



REGULAR BOARD OF DIRECTORS MEETING
Thursday, February 27, 2020 - 3:30 pm
Guam Visitors Bureau Main Conference Room

BOARD OF DIRECTORS PRESENT:

Chairman Sonny Ada
Vice-Chairman Milton Morinaga
Director Robert Hofmann
Director Stephen Gatewood
Director Shun Matsumoto
Director Therese Arriola

Director Brad Kloppenburg
Director JoAnn Camacho
Director Derrick Muna-Quinata
Director Paul Shimizu

BOARD OF DIRECTORS TELECON/SKYPE:

Director Sam Shinohara (telecom)

BOARD OF DIRECTORS ABSENT:

Director Flori-Ann Dela Cruz
Director Satoru Murata

GVB MANAGEMENT & STAFF PRESENT:

Bobby Alvarez
Annabel Certeza
Lisa Linek
Chris Lizama
Juanita Sablan
Valerie Sablan
Josh Tyquiengco
Josie Villanueva
Mariane Dela Cruz
Angie Mamaril

Ilene Quitugua
Kraig Camacho
Miranda Munoz
Nakisha Garrido
Taylor Pangilinan
Nicole Benavente
Karida Brennan
Colleen Cabedo
Nadine Leon Guerrero
Mark Manglora

Regina Nedlic
Russell Ocampo
Elaine Pangelinan
Mai Perez
Maria San Nicolas
Sydney Leon Guerrero
Brayan Simsiman
Tonya Formano

GUESTS:

Nestor Lacanto - KUAM
Chris Barnett - KUAM

Anumita Kaur - PDN
Kevin Tano - Post

I. CALL TO ORDER

Chairman Ada called The Regular Board of Directors meeting to order at 3:31 p.m.

II. MINUTES OF THE PREVIOUS MEETING

Exhibit A

Director Gatewood made a motion, seconded by Director Kloppenberg, to approve the minutes of the previous Board of Directors meeting dated January 23, 2020. **Motion accepted subject to minor edits.**

III. CHAIRMAN'S REPORT

- Chairman Ada thanked Vice Chairman Morinaga for covering the board meetings during his absence. He was enlightened to hear from the directors and staff & management of the bureau and thanked everyone for their participation. T25 is still a work in progress.

Budget FY2021:

- President & CEO, Pilar Lagaña, spoke with Governor Leon Guerrero and shared the bureau's desire for an FY2021 Budget of \$24-\$25M.
-



- Chairman Ada reiterated the need and request for an FY2021 Budget of \$24M - \$25M during his visit with Governor Leon Guerrero. Due to the current unknown situation of the Coronavirus, the conversation was unresolved. He did emphasize that the Guam Visitors Bureau will need recovery funds.
- Housekeeping items of discussion:
 - Sports & Events require additional people on their committee.
 - Committee meetings should comprise more than a director and a committee member.
 - If topics are not discussed on a committee level, it should not be placed under that committee for discussion or approval.
- The timeline for the T2025 focus group's review, solidification, and approval is pushed until summer. It may be delayed depending on focus groups with the Governor and Lt. Governor, who are not available until April. Other outstanding focus groups will take place, as well. The target to complete T2025 is before the next fiscal year begins. Chairman Ada stated that they would be reviewing drafts and refining them in the process.
- Chairman Ada moved AM Insurance's presentation next on the agenda to save them time from sitting in on our board meeting.

PRESENTATION BY AM INSURANCE: Directors & Officers Insurance Policy

By: Mr. David Montie



D&O at a Glance...

Directors & Officers Liability Insurance

covers the Director or Officer for the decisions and actions they make.

(It give decision makers peace of mind)

- Purchased by the company
- Covers any decisions or actions made by the directors and officers.

**COVERAGE A:
DIRECTORS & OFFICERS LIABILITY**

The insurer shall pay the loss of each and every Director or Officer of the Company arising from any claim or claims made against the Directors or Officers during the policy period for any alleged Wrongful Act in their respective capacities as Directors or Officers of the Company, except for and to the extent that the company has indemnified the Directors or Officers.

The Insurer may, in accordance with and subject to Clause 9, advance to each and every Director and Officer the Defense Costs of such claim or claims prior to their final disposition

Disclaimer: Please refer to policy conditions for details

**COVERAGE B:
CORPORATE REIMBURSEMENT**

The insurer shall reimburse the company for the loss arising from any claim or claims which are first made against the Directors or Officers during the policy period for any alleged Wrongful Act in their respective capacities as Directors or Officers of the Company, but only when and to the extent that the company has indemnified the Directors or Officers for such Loss pursuant to law, common or statutory, or contract, or the charter or By-laws of the Company duly effective under such law which determined and defined such rights of indemnity

Disclaimer: Please refer to policy conditions for details

- Two parts to the D&O liability policy coverage.
 - o A) Directly for Directors & Officers: Protects the individual assets from being compromised, especially if the company themselves would advance any legal fees on behalf of the directors or officers. It protects against any unintentional wrongful acts by the directors and officers in coverage.
 - o B) Corporate Reimbursement: Should the entity or company themselves advance legal fees, this portion of the policy will reimburse the Guam Visitors Bureau for any legal costs that they've developed on behalf of the Directors and Officers.

LIMIT OF LIABILITY

- **\$1,000,000** aggregate for coverages A&B combined
- **\$500,000** sub-limit for Employment Practices Liability

Disclaimer: Please refer to policy conditions for details

RETENTION

COVERAGE A	\$2,500 each person
COVERAGE B	\$2,500 aggregate each loss

Disclaimer: Please refer to policy conditions for details

-Retention: There's a \$2,500 self-insured retention on both coverages A and B. Coverage A is per person, and coverage B is a \$2,500 reimbursement to the company for every loss.

COVERED CLAIMS

- MISREPRESENTATION
- BREACH OF DUTY
- BREACH OF TRUST
- MISLEADING INFORMATION & STATEMENTS
- REGULATORY AUTHORITY & GOVERNMENT INVESTIGATIONS

Disclaimer: Please refer to policy conditions for details

COVERED CLAIMS (Continued) EMPLOYMENT PRACTICES LIABILITY

- Wrongful termination of employment or an implied contract
- Wrongful discipline or demotion an employee
- Sexual harassment to an employee
- Slander or libel
- Discrimination based on age, gender, religion, race, or other protected statuses
- Breach of an employment contract
- Invasion of privacy
- Emotional or mental distress
- Negligent decisions concerning hiring, promotions, or compensation

Disclaimer: Please refer to policy conditions for details

Covered Claims:

- o Misrepresentation covers violation of articles of associations
- o Breach of Duty is failing to perform.
- o Breach of trust is divulging any information that is held in the confidence of any directors and officers.
- o Misleading Information & Statements is false reports or any disclosures of material facts.
- o Regulatory Authority & Government Investigations deal with business conduct and practices. If they are non-compliant and found in breach of the law, if any government entity or government regulator comes in, this part of the policy will respond to it.

THE POLICY DOES NOT COVER:

- INTENTIONAL CRIMINAL ACTIVITY
- FRAUD
- ILLEGAL PROFITS
- FAILURE TO MAINTAIN INSURANCE
- PRIOR ACTS EXCLUSION

Disclaimer: Please refer to policy conditions for details

- If you're in a lawsuit, Annmarie Muna stated that the \$1M Limit of Liability is for defense cost and the actual settlement itself. In the past, defense cost was in addition to the limit purchased. It is difficult to receive these days. The current underwriter has included defense costs within limits.
 - o \$1M if directors & officers are sued
 - o Up to \$500,000.00, including the defense list for employment practices liability.


DISCUSSION:

- Directors and Officers means the Board of Directors.
- The policy is meant to cover the board of directors for any of their fiduciary responsibility and any decisions they make. The only exception is under the employment practices.

- The first time GVB purchased Directors & Officers Liability Insurance was on May 19, 2019. As long as this is kept in effect, it will cover all Directors & Officers even if you're not on the board should something arise later on.
- Board Directors are covered in the policy, and management is covered under the Employment Practices Liability.
- Entity Coverage is not included in this policy. Should GVB get sued, not individually, but as an entity and board directors were not named, GVB would not be covered under the Directors & Officers Liability unless we look into purchasing the Entity Cover, which would be additional.
 - Chairman would like management to look into the entity coverage.
- The clause is apparent that any intentional acts will not be covered. You will be covered for negligence that may result from an unintentional act.
- Chairman reported that President & CEO Laguaña is taking time off this week, and Vice President Bobby is acting in her stead.

IV.




January 2020 

January 1-31, 2020 **Total: 157,479 (+6.8%)**

% Market Mix	Origin	2019	2020	% to LY
38.8%	Japan	58,021	61,088	5.3%
49.9%	Korea	69,295	78,609	13.4%
1.6%	Taiwan	2,461	2,544	3.4%
1.2%	China	1,261	1,818	44.2%
4.6%	US/Hawaii	8,536	7,267	-14.9%
0.6%	Philippines	1,277	915	-28.3%
0.2%	Hong Kong	454	291	-35.9%
0.2%	Russia	816	336	-58.8%

Source: Borderland Forum, Processed by the Guam Visitors Bureau.

