

REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, May 27, 2021, at 1:30 p.m.

GVB Conference Room and Teleconference - GoToMeeting

<https://www.gotomeet.me/GUAMVISITORSBUREAU/gvb-board-meeting>

I. CALL TO ORDER

II. ROLL CALL

- A quorum being present, Chairman Morinaga called the Board's regular meeting to order at 1:34 p.m.

III. MINUTES OF THE PREVIOUS MEETING

Director Ada made a motion, seconded by Director Ho, to approve the minutes of the previous Board of Directors meeting dated May 13/14, 2021, subject to minor corrections. **Motion approved.**

IV. CHAIRMAN'S REPORT

Nothing to report.

V. MANAGEMENT'S REPORT

Vaccination Tourism



- GVB Philippines is pushing for US expats and green card holders to get vaccinated in Guam
- Ad placed on GVB Philippines Facebook and various expat association pages on Friday, May 21
- Currently over 60 leads

1

Bill 81-36

- Amends GVB enabling legislation
- **§9106(a) and 9112**
 - §9106(a) adds "in a manner that protects the confidentiality of the voting process"
 - §9112 Amendments
 - removes multiple voting rights
 - voting by proxy
 - Removes "At elections of directors by the membership, each member who has acquired the right to cast votes at such election shall have as many votes as the member has acquired for each of the four (4) candidates."
- **Hearing to be scheduled in June**

2

Little Fire Ants

- Department of Agriculture reported LFAs at Gun beach
- Education campaign ongoing on "bait and eradicate"



3

KOREA NEWS

Meeting with Jeju Air Guam Regional Office

- Met the new Jeju Air Regional Manager of Guam and Saipan, Mr. Lim Myungjun and airport service team on Monday, May 24th
- Look to start to weekly service via Incheon on August 1st
- Discussed Gov/Guam approved vaccinations exempted from quarantine and Korea's vaccination plans
- Should expect travel once people are fully vaccinated
- Jeju Air mentioned that Saipan is offering an aggressive airline incentive
- GVB will continue to work with Jeju Air on upcoming co-op programs



4

Operation Liberate Guam



- GVB previously tasked by Gov. LG to encourage vaccinations
- Role expanding to develop incentive program
- Funding to be provided by Governor's office

EDF Update



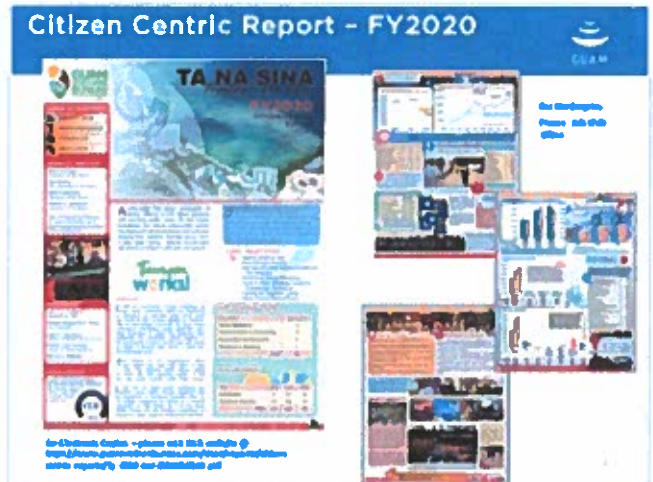
Electronic Declaration Form (EDF)

- Mobile Link - system updates have been completed
- At the request of CQA, the following schedule has been proposed:
 - Week of June 1: CQA officer training
 - Week of June 7: CQA officer training
 - Meeting/walk through with airlines on the EDF process
 - June 14: Installation of EDF signage
 - June 15: Official launch of EDF mobile link

