



REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, December 9, 2021, at 1:30 p.m.

GVB Conference Room and Teleconference - GoToMeeting

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

I. CALL TO ORDER

- Chairman Morinaga called the Board's regular meeting to order at 1:35 p.m. with a quorum being present

II. ROLL CALL

In-Person: Milton Morinaga, Sonny Ada, Ho Eun, Ben Ferguson, Jeff Jones, Sam Shinohara

Online: Paul Shimizu, Rudy Paco, Derrick Quinata, Sam Shinohara, Flori-Ann Dela Cruz, Steve Gatewood, Laura Cepeda

III. MINUTES OF THE PREVIOUS MEETING

EXHIBIT A

Director Ada made a motion, seconded by Director Eun, to approve the previous Board of Directors meeting minutes dated November 12, 2021, subject to minor corrections. Motion Approved.

IV. CHAIRMAN'S REPORT

Chairman Morinaga reported:

- TECO is hosting a "Taiwan Guam Virtual Economic Summit" on December 15th
 - Sister City Agreement signing ceremony
 - Participants in the Q&A for Sister City Agreement signing - Chairmen from the Boards: GIAA-Brian Bamba, GEDA-David John, GVB-Milton Morinaga, Chamber of Commerce-Christine Baleto, Speaker Therese Terlaje, Governor LG
- Felix from GVB Taipei Office was voted to be Vice President of American State of Office Association (ASOA)
 - The overall objective of the ASOA is to facilitate long-term commercial relationship exchange between Taiwan and ASOA members
- Omicron
 - Media in Japan and Korea - scientist need to learn about Omicron's behavior; important in determining the impact of a new variant to have on travel band

V. MANAGEMENT'S REPORT

President Gutierrez reported:

Impact of Omicron

- 25% (18K-13K) Cancellation of over 2,700 pax
- Reduction of schedule of carriers/airline seats
- Asiana has postponed the start to a later date (possibly January)
- VP to expand in detail

Destination Management

- Office of Inalåhan Mayor returns lost purse to visitors

- Good Samaritan beachgoer works with VSOs to return a lost wallet to a military service member
- Repeat Visitor
- Reinforces safety and security of Guam beyond COVID
- Visitor Safety Officer Marissa Boak, VSO of the year, was recognized at the annual award ceremony. Boak is leaving the island
- Trolley Service
 - Program suspended
 - We will reevaluate in a few weeks
- Skinner Plaza
 - GVB providing VSO security watch after hours
 - Through Christmas & New Year

Arrivals

November 2021

November 1-30, 2021 Total: 9,281 (+595.1%)

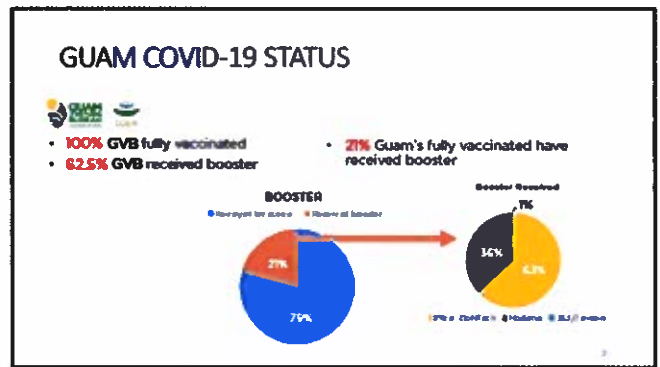
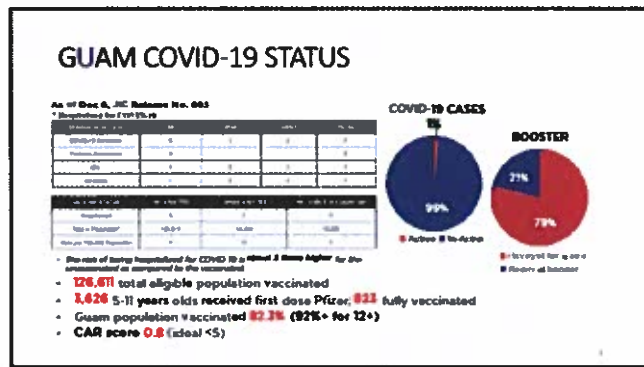
| % Market Mix | Origin | 2020 | 2021 | % to LY |
|--------------|-------------|------|-------|---------|
| 1.4% | Japan | 41 | 338 | 676.6% |
| 38.3% | Korea | 38 | 3,652 | 9264.8% |
| 0.4% | Taiwan | 38 | 35 | -7.9% |
| 0.1% | China | 0 | 9 | - |
| 42.6% | US/Mexico | 883 | 3,861 | 347.5% |
| 4.3% | Philippines | 103 | 389 | 387.4% |
| 0.0% | Hong Kong | 2 | 3 | 50.0% |
| 0.0% | Russia | 6 | 1 | -63.3% |

Fiscal Year to Date 2022

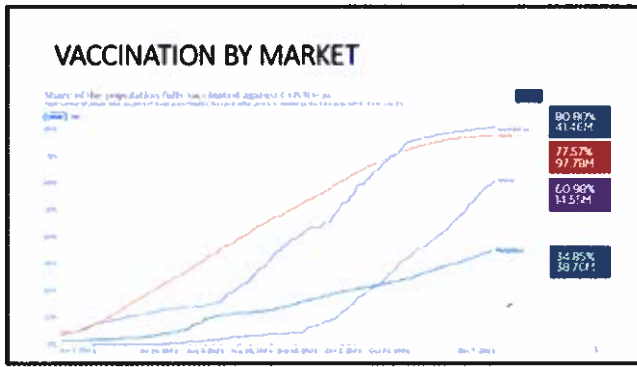
October - November 30, 2021 Total: 15,698 (+327.7%)

| % Market Mix | Origin | 2021 | 2022 | % to LY |
|--------------|-------------|-------|-------|---------|
| 4.0% | Japan | 132 | 633 | 379.5% |
| 28.6% | Korea | 76 | 4,650 | 6084.6% |
| 0.4% | Taiwan | 58 | 63 | 6.6% |
| 0.1% | China | 7 | 20 | 185.7% |
| 50.4% | US/Mexico | 2,549 | 7,912 | 270.6% |
| 4.3% | Philippines | 302 | 674 | 123.2% |
| 0.0% | Hong Kong | 8 | 5 | -37.5% |
| 0.1% | Russia | 9 | 11 | 22.2% |

Guam COVID19 Status



Vaccination by Market



VACCINATION BY MARKET

The CDC has introduced **new requirements** for international travelers to the United States effective as of December 6, 2021.