February 2020 

February 1-25, 2020 **Total: 101,611 (-15.2%)**

% Market Mix	Origin	2019	2020	% to LY
52.1%	Japan	51,831	52,938	2.5%
36.7%	Korea	52,661	37,246	-29.3%
1.2%	Taiwan	2,221	1,224	-44.9%
0.2%	China	2,561	167	-93.5%
5.5%	US/Hawaii	5,575	5,579	0.1%
0.8%	Philippines	1,095	847	-22.6%
0.1%	Hong Kong	696	132	-81.0%
0.1%	Russia	302	68	-77.5%

Source: Guam Customs Declaration Forum, Processed by the Guam Visitors Bureau. Note: February 2020 Daily Arrivals reflect Civilian Air arrivals only.

Calendar Year 2020



January - February 25, 2020

Total: 259,090 (-3.1%)

% Market Mix	Origin	2019	2020	% to LY
44.0%	Japan	109,652	114,026	4.0%
44.7%	Korea	121,956	115,855	-5.0%
1.5%	Taiwan	4,682	3,768	-19.5%
0.8%	China	3,842	1,985	-48.3%
5.0%	US/Hawaii	14,111	12,846	-9.0%
0.7%	Philippines	2,372	1,762	-25.7%
0.2%	Hong Kong	1,150	423	-63.2%
0.2%	Russia	1,118	404	-63.9%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Note: February 2020 Daily Arrivals reflect Ch-Scan Air arrivals only

Fiscal Year to Date 2020



October - February 1-25, 2020

Total: 695,315 (+4.1%)

% Market Mix	Origin	2019	2020	% to LY
42.4%	Japan	270,435	294,827	9.0%
45.6%	Korea	304,023	316,940	4.2%
1.4%	Taiwan	10,970	9,926	-9.5%
0.6%	China	7,184	4,235	-41.0%
4.6%	US/Hawaii	36,709	32,297	-12.0%
1.2%	Philippines	9,775	8,186	-6.7%
0.2%	Hong Kong	3,178	1,172	-63.1%
0.1%	Russia	2,819	928	-67.1%

Source: Guam Customs Declaration Forms, Processed by the Guam Visitors Bureau.

Note: February 2020 Daily Arrivals reflect Ch-Scan Air arrivals only

MARKETING

Japan Marketing News



Travel Agency Meetings
JTB, KNT, Rakuten

Japan Marketing News





A STAR ALLIANCE MEMBER

Airlines Meetings
Japan Airlines, Korean Airlines, United Airlines

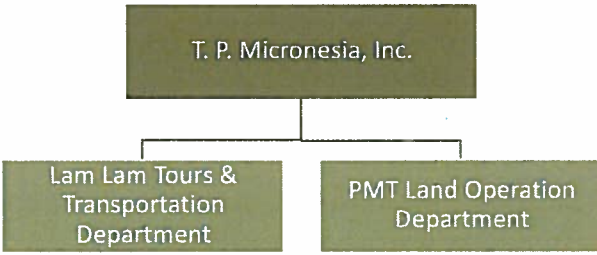


Japan Marketing News




JATA Meeting
Oceania National Olympic Committee Tokyo Olympics Task Force Meeting

Japan Marketing News



Company Merge: April 1, 2020
T.P. Micronesia, Inc (dba Lam Lam Tours & Transportation) and PMT Guam Corporation

Philippines

GVB Philippines Marketing Representative:
ADF Enderun 101, Inc.

- ADF Enderun 101, Inc. is the service arm of Enderun Colleges, Inc.
- 2009: ADK Enderun 101, Inc. was established
- 2012: Enderun Hotels was established to offer hotel management services
- 2016: Enderun Marketing was established as a full-fledged marketing agency

Philippines

Philippine Travel Agencies Association (PTAA) Travel Tour Expo & Guam Product Update Seminar
SMX Convention Center, Pasay City, Philippines | February 2020




- International Travel Trade Expo (ITTE): February 2-4 at the SMX Convention Center
 - GVB members: Pacific Island Holidays, Sanyo Hospitality, Ractours, and Guam Reef Hotel
 - Total visitors to members' booths: Approximately 1500
- Guam Product Update Seminar: February 5 at the Midas Hotel & Casino
 - Number of media participants: 23
 - Number of travel trade participants: 224
- PTAA Travel Tour Expo: February 7-9 at the SMX Convention Center
 - Total visitors to Guam booth: Approximately 1500
 - Booth activities: Consumer surveys, photo opportunities with Miss Guam, and cultural performances

Philippines

Airline Meetings
Manila, Philippines




United Airlines
February 6, 2020

Philippine Airlines
February 10, 2020

Pacific Market

PATA Adventure Travel Conference & Mart 2020
Kota Kinabalu, Malaysia | February 12-14, 2020



Dr. Marlo Hardy
Dr. Kim Namgyu

Pacific Market

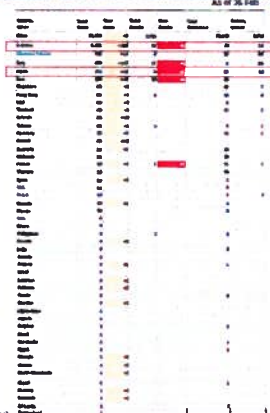
PATA Adventure Travel Conference & Mart 2020
Kota Kinabalu, Malaysia | February 12-14, 2020



TRAVEL NEWS

COVID-19 UPDATE

- As of 26 Feb, there is a total of 81,406 cases - **49,776 active** (92% mild, 18% serious/critical) and **31,630 cases** (2,771 deaths and 30,359 recovered).
- COVID-19 has now spread to every continent, except Antarctica
- As of 27 Feb, there is a total of 31,366 pax cancellations - Japan 481; Korea 29,626; China 46; Taiwan 1,032; Hong Kong 6; USA 175.
- As of 26 Feb, CDC issued "Warning Level 3" urging Americans to avoid all nonessential travel to South Korea; US soldier in South Korea tested positive for the virus; Brazil has first case (first in South America).
- On 25 Feb, it was reported that one of Korean Air's cabin crew tested positive for the COVID-19.
- WHO said at a 24 Feb press conference that they are in a phase of preparedness for a potential pandemic.
- As of 23 Feb, Italy had an outbreak, with 11 towns, 50,000 people, placed in lockdown.
- As of 23 Feb, South Korea had an outbreak, with President Moon Jae-in raising the alert level to maximum (Level 4: Serious) - empowers government to lock down cities and restrict travel.
- As of 22 Feb, US Travel Advisory for Japan and South Korea is at Level 2: Exercise Increased Caution



As of 26 Feb

Highlighted in green = all cases have recovered from the infection. Highlighted in grey = all cases have had an outcome (other than the acute case).

AIR SERVICE DEVELOPMENT: MARKETING ACTIVITIES

UPDATE ON GVB MARKETING ACTIVITIES

KOREA

- ~~Suncheon Guam Product Seminar in Busan~~ originally scheduled for 2-6 March, has been postponed to a later date (TBC)
- ~~Strategy meeting~~ now scheduled to coincide with the Korean Study Abroad (25-29 March)

NEW MARKETS - MALAYSIA & SINGAPORE

- ~~MATTA Fair~~ originally scheduled for 13-15 March, has been postponed to 1-3 May 2020
- ~~ADEX~~ originally scheduled for 17-19 April, has been postponed to 29-31 May 2020

TAIWAN

- ~~Taipei Lantern Festival~~ originally scheduled for 8-23 Feb, was shortened to 8-16 Feb
- ~~Smart City Summit Expo~~ originally scheduled for 24-27 March, has been postponed to 1-4 July 2020

SPORTS & EVENTS

- Will no longer travel to Japan to participate in the following "Sister Race" events:
Sado Toki Marathon, Niigata Japan 25-27 April 2020
Toyohiragawa Marathon, Sapporo, Japan 4-7 May 2020

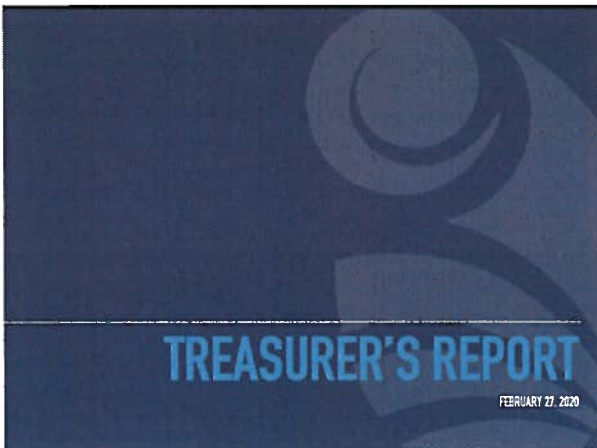
CANCELLED / POSTPONED



- Some off-island events have either been postponed or canceled by the organizers themselves. GVB decided not to attend other activities because of the current situation. It was agreed that GVB would not participate in the Product Seminar in Busan and the Taipei Lantern Festival. Other upcoming events are being reevaluated as we monitor the current situation.
- Recovery plans for Korea and Japan are ready and pending approval.