VI. TREASURER'S REPORT



1



2

TAF Budget vs Actual Projection / GVB Fund

As of April 30, 2021

Month	Actual Budget (Actual/Estimate FY21)	Month	Actual Tot (GVB Support)	GVB Amount Spent	Received (Spent)	Received (Revenue)	% of Budget Received vs Tot
October	\$ 1,537,271	October	\$ 1,137,301	\$ 832,429	\$18,420	\$ 2,200	21%
November	\$ 1,458,270	November	\$ 111,847	\$ 532,443	\$12,420	\$ 20,200	26%
December	\$ 1,624,120	December	\$ 794,284	\$ 832,429	\$32,420	\$ 3,000	26%
January	\$ 1,816,194	January	\$ 715,915	\$ 132,625	\$32,420	\$ 10,000	26%
February	\$ 2,283,030	February	\$ 287,302	\$ 132,625	\$32,420	\$ 10,000	26%
March	\$ 1,818,200	March	\$ 1,813,381	\$ 132,423			
April	\$ 1,548,075	April	\$ 197,773	\$ 132,423			
May	\$ 1,251,624	May		\$ 132,423			
June	\$ 1,177,890	June					
JULY	\$ 1,109,814	JULY					
August	\$ 1,142,183	August					
September	\$ 1,108,087	September					
Total	\$ 17,806,187	Total	\$ 6,676,704	\$ 4,839,389	\$1,837,140		

% of the Actual TAF Collected to date: 96% 96%

Receipts from DOA (March, April & May 2021) - \$1,597,175

3

GVB Cash Balance Recap

As of April 30, 2021

Category	Amount
1.000 - 1.100 - 1.200 - 1.300 - 1.400 - 1.500 - 1.600 - 1.700 - 1.800 - 1.900 - 2.000 - 2.100 - 2.200 - 2.300 - 2.400 - 2.500 - 2.600 - 2.700 - 2.800 - 2.900 - 3.000 - 3.100 - 3.200 - 3.300 - 3.400 - 3.500 - 3.600 - 3.700 - 3.800 - 3.900 - 4.000 - 4.100 - 4.200 - 4.300 - 4.400 - 4.500 - 4.600 - 4.700 - 4.800 - 4.900 - 5.000 - 5.100 - 5.200 - 5.300 - 5.400 - 5.500 - 5.600 - 5.700 - 5.800 - 5.900 - 6.000 - 6.100 - 6.200 - 6.300 - 6.400 - 6.500 - 6.600 - 6.700 - 6.800 - 6.900 - 7.000 - 7.100 - 7.200 - 7.300 - 7.400 - 7.500 - 7.600 - 7.700 - 7.800 - 7.900 - 8.000 - 8.100 - 8.200 - 8.300 - 8.400 - 8.500 - 8.600 - 8.700 - 8.800 - 8.900 - 9.000 - 9.100 - 9.200 - 9.300 - 9.400 - 9.500 - 9.600 - 9.700 - 9.800 - 9.900 - 10.000	\$ 1,100,000
Total	\$ 1,100,000

4

GVB Cash Balance Recap

GVB Cash Balance Summary
As of 05/26/21 Total Balance

Cash in Bank Balance per Book \$ 14,120,563
 ADD: Received from COA at 6/1/21 recap \$ 14,120,563

Less: Other Use of Cash as of 04/30/21 recording
 Public Law Restricted Funding \$ 282,633
 Backed Payables \$ 241,799

Commitments for FY2021
 Estimate Based on Budget \$ 200,000
 Estimated Payable by FY21 (20 APR) \$ 1,511,970
 Encumbrances on Contracts - Fixed Cost excluding Out of Pocket \$ 2,252,796
 Encumbrances on Purchase Order by Road Antenna Coasting Cost \$ 102,970

Board Committed Funds
 Various Capital Expense Fund \$ 4,876,762
 Air & V \$ 1,000,000
 COVID 19 Market Recovery (EToys) \$ 2,896,476

Net GVB Cash Balance (Unaudited) **\$ 29,483,102**

5

GVB FY2022 Budget Request

GVB Board of Directors approved budget on April 9, 2021
\$27.48 M

Clean Balance Budget FY 2022 Budget Request
(Submitted to Legislature on May 6, 2021)

Category	FY 2022 Request
Administration	\$ 2,400,000
Marketing	\$ 1,600,000
Market	\$ 5,000,000
Home	\$ 5,000,000
Talent	\$ 2,000,000
Flight	\$ 100,000
North America	\$ 100,000
Focus: New Market Development	\$ 100,000
Philosophy	\$ 200,000
Global Media	\$ 200,000
Global Outreach	\$ 200,000
Printing & Production	\$ 50,000
IT Services Development	\$ 1,000,000
Total Marketing	\$ 6,000,000
Research	\$ 2,000,000
Specialty & Events	\$ 500,000
Cultural & Heritage/Consulting	\$ 500,000
Video Safety & Distribution	\$ 500,000
Business Development	\$ 1,500,000
Total Non-Marketing	\$ 4,500,000
Total Operations Budget	\$ 10,500,000

Department breakdown specifically for Marketing budget remains subject to change as COVID-19 market recovery efforts require fluid air market coordination.

