



BOARD OF DIRECTORS REGULAR MEETING

Thursday, December 10, 2015 - 4:00 p.m.

Guam Visitors Bureau- Main Conference Room

BOARD of DIRECTORS PRESENT:

Chairman Mark Baldyga

Director Samuel Shinohara

Director Theresa Arriola

Director Bartley Jackson

Director Eduardo "Champ" Calvo

Director Bruce Kloppenburg

Director Milton Morinaga

Director Norio Nakajima

Director Robert Hofmann

BOARD of DIRECTORS ABSENT:

Director Clifford Guzman - Family emergency

Director Shelly Calvo - Work matter

Director Katarina Sgro - Work matter

Director Hong Soon Im - Work matter

GVB MANAGEMENT & STAFF PRESENT:

Mark Manglona

Pilar Laguana

Brian Borja

Telo Taitague

Rose Cunliffe

Josh Tyquiengco

Russell Ocampo

Doris Ada

Dara Roberto

June Sugawara

Gina Kono

Jon Nathan Denight

Dee Hernandez

Haven Torres

Regina Nedlic

Gabryel Franquez

Nicolas Yasuhiro

Kraig Camacho

Nadine Leon Guerrero

Meriza Peredo

Ana Cid

Nakisha Garrido

Lisa Linek

GUESTS:

Bernice Rivera - Office of Senator Tina Muna Barnes

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order at 4:38 p.m.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Chairman Baldyga made a motion, seconded by Director Shinohara to approve the minutes of the previous Board of Directors meeting dated November 12, 2015. **Motion Unanimously Approved. (Subject to minor revisions)**

III. CHAIRMAN'S REPORT

Chairman Baldyga wished everyone a happy holiday. He said 2015 was a good year - great job to the team.

Wrapping up 2015, Chairman Baldyga asked Director Shinohara to review policies with respect to the Board – actions, conflicts, committee issues, etc.

He asked the Board Secretary to follow up and ensure that all Board members have completed the mandatory Ethics training as required by law.

Chairman Baldyga requested staff do a short recap of 2016 Smart Goals – update,

Chairman Baldyga noted the Board spends a large amount of meeting time approving travel motions. Therefore, he requested Management create a 2016 travel plan by Committee (to include budgets), which the Board can review and approve beforehand.

IV. GENERAL MANAGER'S REPORT

Guam Visitors Bureau

General Manager's Report
December 10, 2015

PRELIMINARY Visitor Arrivals
CYTD 2015 (January 2015 - November 2015)
Total: 1,276,584 (4.4%)

% Market Mix	Origin	Pax	% to LY
55.2%	Japan	705,143	-4.9%
29.9%	Korea	381,761	38.5%
5.0%	US/Hawaii	63,686	0.9%
3.1%	Taiwan	39,071	-15.2%
1.8%	China	22,604	53.2%
0.2%	Russia	2,577	-83.0%

PRELIMINARY Visitor Arrivals
NOVEMBER 2015
Total: 121,705 (14.7%)

% Market Mix	Origin	Pax	% to LY
51.6%	Japan	62,760	-3.4%
35.4%	Korea	43,030	65.9%
4.5%	US/Hawaii	5,423	0.0%
2.6%	Taiwan	3,144	17.4%
1.0%	China	1,245	12.9%
0.2%	Russia	256	-40.2%

PRELIMINARY Visitor Arrivals
FYTD 2016 (October 2015 - November 2015)
Total: 233,997 (11.4%)

% Market Mix	Origin	Pax	% to LY
51.6%	Japan	120,780	-3.8%
34.3%	Korea	80,336	59.5%
4.4%	US/Hawaii	10,367	-4.0%
2.5%	Taiwan	5,892	-2.9%
1.5%	China	3,551	18.1%
0.2%	Russia	443	-44.8%

PRELIMINARY MTD Visitor Arrivals
December 1 - 8, 2015
Total: 30,661 (13.7%)

% Market Mix	Origin	Pax	% to LY
51.2%	Japan	15,697	-3.0%
35.8%	Korea	10,971	57.7%
4.7%	US/Hawaii	1,445	1.8%
2.0%	Taiwan	615	-5.8%
0.8%	China	189	-53.3%
0.2%	Russia	69	23.2%

Japan Marketing News

3 month Forecast

Month	Forecast	L.Y Arrival	% Arrival	2015/2016 Seats	2014/2015 Seats	% Capacity
December	69,000	60,463	-0.67%	95,168	96,853	-1.74%
January	53,000	64,111	7.97%	91,987	97,550	-5.70%
February	65,000	74,155	12.34%	85,416	58,004	-12.84%

(Data Source: GVB, JGTA and other ML)

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Japan Marketing News

Charter & Extra update : Year-end & new year period

- Sales Update for China Airlines :**
- From NRT (5days) : 95-100% seat sold against per flight (approximately 1450 seats sold)
 - From NGO(1day) : 90% seat sold against per flight (approximately 270 seats sold)
 - From KIX (1day) : 100% seat sold against per flight (307 seats sold)
 - From HJL (1day) : 95% seat sold against per flight (approximately 150 seats sold)
 - From TAT (1day) : 80% seat sold against per flight (approximately 120 seats sold)

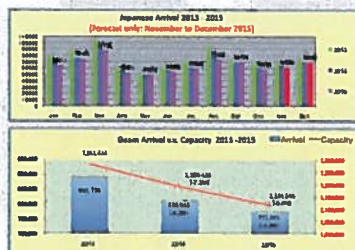
Total—2297 seats sold against total capacity of 2465 seats.