All air passengers two years or older arriving in the United States from a foreign country **at or after 12:01 a.m. EST on December 6, 2021**, are required show a negative COVID-19 viral test result taken no more than 72 hours before travel, or documentation of having recovered from COVID-19 in the past 90 days, before they board their flight. This change applies to all air travelers.

International Travelers
U.S. travel requirements have changed

If you have questions, CDC's Travel Accommodations page has the answers.

o **Small talk in between**

Travel Trade

Japan

- New Chairman, JATA, effective December 6
- Mr. Hiroyuki Takahashi, JTB Chairman

Philippines

- Closed to foreign travelers
- Only Balikbaya foreigners under the green & yellow list allowed
- Now requiring PCR tests taken within 72 hours of arrival and on day 5 of quarantine
- Must undergo quarantine for 14-days at designated hotels

Korea

- Air Seoul flying 3 “no landing” international tourism flights Dec 18-25-26
- Seat Capacity restrictions lifted under a new policy of “Living with COVID-19”
- Taiwan
- No foreign travelers except for humanitarian purposes, HK and Macau nationals holding a valid re-entry permit, mainland Chinese for family reunion holding a valid re-entry permit

Saipan

- Now offering PCR tests for returning visitors until January

Omicron Impact: Korea & Japan Protocols

Japan

- Closed to all foreign visitors
- Visas issued before 12/2 have been suspended (except spouse or child resident, or diplomat)
- Returning residents must self-quarantine for 14-days and refrain from using public transportation

Korea

- Mandatory 10-day quarantine regardless of vaccination status
 - o Residents will quarantine at home, visitors at a designated government facility at their own expense
- 3 PCR tests (before arrival, day after arrival, and last day of quarantine)

Omicron Impact:

Airline (Updated as of December 6)

| Airline | Cancellation (%) | Cancellation (pax) | Issue |
|-----------------|------------------|--------------------|--|
| Korean Air | 25% | 726 | No changes in 4-weekly flight services so far. |
| Jin Air | 48% | 590 | No flight services on December 8, 10 (2 FLT's canceled) |
| Tway | 68% | 568 | No flight services on December 2, 5, 9, 12 Plan to operate 2-weekly flight in December. |
| Jebu Air | 70% | 720 | No flight services from December 4 - 16 (7 FLT's canceled) Afterward, plan to operate 2-weekly or 4-weekly flight |
| Air Seoul | 2% | 12 | Delayed its re-operation schedule to Jan. 29, 2022 |
| Asiana Airlines | 4% | 20 | To be determined |
| Air Busan | 61% | 113 | Plan to cancel all flights in December but TBD |
| Total | | 2,799 | <i>*Expected to increase cancellation if the Korean government extend quarantine protocol.</i> |

Market Intelligence

AIRLINE SCHEDULE - DECEMBER (DIRECT FLIGHT): BEFORE OMICRON ISSUE

Subject to change

| Airline | Flight No. | Class | DFP Type | ARR Time | Seat Capacity |
|-----------------|--------------------|--------------------------------------|----------|----------|---------------|
| Korean Air | KE781 | THU/20th | 01:30 | 02:00 | 484 |
| | KE781 | WED/SAT | 01:30 | 02:00 | 484 |
| Jin Air | JR302 | WED/THU/FRI/SAT/SUN | 01:30 | 14:30 | 2,400 |
| Jin Air | LJ64 | TU/WED/THU/FRI/SUN (Dec 20th - 26th) | 01:30 | 14:30 | 3,588 |
| Tway | TW202 | WED/THU/FRI/SAT/SUN | 11:00 | 23:30 | 2,400 |
| Air Seoul | RS03 | THU/20th (Dec 20th) | 01:30 | 02:00 | 388 |
| Air Seoul | RS03 | WED/SAT (Dec 22nd) | 01:30 | 02:00 | 388 |
| Asiana Airlines | OZ007 | THU/20th (Dec 20th) | 01:30 | 02:00 | 354 |
| OZ007 | WED/SAT (Dec 22nd) | 01:30 | 02:00 | 354 | |
| TOTAL | | | | | 12,084 |

TOTAL OUTBOUND SEAT CAPACITY (DECEMBER) (DIRECT FLIGHT) 12,084 SEATS

MARKET INTELLIGENCE

AIRLINE SCHEDULE - DECEMBER (DIRECT FLIGHT): AFTER OMICRON ISSUE (as of Dec 3)