6

Market Recovery Spending Update

Market Recovery Cost Production Update
As of May 26, 2021

Description	Cost	Expenses	Balance
Market Recovery Total Production Update			
Market	\$ 393,300	\$ -53,821	\$ 339,479
Home	\$ 393,300	\$ -349,271	\$ 44,029
Agency	\$ 349,900	\$ -23,701	\$ 326,199
Global Media & Media	\$ 270,000	\$ -13,204	\$ 256,796
Self-Serve: Openair, Star & Star Media Support Programs	\$ 251,900	\$ -157,834	\$ 94,066
Research & Content	\$ 153,000	\$ 0	\$ 153,000
Talent & Video	\$ 50,000	\$ -100,000	\$ -50,000
Global Communication Plan (Future 60 days)	\$ 25,000	\$ -17,400	\$ 7,600
Various Safety & Distribution	\$ 200,000	\$ -187,157	\$ 12,843
Total	\$ 2,000,000	\$ -1,000,000	\$ 1,000,000

Summary of Market Recovery Spending Issues

- Contract & Funds transferred from FY20 & allocated to GVEA
- Market Recovery 90% board approved
- Market Recovery 80% log schedule approved
- FY2021 Quarterly Budget Approval
- Total Plan for Air Media for Market Recovery
- Less: Total Marketing Production Expenses from COA Capital Plan

Remaining Balance: \$ 1,000,000

7

Budget vs Actual as of May 2021

Category	Budget	Expenses	Balance
Administration	\$ 1,000,000	\$ (1,000,000)	\$ 0
Marketing	\$ 6,000,000	\$ (773,299)	\$ 5,226,701
Market	\$ 40,000	\$ (273,299)	\$ -233,299
Home	\$ 217,214	\$ (106,844)	\$ 110,370
Talent	\$ 60,000	\$ (50,000)	\$ 10,000
Self-Serve	\$ 22,000	\$ (18,000)	\$ 4,000
Philosophy	\$ 22,000	\$ (18,000)	\$ 4,000
Global Media	\$ 210,000	\$ (187,000)	\$ 23,000
Global Outreach	\$ 200,000	\$ (17,870)	\$ 182,130
Total Marketing	\$ 1,181,214	\$ (748,969)	\$ 432,245
Research	\$ 2,000,000	\$ 0	\$ 2,000,000
Specialty & Events	\$ 500,000	\$ 0	\$ 500,000
Cultural & Heritage	\$ 500,000	\$ (700)	\$ 499,300
Video Safety & Distribution	\$ 500,000	\$ (300,000)	\$ 200,000
Business Development	\$ 1,500,000	\$ (1,100,000)	\$ 400,000
Total FY 2021	\$ 6,000,000	\$ (1,100,000)	\$ 4,900,000
COA	\$ 2,000,000	\$ (1,000,000)	\$ 1,000,000
2021 FY2021	\$ 2,000,000	\$ (1,000,000)	\$ 1,000,000
Printing & Press	\$ 500,000	\$ 0	\$ 500,000
Membership	\$ 500,000	\$ 0	\$ 500,000
Special Projects	\$ 0	\$ 0	\$ 0
COVID ACT	\$ 1,000,000	\$ (1,000,000)	\$ 0
Total FY 2021 and others	\$ 10,500,000	\$ (1,100,000)	\$ 9,400,000