Deployment Date	PLT name	After TLT count	PLT count	Before TLT after	Craft	Seats	PLT duty
Norfolk (PWC)	C77867	21:40 2328wrt1	C77868	01:00 07:00	A330-300	307	1500w-1200 (ex. 1200-1200)
Oakland (DC)	C77865	22:50 3 0554wrt1	C77866	05:30 06:30	A330-300	307	1200-1100 (ex. 1200-1100)
Fort Lauderdale (F4)	C77869	20:55 01:40wrt1	C77870	04:20 05:40	0737-400	158	1200-1100 (ex. 1200-1100)
Takapuna (DAU)	C77869	11:05 06:00wrt1	C77870	14:30 19:30	0737-400	158	1200-1100 (ex. 1200-1100)
Manurewa (WGO)	C77813	22:20 03:00wrt1	C77814	09:30 16:30	A330-300	307	1200-1100 (ex. 1200-1100)

Japan Marketing News

Arrival Forecast 2015

- The forecast shows approximately 770,000 arrival from Japan in 2015.
- The JP arrival number is forecasted at +6.9% in spite of having declined the capacity at -5.4% vs. LY.
- Sales from OTA may largely affect the number of arrival in December this year.



Japan Marketing News

Japan Marketing Blitz

- Completed strong special promotion and advertising campaign in Sapporo, Sendai, Nagoya, Fukuoka and Osaka
- Great response from Guam vendors and travel agents, received requests to repeat event in Feb/Mar
- Reached 420 travel representatives in 5 cities
- Estimate \$20,300 in PR coverage + coverage on Twitter, FB, YouTube, TA websites, and other online media
- JTB focus on Guam for groups, HIS co-op proposals



Japan Marketing News
Governor Calvo Trade Mission to Japan

-JTB Executives

- 100 charter flights in 2016, Quality tours (gourmet), airport wait times, education/sports tourism, Lotte JTB, ask to include Guam in Nationwide ads
 - US Embassy with Ambassador Kennedy
 - Immigration wait times, Pre-clearance, Haneda, Realignment
 - Ministry of Land, Infrastructure, Transport and Tourism
 - Haneda, pre-clearance
 - Ken Corp.
 - Discuss plans for new property
 - Rakuten
- Signed friendship agreement to promote Guam travel and Made in Guam products, online opportunities

Korea Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Best Forecast '15	Best Data '14	% Change Seats
December	42,000	32,258	30.3%	58,870	37,458	57.8%
January, 2016	43,500	38,765	12.2%	57,170	49,738	14.9%
February, 2016	37,000	31,677	16.8%	53,530	43,970	21.7%

Notes

December	January	February
<ul style="list-style-type: none"> • ET: 14 per week = 15,000 (8777-300, A330) • Jeju Air: 14 per week = 11,346 (8777) • Jeju Air: 14 per week = 11,318 (8737-800) • T'Way: 14 per week = 5,838 (8737-800) Sub total 42,511 	<ul style="list-style-type: none"> • ET: 14 per week = 15,000 (8777-300, A330) • Jeju Air: 14 per week = 11,346 (8777) • Jeju Air: 14 per week = 11,318 (8737-800) • T'Way: 14 per week = 5,838 (8737-800) Sub total 42,511 	<ul style="list-style-type: none"> • ET: 14 per week = 15,000 (8777-300, A330) • Jeju Air: 14 per week = 11,346 (8777) • Jeju Air: 14 per week = 11,318 (8737-800) • T'Way: 14 per week = 5,838 (8737-800) Sub total 42,511

Korea Marketing News

Korea Outbound Travelers Guam Market Share

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013													
Outbound	1,385,940	1,395,384	1,405,828	1,416,272	1,426,716	1,437,160	1,447,604	1,458,048	1,468,492	1,478,936	1,489,380	1,499,824	17,145,960
Guam Share	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2014													
Outbound	1,405,828	1,416,272	1,426,716	1,437,160	1,447,604	1,458,048	1,468,492	1,478,936	1,489,380	1,499,824	1,510,268	1,520,712	17,145,960
Guam Share	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2015													
Outbound	1,405,828	1,416,272	1,426,716	1,437,160	1,447,604	1,458,048	1,468,492	1,478,936	1,489,380	1,499,824	1,510,268	1,520,712	17,145,960
Guam Share	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

• Blue K estimated projection

Korea Marketing News

3 month Activities/Programs

- MICE Group
- Dec.: KT – 80 pax

MICE Monthly Pax

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2015	649	1,491	1,967	4,241	6,348	967	2,613	4,128	8,008	4,812	29,412	29,412
2014	620	850	1,201	3,070	4,180	1,125	1,625	2,461	5,115	2,780	3,945	26,958

- Busan 20 TAs Fam with Air Busan on Nov. 26
- Daegu 11 TAs Fam with T'way on Nov. 29
 - Spring Camp
 - Seoul FC : 40 pax (Jan. 8 ~ 26, 2016)
 - Samsung Lions : 80 pax (Jan. 15 ~ Feb. 2, 2016)

Korea Marketing News

Pro Baseball Players Match Play Championship in Guam (Dec 11-13) Onward Talofoto and Mangilao Golf Courses



Benefits

- Repeated exposure of SGF and attractions of Guam
- (12 days/36 reruns)
- The rise in awareness of Guam & growth in Korean visitors
- Expected to generate more than \$16,805,400 of media exposure value
- Welcome reception on December 10, 2015. Outrigger Resort's Fort San Jose Ballroom at 6:00 p.m.