Subject to change

| Airline | Flight No. | Class | DFP Type | ARR Time | Seat Capacity |
|-----------------|--------------------|--------------------------------------|----------|----------|---------------|
| Korean Air | KE781 | THU/20th | 01:30 | 02:00 | 484 |
| | KE781 | WED/SAT | 01:30 | 02:00 | 484 |
| Jin Air | JR302 | WED/THU/FRI/SAT/SUN | 01:30 | 14:30 | 2,388 |
| Jin Air | LJ64 | TU/WED/THU/FRI/SUN (Dec 20th - 26th) | 01:30 | 14:30 | 3,572 |
| Tway | TW202 | WED/THU/FRI/SAT/SUN | 11:00 | 23:30 | 2,388 |
| Air Seoul | RS03 | THU/20th (Dec 20th) | 01:30 | 02:00 | 388 |
| Air Seoul | RS03 | WED/SAT (Dec 22nd) | 01:30 | 02:00 | 388 |
| Asiana Airlines | OZ007 | THU/20th (Dec 20th) | 01:30 | 02:00 | 354 |
| OZ007 | WED/SAT (Dec 22nd) | 01:30 | 02:00 | 354 | |
| TOTAL | | | | | 11,764 |

TOTAL OUTBOUND SEAT CAPACITY (DECEMBER) (DIRECT FLIGHT) 11,764 SEATS

AIRLINE

SCHEDULE - DECEMBER (DIRECT FLIGHT): AFTER OMICRON ISSUE (as of Dec 8)

*** Incheon - Guam**

| Airline | Flight No. | Days | DDP Time | ARR Time | Seat Capacity |
|-----------------|------------|-----------------------------------|----------|----------|---------------|
| Korean Air | KE781 | THU, FRI, SAT | 08:30 | 08:00-1 | 4,841 |
| JAL | JL631 | MON, TUE, WED, THU, FRI, SAT, SUN | 08:00 | 04:30 | 1,800 |
| Jin Air | LJ648 | FRI, MON, WED, FRI, SUN | 08:20 | 04:30 | 3,780 |
| Tiger | TW211 | THU, FRI, SAT | 08:00 | 05:30 | 1,120 |
| Asiana Airlines | OZ607 | THU, FRI, SAT | 08:00 | 04:30 | 864 |
| TOTAL | | | | | 13,005 |

* JAL: 4th Dec 5 - Dec 19 (Excluded 17) flights
 * JAL: 4th Dec 7 - Dec 19 (Excluded 13) flights
 * JAL: 4th Dec 1 - Dec 19 (Excluded 14) non-regular flights

*** Seoul - Guam**

| Airline | Flight No. | Days | DDP Time | ARR Time | Seat Capacity |
|--------------|------------|------|----------|----------|---------------|
| Air Busan | OB601 | SAT | 08:00 | 13:00 | 880 |
| TOTAL | | | | | 880 |

* Air Busan: No flight operation and not subject to normal flight operation except for Dec 4 to 7

TOTAL CURRICLED SEAT CAPACITY (DIRECT FLIGHT) - AS OF 12/08/21

Destination Management

IFB 2022-01 | Streetlight Improvement

- Only one submission, currently under review by GVB engineering consultant
- Reshaping specs to fit available funds

IFB 2022-02 to 2022-07 | Tumon Landscape

- Extended an additional week to December 17, 2021
- GVB website issue, inability to upload specs

Christmas Lighting & NYE Fireworks

RFP 2022-001 | Tumon Holiday Illumination

- No submissions
- Explored GVB in-house limited display
- Local supply sold out

Fireworks

- Complaints received from Liberation Day fireworks (elevation, images, nothing new)
- Competitive field limited, only two available locally & only one with qualified shooter AFT certified on island
- Resource felt intimidated by GVB due diligence questions on details, i.e., display images, elevations, location
- Acting Governor aware of the situation, supportive of GVB's decision to save for a larger Liberation Day display
- Hagatña fireworks will still happen with GVB sponsorship

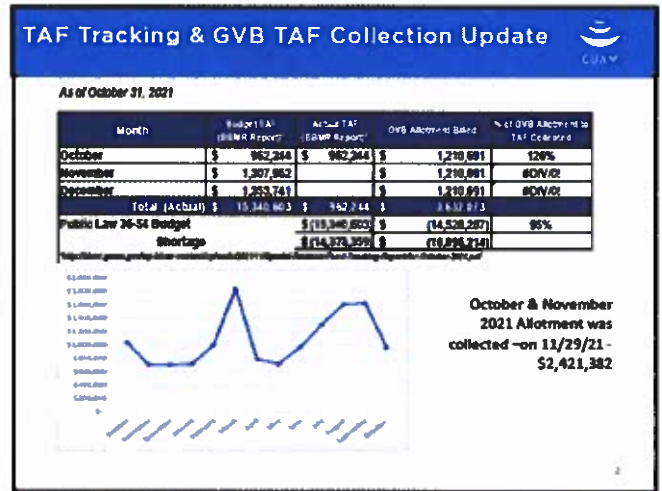
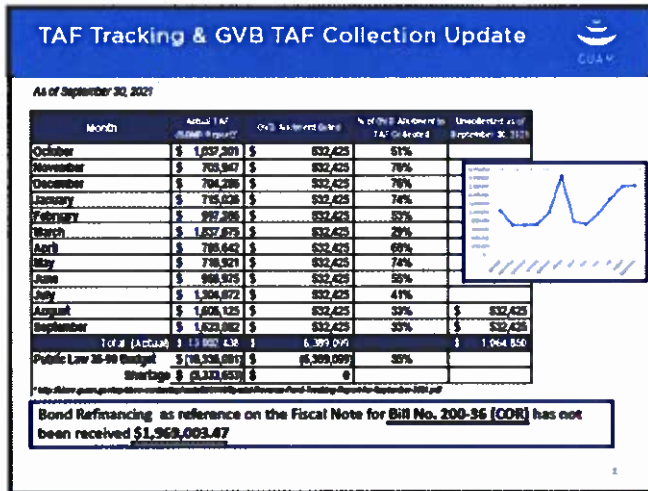
Questions & Comments:

