



BOARD OF DIRECTORS REGULAR MEETING

Thursday, May 12, 2016 - 4:00 p.m.

Guam Visitors Bureau- Main Conference Room

BOARD of DIRECTORS PRESENT:

Director Clifford Guzman

Director Sam Shinohara

Director Bart Jackson

Director Norio Nakajima

Director Hong Soon Im

Chairman Mark Baldyga

Director Milton Morinaga

Director Robert Hofmann

BOARD of DIRECTORS TELEPHONICALLY:

Director Theresa Arriola

BOARD of DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo - Work obligation

Director Katarina Sgro - Off island

Director Bruce Kloppenburg - Doctor appointment

GVB MANAGEMENT & STAFF PRESENT:

Russell Ocampo

Telo Taitague

Rose Cunliffe

Brian Borja

Gina Kono

Joshua Tyquiengco

Pilar Laguana

Dara Roberto

Nadine Leon Guerrero

Nicolas Yasuhiro

Mark Manglona

Regina Nedlic

Jon Nathan Denight

Antonio Muna Jr.

June Sugawara

Doris Ada

Lisa Linek

GUESTS:

Louella Losinid - Guam Daily Post

I. CALL TO ORDER

Chairman Baldyga called the meeting of the board to order at 4:12 pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Chairman Baldyga made a motion to approve the minutes of the previous Board of Directors meeting dated April 28, 2016.

Motion Unanimously Approved. (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- Chairman Baldyga said they had a nice meeting at the Legislature on the BNB Bill. The general consensus among all parties is to encourage development of more rooms, ensure a level playing field in terms of taxes and rules, and to provide a safe environment for our guests. It was recommended they establish a complaint hotline directed through GVB.

- They held the budget meeting and he praised management for doing a great job. He noted it was the best budget presentation he had seen in terms of clarity and effectiveness.

GVB POLICIES AND PROCEDURES

Attachment A

Chairman Baldyga thanked Nathan and Sam for putting this together along with our auditors and legal team. He noted it's something that has been long overdue and it's a great step for GVB as an organization to put into place.

Discussion/Comments:

- **Transfer Authority:** The Board expressed concern over the amount given under transfer authority (\$100,000). It was suggested a percentage amount be used instead.

Director Guzman made a motion, seconded by Director Jackson to strike the transfer authority paragraph (subject to further discussion).

Motion Approved

No further comments from the Board.

Chairman Baldyga made a motion, seconded by Director Jackson, to adopt the GVB Policies and Procedures as presented.

Motion Approved

IV. GENERAL MANAGER'S REPORT



V. TREASURER'S REPORT

Exhibit B

FY 2016					
	Appropriation	Received to Date		Balance	
Operations	\$ 21,044,191.00	\$ 9,254,441.00	44%	\$ 11,789,750.00	56%
Destination Development	\$ 1,235,000.00	\$ 643,750.00	52%	\$ 591,250.00	48%
Rainy Day Fund	\$ 200,000.00	\$ 150,000.00	75%	\$ 50,000.00	25%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 110,000.00	55%	\$ 90,000.00	45%
Pass-Thru	\$ 750,000.00	\$ 531,250.00	71%	\$ 218,750.00	29%
Guam Football Association	\$ 400,000.00	\$ 400,000.00	100%	\$ -	0%
Pilot Program Korean Visitor Market	\$ 250,000.00	\$ 250,000.00	100%	\$ -	0%
TOTAL	\$ 24,079,191.00	\$ 10,689,441.00		\$ 12,739,750.00	

Total Receivables FY 2016 \$ 12,739,750.00

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 2,246,982.94
Bank of Guam - FESTPAC Trust Account ³	\$ 2,286,179.46
Cultural & Sports Ambassador Fund	\$ 310,000.00
Pilot Program Korean Visitor Market	\$ 250,000.00
TOTAL	\$ 5,093,162.40

UNRESTRICTED

Bank of Guam - Operations	\$ 8,047,310.47
First Hawaiian Bank - Membership	\$ 68,457.04
Resona	\$ 389,568.83
Bank of Guam - TAF	\$ 1,585,108.27
Morgan Stanley - CD value as of 03/31/2016 ²	\$ -
Raymond James - CD value as of 03/31/2016 ²	\$ 2,516,962.69
TOTAL	\$ 12,607,407.30