V. TREASURER'S REPORT

Exhibit B



Presentation - D&O Policy

Presentation to be done by:
David Martin | RM Insurance
INSURANCE SERVICES SUPERVISOR | Commercial and Personal Lines

NO.	NAME	JOB TITLE/INDUSTRY WORKING TITLE	TYPE	JOB TITLE
1	Ada, Peter "Sonny"	Chairman of the Board	Board Member	
2	Harciga, Adriel	Vice Chairman	Board Member	
3	Chinohacion, Samuel	Treasurer of the Board	Board Member	
4	Arzola, Theresa C.	Secretary of the Board	Board Member	
5	Camacho, Jason G.	Director	Board Member	
6	Chia Cruz, Flor-Anne	Director	Board Member	
7	Gatewood, Stephen R.	Director	Board Member	
8	Holliman, Robert	Director	Board Member	
9	Koppelman, Arnd	Director	Board Member	
10	Matsuyama, Shun	Director	Board Member	
11	Muoz-Sherida, Bernita	Director	Board Member	
12	Narita, Saburo	Director	Board Member	
13	Shimizu, Paul	Director	Board Member	
14	Wheeler, Pilar	President & CEO	Employee	
15	Abeiras, Bobby	Vice President	Employee	
16	Villanueva, Neophyte G.	Director of Finance & Administration	Employee	Controller
17	Leon Guerrero, Nadine Y.	Director of Global Marketing	Employee	Program Director
18	Faloutsos, Maria-Anthony G.	Director of Tourism Research	Employee	Research & Evaluation Administrator
19	Gallego, Colleen	Marketing Manager - Korea	Employee	Marketing - Korea Other II
20	Franzosa, Gabriel M.	Marketing Manager - China	Employee	Marketing - China Other II
21	Noyes, Sandra Ann O.	Marketing Manager - Japan	Employee	Marketing - Japan Other II
22	Pingulanan, Elaine M.	Marketing Manager - Taiwan/Hongkong	Employee	Marketing - Taiwan/Hongkong Other II
23	Martinez, Mark M.	Marketing Manager - Pacific/North America	Employee	Marketing - Pacific/North America Other II
24	Quintana, Paulina	Marketing Manager - Brazil/27th/latinas	Employee	Marketing - Brazil/27th/latinas Other II
25	Chang, Ronald S.	Marketing Manager - Japan	Employee	Marketing - Japan Other II
26	Camacho, Sofia S. A.	Destination Specialist - Sports & Events	Employee	Community Dev Officer
27	Herringer, One Rene M.	Destination Specialist - Chairman Culture	Employee	Program Development Coordinator

Motion to Approve FY21 Budget

Background: On February 5, 2020, a noticed was received from BBMR with Subject FY2021 Budget Ceiling amounting to \$21,200,650 which is a

- reduction of **\$7,799,350** from the original request of \$29,000,000
- Reduction of **\$1,290,000** from the FY20 approved budget

With collaboration with the GVB team, Treasurer Committee Meeting and Executive Meetings, It was proposed to do a counter proposal with a **\$25,424,172** which is increased from FY20 by **\$2,933,522** to address recovery plans and budget for air service and new market developments.

Issue: Board Motion to Approve the proposal

FY2021 Request for \$25M

DEPT/ PROGRAMS	FY21 Proposed VET	BBMR Proposed FY21 Budget VET	FY20 Budget	FY21 Proposed VET	Unmet Budget	Revised Budget	Personnel Services	FY21 Proposed VET	Total After Personnel Services	BBMR vs FY21 VET GVB Budget Request
Admin	4,184,145	3,946,353	3,600,000	3,384,793		798,864	1,442,586	1,741,450	3,866,353	0
Marketing*	17,329,530	11,534,350	14,000,000	14,900,000	660,000	14,690,000	1,638,906	13,679,906	14,670,000	(1,625,602)
Sports & Events	850,305	487,169	850,000	850,000		850,000	89,296	899,386	850,000	(26,111)
Research	630,054	464,917	600,000	600,000		600,000	292,799	892,799	600,000	(135,088)
CHC**	748,738	650,000	750,000	750,000	640,000	3,390,000	154,509	1,544,509	1,390,000	(249,000)
TSD	1,659,082	1,753,151	800,000	1,753,151		1,753,151	76,871	1,830,022	1,753,151	
DD**	1,890,148	2,192,878	1,095,000	2,192,878		2,192,878	332,722	2,298,350	1,192,878	(80)
State Day Fund	650,000		650,000							
Air Service Support	640,000	640,000	640,000	640,000						640,000
Non Profit	640,000	640,000	640,000	640,000						640,000
FY21 V 1	29,000,000	21,960,620	22,490,000	25,424,172	1,290,000	22,236,443	1,887,529	25,424,172	25,424,172	(4,233,427)
TAF Projections	\$ 45,500,000	\$ 48,000,000	\$ 45,000,000	\$ 48,000,000						
GVB % of TAF	64%	44%	50%	53%						
TAF \$ (Excess to Others)	\$ 18,500,000	\$ 26,799,350	\$ 22,500,000	\$ 22,575,828						

FY21 Executive Budget Request Breakdown

	FY2021	FY2020	Increase/Decrease
TOURIST ATTRACTION FUND			
DIRECT APPROPRIATIONS	\$ 48,703,802	\$ 44,941,131	\$ 3,762,671
RESERVED FOR OVB	\$ (25,144,425)	\$ (22,450,650)	\$ (2,693,775)
UNDERAPPROPRIATED/OVERAPPROPRIATED	\$ 250,990	\$ (80,000)	\$ 340,990
DIRECT APPROPRIATIONS			
HOT BOND	\$ (6,996,200)	\$ (6,996,988)	788
GUAM FIRE DEPARTMENT	\$ (824,374)	\$ (824,374)	\$ -
GUAM POLICE DEPARTMENT	\$ (5,833,376)	\$ (5,924,843)	93,467
DPR OPERATIONS	\$ (2,838,979)	\$ (2,443,697)	(1,955,282)
DPR PUBLIC RESTROOM MAINTENANCE	\$ (275,000)	\$ (275,000)	\$ -
DPR POOL FACILITIES MAINTENANCE	\$ (275,000)	\$ (275,000)	\$ -
DPR HISTORIC RESOURCES DIVISION	\$ (304,577)	\$ (496,407)	(8,170)
DCA OPERATIONS	\$ (571,873)	\$ (569,517)	(2,356)
DCA GUAM MUSEUM OPERATIONS	\$ (1,218,179)	\$ (1,218,179)	\$ -
DCA OPERATIONS	\$ (499,798)	\$ (888,847)	(110,051)
CAHA GUAM TERRITORIAL BAND	\$ (50,000)	\$ (50,000)	\$ -
HRRA OPERATIONS	\$ (954,476)	\$ (274,732)	(679,744)
COMMISSION ON CHAMORRO LANGUAGE	\$ (452,290)	\$ (452,290)	\$ -
AGRICULTURE	\$ (568,914)	\$ (408,801)	(161,113)
UOG GUAMPEDIA	\$ (200,000)	\$ (200,000)	\$ -
GCC LOGGING MANAGEMENT PROGRAM	\$ -	\$ -	\$ -
EPA BEACH MONITORING	\$ (108,289)	\$ (108,289)	\$ -
DOA TAP AUDIT	\$ (20,500)	\$ (20,500)	\$ -
MOGO STREET MAINTENANCE/ISLAND-WIDE BEAUTIFICATION	\$ (1,281,252)	\$ (1,377,167)	295,955
	\$ (25,268,987)	\$ (22,900,481)	\$ (768,506)

Tourist Attraction Fund

Month	FY20	FY19	FY18	FY17
October	\$ 3,131,527	\$ 3,491,511	\$ 3,117,363	\$ 3,645,108
November	\$ 3,208,579	\$ 3,147,390	\$ 2,851,304	\$ 3,256,702
December	\$ 3,426,973	\$ 3,277,741	\$ 3,035,574	\$ 3,399,478
January	\$ 4,415,410	\$ 4,201,286	\$ 3,922,838	\$ 4,465,705
February	\$ 4,460,702	\$ 4,575,021	\$ 4,395,390	\$ 4,135,417
March	\$ 4,277,020	\$ 4,302,124	\$ 4,047,195	\$ 4,216,841
April	\$ 3,941,690	\$ 4,017,332	\$ 3,668,966	\$ 3,896,347
May	\$ 3,250,817	\$ 3,125,382	\$ 3,133,749	\$ 3,291,997
June	\$ 3,280,274	\$ 3,248,954	\$ 3,069,071	\$ 3,319,830
July	\$ 3,365,324	\$ 3,250,871	\$ 3,688,719	\$ 2,949,948
August	\$ 3,592,957	\$ 3,392,504	\$ 3,526,348	\$ 3,637,488
September	\$ 4,609,358	\$ 5,100,012	\$ 4,386,221	\$ 4,002,049
Total	\$ 44,960,531	\$ 45,130,108	\$ 42,838,738	\$ 71,216,708
Public Law \$	\$ 44,941,131	\$ 44,746,582	\$ 44,682,497	\$ 41,502,455
Overage/Shortage	\$ 19,400	\$ 383,546	\$ (1,823,759)	\$ 29,714,253
Public Law No.	35-36	34-116	34-42	33-185

