



BOARD OF DIRECTORS REGULAR MEETING

Thursday, July 26, 2018 - 4:30pm

Guam Visitors Bureau - Main Conference Room

BOARD OF DIRECTORS PRESENT:

Director Milton Morinaga	Director Monte Mesa
Director Brad Kloppenburg	Director Young Hong
Director Theresa Arriola	Director Samuel Shinohara
Director William Nault	Director Bartley Jackson
Director Robert Hofmann	Director Satoru Murata

A quorum was met

BOARD OF DIRECTORS TELEPHONICALLY:

BOARD OF DIRECTORS ABSENT:

Director Eduardo "Champ" Calvo	Director Tatsuo Takano
Director Katarina Sgro	

GVB MANAGEMENT & STAFF PRESENT:

Jon Nathan Denight	Antonio Muna Jr.	Maura Yi
Pilar Lagaña	Ana Cid	Nakisha Garrido
Lisa Linek	Colleen Cabedo	Nicole Benavente
Carly Rosete (Intern)		

GVB MANAGEMENT & STAFF TELEPHONICALLY:

GUESTS:

Roy Abraham, Pacific Star Resort & Spa
Wayne Chargualaf, Marianas Business Journal

I. CALL TO ORDER

Chairman Morinaga called the meeting of the board to order at 4:52 pm.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Director Jackson made a motion, seconded by Director Shinohara, to approve the minutes of the previous board of directors meeting dated June 28, 2018.
Motion unanimously approved (Subject to minor revisions)

III. CHAIRMAN'S REPORT

- o *Due to a shortage in time, Chairman Morinaga moved to go through motions first followed by the points of order*
- o Chairman Morinaga presented GVB Resolution No. 2018-003, relative to commending Mr. Roy Abraham as General Manager of the Pacific Star Resort & Spa in Guam, USA, in recognition of his upcoming retirement; and to expressing *Un Dangkolo Na Si Yu'os Ma'ase'* for his critical contributions on Guam and to its visitor industry; and to wish him all the best in his future endeavors, on behalf of the people of Guam to Mr. Abraham and also awarded him with the "Most Supportive Tourism Partner" plaque.

IV. PRESIDENT & CEO'S REPORT



V. TREASURER'S REPORT

Exhibit B

EXHIBIT B

FY 2018					
	Appropriation	Received to Date		Balance	
Operations	\$ 18,750,216.00	\$ 14,203,571.07	76%	\$ 4,546,644.93	24%
Sustained Marketing - Korea	\$ 4,000,000.00	\$ 2,909,091.03	73%	\$ 1,090,908.97	27%
Destination Development	\$ 1,085,000.00	\$ 813,749.99	75%	\$ 271,250.01	25%
GVB Cruise Ship Industry Development Program	\$ 50,000.00	\$ 37,499.99	75%	\$ 12,500.01	25%
Rainy Day Fund	\$ 200,000.00	\$ 149,999.99	75%	\$ 50,000.01	25%
Cultural & Sports Ambassador Fund	\$ 200,000.00	\$ 149,999.99	75%	\$ 50,000.01	25%
Pass-Thru	\$ 790,000.00	\$ 592,499.84	75%	\$ 197,500.16	25%
TOTAL RECEIVABLES FY 2018	\$ 25,075,216.00	\$ 18,856,411.90		\$ 6,218,804.10	

Accounts

RESTRICTED

Bank of Guam - Rainy Day Fund ¹	\$ 1,707,770.48
Cultural & Sports Ambassador Fund ²	\$ 325,461.41
GVB Cruise Ship Industry Development Program	\$ 25,133.91
TOTAL RESTRICTED	\$ 2,058,365.80

UNRESTRICTED

Bank of Guam - Operations	\$ 12,253,284.78
First Hawaiian Bank - Membership	\$ 54,738.20
Resona	\$ 793,075.67
Bank of Guam - TAF	\$ 520,796.92
Raymond James - CD value as of 6/30/2018 ³	\$ 2,553,470.32
TOTAL UNRESTRICTED	\$ 18,175,365.89

TOTAL CASH as of 7/25/2018

\$ 18,233,731.69

Current Payables

Asatsu Invoices (APR - MAY)	\$ 859,909.95
Japan Invoices	\$ 175,554.68
Guam Invoices	\$ 209,915.73
Pass-Thru	\$ 34,583.33
Encumbered Contracts	\$ 2,177,201.79
Encumbered Purchase Orders	\$ 203,934.46
TOTAL PAYABLES as of 7/25/2018	\$ 3,661,099.94

NOTES

NOTE 1

\$1,707,770.48 Rainy Day Fund
 (\$513,558.76) Rainy Day expenses Japan - reimburse Operations
\$1,194,211.72