TOTAL as of 5/10/2016 \$ 17,700,569.70

Current Payables

Asatsu Invoices NOV - MAR	\$ 2,610,140.67
Japan Invoices	\$ 59,497.51
Guam Invoices	\$ 265,479.95
FY 2015/FY 2016 Pass-thru appropriations	\$ 55,000.00
Encumbered Contracts	\$ 4,100,715.06
Encumbered Purchase Orders	\$ 162,971.28
FESTPAC Trust Account	\$ 2,286,179.46
TOTAL as of 5/10/2016	\$ 9,539,983.93

NOTES

NOTE 1

\$2,037,725.36 Rainy Day Fund
 (\$790,742.42) Board approved funding for Japan incentive
 \$1,246,982.94

NOTE 2

\$1,400,675.37 Morgan Stanley/Raymond James CD
 (\$86,542.00) Board approved \$86,542 on 7/23/15 for Department Revenue & Tax Auditors
 \$1,314,133.37

NOTE 3

\$2,286,179.46 FESTPAC Trust Account
 (\$488,761.19) TPI Invoices
 \$1,797,418.27



VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

B. VISITOR SAFETY & SATISFACTION

C. CULTURE & HERITAGE

D. SPORTS & EVENTS

E. ADMINISTRATION & GOV'T RELATIONS

GVB FY2017 Budget

Director Jackson made a motion, seconded by Director Guzman, to approve GVB's FY2017 Budget submission in the amount of \$28,311,000 as presented by Management.

Motion Approved

Issue: Board Approval Needed

DIRECTOR JACKSON MADE A MOTION, SECONDED BY DIRECTOR MORINAGA TO REALLOCATE A TOTAL OF \$50,000.00 FROM THE FOLLOWING MARKETS, \$25,000 - RUSSIA, \$12,000 - KOREA, AND \$13,000 - CHINA, TO THE BUSINESS DEVELOPMENT ACCOUNT TO COVER ADDITIONAL PATA ANNUAL SUMMIT EXPENSES DUE TO AN INCREASED AND UNANTICIPATED REGISTERED SUMMIT DELEGATES.

MOTION APPROVED

BACKGROUND: The budget for the summit was estimated based on 350 registered delegates. Currently, there are 457 international and local registered delegates from 33 countries. Due to strong interest in the summit and extensive international and local marketing efforts, we anticipate reaching 500 by the beginning of the summit.

GVB Personnel Rules and Regulations

Chairman Baldyga made a motion, seconded by Director Guzman, that present personnel rules of the GVB be examined and edited where necessary to insure compliance with 4 Guam Code Ann. §4105(a) and Chapter 4 of Title 4. Further, that the GVB personnel rules establish a mechanism by which employee grievances and appeals of adverse actions are heard. Further, that the General Manager may if he believes it necessary, cause to issue a RFP to engage the services of a specialist in human resources to assist in this task.

Motion Approved

OOG

The Board authorized Executive Committee to move forward with the terms of the new proposal.

F. DESTINATION MANAGEMENT
Committee minutes dated May 5, 2016

Exhibit C

- Director Hofmann made a request for Pia Mia and other Guam Live entertainers to do a PSA on littering and cleaning up the beach.

G. GREATER CHINA
Committee minutes dated May 6, 2016

Exhibit D

H. JAPAN

Director Morinaga made a motion, seconded by Director Shinohara to donate relief funds to the Kamamoto donation for the amount of \$5,000 from the GVB Rainy Day Fund.

Motion Approved

Director Morinaga made a motion, seconded by Director Jackson, to revise previously approved travel to attend the Kashiwa Festival to include the Kashiwazaki Festival in Kashiwazaki, Niigata, Japan from July 25 - July 31, 2016. (Estimated Cost: Account #: JA-TTC009 (\$10,000), JA-SMD008 (\$1,379.00), and DM-CPO001 (\$44,175.50) Total: \$54,273.50).

Motion Approved

Background: Originally approved on January 28, 2016, the motion is being revised to include another friendship city Kashiwazaki.

As this year marks the 25th anniversary of the signing of our friendship agreement, a larger delegation will be in attendance. In keeping with our Friendship Agreement signed in 1991, a group of students from Kashiwa come to Guam every year. Promoting cultural exchange programs, a delegation will be sent to Kashiwa to share Guam's culture with the Kashiwa International Relations Association. This group in turn comes to Guam. The 30-pax delegation is scheduled to visit from May 31 - June 4, 2016.