Budget vs Actual Tracking

FY 2020	Budget	Actual Expenditures October 2019 - February 2020	Encumbered March - September 2020	Budget vs. Actual Expenditures - Encumbered
Administration	3,600,000	1,229,138	2,057,361	314,503
Marketing	8,050,000	2,174,049	349,024	5,506,928
Japan	2,600,000	758,342	1,188,440	655,218
Korea	750,000	84,747	349,983	315,270
Taiwan	100,000	20,370	2,919	76,711
Pacific	200,000	12,588	500	186,912
U.S./North America	500,000	90,804	74,427	334,768
China	200,000	18,173	6,128	177,700
New Market Development	200,000	40,758	94,885	64,359
Hong Kong	300,000	18,720	86,199	215,081
Philippines	400,000	142,157	35,000	222,843
Branding	300,000	51,724	122,651	125,625
Social Media Support	300,000	74,193	149,392	76,415
Global Website	100,000	9,616	42,132	48,252
Printing Promotion	600,000	204,237	236,764	158,998
Sports & Events	850,000	245,012	2,926	602,062
Cultural & Heritage	750,000	117,877	7,842	624,281
Visitor Safety & Satisfaction	965,650	178,952	788,719	17,980
Destination Development	1,085,000	372,255	419,452	302,292
Total Operations	21,650,050	6,628,708	6,908,742	10,046,200
Pass-thru Appropriations	640,000	172,500	467,500	0
Total OVB	22,490,050	6,801,208	6,433,242	10,046,200

Pass-Thru Organization reporting Status

Entity	Compliant	Out of Compliance
Entity 1	Compliant	Out of Compliance
Entity 2	Compliant	Out of Compliance
Entity 3	Compliant	Out of Compliance
Entity 4	Compliant	Out of Compliance
Entity 5	Compliant	Out of Compliance
Entity 6	Compliant	Out of Compliance
Entity 7	Compliant	Out of Compliance
Entity 8	Compliant	Out of Compliance
Entity 9	Compliant	Out of Compliance
Entity 10	Compliant	Out of Compliance
Entity 11	Compliant	Out of Compliance
Entity 12	Compliant	Out of Compliance
Entity 13	Compliant	Out of Compliance
Entity 14	Compliant	Out of Compliance
Entity 15	Compliant	Out of Compliance
Entity 16	Compliant	Out of Compliance
Entity 17	Compliant	Out of Compliance

Compliant 6 out of 17 entities

Board Motion to approve the reinvestment of CDs that have matured.

Background: As of February 7, 2020, (4) \$250K, (2) \$245K, and (1) \$100K CDs have matured leaving the bureau with \$1.6M in available cash for investments. Raymond James allows GVB to purchase 3-9 month or 1 year CDs.

Issue: Board Motion to Approve the proposal

(a)	(b)	(c)	(d)	(e)	(f)	(g)
Qty. of CDs	Value	Amount	Interest Rate	Interest Income	Re-Investment Date	Maturity Date
Beginning Balance				\$ 5,074.30		
1	\$ 250,000.00	\$ 250,000.00	1.875%	\$ 381.14	10/7/2019	3/17/2020
1	\$ 250,000.00	\$ 250,000.00	1.875%	\$ 3,203.77	10/8/2019	1/21/2020
1	\$ 250,000.00	\$ 250,000.00	1.800%	\$ 369.86	10/10/2019	1/24/2020
1	\$ 250,000.00	\$ 250,000.00	1.900%	\$ 1,134.25	10/15/2019	1/29/2020
1	\$ 245,000.00	\$ 245,000.00	2.020%	\$ 1,058.23	8/27/2019	2/27/2020
1	\$ 245,000.00	\$ 245,000.00	2.020%	\$ 2,470.14	8/2/2019	2/7/2020
1	\$ 100,000.00	\$ 100,000.00	2.000%	\$ 2,470.34	8/2/2019	2/7/2020
Other				\$ 431.95		
Total Maturing TCDs	\$ 1,590,000.00	\$ 1,590,000.00		\$ 14,532.77		

Total Available Cash \$ 1,604,532.77

Current Total Balance 2,640,783.43

Due to Operations (Encumbered): (Reimbursement for 800 approved expense) (1,481,252.95)

Available for use 157,803.28

Note: About 1M TCD's will also be maturing by next month March 2020

Allotment Release Update

	11/1/2019	220	230	233	260	250	290	301	302	303	650	TOTAL
Month	PERSONNEL SERVICES	TRAVEL	CONSTRUCTION SERVICES	OFFICE SPACE	SUPPLIES	EQUIPMENT	REPAIRS	PERMIT	RENTAL	REPAIRS	CAPITAL	TOTAL
31-Oct-19	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	12,868,658
31-Nov-19	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(332,957)	(2,808,571)
31-Dec-19	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(1,787,758)
31-Jan-20	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(1,787,758)
1-Feb-20	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(221,959)	(1,787,758)
Month Total	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	1,877,352	12,868,658



- Effective immediately, the Public Information Officer (PIO) will be added to the D&O Policy.
 - Management & Staff are on the D&O Policy; also included are staff that are heavily involved in procurement.
 - The D&O policy is up for renewal in May. Management to negotiate at that time and reevaluate whether to include everyone.
1. **Director Shinohara made a motion, second by Director Camacho, to approve GVB's FY21 proposed budget of \$25,424,172.00 for submission to BBMR. Motion Approved.**
 - GVB is at 51% of the total TAF and was tracking at 45% before the Coronavirus.
 - Are we doing our forecast on the reduction of the TAF and the effects of the Coronavirus?
 - The Research Department is working on the forecast update relative to our TAF reduction and the effects of the Coronavirus. We will be able to receive TAF collection numbers from DOA by the end of March.
 - The board can allocate rainy day funds to the Marketing department for recovery efforts.
 - Director Shinohara suggested that management take the opportunity to review GVB's annual balance and determine what we should be receiving as a result of what should be reduced appropriation levels for GVB.
 - Funds from canceled events will be reverted unless encumbered. Everything encumbered could be kept for FY2020.
 - Based on what we know today, we are going to recover everything that was planned (markets & budgets). Budgets will be approved and then adjusted accordingly to what will be kept.
 - In the last two years, we have not received our budget request through the legislative process. We have not received our full allotment. Our needs have been met by our cash reserves, which will be depleted by the end of this fiscal year.
 2. **Director Arriola made a motion, seconded by Director Camacho to approve the reinvestment of Certificate of Deposits at three-month intervals as need on a continual bases in collaboration with the finance chair and the finance department. Motion Approved.**

PASS-THRU ORGANIZATION

- GVB provides TAF refunds through several different nonprofit entities. There are requirements attached to the funds, including registering financial statements and a handful of other things before the check distribution process. GVB verified the fulfillment of obligations and measured compliance.

Checks were distributed, and only six of the seventeen entities have fulfilled the requirement at this juncture.

- Initially, the entities were asked to complete the process and requirements. However, at the time of check presentation, only six of the seventeen were found to comply.
- 2nd quarter check disbursement is held until compliance is fulfilled. To fulfill the requirements, an entity must execute and submit the following: SOP Letter of acknowledgment, W-9 form, business license or form of proof to show they are a nonprofit organization, contract information, their fiscal year's budget, funds used for budgetary breakdown as far as allotments are concerned and their plan to fulfill the number of hours of community service to GVB.

VI. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Committee Meeting Minutes – February 17, 2020

Exhibit C

3. Director Arriola made a motion, second by Director Gatewood to approve the formation of a Novel Coronavirus Task Force to gather and filter information, vet messaging plans, and related plans of action for Board consideration. **Motion Approved.**

The Task Force will consist of at least six (6) members as follows:

- Chairman: GVB Board Vice Chairman Milton Morinaga
- Member: Japan Market Committee Chairman
- Member: Korea Market Committee Chairman
- Member: GVB President/CEO Pilar Lagunaña
- Member: GVB Board of Director
- Member: GVB Board of Director

Background: There are many uncertainties and continually changing situations of the Novel Coronavirus. The number of travel cancellations have gone up to over 15,000 due to fear of the novel coronavirus. As a result, the current estimated financial loss to the island from tourist cancellations are now over \$9.1 million from February to April 2020. The Bureau's role is to monitor and share information so that everyone can do their part to stay safe, keep our tourism industry working and get people to where they need to go.