NOTE 2

\$325,461.41 Cultural and Sports Ambassador Fund
 (\$51,487.50) Cultural and Sports Ambassador expenses - reimburse Operations
\$273,973.91

NOTE 3

\$2,553,470.32 Raymond James - CD
 (\$1,169,250.98) PAID - China airline incentive program and market advertising
 (\$300,000.00) PAID - Sponsorship Guam Football Association
 (\$20,000.00) PAID - GEDA Imagine Guam Masterplan Overlay
 (\$842,642.84) PAID - Pale San Vitores Road Bus Shelter Project
 (\$28,783.52) PAID - Planning, Architectural and Engineering Services for Tumon Bay Improvement
 (\$75,000.00) PAID - Sponsorship Guam Basketball Federation FIBA U17 Championship
 (\$10,000.00) PAID - Hagatna maintenance and streetscape project for GMIF
 (\$57,357.16) BALANCE - Pale San Vitores Road Bus Shelter Project
 (\$50,435.82) BALANCE - Planning, Architectural and Engineering Services for Tumon Bay Improvement
(0.00)

July 25, 2018

- o Director Shinohara and Management will work on an expenditure plan for GVB's revenue to present by next board meeting.



VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

FY2019 JAPAN STRATEGIC PLANNING MEETING IN GUAM

Vice Chairman Mesa made a motion, seconded by Director Jackson to ratify travel for the GVB Japan Acting Director Hiroshi Kaneko to travel to Guam to participate in the July Japan Marketing Committee meeting and FY2019 Japan marketing strategic meeting from July 16-18, 2018. Estimated cost is \$1,687.50; funding source to be identified by management.

Motion unanimously approved

Airfare:	\$1,000 x 1 pax					\$1,000.00
Per Diem:	Guam	Hotel	Nights	M&IE	Days	
	GVB Acting Director	\$150.00	2	\$62.50	3	\$487.50
Japan Transportation:	To and from airport			\$100.00	1	\$100.00
Guam Transportation:	Rental car			\$100.00	1	\$100.00
					TOTAL:	\$1,687.50

Background: As the final quarter of fiscal year 2018 begins, the Japan marketing team would like to have time to strategically discuss next year's sales and marketing plan. GVB Japan Acting Director Hiroshi Kaneko has worked closely with the Japan Guam Tourism Council and other travel trade partners in Japan to develop a sales plan to include target markets and new campaign ideas from FY2019. Furthermore, it is important to consider recent Japan market conditions in order to effectively plan for next year. Also, Director Kaneko-san will participate in July's monthly Japan Marketing Committee meeting.

Issue: Board approval required for travel.

GOVERNOR TAIWAN TRADE MISSION

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify travel for GVB Chairman of the Board to travel to Taipei, Taiwan from July 29 - August 4, 2018 to represent GVB in the Governor's Trade Mission. Cost of travel is approximately \$3,467.50 to be taken from the Taiwan Sales & Market Development Account No. SMD-019.

Motion unanimously approved

Airfare:	\$1,300.00					\$1,300.00
Per Diem:	Taipei	Lodging	Nights	M&IE	Days	
	BOD Chairman	\$226.00	6	\$135.00	6	\$2,167.50
					TOTAL:	\$3,467.50

Background: Taiwan continues as one of GVB's source markets and with ongoing efforts to establish new business, airline development efforts for new routes and maintaining strong partnerships with the travel trade, this trade mission provides an excellent opportunity to meet these goals. During the Governor's trade mission, Guam delegates would be meeting with Taiwan President Tsai Ing-Wen, the Mayor of Taipei to commemorate 45 years of sister city relations between Taipei and Guam and other high-level governmental officials as well as potential investors.



The trade delegation will also be meeting with China Airline executives to continue to assure them of Guam’s support for the airline especially for adding a fifth flight to its current Guam route. Talks will also resume to encourage China Airlines to consider servicing southern Taiwan by opening up a direct route from Kaohsiung to Guam.

Issue: Board approval required for travel.

GUAM ECO WAVE ART EXHIBITION

Vice Chairman made a motion, seconded by Director Jackson, to ratify travel for GVB Director of Global Marketing, one (1) GVB marketing staff, and local artist Dr. Judy Flores to attend the Guam Eco Wave Art Exhibition Press Conference at the Lotte Gallery in Youngdeungpo, Seoul, Korea. Travel dates are from July 31 – August 2, 2018. Cost is approximately \$5,112.00 from Acct #KO-SMD023.

