



BOARD OF DIRECTORS REGULAR MEETING

Thursday, May 11, 2017 – 3:30pm
Guam Visitors Bureau – Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Sam Shinohara	Director Bart Jackson
Director Brad Kloppenburg	Director Young Hong
Director William Nault	Director Katarina Sgro
Director Eduardo “Champ” Calvo	Director Theresa Arriola

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Milton Morinaga	Director Tak Takano
Director Satoru Murata	Director Monte Mesa
Director Robert Hofmann	

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Antonio Muna	Meriza Peredo
Dee Hernandez	June Sugawara	Nadine Leon Guerrero
Regina Nedlic	Rose Cunliffe	Pilar Laguana
Haven Torres	Russell Ocampo	Gina Kono
Colleen Cabedo	Kraig Camacho	Mark Manglona
Ana Cid	Brian Borja	

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Joe Mesngon – Senator Dennis Rodriguez’s Office
Lara Ozaki – Glimpses Publications
George Castro – Depo Resources

I. CALL TO ORDER

Director Arriola called the meeting of board to order at 3:42pm.

Director Calvo made a motion, seconded by Director Jackson, to nominate Director Shinohara to serve as Acting Chairman of the Board for the duration of this board meeting.

Motion approved

In the absence of Chairman Morinaga and Vice Chairman Mesa, Director Shinohara served as Acting Chairman of the Board.

II. MINUTES OF THE PREVIOUS MEETING

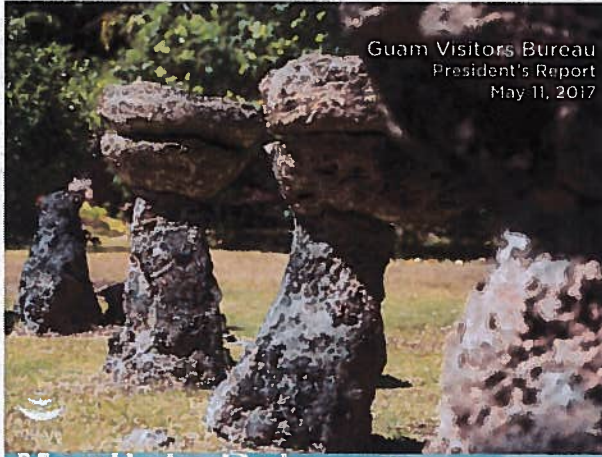
Exhibit A

Director Jackson made a motion, seconded by Director Arriola, to approve the minutes of the previous board of directors meeting dated April 27, 2017.

Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN’S REPORT

IV. PRESIDENT & CEO'S REPORT



Guam Visitors Bureau
President's Report
May 11, 2017

**Month to Date
2017**

Total: 37,490 (+9.1%)

May 1 – 9, 2017

% Market Mix	Origin	Pax	% to LY
45.0%	Japan	16,874	3.8%
42.9%	Korea	16,075	18.8%
0.8%	China	305	-47.0%
1.1%	Hong Kong	422	248.8%
1.6%	Taiwan	636	-12.0%
4.3%	US/Hawaii	1,612	5.8%
1.3%	Philippines	501	-19.2%

RESEARCH

April 2017

April 1 - 30, 2017

Total: 122,622 (+16.3%)

% Market Mix	Origin	Pax	% to LY
48.8%	Japan	49,834	1.1%
43.6%	Korea	53,517	38.4%
1.4%	China	1,720	-6.0%
1.7%	Hong Kong	2,052	243.1%
2.8%	Taiwan	3,208	24.0%
4.5%	US/Hawaii	6,091	-5.8%
1.8%	Philippines	2,135	13.1%

**Calendar Year
to Date 2017**

Total: 532,753 (+4.4%)

January - April 2017

% Market Mix	Origin	Pax	% to LY
43.7%	Japan	232,811	-11.6%
39.9%	Korea	212,429	29.9%
1.8%	China	9,486	-12.1%
1.4%	Hong Kong	7,711	180.1%
2.5%	Taiwan	13,521	-5.5%
4.8%	US/Hawaii	25,191	2.4%
1.1%	Philippines	5,972	6.1%