Mainland China Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Best Forecast '15	Best Data '14	% Change Seats
November	1098	780	40.30%	2517	Estimated 2017	24.70%
December	2443	1272	92%	2517	Estimated 2131	16.10%
Jan-16	2394	1528	56.80%	2519	Estimated 2017	24.80%

Flights

Nov.	Dec.	Jan. 2016
Shanghai -UA: 2 flights per week = 1826 (8737-700) National wide -EZ, 218 seats per month (A330-300) Hong Kong -UA: 4 flights per week = 2550 (A737-80)	Shanghai -UA: 2 flights per week = 1826 (8737-700) National wide -EZ, 218 seats per month (A330-300) Hong Kong -UA: 4 flights per week = 2700 (A737-80)	Shanghai -UA: 2 flights per week = 1826 (8737-700) National wide -EZ, 218 seats per month (A330-300) Hong Kong -UA: 4 flights per week = 2550 (A737-80)

Taiwan Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Best Forecast '15	Best Data '14	% Change Seats
December	3,541	3,069	15.36%	6,858	4,788	7.44%
January	3,388	2,893	16.76%	6,858	4,781	8.33%
February	4,683	4,776	-1.99%	6,854	6,127	-4.46%

Flights

December	January	February
Taipei -China Airlines : 4 per week = 2,750 (8737-800, 738) -EVA Airways : 2 per week = 2,258 (A330-200, 311)	Taipei -China Airlines : 4 per week = 2,750 (8737-800, 738) -EVA Airways : 2 per week = 2,258 (A330-200, 311)	Taipei -China Airlines : 4 per week = 2,450 (8737-800, 738) -EVA Airways : 2 per week = 2,016 (A330-200, 311)
Total 5,008	Total 5,008	Total 5,008

Hong Kong Marketing News

3 month Forecast

Month	Forecast Pax	Last Year	%Change	Best Forecast '15	Best Data '14	% Change Seats
December	908 (per air presentation) 1,890 (per air presentation)	972	-7.49% 2.88%	2,334	2,342	0%
January	600	611	-1.80%	2,158	2,158	0%
February	600	610	-1.49%	2,822	2,822	0.25%

December

Hong Kong - Guam
United Airlines - 2,334
(Boeing 737-800) (134 first class)
Total 2,334

January

Hong Kong - Guam
United Airlines - 2,158
(Boeing 737-800) (208 first class)
Total 2,158

February

Hong Kong - Guam
United Airlines - 2,822
(Boeing 737-800) (272 first class)
Total 2,822

China Marketing News

Nanjing Training Seminar

- Over 150 representatives of key TOs in Nanjing joined the training seminar.
- Grace Gu, account director of GVB Beijing representative office, made a presentation to introduce Guam and 2015 Shop Guam Festival.
- Representatives from DYA, KE and UA introduced their flights to the trade.
- Provided TOs the materials and DMC information they need via email.



China Marketing News

Wuxi Training Seminar Date: November 18th Venue: InterContinental Wuxi

- Over 120 representatives of key TOs in Wuxi joined the training seminar.
- Grace Gu, account director of GVB Beijing representative office, made a presentation to introduce Guam and 2015 Shop Guam Festival.
- Representatives from DYA, KE and UA introduced their flights to the trade.
- Provided TOs the materials and DMC information they need via email.



China Marketing News

GVB 2015 Guangzhou TV SGF Media Fam Media Fam Tour Date: 11th -16th November Fam Tour Theme: SGF Guam Discovery

- Media visited Shop Guam Festival retailers and documented shopping experiences
- Courtesy visit to GVB HQ
- The fam tour provided more opportunities to learn about Guam's unique culture and tourism offerings



China Marketing News

GVB 2015 SGF Media Fam - Celebrity Group Media Fam Tour Date: 11th -16th November Fam Tour Theme: SGF Guam Discovery

- Celebrities experienced Guam's unique wedding chapels and diverse shopping experience.
- Courtesy visit to GVB HQ with in-depth conversation with GVB marketing manager and staff
- Guam outdoor experiences were highlighted by experiencing Skydive, Zip Guam and flying a small plane.
- Celebrities also visited Gef Pago Village



China Marketing News

GVB Gala dinner for 2015 SGF First Group from Guangzhou Date: November 15th Venue: Sheraton Laguna Guam Resort

- Over 110 visitors from Guangzhou market are part of first group for the Shop Guam Festival
- GVB hosted a welcome dinner for the SGF first group
- Pilar Laguarda made welcome remarks to the visitors and was also interviewed by Guangzhou TV



Destination Development

- Visitor Safety Patrol
 - Adding northern Tumon beach water safety officer
 - Adding Ypao and Matapang night patrol
- Tour Guide Certification
 - GVB completed audit of GCC course
 - Program needs to be updated
- Tumon Flooding Mitigation
 - Opportunity to meet with Stanley on Dec 15/16
 - DPW to issue culvert cleaning IFB
- Tumon Bay Lighting Improvement Phase II
 - Bid Opening tomorrow at 1:30 p.m.