Motion unanimously approved

Airfare:	\$800x 3 pax					\$2,400.00
Per Diem:	Seoul	Hotel	Nights	M&IE	Days	
	DoGM	\$230.00	2	\$148.00	3	\$904.00
	Marketing Staff	\$230.00	2	\$148.00	3	\$904.00
	Dr. Judy Flores	\$230.00	2	\$148.00	3	\$904.00
TOTAL:						\$5,112.00

Background: The Guam Visitors Bureau (GVB) conducted a Guam Eco Wave from May 26 – 30, 2018. The event was a co-op project with Lotte, which was geared towards promoting Guam as an eco-friendly destination using artwork produced by selected artists from Korea. GVB hosted 8 artists and photographers to collaborate with a local artist Dr. Judy Flores to create murals in the historic village of Inarajan.

The artwork developed during their visit to Guam will be featured in an art exhibit in 3 Lotte Department Store Galleries (Youngdeungpo, Anyang, Busan) between August – October. In addition to the artists’ work, GVB has also negotiated to have Dr. Judy Flores and Guam Family Ambassador Hyun Jin Lee’s artwork displayed at the exhibit. Lotte will also promote the event through their website and SNS channels. On August 1, 2018, GVB will conduct a press conference at the Lotte Department Store Gallery in Youngdeungpo displaying inspirational artworks by the Korean artists, local artist Judy Flores and Hyun Jin Lee.

Issue: Board approval for travel required.

GVB TESTIMONY ON BILL 314-34

Exhibit C

Vice Chairman Mesa made a motion, seconded by Director Jackson, to ratify GVB testimony on Bill 314-34.

Motion unanimously approved

B. ADMINISTRATION & GOV'T RELATIONS

GVB TESTIMONY ON SBILL 237-34 & BILL 323-34

Exhibit D

Motion to approve GVB testimony on FY2019 Budget Bill 237-34 and Bill 323-34.

Motion withdrawn and referred to Executive Committee

- o President Denight gave a brief summary on the two proposed budget bills from the Legislature. The board agreed the draft testimony needed to be revised with stronger





statements against the FY2019 budget bills. Management will work on the draft testimony and send to the Executive Committee for review, upon approval testimony will be submitted to the Legislature.

C. RESEARCH

- o Director Shinohara welcomed back Director of Tourism Research Cid.

D. NORTH AMERICA & PACIFIC MARKETS

E. CHINA

F. RUSSIA & NEW MARKETS

G. KOREA

MODE TOUR TRAVEL MART 2018

Director Jackson made a motion, seconded by Director Hofmann, to approve travel for one (1) GVB Board Member, GVB President & CEO or designee, GVB Director of Global Marketing, one (1) GVB Marketing Staff, GVB Director of Tourism Research, GVB Senior Research Analyst, GVB Culture & Heritage Officer or designee, Miss Guam, two (2) musicians, and four (4) dancers to attend the Mode Tour Travel Mart from August 30 - September 2, 2018 in Seoul, Korea. Cost is approximately \$46,086.00 from Accts #KO-SMD023 (\$13,406.00), #RES-104 (\$6,136.00), and CPO-004 (\$26,544.00).

Motion unanimously approved

Marketing:

Airfare:	\$800x 4 pax					\$3,200.00
Per Diem:	Seoul	Hotel	Nights	M&IE	Days	
	BOD Member	\$230.00	6	\$148.00	6	\$2,835.00
	President & CEO	\$230.00	6	\$148.00	6	\$2,835.00
	DoGM	\$230.00	6	\$148.00	6	\$2,268.00
	Marketing Staff	\$230.00	6	\$148.00	6	\$2,268.00
TOTAL:						\$13,406.00

Research:

Airfare:	\$800x 2 pax					\$1,600.00
Per Diem:	Seoul	Hotel	Nights	M&IE	Days	
	DTR	\$230.00	6	\$148.00	6	\$2,268.00
	Research Staff	\$230.00	6	\$148.00	6	\$2,268.00
TOTAL:						\$6,136.00

Culture & Heritage:

Airfare:	\$800x 8 pax					\$6,400.00
Per Diem:	Seoul	Hotel	Nights	M&IE	Days	
	Culture & Heritage Officer	\$230.00	6	\$148.00	6	\$2,268.00
	Miss Guam	\$230.00	6	\$148.00	6	\$2,268.00



	Musicians (2pax)	\$230.00	6	\$148.00	6	\$4,536.00
	Dancers (4pax)	\$230.00	6	\$148.00	6	\$9,072.00
Prof. Fee	Miss Guam	\$100 x 4 days				\$400.00
	Musicians	\$100 x 4 days x 2 pax				\$800.00
	Dancers	\$50 x 4 days x 4 pax				\$800.00
					TOTAL:	\$26,544.00
					GRAND TOTAL	\$46,086.00

Background: The Guam Visitors Bureau (GVB) plans to attend the 5th Annual Mode Tour Travel Mart that will be held at the COEX in Seoul, Korea from August 30 - September 2, 2018. Mode Tour is one of Korea's top travel wholesalers, and like Hana Tour, host its annual event to promote their travel products to respective trade partners and consumers. Last year, the Travel Mart welcomed 290 institutes including overseas embassies, tourism boards, local governments, airlines, hotels and resorts, optional tours, and insurance companies.