8

Revenues & Expenditures FYTD

Category	Fiscal Year to Date FY2021 (Actual)	Fiscal Year to Date FY2020 (Actual)	% Increase/Decrease
Revenues			
Corporate Accounts - Advertising	\$ 1,700,000	\$ 1,700,000	0%
Market	\$ 200,000	\$ 200,000	0%
Home	\$ 200,000	\$ 200,000	0%
Agency	\$ 200,000	\$ 200,000	0%
Global Media & Media	\$ 200,000	\$ 200,000	0%
Self-Serve	\$ 200,000	\$ 200,000	0%
Philosophy	\$ 200,000	\$ 200,000	0%
Global Media	\$ 200,000	\$ 200,000	0%
Global Outreach	\$ 200,000	\$ 200,000	0%
Total Revenues	\$ 3,400,000	\$ 3,400,000	0%
Expenditures			
Marketing	\$ 1,700,000	\$ 1,700,000	0%
Home	\$ 200,000	\$ 200,000	0%
Agency	\$ 200,000	\$ 200,000	0%
Global Media & Media	\$ 200,000	\$ 200,000	0%
Self-Serve	\$ 200,000	\$ 200,000	0%
Philosophy	\$ 200,000	\$ 200,000	0%
Global Media	\$ 200,000	\$ 200,000	0%
Global Outreach	\$ 200,000	\$ 200,000	0%
Total Expenditures	\$ 3,400,000	\$ 3,400,000	0%

9

Comparative FY2020 & FY2021

Revenue & Expense Comparison (Fiscal Year to Date)

Category	FY 2020 Actual	FY 2021 Actual	% Change
Total Revenue	\$ 3,400,000	\$ 3,400,000	0%
Total Expenditures	\$ 3,400,000	\$ 3,400,000	0%
Net Revenue/Expense	\$ 0	\$ 0	0%

10

VII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

Nothing to report.

B. ADMINISTRATION & GOVERNANCE

Nothing to report.

C. REOPENING TASK FORCE

Nothing to report.

D. AIR SERVICE DEVELOPMENT

- o Chairman Morinaga reported on the following:

Japan

United Airlines: UA196/UA197 continues to operate daily

All other flights now suspended until July 31

Other flight suspensions remain the same:

Japan Airlines: JL941/942 suspended until September 30

Tway: TW311/312 suspended until June 30

Jeju Air: 7C3174/3173 suspended until June 30

Tour package cancellation is as previously reported; most canceled until June 30, with Jalpak canceled until September 30

South Korea

No change; all flights from Korea to Guam suspended except for Jin Air

Weekly flight continues for May (scheduled May 4, 11, 18, 25)

Korean Air - KE113 scheduled to resume daily flight from September 1st

E. DESTINATION MANAGEMENT/VISITOR & SAFETY SATISFACTION

- o Vice-Chairman Paco reported that a wall had been located for a mural near the former Bank of Guam.
- o Will meet with the artist next week to go over the logistics.

F. CULTURAL HERITAGE, COMMUNITY OUTREACH & BRANDING

Nothing to report.

G. RESEARCH / MEMBERSHIP

- o Director Jones reported on Bill 81-36 introduced by Senators Taitague, Brown and Ada, which amends GVB enabling legislation:
 - §9106(a) adds "in a manner that protects the confidentiality of the voting process"
 - §9112 Amendments
 - removes multiple voting rights
 - voting by proxy
 - Removes "At elections of directors by the membership, each member who has acquired the right to cast votes at such election shall cast as many votes as the member has acquired for each of the four (4) candidates."
- o Hearing to be scheduled in June
- o The legislation intends to eliminate roadblocks within small businesses to contribute their ideas at the highest levels of GVB's decision making process.
- o Small businesses are represented in the board, for example, Director Gatewood.
- o Membership funds are a great resource for the bureau. Many education seminars are directly from membership funds.
- o The objectives are to support the tourism industry as a whole and not a particular segment of the industry based on the size of the business.
- o The Directors will submit a testimony opposing the bill and its intent. It will be delivered by a member of the board.

Motion made by Director Jones, seconded by Director Ada, not to support Bill 81-36 and its intent and for management to draft a written testimony for Chairman's signature stating so. Motion approved.

H. SPORTS & EVENTS

- Director Gatewood reported that the Guam Cycling Federation requested an endorsement letter for the potential biking event scheduled for December.

