings dealt with repayment plans for unidentified government of Guam employees. The payment agreements not only failed to include evaluations of repayment capacities or any kind of credit statement, but Flores called the length of the plans as "just stupid."

of the plans as "just stupid."

The audit revealed a payment plan for a Guam Public School System employee to repay the hospital for more than \$149,000 worth of service.

The plan calls for the employee to have \$10 deducted from the employees check each pay period up to 573 years to pay off their hospital bills.

Another plan was for a hospital employee to pay off almost \$135,000 worth of hospital bills in payroll deductions of \$12.50 over a 415-year period.

GMH has reviewed the payment agreement policies and procedures and was expected to have them revised as of February this year, according to the audit report.

Pacific Daily News reporter Gaynor Dumat-ol Daleno contributed to this report.

# Gill-Baza residents take developer to court over sewers

By Mark-Alexander Pieper

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While residents of the troubled Gill-Baza subdivision continue to work toward meeting environmental requirements to prevent being evicted from their Yigo properties, they have also taken their battle to court to get the proper sewer system installed.

Superior Court of Guam Judge Anita Sukola later this month will hear a motion asking the court to order land developer Cyfred Ltd. to pay more than \$720,000 to install a sewer system in its Gill-Baza subdivision.

All this occurs after the Guam Environmental Protection Agency in January issued an eviction notice to residents there because the subdivision did not have a proper sewer system. Residents said they have been forced to build septic tanks and cesspools, even if they were not up to environmental code.

The Guam EPA has since given Gill-Baza residents a set of tasks to complete in order to delay the eviction. GEPA inspectors will head to the area in the next few days to see if residents have blocked off commodes properly and if portable toilets have been installed.

Cyfred, as part of an agreement to allow the developer to subdivide the agricultural property into smaller, quarter-acre lots, had promised the



Ric A. Eusebio/Pacific Daily News/reusebio@guampdn.com

**Inspection this week:** A portable toilet next to a Gill-Baza subdivision resident's home in Yigo.

government it would install a sewer system when the subdivision opened in 1999. That has yet to happen.

Guam EPA acting Administrator Randy Sablan, who attended the hearing, said he has been working with the residents through their recently formed nonprofit organization, United Pacific Islanders Corp., to meet the environmental standards.

In court yesterday, attorney Wayson Wong asked Sukola to act on the residents' motion immediately so that his client, Kini Sananap, will not be evicted. Wong has yet to file documents to add more than 30 Gill-Baza residents to Sananap's case, which has been ongoing for more than three years.

The case initially sought damage

claims against the developer. Cyfred attorney Ron Moroni argued that Wong is arguing a different case now that he is asking that the infrastructure be built.

Sukola said she wanted to expedite the issue and set a hearing for summary judgment later this month. If a trial is needed, she said it would take place by the end of May.

### WHAT'S NEXT

▲ Superior Court of Guam Judge Anita Sukola has scheduled a motion hearing on April 26 for a summary judgment to force land developer Cyfred Ltd. to install a sewer line in Yigo's Gill-Baza subdivision.

## Pacific Daily News

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