This year's Travel Mart is expected to welcome over 80,000 visitors consisting of travel trade and consumers during the 4-day event. The Mode Tour Travel Mart provides an opportune time to promote Guam's offerings, upcoming events, and highlight our island as a unique destination. GVB will continue to have a Guam Pavilion in an effort to brand Guam and its member partners under one umbrella. GVB also plans to conduct courtesy visits with trade partners and conduct interviews while in Seoul to provide updates on Guam and promote Guam's theme "InstaGuam".

Issue: Board approval for travel required.

- o Director Shinohara questioned if the whole delegation listed needs to attend, Director Jackson assured the board Guam needs to have a strong presence for this travel show hosted by one of the top travel agent in Korea.

H. JAPAN

Committee minutes dated June 19, 2018 **Exhibit E**

Committee minutes dated July 17, 2018 **Exhibit F**

JTB 50th ANNIVERSARY

Director Murata made a motion on the floor, seconded by Director Jackson, to approve travel for the JMC Chairman or designee to attend JTB's 50th anniversary reception in Tokyo, Japan from September 11-13, 2018. Estimated total cost is \$2,657.50. Funding source to be identified by management.

Motion unanimously approved

Airfare:	\$1,200 x 1 pax					\$1,200.00
Per Diem:	Tokyo	Lodging	Nights	M&IE	Days	
	JMC Chairman	\$345.00	2	\$283.75	2	\$1,257.50
Miscellaneous: Excess baggage, communications expense, etc.						\$200.00
					TOTAL:	\$2,657.50

Background: JTB will be hosting a reception in Tokyo, Japan on September 12, 2018 in celebration of their 50th anniversary. JTB has extended invitations to airline companies, tourism agencies, hoteliers, and other industry partners they work closely with to express their appreciation for their continued partnership. The JMC Chairman has been invited to represent GVB. With a highly exclusive guest list, this event will be a prime opportunity to reconnect with





executives from Japan's tourism community and to build upon Guam's longstanding relationship JTB.

Issue: Board approval required for travel.

- Director Nault reported successes in air services for the Japan market and thanked United Airlines and the board for all their support.
- Director Nault, Director Hofmann and President Denight will attend the Kashiwa Festival over the weekend.
- JMC and KMC are working on a joint effort to host a televised KPOP concert for December 2018, details forthcoming.

I. DESTINATION MANAGEMENT

J. MEMBERSHIP & COMMUNITY OUTREACH

K. VISITOR SAFETY & SATISFACTION

- Director Hong pointed out tourists are walking alongside the Bayview Hotel towards the Micronesian Mall but the area is dangerous as trees are blocking the view of drivers who could potentially hit pedestrians. Director Nault suggested to create a sidewalk, which currently does not exist, or to create a crosswalk for pedestrians.
- Vice President Muna reported the team is reaching out to the property owners and have scheduled a VSO meeting with the Attorney General and Chief of Police next week, to address the homeless issue that's been developing at the abandoned building across Blessed Diego de San Vitores in Tumon.
- Chairman Morinaga asked the status for pavement on the road of Farenholt Avenue leading into Sheraton. Director Hofmann informed the board Mayor Rivera must be un-route the route in order to add it into the list for DPW to pave.

L. CULTURAL & HERITAGE

M. SPORTS & EVENTS

VII. OLD BUSINESS

VIII. NEW BUSINESS

IX. EXECUTIVE SESSION

X. ANNOUNCEMENTS

- HERO Awards Friday, July 27, 2018 at 11:30am - 1:30pm, Hyatt Regency Grand Ballroom

Upcoming Board Meetings:

- Thursday, August 9, 2018 at 3:30pm, GVB Main Conference Room
- Thursday, August 23, 2018 at 3:30pm, GVB Main Conference Room



XI. ADJOURNMENT

Director Arriola made a motion, seconded by Vice Chairman Mesa, to adjourn the meeting. Meeting adjourned at 5:36pm.

Motion unanimously approved

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

Board Minutes respectively submitted by Maura Yi, Executive Secretary