**Fiscal Year to
Date 2017**

Total: 923,682 (+5.3%)

October 2016 - April 2017

% Market Mix	Origin	Pax	% to LY
44.8%	Japan	414,211	-4.3%
39.5%	Korea	384,435	25.7%
1.8%	China	14,873	-9.2%
1.2%	Hong Kong	11,209	112.8%
2.5%	Taiwan	23,242	-0.4%
4.8%	US/Hawaii	44,092	3.7%
1.4%	Philippines	12,999	34.8%

MARKETING

DESTINATION

You're invited!

Tourism month proclamation

- Acting Governor Ray Tenorio to sign proclamation declaring May 2017 as Tourism Month
- When & Where: May 12, 2017 at 3:15 p.m. in the large conference room in Adelup
- This week (May 7-13) is also National Travel and Tourism Week
- Student winners for Tourism Works poster and video contests will be announced immediately after proclamation signing

Korea Marketing News

Guam Photo Exhibit
April 28-30, 2017

- Consumer event held at Time Square Mall in Seoul, Korea
- Photos displayed were taken by recent Sony Korea FAM and other stock images of Guam.

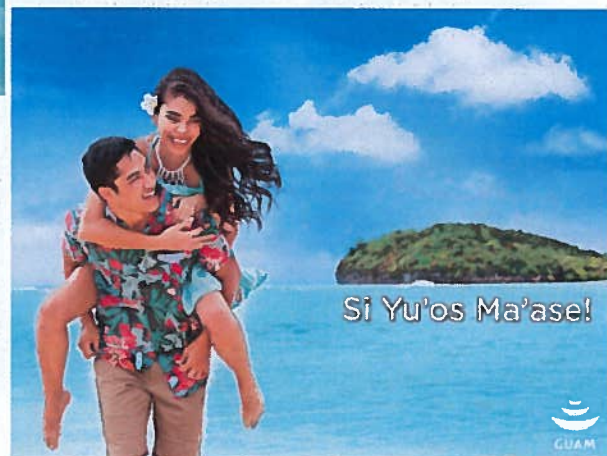


Sports & Events



Guam Micronesia Island Fair

- 50,000 people attended in 5 days
- 95 vendors and over 100 booths
- Diverse entertainment line-up included acts from Guam and Hawaii
- 8 delegations were represented
- Free transportation to GMIF
- Positive feedback on new location
- GMIF app was well received
- Next year will celebrate GMIF's 30th





V. TREASURER'S REPORT

Exhibit B

FY 2016						
	Appropriation	Received to Date		Balance		
Operations	\$ 21,044,191.00	\$ 21,044,191.00	100%	\$ -		0%
Destination Development	\$ 1,235,000.00	\$ 1,235,000.00	100%	\$ -		0%
Rainy Day Fund	\$ 200,000.00	\$ 200,000.00	100%	\$ -		0%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 200,000.00	100%	\$ -		0%
Pass-Thru	\$ 750,000.00	\$ 712,500.00	95%	\$ 37,500.00		5%
Guam Football Association	\$ 400,000.00	\$ 400,000.00	100%	\$ -		0%
Pilot Program Korean Visitor Market	\$ 250,000.00	\$ 250,000.00	100%	\$ -		0%
FESTPAC	\$ 1,300,000.00	\$ 1,300,000.00	100%	\$ -		0%
Capital Improvement Projects	\$ 1,000,000.00	\$ 1,000,000.00	100%	\$ -		0%
TOTAL	\$ 26,379,191.00	\$ 26,341,691.00		\$ 37,500.00		
TOTAL RECEIVABLES FY 2016				\$ 37,500.00		

