

REGULAR BOARD MEETING GVB MAIN CONFERENCE ROOM, 4:00PM THURSDAY; December 27, 2012

Board of Directors Present:

Chairman Monte Mesa Eduardo "Champ" Calvo

Judy Flores

Hope A. Cristobal

Therese Arriola Carol Tavama Jennifer Camacho Nathan Taimanglo

Board of Directors Present Telephonically:

Board of Directors Absent:

V. Chairman Mark Baldyga

Rizk Saad

Bruce Kloppenburg

N. Oscar Miyashita

GVB Management and Staff Present:

Joann Camacho Laurette Perez Meriza Peredo Brian Borja

Nathan Denight Nadine Leon Guerrero

Mark Manglona Regina Nedlic

Rose Cunliffe Debi Phillips Felix Reyes Gina Kono

Guests:

Regine Biscoe Lee (Senator Tina Muna Barnes office)

Proceedings:

Meeting called to order at 4:10 p.m. by Chairman Monte Mesa. Review of the previous Regular Board minutes dated December 13, 2012.

Motion made by Director Tayama, seconded by Director Taimanglo, to approve the minutes of December 13, 2012.

Motion approved (subject to correction).

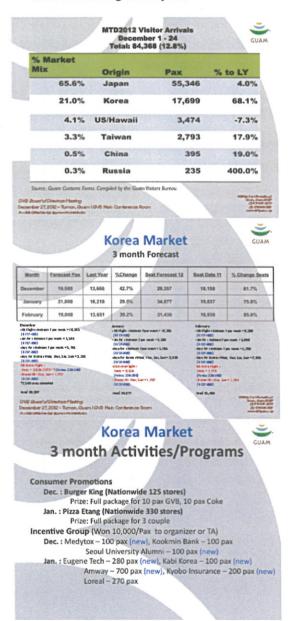
Chairman's Report:

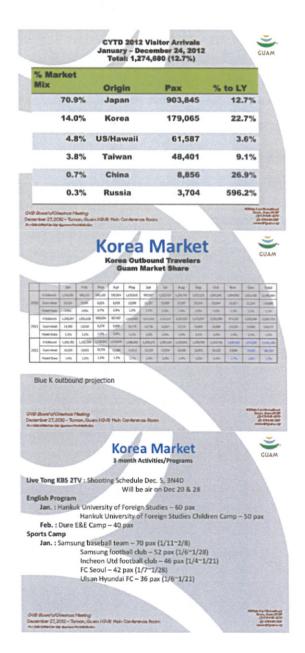
- > Chairman Mesa thanked the Board for their active participation this year.
- > Chairman Mesa reported on the 5 year strategic plan updating the Board that Management Board members and stakeholders have been able to review and give
- Chairman Mesa encouraged further review and questions on marketing initiatives, agenda items and details that Committees need to address. These will be reviewed separately and will continue to be refined as they receive more feedback



- > Chairman Mesa reported the major topics that needs to be emphasized:
 - Increasing air seat capacity (from both existing and new markets)
 - Ensure that yield per visitor is increased per hotel occupancy tax
 - Working with the hotels to ensure the occupancy continues to be above the 80% occupancy rate (which would show a steady growth and an opportunity for additional investment).
 - Looking at other growth in markets (China)

General Manager's Report:









Highlights of 2012

- On pace to reach 1.3 million visitors for CY2012 4th best year ever!!!
- New carrier from Korea Jeju Air
- New service from Busan with KE
- Over 900,000 Japanese arrivals
 Fully recovered from 3/11
- Welcomed Russia visitors visa-free
- Almost 4000 pax for CY2012
- HOT Collections: \$25.8 million collected vs \$23.2 million projected
- · HOT Bond Projects get started

GVS Space of Director Meeting December 27, 2012 - Turnon, Guarn I GVB Main Conference Roc



GVB's 50th Anniversary (TBD)

- Jan 1st Hagatna Bay Firework
- Jan 8th Gov proclamation of Tourism Year @membership meeting
- · End of March Journey Concert/Gala Dinner
- May 4 BBQ Festival in Pleasure Island
- · Mid-May China Symposium
- May 24-26 GMIF
- · July 21st Liberation Day
- Sept Tourism Expo

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2017 Measures of Success (con't)



- Resident Sentiments percent of residents that approve of the industry, its development and contributions to Guam exceeding 85%,
- Visitor Satisfaction percent of visitors satisfied with their stay, expressing a desire to return and willingness to recommend Guam to family and friends exceeding 85%.

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December 27, 2012 - Turnon, Guern I GNB Hain Conference Room

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> Discussion ensued regarding the 5 year Strategic Plan:

- Increase of Hotel occupancy tax
- Silver Market
- MICE Market
- Increased yield of shopping / F&B
- Visitor Dissatisfaction
- Airport / Immigration issues

Report of the Treasurer:

- Cash Position Report:
- o Cash report as of December 26, 2012.
- o Total cash in banks report (as of 12/26/12) \$12,415,663.71.
- Total allotment received to date: \$3,668,638.00.



Discussion:

- > Chairman Mesa noted that the Morgan Stanley CD is still different from the original \$2.5 million.
- L. Perez reported it is only if withdrawn.
- > Chairman Mesa reported the Legislature wanted to make sure that the appropriations for Special Projects or pass through are all line items by DOA when issued to GVB and verify if any accounts identified need to be honored.
- Director Cristobal reported all are current except for one account, which GVB's waiting on billings from them.
- **Report of the Board Committees:**
- A. Administration/Government Relations:
- B. Executive Committee:
- C. Japan Marketing:
- D. Korea Marketing:
- E. Existing Markets:
- F. New Market Development:
- G. <u>Destination Management:</u>
- H. Membership Management:
- I. Research:
- J. <u>Cultural Heritage & Community Outreach</u>:
- K. Sports & Events:
- **EXECUTIVE SESSION:**

Discussion occurred regarding the annual performance reviews and salaries for the positions of General Manager and Deputy General Manager. A grid was reviewed that outlined comparable wages for the GM and DGM positions at various GovGuam agencies. The question was raised as to whether bonuses or incentives could be included as a form of compensation but it was not clear if this is possible. There was general consensus that both the GM and DGM had performed at a high level and should be compensated at a level that matches that of GIAA and that this compensation should be retroactive to the beginning of FY2013 (October 2012). The Directors thanked the GM and DGM for their excellent performance and for "raising the bar."

- OLD BUSINESS:
- NEW BUSINESS:



- Motion made by Director Calvo, seconded by Director Arriola to adopt the same base salary
 of GIAA's General Manager and Deputy General Manager and make applicable to Guam
 Visitors Bureau's General Manager and Deputy General Manager retro active to the
 beginning of FY2013, with the concurrence of the Vice Chairman's oral approval as he was
 tasked to review evaluations and recommend management compensation.
 Motion approved.
- Director Arriola made a motion, seconded by Director Calvo for Deputy General Manager J. Nathan Denight to be Acting General Manager of the Bureau upon the departure of current General Manager Joann Camacho, effective on January 1, 2013.

 Motion approved.

ANNOUNCEMENTS:

> GM Camacho informed the Board that Bill 519 has been signed into law regarding the 4 positions requested by Management.

ADJOURNMENT:

 Motion made by Chairman Mesa, seconded by Director Calvo to adjourn the meeting. Meeting adjourned at 5:17p.m.
 Motion approved.

Ms. Theresa C. Arriola, Secretary of the Board of Directors

Board Minutes prepared by Meriza Peredo, Executive Secretary