FestPac 2016



- New Latte Sponsor: CarsPlus Hyundai
- DFS Festival of Trees
- \$100K Raffle Drawing @ Gov. House 7pm
- Festival Grounds: Huts, Paseo Stadium, Rec Center, Fishing Platform

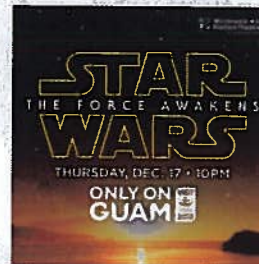


PATA New Tourism Frontiers Forum

- Theme: Eco-Tourism Transcending Climate Change
- Legaspi, Philippines
- GM Presentation: Eco-Tourism and the Blue Continent
- Invite to PATA Summit Guam 2016



Only on Guam: Star Wars Premiere



- Only on Guam promotion for people to submit their unique photos & videos to OOG website
- Participants could win a pair of tickets to Star Wars premiere on Dec. 17 at 10 p.m. at Micronesia Mall Stadium Theaters and the new Sphero BB-8 droid
- Tickets also given away through Star Wars trivia on radio (SMG & KTKB)

Community Outreach

- Tourism Works radio spots now playing, as well as social media segments
- The Regine and Josh show on K-57 educates listeners on GVB events, activities and projects
- Continuation of the Only on Guam campaign through promotions and contests, such as the Star Wars movie premiere

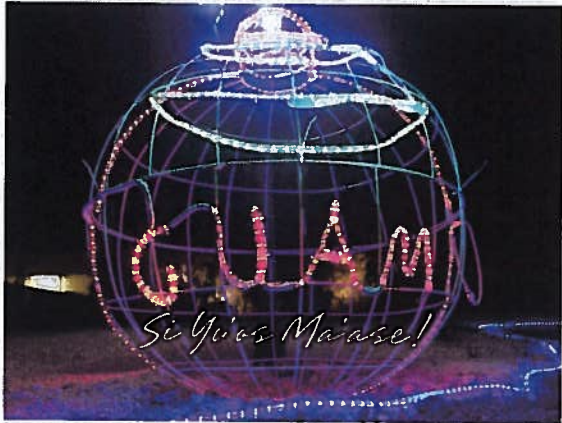


Community Outreach

Hafa Adai Pledge Update

- Over 70 new HAP supporting companies and organizations joined the program, representing over 30,000 supporters
- Recent pledgers:
 - Matson Guam
 - Kitchen Lingo
 - Mothering Naturally
 - Yeon Kim
 - Nanbo Insurance
 - Triple Shot Coffee House
- Upcoming ceremonies:
 - Tumon Sands Plaza tenants and outside guests
 - 2015 Holiday Craft Fair vendors





V. TREASURER'S REPORT

Exhibit B

**CASH, RECEIVABLES, & PAYABLES POSITION
FY 2015 & FY 2016 COMPARATIVE REPORT**

FY 2015 (12/9/2014)	Balance	FY 2016 (12/9/2015)	Balance
BANK OF GUAM	\$6,548,476.05	BANK OF GUAM	\$10,125,870.92
FIRST HAWAIIAN BANK - Membership	\$106,505.81	FIRST HAWAIIAN BANK - Membership	\$86,270.28
RESONA BANK	\$581,091.47	RESONA BANK	\$446,323.60
BOG - TAF ACCOUNT	\$2,246,394.45	BOG - TAF ACCOUNT	\$1,745,855.75
BOG - RAINY DAY FUND	\$195,972.93	BOG - RAINY DAY FUND - NOTE 1	\$2,095,910.53
BOG - FESTPAC Trust Account	\$1,589,612.28	BOG - FESTPAC Trust Account - NOTE 3	\$39,768.09
MORGAN STANLEY - CD **	\$2,512,143.81	MORGAN STANLEY - CD ** - NOTE 2	\$2,517,469.39
BOG - 2/12 Memorial Fund	\$0.00		
TOTAL CASH IN BANKS AS OF 09/08/14	\$15,500,196.80	TOTAL CASH IN BANKS AS OF 11/10/2015	\$17,057,468.56
**Morgan Stanley CD Market value as of 07/31/2014		**Morgan Stanley CD Market value as of 10/31/2015	
FY 2014 BUDGET P.L. 32-068	\$ 19,422,134.00	FY 2015 BUDGET P.L. 32-181	\$23,847,696.00
OPERATIONS TAF Special Projects		Operations	\$ 20,115,000.00
\$15,487,134.00	\$2,000,000.00	Destination Development	\$ 1,085,000.00
PASS THRU APPROPRIATIONS - \$1,935,000.00 (amended per PL 32-181)		Capital Improvement Projects	\$ 1,412,696.00
		Pass-thru Appropriations	\$ 1,235,000.00
OPERATIONS	TAF Special Projects	Pass-thru	
11/14/13 \$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
11/15/13 \$1,161,535.00	\$ 150,000.00	\$ 58,125.00	
11/29/13 \$ -0-	\$ -0-	\$ 7,500.00	
12/11/13 \$1,161,535.00	\$ 150,000.00	\$ 63,750.00	
12/24/13 \$ -0-	\$ -0-	\$ 3,750.00	
01/20/14 \$1,032,535.00	\$ 150,000.00	\$ 25,250.00	
01/21/14 \$ -0-	\$ -0-	\$ 2,500.00	
02/11/14 \$ 386,100.00	\$ 150,000.00	\$ 22,500.00	
03/17/14 \$1,296,570.00	\$ 150,000.00	\$ 96,000.00	
04/17/14 \$1,296,535.00	\$ 150,000.00	\$ 80,250.00	
05/09/14 \$ 649,017.55	\$ 150,000.00	\$ 56,250.00	
06/19/14 \$1,161,535.00	\$ 150,000.00	\$ 56,250.00	
06/04/14 \$1,161,535.00	\$ 150,000.00	\$ 56,250.00	
08/12/14 \$1,161,535.00	\$ 150,000.00	\$ 56,250.00	
08/26/14 \$1,050,000.00	\$ 150,000.00	\$ -0-	
09/09/14 \$1,161,536.00	\$ 150,000.00	\$ 56,250.00	
10/01/14 \$425,000.00	\$ -0-	\$ 25,000.00	
11/5/2014 \$ -0-	\$ -0-	\$ 79,500.00	
\$14,800,903.55	\$1,950,000.00	\$ 795,500.00	
Total FY 2014 Allotment Received to Date:	\$17,646,403.55		
Accounts Receivable FY 2014	\$1,775,730.45		
FY 2015 BUDGET P.L. 32-181	\$ 23,847,696.00	FY 2016 BUDGET P.L. 33-66	\$ 23,429,191.00
Operations - \$20,115,000.00		Operations	\$ 21,044,191.00
Destination Development - \$1,085,000.00		Destination Development	\$ 1,235,000.00
Capital Improvement Projects - \$1,412,696.00		Pass-thru Appropriations	\$ 1,150,000.00
PASS THRU APPROPRIATIONS - \$1,235,000.00			
Operations	Destination	CIP	Pass-thru
10/19/14 \$ -0-	\$ -0-	\$ -0-	\$ 150,000.00
11/05/14 \$3,274,437.00	\$ 230,562.00	\$1,100,792.00	\$ 212,750.00
\$3,274,437.00	\$ 230,562.00	\$1,100,792.00	\$ 362,750.00
Total FY 2015 Allotment Received to Date:	\$4,968,541.00		
Accounts Receivable FY 2015	\$18,879,155.00		
FY 2014/2015 ACCOUNTS PAYABLE as of 11/10/2014	Amount	FY 2015/2016 ACCOUNTS PAYABLE as of 12/9/2015	Amount
Asatsu Invoices	\$208,962.61	Asatsu Invoices JUN-OCT 2015	\$2,713,612.01
Japan Miscellaneous Invoices	\$2,983.58	Japan Miscellaneous Invoices	\$64,327.96
Guam Miscellaneous Invoices	\$410,768.48	Guam Miscellaneous Invoices	\$45,374.73
FY 2011/2012/2013/2014 Pass-thru appropriations	\$296,592.24	FY 2015/2016 Pass-thru appropriations	\$53,125.00
FY 2015 Pass-thru appropriations	\$42,475.00	Encumbered Contracts	\$6,702,809.00
Encumbered Contracts (not yet incurred)	\$6,280,406.75	Encumbered Purchase Orders	\$132,633.74
Encumbered Purchase Orders (not yet incurred)	\$120,161.71	FESTPAC Trust Account	\$39,768.09
FESTPAC Trust Account	\$1,589,612.28		
Total Payables to Date	\$8,951,962.65	Total Payables to Date	\$9,751,650.53
NOTE 1		NOTE 1	
\$2,095,071.78 Rainy Day Fund		(\$1,000,000.00) Board approved allotment to Japan market for advertising	
		\$1,095,071.78	
NOTE 2		NOTE 2	
\$2,514,685.54 Morgan Stanley CD		(\$265,139.44) Board approved \$1,034,000 on 3/13/14 for China Airline Incentive Program	
		(\$1,001,073.24) Board approved \$1,028,500 on 5/22/14 for China market advertising	
		(\$300,000.00) Board approved \$300,000 on 7/23/15 for Guam Football Association	
		(\$86,542.00) Board approved \$86,542 on 7/23/15 for Department Revenue & Tax Auditors	
		\$861,930.96	
NOTE 3		NOTE 3	
\$2,739,635.96 FESTPAC Trust Account		(\$2,700,000.00) Transferred from FESTPAC Trust Account to CAHA on 10/15/15	
		\$39,635.96	