FY 2017						
	Appropriation	Received to Date		Balance		
Operations	\$ 21,282,472.00	\$ 13,283,871.00	62%	\$ 7,998,601.00		38%
Destination Development	\$ 1,085,000.00	\$ 632,916.67	58%	\$ 452,083.33		42%
Rainy Day Fund	\$ 200,000.00	\$ 116,666.67	58%	\$ 83,333.33		42%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 116,667.67	58%	\$ 83,332.33		42%
Pass-Thru	\$ 1,085,000.00	\$ 755,835.34	70%	\$ 329,164.66		30%
TOTAL	\$ 23,852,472.00	\$ 14,905,957.35		\$ 8,946,514.65		
TOTAL RECEIVABLES FY 2017				\$ 8,946,514.65		
TOTAL RECEIVABLES				\$ 8,984,014.65		

Accounts	
RESTRICTED	
Bank of Guam - Rainy Day Fund	\$ 2,201,556.73
Cultural & Sports Ambassador Fund ¹	\$ 461,017.67
TOTAL RESTRICTED	\$ 2,662,574.40
UNRESTRICTED	
Bank of Guam - Operations	\$ 14,391,961.24
First Hawaiian Bank - Membership	\$ 116,182.03
Resona	\$ 702,890.91
Bank of Guam - TAF	\$ 1,306,054.26
Raymond James - CD value as of 03/31/2017 ²	\$ 2,534,156.66
TOTAL UNRESTRICTED	\$ 19,051,245.10
TOTAL CASH as of 05/08/2017	\$ 21,713,819.50
Current Payables	
Asatsu Invoices JAN - MAR	\$ 1,734,929.53
Japan Invoices	\$ 31,894.79
Guam Invoices	\$ 287,958.07
Encumbered Contracts	\$ 3,901,113.02
Encumbered Purchase Orders	\$ 200,930.41
TOTAL as of 05/08/2017	\$ 6,156,825.82

NOTES

NOTE 1

\$461,017.67	Cultural and Sports Ambassador Fund
(\$6,250.00)	Cultural and Sports Ambassador expenses - reimburse Operations
\$454,767.67	

NOTE 2

\$1,417,869.34	Morgan Stanley/Raymond James CD
(\$86,542.00)	Board approved \$86,542 on 07/23/15 for Department Revenue & Tax Auditors
(\$700,000.00)	Board approved \$700,000 on 02/25/16 for Pale San Vitoras Road Bus Shelter Project
(\$150,000.00)	Board approved \$150,000 on 07/14/16 for Pale San Vitoras Road Bus Shelter Project
(\$50,000.00)	Ex Com approved \$50,000 on 04/07/17 for Streetlight Project Management
(\$142,528.00)	Board approved \$142,528 on 4/12/17 for VSS Supplemental Budget Request
\$288,799.34	

May 8, 2017

VI. REPORT OF THE BOARD COMMITTEES





A. EXECUTIVE COMMITTEE

TESTIMONY ON BILL 80-34

Exhibit C

Director Jackson made a motion, seconded by Director Kloppenburg, to ratify Executive Committee's approval of GVB's testimony on Bill No. 80-34 (COR)- An act to add Section 16136 to Chapter 16, Title 17 all of the Guam Code Annotated, relative to designating the University of Guam as lead agency for climate change and creating and funding the Island Sustainability Outreach and Action (ISOA) Program.

Motion approved

- o President Denight reported that Vice President Muna attended the hearing and read the testimony. We did not get favorable feedback from Speaker Cruz. President Denight reiterated that our point was that we do care about the environment and sustainability but we also wants to use these funds to clean our beaches and prioritize our work before getting into these high level issues. Director Arriola added that we are not against the issue but we feel that this is not the right use of the funds. She also stated that there are many grants available for climate change work that UOG can take advantage of.

B. CULTURAL & HERITAGE

C. SPORTS & EVENTS

D. ADMINISTRATION & GOV'T RELATIONS

GVB FY2018 BUDGET

Exhibit D

Motion to approve GVB's FY2018 budget submission to the Legislature in the amount of \$27,510,000 as presented by management.

- o As a result of a discussion regarding Visitor Safety and Satisfaction (specifically the trash issue), the board unanimously decided to increase the FY2018 budget request by \$300,000.