- Director Shinohara
 - Inquired about the status of the fireworks display in Tumon
 - An uptick of holiday bookings
 - Would like to hear from GHRA, Milton, Ben, or Ho on bookings for NYE period is high
- President Gutierrez
 - The only local fireworks vendor backed out
- Director Ferguson
 - 320 rooms sold for NYE
 - Local community expecting fireworks in Tumon
 - PIC will have activities for guests
- Vice President Perez

- o Found another resource; however, qualified shooter had prior commitments to another project
- Director Ada
 - o Inquired about the status of Saipan's bubble with Korea
 - o According to President Gutierrez, they do. However, there are various testings conducted
 - o Vice President Perez added that it would be very intensive to monitor and track
 - The focus was to get most of our island residents vaccinated
 - Our source markets pay attention to the levels of vaccinations

VI. TREASURER'S REPORT

EXHIBIT B



Recap of Budget vs Actual - FY2021

| DEPARTMENT/PROGRAM | BUDGET | ACTUAL | BALANCE |
|--------------------------------------|---------------------|--------------------|---------------------|
| Administration | 3,150,000 | (2,891,844) | 258,056 |
| Marketing | | | |
| Japan | 451,400 | (504,858) | (53,457) |
| Korea | 237,310 | (235,284) | 2,026 |
| Taiwan | 80,502 | (73,502) | 7,000 |
| Pacific Micronesia | 22,000 | (16,889) | 5,111 |
| Philippines | 32,400 | (29,730) | 2,670 |
| Social Media | 250,000 | (139,531) | 110,469 |
| Global Website | 350,000 | (171,080) | 178,920 |
| Total Marketing | 4,313,712 | (1,170,744) | 3,142,968 |
| Research | 250,000 | (184,207) | 65,793 |
| Sports & Events | 50,000 | (1,343) | 48,657 |
| Cultural & Heritage | 103,000 | (59,772) | 43,227 |
| Visitor Safety & Satisfaction | 880,000 | (709,784) | 170,216 |
| Destination Development | 952,332 | (543,423) | 408,909 |
| Total Destination Development | 1,812,332 | (1,478,844) | 333,488 |
| TOTAL FY 2021 | \$ 8,395,000 | (6,539,318) | \$ 1,855,682 |

Japan actual expense includes Japan Office admin expense which is offset by consumption tax refund.

Recap of Budget vs Actual - FY2022

| DEPARTMENT/PROGRAM | BUDGET | ACTUAL | BALANCE |
|--------------------------------------|-------------------|------------------|-------------------|
| Administration | 3,800,000 | (400,888) | 3,399,112 |
| Marketing | | | |
| Japan | 2,000,004 | (84,202) | 1,915,802 |
| Korea | 4,000,000 | (73,341) | 3,926,659 |
| Taiwan | 1,800,000 | (12,867) | 1,787,133 |
| Pacific Micronesia | 25,000 | | 25,000 |
| North America | 50,000 | | 50,000 |
| New Market Development | 20,000 | | 20,000 |
| Philippines | 280,000 | (2,100) | 277,900 |
| Social Media | 250,000 | (10,422) | 239,578 |
| Global Website | 250,000 | (24,018) | 225,982 |
| Printing & Promotion | 30,000 | (1,132) | 28,868 |
| Total Marketing | 6,315,004 | (214,783) | 6,100,221 |
| Research | 400,000 | (10,053) | 389,947 |
| Sports & Events | 80,000 | (513) | 79,487 |
| Cultural & Heritage | 150,000 | | 150,000 |
| Visitor Safety & Satisfaction | 1,080,000 | (91,810) | 988,190 |
| Destination Development | 952,332 | (24,348) | 927,984 |
| Total Destination Development | 2,912,332 | (116,161) | 2,796,171 |
| TOTAL FY 2022 | 14,528,287 | (718,841) | 13,809,446 |

Marketing Dept. Budget for 1st Quarter Recap FY22

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| DEPT/INTL PROGRAM | BUDGET FY 21 | ACT. YEAR | FY22 Actual | Encumbrance (FY21-22) | SAVING | % of Budget (FY21-22) | % of Act | Net Balance |
|--|------------------|------------------|-------------------|-----------------------|------------------|-----------------------|----------------|------------------|
| Marketing | | | | | | | | |
| Japan | 3,000,000 | 3,000,000 | 4,000,000 | (370,000) | 3,630,000 | 807,500 | 104.200 | 843,300 |
| Korea | 4,000,000 | 4,000,000 | 4,000,000 | (380,000) | 3,620,000 | 908,500 | 171.340 | 857,250 |
| Taiwan | 1,500,000 | 1,500,000 | 1,500,000 | (280,000) | 1,220,000 | 300,000 | 100.000 | 370,333 |
| Pacific Islands | 35,000 | 35,000 | 35,000 | 35,000 | 0 | 0 | 0 | 0 |
| North America | 30,000 | 30,000 | 30,000 | 30,000 | 0 | 0 | 0 | 0 |
| Beer Market Development | 30,000 | 30,000 | 30,000 | 30,000 | 0 | 0 | 0 | 0 |
| Philippines | 150,000 | 150,000 | 150,000 | (13,400) | 136,600 | 39,400 | 11.000 | 37,300 |
| South Island | 250,000 | 250,000 | 250,000 | (130,000) | 120,000 | 12,500 | 101.600 | 22,078 |
| Global Website | 200,000 | 200,000 | 200,000 | (180,000) | 20,000 | 12,500 | 104.100 | (21,000) |
| Printing & Promotion | 30,000 | 30,000 | 30,000 | 30,000 | 0 | 7,500 | 11.000 | 6,387 |
| Total Marketing | 8,315,000 | 8,315,000 | 10,315,000 | (1,374,000) | 8,941,000 | 2,238,200 | 103.800 | 2,019,288 |
| Ad Various Inquiries & Programs | | | | | | | | |
| Air VAV | | | | | | | | 274,600 |
| Hafa Adai Half Campaign | | | | | | | | 1,064,712 |
| Market Recovery Efforts | | | | | | | | 2,328,463 |
| PCR Testing | | | | | | | | 314,000 |
| FY21 Unrecovered Funds | | | | | | | | 31,000 |
| Total | | | | | | | | 3,637,783 |