GVB is part of a multi-agency group that is addressing this issue locally and is working closely with Governor Lou Leon Guerrero and her administration in addressing the novel coronavirus.

Issue: Board approval required.

- The first organizational meeting was held on Monday, February 24, 2020, in attendance were Vice-Chairman Morinaga, Director Camacho representing GVB Board of Directors, and Director Kloppenburg serving the KMC Market. Director Murata and Director Matsumoto will represent the JGTA and JMC. Director Shinohara represents the airlines, and Ms. Mary Rhodes represents GHRA.
- A second meeting will be held to discuss a unified public response from GVB, suggest policy to guide the bureau in operation during this crisis, provide updates to the GVB board of directors, and guidelines to evaluate and propose a recovery plan. GIAA's Executive Manager was invited to discuss screening arrivals at the airport.
- A flash report will be provided to the Governor to include airline cancellations, arrival updates, etc.
- A designated person will be assigned to make statements on behalf of GVB. Either the Chairman or the President & CEO.
- Interested individuals desiring to join the Coronavirus Task Force are welcomed.
- Vice President, Bobby Alvarez and Director of Research, Nico Fujikawa are GVB's representatives in the Coronavirus Impact Task Force formed by the Governor's office.
- Vice President, Bobby Alvarez will provide an update from the Coronavirus Impact Task Force meeting coordinated by the Governor's Office and report to GVB's Coronavirus Taskforce on the discussion that took place.
- GVB's Coronavirus Task Force meeting initially scheduled for February 28, 2020, at 9:00 a.m. was rescheduled to March 3, 2020, at 11:45 a.m.

4. Director Hofmann made a motion, seconded by Director Kloppenburg, to authorize the President and Chief Executive Officer of the Bureau to draft a Board Resolution relative to accessing the Rainy-Day Funds. Funds are to be used for the unforeseen and unanticipated challenges caused by the Novel Coronavirus threat. **Motion approved.**

Background: The Bureau continues to monitor Guam's source markets and share relevant information with travelers and the tourism industry. Earlier this week, GVB hosted a briefing for industry stakeholders. Guam, along with the rest of the world, is taking this threat seriously. This situation is rapidly changing, and we are continually adjusting to it. GVB's role is to monitor and share information.

The number of travel cancellations has gone up to over 15,000 due to fears about the novel coronavirus. As a result, the current estimated financial loss to the island from tourist cancellations is now over \$9.1 million from February to April 2020.

Issue: Board approval required.

B. ADMINISTRATION & GOVERNMENT RELATIONS

5. Director Camacho made a motion, seconded by Director Hofmann, to approve honoring the tenure of former Government of Guam Employees employed at GVB in terms of the number of earned leave hours for Vacation and Sick leave Benefits. **Motion Approved.**

Background: GVB personnel Policies and Guidelines, approved by the board on March 22, 2018 does not address specific treatment for employees entering in from the Government of Guam in terms of their sick leave and vacation leave benefits. Employees who recently entered GVB from the Government of Guam inquired whether they will receive the same hours earned per payroll period or if they will revert as a new employee. Prior years show that we have honored the number of hours earned. Currently, we have one case in which an employee is entitled to 8 hours of leave during her tenure at the Department of Administration (DOA) and now receives 4 hours with GVB. DOA provided the individual's employee file and advised that GVB consult with legal counsel or the Board of Directors to rule the determination of which leave earning should be followed. This matter goes hand in hand with the leave sharing policy.

Issue: Board approval required.

- The motion presented and approved above, was made for the record; GVB's current policy does not include the information.

6. Director Arriola made a motion, seconded by Director Hofmann, to approve revision of Maternity Leave Benefits to conform to Public Law 33-141, adding ten (10) additional days of leave. **Motion Approved.**

Background: President & CEO, Ms. Pilar Laguaña, received a letter on September 5, 2019, from Senator Mary Torres regarding Pregnancy-Related Medical Leave and the initial review of GVB's Personnel Rules and Regulations. She emphasized the lack of provision of pregnancy-related medical leave that should be exhausted before an employee's use of parental leave, sick leave, etc. Senator Torres stated on her letter that looking forward, the bureau should make necessary amendments to its policy and comply with the law at the earliest opportunity.

Issue: Board approval required.

DISCUSSION:

- GVB's inhouse policy is being revised to align with the law.
- Current inhouse policy allows for twenty (20) days of maternity leave benefits. The law was changed to add ten (10) days, allowing a total of thirty (30) days.
- On September 29, 2019, Senator Therese Terlaje wrote a letter to the bureau, and the bureau responded the same month. The bureau came to the board four months later.

Exhibit D:

- Senator Mary Torres Letter on Bureau Policy on pregnancy-related medical leave dated 09/05/2019

Exhibit E:

- Draft/Proposed Revision of Maternity, Paternity and Parental Involvement Leave PL33-141 dated March 04, 2019

A. DESTINATION MANAGEMENT

7. Director Shinohara made a motion, seconded by Director Arriola, to approve the upgrade and replacement of all GVB backflow preventers along Pale San Vitores to include the GVB Main Office, as required by law. **Motion approved.**

Background:

- GWA Compliance Inspector has identified that the backflow preventers installed in the late '90s are of the wrong type for its current usage. At present, a Double Check Valve Assembly for low hazard use services Pale San Vitores Road.
- A Reduce Pressure Backflow Assembly for high hazard use (i.e., landscaping) is necessary to be installed, as required by law (Title 28 GAR Chapter 2).
- The reason for the urgency is this can become a public health concern. The Reduced Pressure Backflow Assembly is necessary to prevent chemicals from being siphoned back into our island's water system and inadvertently to contaminate it. Also, it was discovered there was no backflow preventer installed at the time the GVB office was built. A Reduced Pressure Backflow Preventer must be introduced to fulfill the requirements.
- GWA will be issuing GVB a Notice to Comply to address these deficiencies.
- **The projected Project amount is at \$150,000**
- Management to identify funding

Issue: Board approval required

Exhibit F:

- GWA Notice to Comply

DISCUSSION:

- GVB owns nine backflow preventers along San Vitores road. An additional backflow preventer is required at GVB's office to fulfill the law's requirements. When GVB was built, it was never in place. GVB will be going out for bid.

CULVERT CLEANING UPDATE:

- There were no bidders for the IFB Culvert cleaning. In an urgency to have the cleaning completed in a timely fashion before the rainy season begins, a meeting was held with Legal Counsel, to determine a way to place the culvert cleaning scope of work into Tumon Landscaping's (our current contractor) maintenance contract. Part of their scope of work it to maintain gutters, relevant to the culverts. They are experienced in culvert cleaning, have the workforce, and required permits to fulfill this service.
- The culvert cleaning falls under the San Vitores Mitigation project that was approved by the board on December 12, 2019, estimated at around \$350K. Tumon Landscaping is willing to negotiate and fulfill the work at \$260K.

- We are adding a scope of work to an existing contract that is relevant to the job. Funds have been identified and are funded.

8. Chairman Hoffman made a motion, second by Chairman Gatewood to approve the authorization of the President and CEO as Chief Procurement Officer of GVB to enter into a contract with the lowest responsible and responsive bidder for GVB IFB 2020-005 Stormwater Management System Maintenance - Phase II - Fujita Ponding Basin. The project consists of furnishing all necessary labor, materials, equipment, tools, and services for the project as described in the General Specifications. **Motion Approved.**

Background: The Scope of Work for this project is for the maintenance of the Fujita Ponding Basin.

Issue: Board Approval Required.

9. Chairman Kloppenburg made a motion second by Chairman Camacho to approve the authorization of the President and CEO as Chief Procurement Officer of GVB to negotiate, and if successful, to contract with the highest rated offeror for GVB RFP 2020-005 Quality Assurance Inspector. **Motion Approved.**

Background: GVB intends to engage the services of a Quality Assurance Inspector to provide Contract Administration and Inspection Services on behalf of the Guam Visitors Bureau for various contractual work. Inspection services will require walking and visual inspection tours regularly and include other assigned duties, such as removal of illegal banners and signage, infrastructural inspections, and other matters, which impact visual and safety issues, reporting all findings to the GVB Senior Destination Specialist for Infrastructure and Maintenance.

Issue: Board Approval Required.

B. VISITOR & SAFETY SATISFACTION

- To ensure that we are timely, Visitor & Safety Officer, Nakisha Garrido, and Public Information Officer, Josh Tyquiengco presented a full safety plan to the task force on February 28, 2020.

C. CULTURAL & HERITAGE

- Director Arriola announced that GVB sponsored Umatac's Chamorro Heritage Day festival and invited everyone to the festivities on February 28, 2020, at 6:00 p.m., Umatac stage area.

D. RESEARCH / MEMBERSHIP & COMMUNITY OUTREACH

- Nakisha and Josh have been working closely with GVB's branding team on GVB's comprehensive crisis management communications plan, which was presented at the Coronavirus Task Force meeting on January 28, 2020.