The Niigata Guam Friendship Association is an active organization and recently visited Guam with a delegation of 74 members to celebrate our friendship ties. Their annual visits, utilizing United's Nagoya route, celebrate our two cultures. Their festival is scheduled for July 26, 2016. Kashiwazaki is one of our Friendship sites with Two Lovers' Point.

KASHIWA

Marketing	Per diem	Days	Per diem total
JMC Chairman-Kashiwa	\$633.75	4	\$2,535.00
General Manager-Kashiwa	\$633.75	4	\$2,535.00
Japan Marketing Officer-Kashiwa	\$507.00	4	\$2,028.00
Airfare (\$1,000 x 3)			\$3,000.00
Subtotal			\$10,098.00

CHaCO	Per diem	Days	Per diem total
Board Member	\$633.75	4	\$2,535.00
2 Musicians - Kashiwa	\$507.00	4	\$4,056.00



6 Dancers - Kashiwa	\$507.00	4	\$12,168.00
Miss Guam - Kashiwa	\$507.00	4	\$2,028.00
CHC Officer - Kashiwa	\$507.00	4	\$2,028.00
Professional Fees			
2 Musicians	\$100.00	2	\$400.00

6 Dancers	\$50.00	2	\$600.00
Miss Guam	\$100.00	2	\$200.00
Airfare (\$1,000 x 11)			\$11,000.00
Subtotal			\$35,015.00

KASHIWA TOTAL	\$45,113.00
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KASHIWAZAKI

Marketing	Per diem	Days	Per diem total
JMC Chairman-Kashiwazaki	\$228.75	2	\$457.50
General Manager-Kashiwazaki	\$228.75	2	\$457.50
Japan Marketing Officer-Kashiwazaki	\$183.00	2	\$366.00
Subtotal			\$1,281.00

CHaCO	Per diem	Days	Per diem total
Board Member	\$228.75	2	\$457.50
2 Musicians - Kashiwazaki	\$183.00	2	\$732.00
6 Dancers - Kashiwazaki	\$183.00	2	\$2,196.00
Miss Guam - Kashiwazaki	\$183.00	2	\$366.00
CHC Officer - Kashiwazaki	\$183.00	2	\$366.00
Professional Fees			
2 Musicians	\$100.00	2	\$400.00
6 Dancers	\$50.00	2	\$600.00
Miss Guam	\$100.00	2	\$200.00
Subtotal			\$7,879.50

KASHIWAZAKI TOTAL	\$9,160.50
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Grand total	\$54,273.50
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I. KOREA
Committee minutes dated May 10, 2016

Exhibit E

J. MEMBERSHIP & COMMUNITY OUTREACH





K. NORTH AMERICA & PACIFIC MARKETS

L. RESEARCH

M. RUSSIA & NEW MARKETS
Committee minutes dated May 3, 2016

Exhibit F

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENT

Upcoming Board Meetings:

- o Thursday, May 26, 2016 at 3:00pm, GVB Main Conference Room.
- o Thursday, June 9, 2016 at 3:00pm, GVB Main Conference Room.

Announcements:

XI. ADJOURNMENT

Chairman Baldyga made a motion to adjourn the meeting. Meeting adjourned at 4:59 p.m.
Motion Unanimously Approved.

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

Board Minutes respectively submitted by Dara Roberto, Executive Secretary



Action Item:

- Management to set up meeting with DPW regarding Westin and Archbishop Flores intersections

Tumon Masterplan Task Force

- o Finalize signage / touting / abandoned-building / hand-billing legislation No internal experience to draft this → need to outsource
- o Incorporate into a capital request for funding via a bond
- o Submit draft plan → Director Guzman / Doris Ada
- o Adjust the bill we are putting forward to include a budget for MasterPlan

Sports & Events Recap → next BOD meeting

- o Money spent
- o Arrivals
- o Return on Investment

Immigration wait time / CBP → Lt. Gov. Task Force

- o Report from Lt. Governor's Office

- Management to set up workshop regarding GuestHouse issue – open to public

- Director Shinohara to present Board policies and procedures

- Staff to provide a short recap of 2016 Smart Goals: Where we are at and where we are going
→ next BOD meeting

- Management to craft Resolution congratulating Takagi-san on his award from the Emperor of Japan → PIO working with Japan Consulate

- Special meeting to discuss ideas for 2016 → GVB plans by Fiscal Year – Plan FY17 now

- Identify funds for Professional Consultant for Tumon Improvement Plan

- Update Tourism 2020