Cash Forecast Recap as of December 03, 2021

| | |
|---|----------------------|
| Current Bank Balance as of 12/03/21 Trial Balance | \$ 14,140,431 |
| Add: | |
| Reserves from DDA | |
| FY2021 Allocation (August 21 - Sept 21) | \$ 1,064,850 |
| FY2021 Allocation (December 2021) | \$ 1,310,891 |
| CIP Yano & Maitapang Improvement (AMF Fund) | \$ 25,000 |
| Electronic Declaration Form Receivable | \$ 106,751 |
| VastWin Program | \$ 115,199 |
| Liberation Day Program | \$ 2,428 |
| Estimated Cash Available up to September 30, 2021 | \$ 14,545,760 |
| Less: | |
| Restricted Funds | \$ (892,712) |
| Trade Payables | \$ (806,111) |
| Encumbrances | \$ (7,114,800) |
| GVB BOD Committed Funding Balances | |
| Air V and V (Vaccination and Vaccines) | \$ 274,600 |
| Hafa Adai Half Campaign | \$ 1,064,712 |
| Market Recovery Efforts | \$ 2,353,463 |
| PCR Testing | \$ 315,000 |
| FY21 Japan Adair Budget | \$ 1,000,000 |
| Holiday Elimination | \$ 300,000 |
| FY21 Marketing Budget C/D | \$ 25,847 |
| Other CAPEX Committed Funding | \$ 2,317,858 |
| Net Estimated Cash Available/Total Budget as of 12/03/21 | \$ (144,111) |

Restricted Funds Recap

Schedule # 1

| Restricted Fund Summary | | |
|-------------------------|--|-------------------|
| TR1 | Bank of Guam - Rainy Day Fund | \$ 5,004 |
| TR2 | Bank of Guam - Cultural & Sports Ambassador Fund | \$ 168,116 |
| TR5 | FY 2011 Other (PL 30-196) (Reconst. Phase 1 & 2 San Vitores) | \$ 182,138 |
| TR6 | GVB Cruise Ship | \$ 37,454 |
| TOTAL | | \$ 392,712 |

Air V & V Spending Summary

Schedule # 2

| Recap of Air V&V | | |
|--|-----------|-------------------|
| Board Approval 06/24/21 | | \$ 1,000,000 |
| Less: FY21 Expenses Incurred to date | (124,800) | |
| FY22 Expenses Incurred to date | (396) | \$ (125,195) |
| Less: Encumbrances | | |
| On Accounts Payable Aging | - | |
| On Purchase Order FY22 | (1,540) | |
| On Contracts FY22 | - | \$ (1,540) |
| Transfer to Hafa Adai Half Campaign BOD 08/26/21 | - | \$ (600,000) |
| Available Fund Balance | | \$ 274,805 |
| Less: Known committed project | | \$ (274,805) |
| Net Available Fund Balance | | \$ (0) |

Program Code: AVV021

Hafa Adai Half Campaign

Schedule # 3

| Recap of Hafa Adai Half Campaign | | |
|---|-------------|---------------------|
| Board Approval 06/24/21 | | \$ 1,600,000 |
| Transfer from Air V&V BOD 08/26/21 | | \$ (400,000) |
| Total Adjusted Committed Funding | | \$ 1,200,000 |
| Less: FY21 Expenses Incurred to date | (1,130,168) | |
| FY22 Expenses Incurred to date | (5,100) | \$ (1,135,268) |
| Less: Encumbrances | | |
| On Accounts Payable Aging | - | |
| On Purchase Order FY22 | - | |
| On Contracts FY22 | - | |
| Transfer from | | |
| Available Fund Balance | | \$ 1,064,712 |
| Less: Known committed project | | \$ (1,064,712) |
| Net Available Fund Balance | | \$ - |

The Hafa Adai "Hafa Price" Campaign

Program Code: HAF021

Recovery Fund Spending Update

Schedule # 4

| Market Sector | Title Proj | Actual | Est | Var | Total Mktg | Estimate | Est | Est | Est | All-Other | Total |
|--|------------|------------------|-----------------|-----------------|------------------|----------------|----------------|-----|-----|------------------|------------------|
| Identified Funds transferred from Open & Marketing Capex | | 1,000,000 | | | | | | | | | |
| Add: Rainy Day Fund Balance FY21 Board Approval | | 625,000 | | | | | | | | | |
| Add: Rainy Day Fund Balance FY21 and September Approval | | 829,847 | | | | | | | | | |
| PCR/Other Open Board Approved additional | | 1,348,000 | | | | | | | | | |
| Total Fund Available | | 3,802,847 | | | | | | | | | |
| Less: Expenses Incurred PCR | | (89,936) | (24,000) | | | | | | | (84,000) | (89,936) |
| Expenses Incurred PCR | | (64,500) | (2,475) | (26,000) | (82,275) | (2,400) | (0,254) | | | (80,750) | (84,525) |
| Expenses Incurred PCR | | | | | | | | | | | |
| Total Expenses to Date | | 154,436 | (26,475) | (26,000) | (166,911) | (2,400) | (0,254) | | | (169,565) | (166,911) |
| Less: Encumbrances | | | | | | | | | | | |
| On Accounts Payable Aging | | | | | | | | | | (8,000) | (8,000) |
| On Purchase Order FY22 | | | | | | | | | | (8,000) | (8,000) |
| On Contracts FY22 | | | | | | | | | | (8,000) | (8,000) |
| Total Encumbrances to Date | | | | | | | | | | (24,000) | (24,000) |
| Net Available Fund Balance as of 12/03/21 | | 3,648,411 | (26,475) | (26,000) | (166,911) | (2,400) | (0,254) | | | (193,565) | (193,565) |