June 2020

TRAVEL AND TOURISM RESEARCH ASSOCIATION (TTRA) ANNUAL INTERNATIONAL CONFERENCE

10. Director Gatewood made a motion, seconded by Director Hoffman, to approve travel for GVB Director of Tourism Research and Senior Tourism Research Analyst to attend the Travel and Tourism Research Association (TTRA) Annual International Conference in Victoria, British Columbia, Canada from June 16-18, 2020. The estimated cost of travel is \$12,944.00 from Account #RE-RES104. Motion is contingent on approval of BBMR, transferring a portion of the Contractual Funding to the Travel Expense appropriation class. **Motion approved.**

Location	Particulars	Lodging Per Night	No. of Nights	Lodging Cost	M&E per Days	No. Days	M&E Cost	Total
	Airfare					2.00	\$ 3,500.00	\$ 7,000.00
Victoria BC	1 Director of Research	\$ 218.00	4	\$872.00	\$ 125.00	6.00	\$ 750.00	\$ 1,622.00
Canada	2 Research Staff	\$ 218.00	4	\$872.00	\$ 125.00	6.00	\$ 750.00	\$ 1,622.00
	Members Registration Fee (TTRA)							\$ 2,700.00
Total Cost								\$12,944.00

Background: Founded in 1970, the Travel and Tourism Research Association (TTRA) is a non-profit association whose purpose is to enhance the quality, value, effectiveness, and use of research in travel marketing, planning, and development. TTRA strives to be a leader for the global community of practitioners and educators engaged in research, information management, and marketing in the travel, tourism, and hospitality industries and creates business opportunities for its members and provides a unique multi-sector industry network. Members in TTRA represent a variety of segments from the greater international travel and tourism community, including educators, practitioners, research providers/consultants, and users of research.

GVB has been an active member of TTRA and has been an annual participant in this international conference for the past four years. The GVB Research Department plans to attend the TTRA conference to enhance our global relationships with various research professionals as well as obtain new platforms for data collection and analytics.

Issue: Board approval for travel required.

E. SPORTS & EVENTS

Committee Meeting Minutes - February 17, 2020

Exhibit G

- United Guam Marathon scheduled for April 5th is still set as of this time. However, due to the Coronavirus, postponement, or cancellation is possible.
- Currently, the consensus is that we are open for business. Visitors from Korea and Japan are still being accepted on Guam.
- In 2019 we had eighty-three (83) participants from Hong Kong. Currently, we are tracking ten (10) signups from Hong Kong. Japan had six hundred thirty-two (632) participants last year and eight hundred and three (803) as of this week. Korea is coming in at two hundred seventy-eight (278) compared to the previous year at one hundred seventy-three (173). We're doing good because we captured the sell, but what we wanted was the stimulus from the 2-3 night stay.
- Ko'ko kids is an added value event. There are 300 registered participants. Three (3) kids will be joining us from Japan for the biking event.
- GVB is in communication with all overseas visitors providing them with updates on events.

F. AIR SERVICE DEVELOPMENT

Committee Meeting Minutes - January 29, 2020

Exhibit H

Committee Meeting Minutes - February 19, 2020

Exhibit I

G. JAPAN
Committee Meeting Minutes - February 18, 2020

Exhibit J

- Japan numbers have dropped this week.
- Japan's Prime minister has canceled all public events due to the Coronavirus.
- Student groups are decreasing in travel as well.

H. NORTH AMERICA & PACIFIC MARKETS

IMEX AMERICA 2020 & US VFR CAMPAIGN

11. Motion to approve travel for the GVB President & CEO and Director of Global Marketing, or their designees, to attend the IMEX America at the Sands Expo in Las Vegas, Nevada, from September 15-17, 2020 and to conduct a VFR Guam Product Presentation to the Guam community in Las Vegas. The estimated cost is \$20,000.00 from Account # US-SMD023. **Motion Approved.**

Airfare	\$2,000 x 2 pax					\$4,000.00
Per Diem:	Las Vegas	Lodging	Nights	M&IE	Days	
	President & CEO or designee	\$127.50	6	\$76.25	6	\$1,222.50
	Director of Global Marketing or designee	\$102.00	6	\$61.00	6	\$978.00
Booth Registration for standard 10'x10' (\$118/sq.ft. x 100)						\$11,800.00
Miscellaneous: Excess baggage, booth furnisher and other orders, communications expenses, meeting expenses, transportation, etc.						\$1,999.50
TOTAL						\$20,000.00

Background: The Guam Visitors Bureau (GVB) plans to attend the IMEX America once again, as this is an opportune time to attract more MICE participants from the U.S. and other source markets. Guam now has the facilities to hold MICE groups with the Dusit Thani's convention hall that holds up to 1,000 persons. IMEX is a worldwide exhibition for incentive travel, meetings, and events that is committed to providing outstanding business opportunities for exhibitors and buyers. IMEX has two exhibitions a year, in Frankfurt, Germany, and in America.

IMEX America is America's largest MICE Expo with over 10,000 participants, 5,500 global decision-makers, and 3,200 buyers from 130 countries. GVB will have the opportunity to meet qualified buyers from North America and around the world within the 3-day event. This year, GVB expects to have over 100 pre-scheduled appointments with MICE planners from North America, Taiwan, Japan, Korea, Philippines, Southeast Asia, and other source markets. In addition, GVB will also have an opportunity to meet over 100 domestic and international media.

GVB also will be meeting with the Guam/Chamorro communities in the area and hold a Guam Product Update Presentation. GVB will also conduct a VFR campaign to attract and convince the VFR market to visit Guam.

Issue: Board approval required for travel.

DISCUSSION:

- The PATA Annual Summit is scheduled for March 31 to April 3. Both Flori-Anne and President & CEO, Pilar Laguaña, will attend this event. It was noted that the President & CEO should bypass this event and take care of our industry here in the home front.
- It was discussed that an umbrella agreement or a motion to assess pre-approved travel plans in March, April, and May be evaluated because of the evolving issues in the markets and the world, due to the Coronavirus. According to the Director of Global Marketing, Nadine Leon Guerrero, a list of all travel cancellations and postponements will be submitted to the task force as requested.
- The PATA report is ready and will be entertained in our next board meeting, March 12, 2020.

- Upcoming Promotions for North America are still on schedule. The scuba show is set for May 30th and IPW in June.
- The marketing committees created a staycation campaign for Guam and Micronesia as an effort to help Guam businesses.

TAIWAN MARKET

MOTION FOR FY2020 Q3/Q4 MARKET PROJECTS

12. Motion made by Director Camacho second by Director Arriola to approve \$214,194 for Taiwan market expenses anticipated for the remainder of FY2020; April 1, 2020, through September 30, 2020) as listed below. All programs meet smart goal initiatives aimed to increase awareness of Guam, increase yield, increase Guam's SOV and strengthening Guam's brand image, developing niche markets (sports and adventure tours), and developing FIT market. **Motion approved.**

Discussion

- Director Arriola cautioned that we should tread carefully in the next couple of months.
- According to Director of Global Marketing, Nadine Leon Guerrero, there is a unique opportunity for Taiwan visitors to travel to Guam. Negotiating hotel rates has been difficult in the past. Now is a ripe opportunity to have our highest spending visitors procure hotel rooms.
- Contracts for China and Hong Kong are being reviewed, and necessary revisions are being determined.

ACCOUNT NAME	PROJECT TIMELINE	AMOUNT	PROJECT NAME
Travel Trade Co-ops, Sales, MICE, etc.	January 1 - July 31	\$21,410	Adventure Sports Tour Reward Program: <ul style="list-style-type: none"> ✓ To attract companies and organizations to host tour events in Guam ✓ To attract adventure sport tour organizers to hold adventure sports events in Guam ✓ To build Guam's brand awareness for adventure sports tourism
Travel Trade Co-ops, Sales, MICE, etc.	January 1 - July 31	\$24,810	MICE Reward Program: <ul style="list-style-type: none"> ✓ To attract potential MICE buyer companies to select Guam ✓ To promote activities and hotels ✓ To build Guam's brand awareness for MICE
Travel Trade Co-ops, Sales, MICE, etc.	February 1 - April 5	\$17,500	UGM Promotion and KOL/Media Fam Tour: <ul style="list-style-type: none"> ✓ To increase Guam's SOV and facilitate Guam at the preferred destination to hold marathon ✓ To enhance tourist's awareness and favorable impression of Guam through the exposure of KOL ✓ To elevate Guam's reputation as a premier sports tourism destination ✓ To leverage KOL's influence to promote UGM to the public ✓ To leverage and promote Guam's natural resources and signature events ✓ Keep a close relationship with Taiwan entertainment and sports industries ✓ Build Guam's brand image from tourism, entertainment, and sports aspects
Travel Trade Co-ops, Sales, MICE, etc.	March 1 - September 30	\$29,974	Adventure Challenger Program for Consumer (BOD approved 11/4/2019) <ul style="list-style-type: none"> ✓ To extend Guam's brand image ✓ To engage with consumers who love adventure sports ✓ To attract adventure lovers in Taiwan to visit Guam and finish the challenge ✓ To encourage outdoor sports player to attend 2020 UGM
Travel Trade & Consumer Shows	April 24-27	\$4,000	Taichung International Travel Fair <ul style="list-style-type: none"> ✓ To build Guam's brand awareness in central Taiwan ✓ To encourage travel to Guam from this region ✓ To attract new air service
	May 15-18, (TTE) May 22-25, (KITF)	\$12,500	Taipei Travel Expo & Kaohsiung International Travel Fairs <ul style="list-style-type: none"> ✓ To work with travel agencies to sell Guam with sales incentive ✓ Consumer promotion (incentive and gifts) ✓ Social media activities ✓ Advertisement