Director Jackson made a motion, seconded by Director Calvo, to approve GVB's FY2018 budget submission to the Legislature in the amount of \$27,810,000 as presented by management.

Motion approved

Issue: Board approval required.

E. DESTINATION MANAGEMENT

F. GREATER CHINA

Committee minutes dated April 14, 2017

Exhibit E

- o President Denight reported that EVA Air suspended its service to Guam. He then provided the board with some background on the airline. He feels that the suspension was internally driven as a new chairman was recently elected. Chairman Morinaga, Director of Global





Marketing (DoGM) Laguana, and other members of the marketing team will be traveling to Taiwan to meet with EVA Air and China Airlines to get more information on the suspension.

- o He went on to report that Hong Kong Express has also suspended its service from Guam but they will continue their service to Saipan. The difference is that Guam does not have a Visa Waiver.

G. JAPAN

- o Director Nault feels that improvements need to be made to the GVB website to make it more compatible with mobile phones and tablets. Per President Denight, work is being done to make the website more compatible with these devices for all languages.

H. KOREA

- o Director Jackson reported that Korea just elected a new president who is inclined to work more closely with North Korea. This could be an economic risk, but the new administration is working with less aggression than the previous one.

I. MEMBERSHIP & COMMUNITY OUTREACH

- o Director Kloppenburg reported that we currently have 394 members.
- o Our next quarterly membership meeting will be on June 12. The venue is TBD. President Denight and Clifford Guzman will be giving a presentation on HOT Bond projects.

J. NORTH AMERICA & PACIFIC MARKETS

K. RESEARCH

L. RUSSIA & NEW MARKETS

M. VISITOR SAFETY & SATISFACTION

- o Director Hong reported that the VSS committee conducted a beach inspection from Hilton to Guam Reef and found that several areas need more light at night.
- o The VSS committee will be meeting with GPD, GFD, DPR, the Lieutenant Governor's Island Beautification Task Force, EPA, and BSP sometime in July.
- o The Talofofu Banana Festival, Merizo Crab Festival, and Agana Heights Coconut Festival have all concluded. The Agat Mango Festival will begin on May 26 and end on May 28.
- o Director Arriola touched on the trash issue and how we need more trash receptacles throughout the island. President Denight mentioned that the downside of public receptacles is that some locals use them to dump trash from their personal residence (instead of paying for trash collection service). This is why the receptacles were removed from Ypao two years ago. Director Jackson added that merely providing receptacles will not be enough. We need to implement a reliable trash collection program for this to be effective. The board discussed adjusting the FY2018 budget request to include funds to resolve the trash issue (see GVB FY2018 Budget motion under Administration & Government Relations).

VII. OLD BUSINESS

- o Acting Chairman Shinohara asked management to make efforts to facilitate a conversation between GVB, the airport, and GEDA to discuss the current situation in Japan.

VIII. NEW BUSINESS





IX. EXECUTIVE SESSION

Director Calvo made a motion, seconded by Director Jackson, to go into Executive Session.

Motion approved

X. ANNOUNCEMENTS

Announcements:

- o Guam Live International Music Festival: June 3
- o Guam BBQ Block Party: July 1

Upcoming Board Meetings:

- o Thursday, May 25, 2017 at 3:30pm, GVB Main Conference Room
- o Thursday, June 8, 2017 at 3:30pm, GVB Main Conference Room

XI. ADJOURNMENT

Director Jackson made a motion, seconded by Director Calvo, to adjourn the meeting. Meeting adjourned at 5:21pm.

Motion unanimously approved

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

Board Minutes respectively submitted by Karida Brennan, Executive Secretary



Action Items:

1. **VSS Committee to find solution for lighting issue along beaches**
 - Lighted sidewalks
 - Lights provided by hotels, but not projected over water
2. **Assignment of the Chairperson for the Administration and Government Relations Committee**
3. **Management to look into drafting rules and regulations for signage in bus shelters**