Program Code: FY2020

PCR Testing

Schedule B 5

Recap of PCR Testing Program

| | | |
|--|-----------|------------------|
| Board Approval 09/09/21 | \$ | 1,000,000 |
| Transfer from 0 | \$ | - |
| Total Adjusted Committed Funding | \$ | 1,000,000 |
| Less: FY21 Expenses Incurred | | |
| FY22 Expenses Incurred | (58,100) | (58,100) |
| Encumbrances | | |
| On Accounts Payable Aging | (36,225) | |
| On Purchase Order FY22 | (530,625) | |
| On Contracts FY22 | | (626,850) |
| Transfer from | | |
| Available Fund Balance | \$ | 315,030 |
| Less: Known committed project (PCR testing on clinics) | \$ | (315,030) |
| Other Known Committed Funding | | |
| Encumbered But Underspent Fund | \$ | - |

Program Code: PC000

Other CAPEX Committed Fund

Schedule B 6

| Other CAPEX Committed Fund | | |
|----------------------------|---|---------------------|
| C3 | Lighting Improvement & Maintenance | \$ 1,321,300 |
| C4 | Median Lighting | \$ 44,582 |
| C7 | Stormwater Management System Phase II | \$ 20,000 |
| C8 | San Vitores Flood Mitigation Projects (Net of encumbrances) | \$ 1,177,071 |
| C11 | Administration (Training & Accounting & HR Platform) | \$ 19,695 |
| BLD0001 | FY 2009 Admin Repairs & Maintenance - Facility Enhancement (GL) | \$ 134,710 |
| Total | | \$ 2,717,358 |

Motion to eliminate on next BOD reporting

Program Code: PC000

FY2022 Budget vs Actual Recap

| DEPARTMENT / PROGRAM | BUDGET 21-22 SA | ACT 2021 Source | FY22 Budget Total | ACTUAL | Change in Actual | Percent | Net Actual |
|------------------------------|-------------------|------------------|-------------------|---------------------|---------------------|----------|------------|
| Administration | 2,000,000 | | 2,000,000 | (2,000,000) | (2,000,000) | 0 | 0 |
| Marketing | 2,000,000 | 2,000,000 | 4,000,000 | (4,000,000) | (4,000,000) | 0 | 0 |
| IT | 4,000,000 | | 4,000,000 | (4,000,000) | (4,000,000) | 0 | 0 |
| Police | 1,500,000 | | 1,500,000 | (1,500,000) | (1,500,000) | 0 | 0 |
| Public Works | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Health Services | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Sanitation Department | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Public Safety | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Public Works | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Other Health | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Printing & Promotion | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Total Marketing | 8,130,000 | 2,000,000 | 10,130,000 | (10,130,000) | (10,130,000) | 0 | 0 |
| Research | 400,000 | | 400,000 | (400,000) | (400,000) | 0 | 0 |
| Agency & Grants | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Customer & Outreach | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Public Safety & Substitution | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Development | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Total Distribution | 3,130,000 | 0 | 3,130,000 | (3,130,000) | (3,130,000) | 0 | 0 |
| Total FY 2022 | 11,260,000 | 2,000,000 | 13,260,000 | (13,260,000) | (13,260,000) | 0 | 0 |

GVB Headcount

Active Employees

Supplemental

| Employment Type | Admin/Finance | Distribution Development | Marketing | Research | Total |
|---------------------------|---------------|--------------------------|-----------|----------|-----------|
| Classified | 11 | 0 | 18 | 0 | 29 |
| Probation | 0 | 4 | 18 | 0 | 22 |
| Volunt | 1 | 0 | 0 | 0 | 1 |
| Unfilled Term Appointment | 0 | 1 | 0 | 0 | 1 |
| Probation | 1 | 0 | 0 | 0 | 1 |
| Volunt | 0 | 0 | 0 | 0 | 0 |
| Classified | 0 | 0 | 0 | 0 | 0 |
| Probation | 1 | 0 | 0 | 0 | 1 |
| Volunt | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 14 | 5 | 18 | 0 | 37 |

Retired Employees

Retirees on Record = 20

Note: 1 reverted to GVB active status

FY2022 Budget vs Actual Recap

| DEPARTMENT / PROGRAM | BUDGET 21-22 SA | ACT 2021 Source | FY22 Budget Total | ACTUAL | Change in Actual | Percent | Net Actual |
|------------------------------|-------------------|------------------|-------------------|---------------------|---------------------|----------|------------|
| Administration | 2,000,000 | | 2,000,000 | (2,000,000) | (2,000,000) | 0 | 0 |
| Marketing | 2,000,000 | 2,000,000 | 4,000,000 | (4,000,000) | (4,000,000) | 0 | 0 |
| IT | 4,000,000 | | 4,000,000 | (4,000,000) | (4,000,000) | 0 | 0 |
| Police | 1,500,000 | | 1,500,000 | (1,500,000) | (1,500,000) | 0 | 0 |
| Public Works | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Health Services | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Sanitation Department | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Public Safety | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Public Works | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Other Health | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Printing & Promotion | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Total Marketing | 8,130,000 | 2,000,000 | 10,130,000 | (10,130,000) | (10,130,000) | 0 | 0 |
| Research | 400,000 | | 400,000 | (400,000) | (400,000) | 0 | 0 |
| Agency & Grants | 30,000 | | 30,000 | (30,000) | (30,000) | 0 | 0 |
| Customer & Outreach | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Public Safety & Substitution | 1,000,000 | | 1,000,000 | (1,000,000) | (1,000,000) | 0 | 0 |
| Development | 300,000 | | 300,000 | (300,000) | (300,000) | 0 | 0 |
| Total Distribution | 3,130,000 | 0 | 3,130,000 | (3,130,000) | (3,130,000) | 0 | 0 |
| Total FY 2022 | 11,260,000 | 2,000,000 | 13,260,000 | (13,260,000) | (13,260,000) | 0 | 0 |