Media/Travel Industry FAM Tours	April 7-11	\$4,000	Media Fam Tour <ul style="list-style-type: none"> ✓ To tie into new product development-Tsubaki Tower Opening ✓ To promote elite programs (golf tours, boat excursions, shopping, food, etc.)
	April 21-25	\$15,000	Airline, Travel Association, Government Fam Tour <ul style="list-style-type: none"> ✓ To push for airline development and expand visitor base
Travel Trade Co-ops, Sales, MICE, etc.	May 13-15	\$5,000	Guam Travel Talks Fam <ul style="list-style-type: none"> ✓ To promote 2nd annual Travel Talks ✓ To elevate Guam's brand awareness ✓ To leverage KOL influence to promote Guam
	June 22-27	\$21,000	Guam Delicacy Program <ul style="list-style-type: none"> ✓ To demonstrate Guamanian food to Taiwanese people by inviting Guam Chef to Taiwan ✓ To establish an impression of Guam's delicacies and leverage the opportunity to make encourage travel to Guam during the Autumn Festival holiday ✓ To attract public interest and enable a larger group of media to experience Guam food personally ✓ To allow travel agencies to be onsite to sell Guam tour packages
Media/Travel Industry FAM Tour	July 10-14	\$4,000	Adventure Sports Fam Tour (agency & media)
Travel Trade Co-ops, Sales, MICE, etc.	July 19-22	\$6,000	American Muscle Car KOL Co-op <ul style="list-style-type: none"> ✓ To promote Guam's self-driving tour and meanwhile position Guam as the nearest destination for pursuing the American dream (Harley-Davidson or Mustang riding) ✓ To boast riding experience as a must-do on motor lovers pocket list ✓ To co-op with car rental companies on Guam that could further evolve into motorcycling campaigns for motor groups in the future

	August 18-22	\$24,500	Autumn Festival Campaign ✓ To increase arrivals during fall season by leveraging the widely celebrated Moon Festival holiday and therefore building Guam's image as a destination for family and friends to spend time in Guam to celebrate the holiday ✓ To establish a new tourism highlight in Guam and demonstrate Guam's interest and friendliness in Asian culture by connecting Guam's attractions and specialties with Moon Festival ✓ To incorporate Guam's nature and rich Chamorro culture in tour packages for travelers to experience
	September 4-9	\$24,500	Airline Golf Cup ✓ To co-op with existing airline company servicing Guam to promote the Guam destination ✓ To encourage golf enthusiasts to participate and to experience Guam golf facilities ✓ To leverage the opportunity to promote Guam to elite travelers
TOTAL		\$214,194	

PHILIPPINES MARKET

FY2020 Q3 AND Q4 PHILIPPINES PROJECT MOTIONS

13. Motion made by Director Hofmann second by Director Kloppenburg to approve \$183,701 for the Philippines budget expenses for Q3 and Q4 for the following as detailed below: **Motion Approved.**

FY2020	PHILIPPINES	Month	Amount	Project Name
PRE001	Marketing Rep Fees	Apr-Sept	\$27,000	Marketing Rep Office Fee
PRE005	Info Office Expenses	Apr-Sept	\$3,000	Office Management
TTC039	Media & Travel Industry FAM Tours	Apr-Sept	\$20,000	Media & Travel Industry FAM Tours
TTC067	Travel Trade/MICE/Consumer Shows/Social Media/Publicity	Apr-Sept	\$71,316	Travel Madness Expo (July 2020); Travel Mart (4-6 Sept); Media Fees
SMD023	Sales & Market Development	Apr-Sept	\$62,385	Philippines Co-Op; Collateral Materials; Giveaways
	TOTAL		\$ 183,701	



Background: In compliance with Board requirements, expenses for Q3 and Q4 are brought to the board for approval.

PRE001: \$27,000 | MARKETING REP FEES

The budgeted amount of \$27,000 is for the services of our Philippines Marketing Representation Office.

PRE005: \$3,000 | INFO OFFICE EXPENSES

The budgeted amount is for any expenses related to office supplies, communication, and any warehouse expenses monthly.

TTC039: \$20,000 | MEDIA & TRAVEL INDUSTRY FAM TOURS

The budgeted amount is to cover any travel trade, media FAM tours, and networking expenses, including a FAM tour with our new marketing rep office.

TTC067: \$71,316 | TRAVEL TRADE/MICE/CONSUMER SHOWS/SOCIAL MEDIA/PUBLICITY

The budgeted amount is to cover the following consumer and B2B events and any media fees. Travel Madness (July 2020)

- Biggest post-summer travel & trade fair, with over 200 domestic and international industry players participating and attracting over 50,000 visitors.
- Celebrating its 9th year.

Travel Mart (4-6 September)

- Longest running travel trade exhibition and annual B2B event held in two cities, with over 250 exhibitors.
- GVB plans to conduct a product update seminar in both cities.

SMD023: \$62,385 | SALES & MARKET DEVELOPMENT

The budgeted amount is to support any co-op campaigns; to produce or purchase giveaways and VIP gifts for consumer shows, meetings, and product update events; and to produce print collateral.

Issue: Board approval required.

I. NEW MARKETS

- The MATTA Fair and the ADEX scheduled for March and April have been postponed until May.
- Coronavirus update: Malaysia twenty-two (22) reported cases, twenty (20) recovered, no deaths. Singapore has ninety-three (93) cases, sixty-two (62) recovered, no deaths.
- Next Committee Meeting is scheduled for March 3, 2020, at 10:00 a.m.

J. KOREA

Committee Meeting Minutes - February 19, 2020

Exhibit K

GVB MARKETING STRATEGY & PLANNING MEETING WITH GVB KOREA OFFICE

14. Motion made by Director Shun second by Director Gatewood to approve travel for GVB Air Service Development (ASD) Chairman and Korea Marketing Committee (KMC) Chairman or their designees to attend the GVB Marketing Strategy & Planning Meeting with GVB Korea Representatives from March 25-28, 2020 in Seoul, Korea. The cost is approximately \$5,500.00 from Acct# KO-SMD023.
15. Motion made by Director Arriola, seconded by Director Gatewood to amend the motion, adding dates are subject to change due to the COVID-19. **Motion Approved.**

DISCUSSION

- Strategy and planning meetings are standard and are attended once a quarter to touch bases with the market, meet with the office and the travel agencies.

Per Diem:			3		4	
	KMC Chairman or designee		3	\$170.00	4	\$1,542.50
Misc.						

Background: The GVB President & CEO (or designee), GVB Director of Global Marketing (or designee), GVB Korea Marketing Manager, Air Service Development Chairman (or designee) and Korea Marketing Committee Chairman (or designee) plan to conduct administrative and strategic meetings with industry partners including our servicing airlines. The GVB delegation will address their recovery plan for the Korea market amidst the Coronavirus (COVID-19) situation, programs for the remainder of FY2020, and any other issues and/or opportunities within the market.

Issue: Board approval for travel required.

16. Motion made by Director Kloppenburg second by Director Arriola to approve \$590,600.00 for Korea market expenses as detailed below: **Motion Approved.**

KOREA MARKET

MOTION FOR FY2020 Q3/Q4 MARKET PROJECTS

ACCOUNT	ACCOUNT NAME	PROJECT TIMELINE	AMOUNT	PROJECT NAME
	TRAVEL, ETC.			Conduct sales contests, website promotions, and on/offline advertisements with direct carriers.
	TRAVEL, ETC.			Engage agencies to sell and market Guam through social commerce promotions, website promotions, TV home shopping, and OTA co-op promotions.
NOT DIG001	Digital Marketing Maintenance	April - September	\$590,000	Digital Ad Buys ✓ To implement a digital ad buy to best complement Korea's travel seasonality. ✓ To advertise through major SNS channels on a routine basis to keep Guam top of mind.