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

PATAcademy Human Capital Development Workshop

Director Kloppenburg made a motion, seconded by Director Jackson, to ratify Executive Committee's approval for travel for the Deputy GM to attend the PATAcademy Human Capital Development (HCD) Workshop in Bangkok, Thailand from December 1-3, 2015. (Amount approximately \$2,387.50: from the FY2016 Pacific Budget Acct# PA-SMD024)

Motion Approved

Airfare (Estimated) \$ 850 x 1 pax: \$850.00

Per diem: \$246 + 25% x 5 days: \$1,537.50

TOTAL: \$2,387.50

Background: The PATAcademy-HCD will have the December edition in Bangkok, Thailand to cover the importance of sustainability. Sustainability touches all aspects in the tourism industry and members from all sectors within tourism will be invited to join and share their practices. The HCD Academy gives participants the knowledge and understanding of the importance of the surrounding environment in which their organizations operate. The workshop will be confronting challenges head-on through group activities, networking events and site visits along with presentations from the leading sustainability experts. Participants will gain insights about sustainability – only within their sectors but also within the industry as a whole.

Issue: Approval for travel needed.

GVB-MBC MOU Signing Korea

Director Kloppenburg made a motion, seconded by Director Hofmann, to ratify Executive Committee's approval for travel for KMC Chairman to attend the GVB-MBC MOU signing in Seoul, Korea from December 2 - 3, 2015. (Cost is approximately \$1,425.00 from account KO-SMD023).

Motion Approved

Budget breakdown:

Airfare:	\$800.00
Per Diem:	
Lodging (\$230 x 25% = \$287.50 x 1 night)	\$287.50
M&IE (\$135 x 25% = \$168.75 x 2 days)	<u>\$337.50</u>
Total:	\$1,425.00

Background: The Guam Visitors Bureau (GVB) previously received board approval for the travel of KMC Chairman to attend meetings in Japan for JGTC on November 12, 2015. Due to a last-minute request from (HIC) Korea PR, GVB plans to have KMC Chairman travel to Seoul prior to the meetings in Japan for a GVB-MBC MOU Signing.