GVB Headcount

Active Employees

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| Employment Type | Admin/Finance | Distribution Development | Marketing | Research | Total |
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| Probation | 1 | 0 | 0 | 0 | 1 |
| Volunt | 0 | 0 | 0 | 0 | 0 |
| Classified | 0 | 0 | 0 | 0 | 0 |
| Probation | 1 | 0 | 0 | 0 | 1 |
| Volunt | 0 | 0 | 0 | 0 | 0 |
| Grand Total | 14 | 5 | 18 | 0 | 37 |

Retired Employees

Retirees on Record = 20

Note: 1 reverted to GVB active status

Questions & Comments:

Recap of Budget vs. Actual - FY2021

- Director Shinohara
 - Asked whether the Director of Finance is concerned that the outstanding receivable balance is not collectible
 - Still in discussion, with a possibility that we may not be able to collect the balance

- According to Vice President Perez, an issue was the \$3M+ cashflow savings from the HOTBONDS, which we have not received
- Senior Management met with the Governor's office and BBMR; they were assured that we would receive the \$3.5M cashflow savings from the HOTBOND
- According to President Gutierrez, we requested from BBMR the release of \$1.6M
 - Bertha Duenas of BBMR confirmed that the law requires that the \$3.5M be released to GVB
 - Governor LG and Lt. Governor Tenorio ordered that it be released to GVB
 - Currently in the process
- Director Shinohara is concerned that some spending is based on the assumption that we had some of the underspending from FY2021
 - Worried about the ability to respond once the market begins to rebound

Marketing Department Budget for first quarter recap – FY2022

- Director Ada
 - Asked to clarify what fiscal year the \$2M came from
 - FY 2021
- Director Ferguson
 - Asked to confirm if the actual is cash basis accounting
 - According to the Director of Finance, it is just cash basis out of pocket; anything accrual is on the administrative end
- Chairman Morinaga brought to the Board's attention notice on the newspaper regarding Inactive Bank Accounts; states, "GVB Tumon Beautification."
 - Inquired whether a report will be given regarding this inactive account
 - It was brought to the Finance Director's attention
 - Contacted Bank of Guam to inquire about the posted account; GVB does not have a Tumon Beautification account in its books
 - Josie was told she is not authorized on this Government account and a deposit must be made to reactivate the account to identify the account and its signatories
 - Currently under review
- Director Shinohara mentioned that in the December 9th newspaper, there was a discussion on the Re-Imagine Guam project
 - President Gutierrez said that Governor LG is deciding on taking \$20M from the ARP funds and directing it to GVB
 - She shared her vision with Senior Management
 - \$14.8M for Matapang
 - Is in the process of figuring out how to get some infrastructural funds to GVB
 - Governor LG and GVB Senior Management are currently working on refining her vision
 - In a month or so, a plan will be presented to the GVB Board

VII. REPORT OF THE BOARD COMMITTEES

A. EXECUTIVE COMMITTEE

- Nothing to report.

B. ADMINISTRATION & GOVERNANCE

Director Ada made a motion, seconded by Director Eun, to authorize the President and Chief Executive Officer as Chief Procurement Officer of GVB to solicit a 6-cylinder double cab pick-up truck for the Bureau. Motion Approved. Directors Jones and Quinata recused.

Background: On November 10, 2021, GVB issued GVB IFB 2022-008 7-Passenger Minivan; however, this solicitation was canceled on December 6, 2021, for the following reason:

Pursuant to 2GAR, Division 4, Chapter 3, §3115(d)(1)(B)(iii), GVB determined the solicitation had otherwise inadequate specifications and did not provide for consideration of all factors or significance to GVB in seeking the type of vehicle requested by the Invitation for Bid.

Therefore, in his capacity as Chief Procurement Officer for GVB, the President and CEO determined that it is in the best interest of the territory of Guam and GVB to cancel this solicitation to allow for review of, revision, and issuance of a solicitation in the near future as provided for in 2GAR, Division 4 §3115(d)(1)(D)(iii).

It is GVB's intent to solicit for and purchase a 6-Cylinder Double Cab Pickup to better serve the purposes and needs of the Bureau at this time.

This truck will serve as a utility vehicle for the GVB handyman to carry heavy equipment and other maintenance tools needed to clean and maintain the GVB building and its surrounding areas, which is not covered under any landscape maintenance contract. This vehicle shall also serve as transport for errands, bulky items, disposal of green waste and cardboard to the recycling station. It will also be used for the handyman to assist the destination development staff with hauling of debris or cleaning efforts to spruce up any identified area not currently addressed by contract.

Funding Source: to be determined by GVB management

Issue: Board approval required.