KO-ADV011	Advertisement & PR	April - September	\$55,000	Media Advertorials ✓ To maximize media exposure with key consumer and travel trade media on a monthly basis ✓ To promote the Guam destination, events, and activities on top travel publications
KO-SMD023	Sales Market Development	April - September	\$85,600	Get Up And Move (G.U.A.M.) Campaign ✓ To create a new campaign targeting FITs ✓ To promote instaspots and develop scavenger hunt travel packages with agents ✓ To carry out a UGC campaign on SNS and host a digital influencer FAM tour with Instagrammers/tiktokers
TOTAL			\$590,600	

Background:

In compliance with Board requirements, expenses above \$25,000 are being brought to the board for approval.

Airline Co-Op Promotions: \$180,000

To co-op with airline partners by conducting sales contests, website promotions, and on/offline advertisements.

Sales Contest:	GVB will work with the airlines to announce a sales contest with target travel agencies. During the sales promotion period, target agencies will focus on Guam flight ticket sales by utilizing their PR & Marketing channels. GVB logo will be exposed to the promotion. Monetary support will be given to the participating sales agent winner (based on a criteria i.e., sales volume, growth rate, etc.)
Website Promotion:	Guam promotional page will be created on the airline's website. The airline will promote the event via their respective marketing channels. The airline will offer special benefits and giveaways to the consumer who purchases the Guam package through the promotion.
On/Offline Advertisements:	Airline will place Guam advertisement in its PR & marketing channels to target audiences (as determined by the airline).

Travel Agent Co-Op Promotions: \$180,000

To co-op with travel agents to support sales and marketing activities to include social commerce promotions, website promotions, and TV Home shopping, OTA co-op promotions, etc. GVB Korea will work with the travel agents to diversify Guam's product offering through campaign promotions. The following list is agents the GVB will work with:

- Hana Tour
- Mode Tour
- Hanjin Travel
- Naeil Tour
- Web Tour
- Airtel.com
- Very Good Tour
- Worldis Tour
- Lotte Tour
- Lotte JTB
- NHN Doctortour
- Bomulsum Tour
- Interpark Tour
- KRT



- YB Tour
- Online Tour
- Hayan Tour
- KTB Koreana
- Tourplus
- Klook
- MyRealTrip
- eBay Korea, etc.

Digital Ad Buys: \$90,000

GVB Korea plans to implement its digital ad buy plan to best complement Korea's local seasonality (national holidays, vacations, and other) and Guam's calendar of events. *Advertising Type is subject to change.

Quarter	Type	Amount	Total
Q3 budget: (April – June)	Instagram Ads	\$ 7,000.00	\$ 45,000.00
	Facebook Ads	\$ 7,000.00	
	Naver Ads Ads	\$ 6,000.00	
	Kakao Ads	\$ 12,000.00	
	YouTube / GDN Ad	\$ 6,000.00	
	Creation / Operation Fee	\$ 7,000.00	
Q4 budget: (July – September)	Instagram Ads	\$ 7,000.00	\$ 45,000.00
	Facebook Ads	\$ 7,000.00	
	Naver Ads Ads	\$ 6,000.00	
	Kakao Ads	\$ 12,000.00	
	YouTube / GDN Ad	\$ 6,000.00	
	Creation / Operation Fee	\$ 7,000.00	
TOTAL			\$ 90,000.00

Media Advertorials: \$55,000

To maximize the media exposure on the key travel trade regional media and promote Guam's signature events via advertisements on the media regularly. The following list are publications the GVB will work with. *Ad creative and media are subject to change.

- The Korea Travel News BT MICE
- Global Travel News
- Tour Korea
- Travie
- TTL: Travel Insight
- Olive Magazine
- Vogue
- KTX Magazine
- Esquire
- The Korea Travel Times
- Tour de Monde
- Tour Times, etc.

Quarter	Type	Amount	Qty	Total	Grand Total
Q3 budget: (April – June)	Travel Trade Newspaper	\$ 2,200.00	5	\$ 11,000.00	\$ 38,500.00
	Travel Trade Magazine	\$ 3,850.00	2	\$ 7,700.00	
	Consumer Magazine	\$ 4,400.00	2	\$ 8,800.00	
	KTX/Olive Magazine	\$ 5,500.00	2	\$ 11,000.00	
Q4 budget: (July – September)	Instagram Ads	\$ 2,200.00	4	\$ 8,800.00	\$ 16,500.00
	Creation / Operation Fee	\$ 3,850.00	2	\$ 7,700.00	
TOTAL					\$ 55,000.00

Get Up and Move (GUAM) Campaign: \$85,600

Targeting the FIT market, the Get Up and Move campaign was developed to encourage visitors to explore the island and to visit Guam’s various instaspots. In tandem with the Korea market’s recovery plan, GVB will work with travel agents to diversify their product offering by creating a Guam scavenger hunt package. GVB will work with participating agents to promote Guam’s instaspots and provide special prizes to their customers that complete the challenge. In addition, GVB also plans to host a digital fam tour to include popular Instagrammers and tiktokers to participate in the challenge and promote the campaign. The campaign will take place between April – September 2020.

<p>#instaGuam Challenge Prizes: \$24,000</p>	<p>GVB to launch 14 instaspot mini clips on social media in conjunction with GUAM Campaign. GVB will announce a social media competition/contest between June - September. Participants that post and share their photo and video of them at an #instaspot location will be automatically entered into the contest.</p> <p>How to participate:</p> <ol style="list-style-type: none"> a) Take a photo at an #instaspot b) Geotag the location c) Hashtag #instaguam, #guamchallenge d) Tag: @visitguam_kr
<p>Influencer FAM Tour: \$35,600</p>	<p>Invite digital influencers to develop UGC by visiting the various instaspots around the island. Each influencer will discover Guam through different themed experiences to include gourmet, sports, shopping, historical sites, etc.</p>
<p>Travel Agent GUAM Website Promotion: \$26,000</p>	<p>Work with ten travel agents to launch the promotional campaign page on their respective websites. Monetary support will be given to participating travel agencies. The top 3 agents that produce the best promotional page will receive additional monetary support.</p>

Issue: Board approval required.

DISCUSSION:

- Currently, there are under sixteen hundred (1,600) cases, most of them in Daegu and the surrounding area. They are taking extra precautions from traveling, crowded places, and public transportation. Companies are encouraging their employees to work from home. Flights are being suspended.

K. GRETER CHINA

- Nothing to report

II. OLD BUSINESS

- Clarification of credit card matter in approved meeting minutes dated December 12, 2019. (Josie Villanueva)
- Tabled for discussion under Old business at the next board meeting.

III. NEW BUSINESS

17. Motion made by Director Therese second by Director Kloppenburg to approve \$50,000 in additional sponsorship funding to support the Governor's Holiday expenses incurred from the Governor's Holiday Home and Christmas Lighting Festival and Fireworks activities during the month of December 2019. Management to identify source of funding. **Motion Approved.**

Background: The Governor's office is requesting an additional \$50,000 in support to help pay for holiday expenses incurred as a result of the Governors Holiday Home and Christmas Festival and Fireworks display. Please be advised the Guam Visitors Bureau Sports & Events division has already made payment of \$110,000 in sponsorship in support for the scheduled Fireworks display.

Issue: Board approval required.

18. Motion made by Director Arriola second by Director Quinata to approve the 75th Guam Liberation Committee's request in the amount of \$96,533.00 for the additional expenses incurred during the 75th Guam Liberations. Funds will be identified by senior management and not from the Cultural Heritage Committee budget. **Motion Approved.**

Background: CHC Chairwoman Arriola reported that everyone did an outstanding job in the celebration of the 75th Guam Liberation. The Liberation committee did their best to raise funds through sponsorships and fundraising, but because of the additional logistical needs, funds were short by \$96,533.00.

The Culture Heritage Committee members approved the recommendation during the committee meeting of February 4, 2020.

Issue: Board approval required.

Motion made by Director Arriola, seconded by Director Gatewood at 5:46 p.m. to recess until Tuesday, March 3, 2020.

IV. EXECUTIVE SESSION

- None

V. ANNOUNCEMENTS

Upcoming Board Meetings:

- Thursday, March 12, 2020, at 3:30pm, GVB Main Conference Room
- Thursday, March 26, 2020, at 3:30pm, GVB Main Conference Room

VI. ADJOURNMENT

Motion made by Director Camacho, seconded by Director Shinohara, to adjourn the February 27, 2020 board meeting on Tuesday, March 3, 2020 at 9:31 a.m.

 4/17/20.

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

Board Minutes respectively submitted by Valerie Sablan, Executive Secretary

ACTION ITEMS:

- o Management to look into the cost of adding more individuals to the D&O policy. What is the cost to have everyone covered? What was the rationale behind having only 31 individuals on the list? How is "management" defined, and to what degree?
- o Management to look into the Entity Coverage provided by AM Insurance at an additional cost.
- o Management to review GVB's annual balance and to determine what we should be receiving as a result of what should be reduced appropriation levels for GVB.
- o Vice President Bobby Alvarez to provide an update of the Coronavirus Impact Task Force meeting coordinated by the Governor's Office and report to GVB's Coronavirus Taskforce.