MBC stands for Munhwa Broadcasting Corporation and is one of the three major broadcasting stations in Korea. Since its inception in 1961, MBC has contributed to the development of the Korean broadcasting industry based on its nationwide network of 19 regional stations and 10 subsidiaries. The multimedia group has various channels – 1 national terrestrial television, 3 radio, 4 cable, 4 satellite, and 5 DMB.

As a global multimedia company, MBC has secured substantial overseas viewership by exporting quality broadcasting contents to about 30 foreign countries. In addition, MBC is pursuing exchange and cooperation with various broadcasting fields through active partnership with many foreign broadcasters around the world.

MBC currently is broadcasting all the major professional Korean baseball games and has worked with GVB to include Guam in their baseball game airing. One was done showing Governor Calvo throwing the first pitch of the opening baseball season. Also, while we were in Busan attending the Busan International Travel Fair, Guam was given air time to introduce the Guam destination to the viewing public.

They are also coordinating an upcoming golf tournament to be held on Guam December 10 – 14, 2015. Twenty (20) professional baseball players from the Korea Professional Baseball Players Association (KPBPA) and ten (10) Korean Ladies Professional Golfers will hold a golf tournament. 12 episodes will be aired and return on investment (ROI) is estimated at US\$7,920,000.00. Also, the tournament will have 36 reruns for ROI of US\$8,640,000.00. Additional ROI are, ad boards - US\$5,400.00; sponsorship logo during the previews - US\$240,000.00. Grand total of US\$16,805,400.00 in media exposure will be gained.

MBC would like to have a Memorandum of Understanding (MOU) with GVB to collaborate together on future publicity opportunities in 2016 and is requesting GVB to accept and sign an MOU.

Issue: Board approval required for all travel.

B. GREATER CHINA

Exhibit C

Committee minutes dated December 4, 2015

Director Kloppenburg reported Taiwan market is down 4%, but we should expect to see an increase based on the addition of daytime flights.

He added we recently entered into an incentive travel plan agreement with Ctrip China and plan on broadening it out with other agents.

Guam Visitors Bureau 2016 China Sales Mission

Director Kloppenburg made a motion, seconded by Director Jackson, to approve travel for (1) Senatorial Delegate, GVB Marketing Manager and (2) GVB Marketing Officers to conduct a Guam Sales Mission in the first-tier cities of Shanghai, Beijing and Guangzhou from February 28 – March 5, 2016. Cost is approximately \$19,884.75 to be taken from China Sales Market Development Account No. CI-SMD023.

Motion Approved

Airfare:	Round-trip Airfare: \$1,500 x 4 pax	\$6,000.00
Per Diem:	Shanghai Lodging: \$323.75 x 2 nights	\$647.50
	Shanghai M&IE: \$178.75 x 2 days	\$357.50
	Beijing Lodging: \$322.50 x 2 nights	\$645.00
	Beijing M&IE: \$148.75 x 2 days	\$297.50
	Guangzhou Lodging: \$303.75 x 2 night	\$607.50
	Guangzou M&IE: \$205 x 2 days	\$410.00
	HK Lodging: \$443.75 x 1 night	\$443.75
	HK M&IE: \$225.00 x 1 day	\$225.00
	Total	\$3,663.75
	Shanghai Lodging: \$259 x 2 nights x 3 pax	\$1,554.00
	Shanghai M&IE: \$143 x 2 days x 3 pax	\$858.00
	Beijing Lodging: \$258 x 2 nights x 3 pax	1,548.00
	Beijing M&IE \$119 x 2 days x 3 pax	\$714.00
	Guangzhou Lodging: \$243 x 2 night x 3 pax	\$1,458.00
	Guangzhou M&IE: \$164 x 2 Days x 3 pax	\$984.00
	HK Lodging: \$355 x 1 night x 3 pax	\$1,065.00
	HK M&IE: \$180.00 x 1 day x 3 pax	\$540.00
	Total	\$8,721.00
Misc. Expenses:	Business communication costs & excess baggage fees	\$1,500.00
	Total	\$19,884.75

Background: The Guam Visitors Bureau (GVB) continues to focus its sales and marketing efforts in the first-tier cities of Shanghai, Beijing, and Guangzhou. The GVB 2016 China Sales Mission is designed to enhance the networking and business ties between the Guam tourism industry and the travel trade in these first-tier cities in China.

Through a series of face to face meetings held in Shanghai, Beijing and Guangzhou, Guam stakeholders will meet with Chinese travel trade who are currently selling Guam products or have a strong potential to sell Guam products in China. The attendees will be local travel trades; each city's sales mission attendees are expected at 120 to 150 pax.

In addition to the trade aspect of this 3-city sales mission, GVB will also be participating in one-on-one and group interviews with influential media in each city. A variety of media will be invited to include print, online, radio and other types of new media channels. The GVB delegation will be required to split up in order to maximize Guam's presence at these series of seminars and interview appointments.

It is crucial to strengthen relationships with our travel trade partners in these first-tier cities (such as Ctrip, CITS, CTS, CYTS, GZL, and Beijing ANZ) in order to develop more sales and marketing programs to support our direct service flights and to maximize sales during peak China outbound travel period such as Chinese New Year and the summer period as well as during Guam's historically low arrival periods.

The success of this mission will result in 1.) Strengthening Guam's visibility and awareness among travel trade partners for future outbound travel to Guam; 2.) Offer valuable face time for businesses with key decision makers from the travel trade in China; 3.) Educate Chinese travel trade frontline staff on Guam products; 4.) Engage with and learn about the Chinese travel trade through in-depth one-to-one-meetings and networking events.

Dates of travel are subject to change based on GVB Marketing Overseas Mission schedule, availability of flights, and trade partner schedules.

Issue: Board approval needed for all travel.