I. JAPAN

- Chairman Bell reported on the following:

Japan Market Updates

- The Japanese Government extended the current COVID Pandemic state of emergency to Okinawa. So today, the nine prefectures of Hokkaido, Tokyo, Aichi, Kyoto, Osaka, Hyogo, Okayama, Hiroshima, Fukuoka, and Okinawa are under the state of emergency.
- Pre-emergency declaration remains in place to Chiba, Saitama, Kanagawa, Ehime, Gifu, Mie, Ishikawa, Gunma, and Kumamoto.
- From May to June, 100 million doses of the Pfizer vaccination will be issued in Japan.
- Vaccination for the general public is scheduled to start in August.
- The Government has confirmed 160 Indian variant cases at the airport quarantine from March 28 to May 7.
- The US remains at MOFA's Level 3 travel for entry into Japan.
- The Centers for Disease Control and Prevention (CDC) has issued a Level 4 Travel Health Notice for Japan due to COVID-19, indicating a very high level of COVID-19 in the country.

Meeting with the Japan Consul General

- Tuesday, May 18, at 11:00 am
 - President CEO, Vice President, DOGM, and Japan Marketing Team attended the meeting
 - Requested the support
 - The Air V&V program: Continue to communicate closely with GVB
 - Exclude Guam from the US on the Travel advisory listing
 - It is not the right timing to discuss lifting the entry restriction in Japan due to the Olympic 2021 and State of Emergency to 9 prefectures.

J. KOREA

- Director Eun reported that the majority of Koreans would receive AstraZeneca, so it is a priority that GovGuam considers AstraZeneca as a recognized vaccine to be exempted from quarantine.
- Travel agents are starting to sell packages in time for Lunar New Year.

K. TAIWAN

- Chairman Morinaga updated the board on the current COVID-19 situation:
 - Taiwan currently has 6,091 confirmed cases
 - 302 new confirmed cases on **May 26**.
 - 46 deceased
 - Extension of national Level 3 to June 14
- Taipei bans all on-site dining & drinking
 - Taipei City government on Sunday announced a ban on all on-site dining and drinking in the city starting Monday in response to the continued increase in domestically transmitted coronavirus cases in the capital city.
 - These outlets will only be allowed to serve takeout food or make deliveries starting next week.
- Taiwan thanks U.S. for sharing vaccines
- The Ministry of Foreign Affairs (MOFA) thanked a bipartisan group of lawmakers in the United States Congress for urging Washington to share the country's surplus of COVID-19 vaccines with Taiwan.
- A letter signed by more than 60 Democrats and Republicans to Secretary of State Antony Blinken, which urges the U.S. government to help Taiwan with vaccine supply as it sees an uptick in COVID-19 cases, demonstrates the strong friendship between the U.S. Congress and Taiwan.

L. NEW MARKETS
Nothing to report.

M. NORTH AMERICA, PACIFIC & PHILIPPINES
Nothing to report.

VIII. OLD BUSINESS

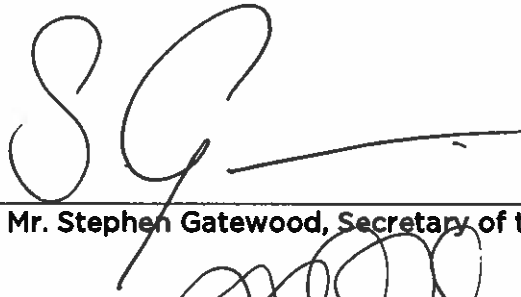
- Air V&V
 - Board gave authority for management to market to U.S. expats.
 - The recommendation was made to be in concert with a private clinic to at least partner or purchase 50,000 vaccines to market to non-U.S. citizens.
 - Concern is GVB is not in the pharmaceutical business.
 - Before any decision could be made, Chairman Morinaga requested more details on the private clinic so the board could be more comfortable with what is being entertained.

Chairman Morinaga recessed the regular board meeting at 3:45 p.m. to be reconvened Thursday, June 3rd at 1:30 p.m.

REGULAR BOARD OF DIRECTORS MEETING MINUTES (RECONVENE)
Thursday, June 3, 2021, at 1:30 p.m.

CALL TO ORDER

- Chairman Morinaga called the meeting back to order at 1:30 p.m.
- With no quorum present, Chairman Morinaga adjourned the meeting until the next regular board meeting scheduled for Thursday, June 10th at 1:30 p.m.



Mr. Stephen Gatewood, Secretary of the Board of Directors



Board Minutes respectively submitted by Valerie Sablan, Executive Secretary