Guam Visitors Bureau 2016 Hong Kong Sales Mission

Director Kloppenburg made a motion, seconded by Director Jackson, to approve travel for GVB Marketing Manager and (1) GVB Marketing Officer to conduct a Guam Sales Mission in Hong Kong from January 6 - 9 2016. Cost is approximately \$7,070.00 to be taken from the Hong Kong Sales Market Development Account No. HK-SMD023.

Motion Approved

Airfare:	Round-trip Airfare: \$1,000 x 2 pax	\$2,000.00
Per Diem:	Hong Kong Lodging: \$355 x 3 nights x 2 pax	\$2,130.00
	Hong Kong M&IE: \$180 x 4 days x 2 pax	\$1,440.00
Misc. Expenses:	Business communication costs & excess baggage fees	\$1,500.00
	Total	\$7,070.00

Background: The Guam Visitors Bureau will be conducting a focused sales mission in Hong Kong to provide the most updated Guam sales information to our key travel agent partners as well as orientate those who are interested in selling the Guam product.

Dates of travel are subject to change based on GVB Marketing Overseas Mission schedule, availability of flights, and trade partner schedules.

Issue: Board approval needed for all travel.

Guam Visitors Bureau 2016 Taiwan Sales Mission

Director Kloppenburg made a motion, seconded by Director Jackson, to approve travel for the GVB General Manager, GVB Marketing Manager and (2) GVB Staff to conduct a Guam Sales Mission in the Taiwan cities of Taipei & Kaohsiung from March 13 - 18, 2016. Cost is approximately \$11,186.50 to be taken from Taiwan Sales Market Development Account No. TW-SMD023.

Motion Approved

Airfare:	Round-trip Airfare: \$1,000 x 4 pax	\$4,000.00
Per Diem:	Taipei Lodging: \$203.75 x 4 nights	\$815.00
	Taipei M&IE: \$122.50 x 5 days	\$612.50
	Kaohsiung Lodging: \$150.00 x 1 day	\$150.00
	Kaohsiung M&IE: \$95.00 x 1 day	\$95.00
	Total	\$1,672.50
Per Diem:	Taipei Lodging: \$163 x 4 nights x 3 pax	\$1,956.00
	Taipei M&IE: \$98 x 5 days x 3 pax	\$1,470.00

	Kaohsiung Lodging: \$120 x 1 night x 3 pax	\$360.00
	Kaohsiung M&IE \$76 x 1 days x 3 pax	\$228.00
	Total	\$4,014.00
Misc. Expenses:	Business communication costs & excess baggage fees	\$1,500.00
	Total	\$11,186.50

Background: Taiwan continues to be an important tourism market source for Guam, contributing over 50,000 visitors annually. With the recent launch of additional daytime flights from China Airways as well as continued support from Eva Airways, the Taiwan market has further potential for further growth and development.

The Guam Visitors Bureau (GVB) will be conducting a focused sales mission in Taipei that coincides with the annual Spring Toast. GVB will provide the most updated Guam sales information to our key partners from China Airlines and Eva Airways, the travel agencies who are currently selling or interested in selling the Guam package, and our trade partners from the American Institute in Taiwan and the Taiwan Visitors Authority.

Traditionally GVB only only one overseas mission per fiscal year: the International Travel Fair in Taipei. In order to continue to grow and develop Taiwan's outbound potential to Guam there is a need to look at other potential cities in Southern Taiwan; therefore GVB will conduct a similar sales presentation to the travel agencies and media in Southern Taiwan. Specifically the city of Kaohsiung, which is the largest municipality and second most populous city in Taiwan.

Dates of travel are subject to change based on GVB Marketing Overseas Mission schedule, availability of flights, and trade partner schedules.

Issue: Board approval needed for all travel.

Tourism Destination Marketing Representation Services in Hong Kong

Director Kloppenburg made a motion, seconded by Director Jackson to approve authorization of the General Manager as Chief Procurement Officer to enter into negotiations with the highest rated and most qualified Offeror for GVB RFP 2016-004: Tourism Destination Representation Services in Hong Kong, and if successful, enter into contract.

Motion Approved

Background: The Guam Visitors Bureau "GVB", a non-stock, non-profit membership corporation, is soliciting proposals from established marketing companies to act as GVB's tourism destination marketing representative in Hong Kong to assist GVB in promoting Guam tourism and achieving visitor arrival goals, and to act as GVB's liaison office in matters pertaining to Guam for FY2016, FY2017, FY2018, FY2019 and FY2020, subject to availability and certification of funds from fiscal year to fiscal year.

Issue: Board approval required.

C. JAPAN

Committee minutes dated November 10, 2015

Exhibit D

Immigration Wait Time

Director Morinaga reported that the JMC's major mission is to address the immigration wait lines. He reported the wait time is currently at 2 to 2.5 hours. He noted the benefit of being a close destination is ruined when tourists are stuck waiting in line at the airport. He also noted with FestPac fast approaching, the lines and wait time would only get worse.

Director Morinaga stated it is not just the Japan Market but also Korea and China Markets affected.

Director Jackson noted he attended the last JGTC meeting with Director Morinaga and was shocked by the comments from agents. He said one of the agents from JTB (most successful travel agency in the world) shared during her last visit to Guam that people in line stated that "they would never come back to Guam - the line is just impossible".

Director Nakajima said they are faced with several issues. They need to work with the US Government banning Guam/CNMI only visa waiver. They also need to work on establishing a special lane for the disabled, the elderly, and families with children. He also suggested working with GIA to give consideration when working with new airline arrivals - especially afternoon flights.

Director Jackson noted the Ambassadors could be more helpful in assisting visitors through the line; making sure the forms are correctly filled out - every little bit helps. Chairman Baldyga proposed revisiting the Airport Ambassador program - consider redoing the contract to include more funding.

GM Denight said the Lt's Office would take the lead and they had a meeting with Chief of Staff Joe Duenas to get him updated. The Governor is involved and very aware. He noted that key management is CBP. We had an ESTA line and it was taken away. According to CBP only 10% of people were using it.

Suggested action:

- o GVB write a letter of concern to the CBP stressing the negative impact on tourism it has caused (wait time).
- o Set up a meeting with GIA.
- o Write a letter of concern to Congresswoman Bordallo's office seeking her help.
- o Meet with all stakeholders (GVB/GIA) to come up with solutions.
- o Get Adelup and The Governor involved and aware.
- o Augment CBP budget to help provide more agents.

Director Morinaga suggested a motion to agree by the Board to write a resolution to be presented to CBP.

Chairman Baldyga made a motion, seconded by Director Nakajima, to authorize Management to craft a Resolution addressing the long delays at the Airport for Executive Committee review and approval.

Motion approved.

Resolution for Takagi-san

Director Kloppenburg noted that Takagi-san received an award from the Emperor of Japan. He suggested the Board present a Resolution recognizing Takagi-san's contribution to Guam.

Chairman Baldyga made a motion, seconded by Director Arriola, to issue a Resolution congratulating Takagi-san on his award.

Motion Approved.

Resolution for Miyata-san

Before moving on from Japan, GM Denight would like to propose a motion to the Board. It was suggested that Miyata-san be recognized as a Sports Ambassador for Guam. He retired from Leo Palace and would be moving back to Japan to take on the role as President of a Japan Soccer Club. This would be great opportunity to continue to use his connections to promote Guam as a sports destination.

Chairman Baldyga made a motion, seconded by Director Hofmann, to issue a Resolution congratulating Mr. Miyata from Leo Palace, and presenting him the honor of being an Honorary Sports Ambassador for the Guam Visitors Bureau.

Motion Approved.

D. KOREA

Exhibit E

Committee minutes dated December 1, 2015

Director Jackson reported good news from Tway – they are considering adding seats from the Fukuoka to Guam market.

Director Jackson reported a big event this weekend based on our MOU signing with MBC – a KLPGA and Korean Baseball Association Competition with estimated exposure worth 17 million dollars.

E. MEMBERSHIP & COMMUNITY OUTREACH

**Nothing to report*

F. NORTH AMERICA & PACIFIC MARKETS

Exhibit F

Committee minutes dated November 18, 2015

**Nothing to report*

G. RESEARCH

**Nothing to report*

H. RUSSIA & NEW MARKETS

**Nothing to report*

I. VISITOR SAFETY & SATISFACTION

**Nothing to report*

J. CULTURE & HERITAGE

**Nothing to report*

K. SPORTS & EVENTS

**Nothing to report*

L. ADMINISTRATION & GOV'T RELATIONS

**Nothing to report*

M. DESTINATION MANAGEMENT

**Nothing to report*

VII. OLD BUSINESS

- o Cruise Industry
- o Philippine Market
- o Fashion related to Shop Guam Festival
- o IMG Golf Event
- o GVB next signature event
- o Destination Management

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENT

Upcoming Board Meetings:

- o Thursday, December 24, 2015 at 4:00pm, GVB Main Conference Room.
- o Thursday, January 14, 2016 at 4:00pm, GVB Main Conference Room.

Announcements:

XI. ADJOURNMENT

Chairman Baldyga made a motion, seconded by Director Arriola, to adjourn the meeting. Meeting adjourned at 5:36 p.m. **Motion Unanimously Approved.**



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

Board Minutes respectively submitted by Dara Roberto, Executive Secreta

Action Item:

1. Management to finalize signage/touting/abandoned building/hand-billing legislation and submit by August 1, 2015. **No internal experience to draft this → need to outsource.**
2. Tumon Masterplan Task Force
3. Management to incorporate into a capital request for funding possibly via a bond.
4. Submit a draft plan by August 1, 2015 **Director Guzman/Doris Ada**
5. Management to present to the Board at the next meeting:
 - o Total Festpac Budget
 - o Sources of funding already approved and still needed
 - o How the accounts will be handled and administrated
6. Management to look into how GVB can leverage and support the next GFA event from a promotional standpoint **GVB Branding of event + Community outreach**
7. Management to follow up with Lt. Carbullido (GPD) on incidence report. **Meriza Peredo**
8. ~~"Think-tank" task force meeting to discuss CBP issue~~ **Lt. Gov. Task Force**
9. Management to set up seminar with Korean Association of Guam regarding Guest House legalities
10. Due at end of year - Management to provide an end of year Sports & Events recap:
 - o Money spent
 - o Arrivals
 - o Return on Investment
11. Director Shinohara to review policies with respect to Board conflicts, committee issues, etc.
12. -Staff to provide a short recap of 2016 Smart Goals: Where we are at and where we are going.
13. -Management to provide 2016 travel plans by committee.
14. -Letter from the GVB to Washington re CBP issues.
15. -Management to craft a resolution addressing the long delays at the airport - for Executive Committee review and approval.
16. -Revisit the Airport Ambassador program - possibly redo the contract.
17. -Jan 11th or 12th Special Meeting to discuss ideas for 2016.
18. -Letter to Congresswoman Bordallo re CBP
19. -Management to craft resolution congratulating Takagi-san on his award from the Emperor of Japan
20. -Management to craft resolution recognizing Miyata-san as GVB Sports Ambassador