Questions & Comments:

- President Gutierrez mentioned that the Board previously authorized \$40K for a van
 - Management decided that the priority is to beautify the area
 - Incoming complaints that areas have not been water blasted, painted, etc.
 - Temporary worker to do in-house upkeep
 - Cancel the van in lieu to purchase a pickup truck

C. REOPENING TASK FORCE

Director of Research reported:

Health Declaration Form

- Translations were done for all markets
- DPHSS came back with a bit more to translate
- An offline link will be sent to the GVB team to review in about a day
- GVB to test the link, and if all matches up, it can be triggered to go live

D. AIR SERVICE DEVELOPMENT

Committee Meeting Minutes – November 30, 2021

EXHIBIT C

Chairman Morinaga reported:

- Vice President Perez covered canceled flights
- Last committee meeting on November 26th
- Softly launched regular air service charter flight program on November 27th
- Everything postponed or delayed due to Omicron
- Japan Airline postponed flight to Guam until February 2022

E. TAIWAN

Committee Meeting Minutes – December 2, 2021

EXHIBIT D

Chairman Morinaga reported:

- Upcoming Trade Show – Kaohsiung International Travel Fair: December 17-20th
- COVID cases to date – 16,662
 - Ten new confirmed cases on December 6th
- Taiwan purchased 5M doses of AZ booster shots; to be delivered in 2022
 - Could choose between AZ's 1st or 2nd generation vaccines
- 20M doses of Moderna's next-generation vaccine to be delivered in 2022
- Lunar New Year quarantine rules unchanged despite Omicron concerns
 - "7+7" policy: travelers who have been fully vaccinated for at least two weeks before arrival can spend the first seven days in a quarantine facility or hotel, and the remaining 7 days of quarantine at home
- 10 African countries listed as "high-risk."
- Taiwan's level 2 COVID alert extended to December 13th

F. DESTINATION MANAGEMENT/VISITOR & SAFETY SATISFACTION

- Management covered the bulk of the report

Questions & Comments:

- Director Shinohara read that the MOU was closed with DPR in regards to the restrooms
- President Gutierrez mentioned that a MOA was signed with DPR due to constant RFP delays
- This week, it was awarded
 - Allowing the contract to go through the process and hopefully assign it to GVB
- Amend the contract to 24 hours instead of 8 hours as stated in the RFP
- Contract is for Ypao restrooms

G. CULTURAL HERITAGE, COMMUNITY OUTREACH & BRANDING

Director Gatewood reported:

- Director Nelson-Cepeda is proposing through the committee an online showroom to promote local products and vendors, specifically the Guam brand
- Director Nelson-Cepeda has been working with Dee Hernandez and the Marketing team

H. RESEARCH / MEMBERSHIP

- Nothing to report

I. SPORTS & EVENTS

Director Gatewood announced:

- Tour of Guam Cycling Event – Sunday, December 12th at 6:30 am
- 171 total participants and 9 riders from Saipan

J. JAPAN

Committee Meeting Minutes – November 16, 2021

EXHIBIT E

Chairman Morinaga reported:

- HypeGolf - December 6, 2021, in Japan
 - Invitational only golf event
 - 120 participants: musicians, models, influencers and fashion celebrities
 - GVB photo booth set up at the golf course
 - GVB attended and raffeled two tickets for the Guam FAM in January 2022
- TabiMUSE

- Many viewers watching event featured on Guam
- Pre/Post travel protocols were posted
- Chairman Morinaga was a guest speaker on their Instagram live stream
- Shared cultural, beach and food experience here on Guam
- #HereWe Guam Ambassador Campaign
 - November 22nd – December 20th still ongoing
 - Ambassador will have Guam FAM in January 2022
- Japan REP Shintsu Visit
 - Will visit Guam with GVB Japan staff from December 16th – 21st to conduct market study on event on Guam
- Next Monthly Meeting – December 14th at 2:00 p.m.
- Director of Global Marketing provided an update on clinics
 - Found a source with all the information on clinics; whether or not PCR or Antigen is available
 - 1 day or 2 day results
 - Whether they are open on weekends
 - Will share with source markets/travel trade partners

K. KOREA

EXHIBIT F

Committee Meeting Minutes – November 9, 2021

Director Eun reported:

- Government Mandate: 10 days quarantine until December 16th
 - Unsure whether they will extend it or go back to mobile
- Antigen Tests available by the government in clinics and the airport
 - cost is \$60 and results in a couple of hours
- Saipan decided to adopt the PCR test for travelers until the end of January
 - Suggested we continue the subsidy on PCR tests for travelers
- People have asked about travelers who test positive
 - Is there any government subsidy for isolation or hospitalization?
 - Nadine mentioned that if a visitor is positive, they will move to isolation and the government takes care of their bill and meals
 - Should purchase travel insurance

L. NEW MARKETS

- Nothing to report.

M. NORTH AMERICA, PACIFIC & PHILIPPINES

- Military ship arriving December 23rd – 25th from San Diego

VIII. OLD BUSINESS

- No Old Business

IX. NEW BUSINESS

- Last meeting, Director Charles Bell's resignation was accepted
- Chairman Morinaga read an excerpt on filling the vacant position as an elected director

Enabling Act 12GCA CH9 §9106 (G)

"A vacancy on the Board (whether created by resignation or removal) of an elected member shall be filled by selection by at least two of the remaining elected directors. An elected director filling a vacancy shall serve only until the end of the term of the director whom he replaced."

Three remaining elected directors made their selection of their nominee for the vacant position

- o Director Jones presented for consideration Mr. Akihiru Tani, General Manager of Pacific Water Observatories (Fish Eye)
 - On Guam for 25 years
 - Small Business
 - Very active committees
 - Very knowledgeable with the Guam tourism market (option tours)
- o Director Ferguson: Great candidate for the vacant board position
- o Director Gatewood: Great compass for doing things for the industry, in support of Mr. Tani to fill the vacant position
- o Director Jones stated that he and the remaining elected directors are pleased to announce that Akihiru Tani has been selected pursuant to 12GCACH9§9106(G) to replace Director Charles Bell and shall serve until the end of Director Bell's current term.

X. EXECUTIVE SESSION

- No Executive Session

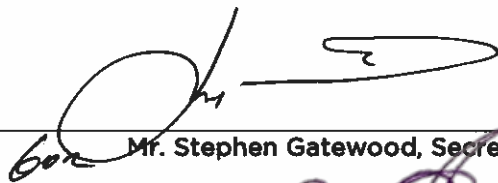
XI. ANNOUNCEMENTS

Upcoming Board Meetings:

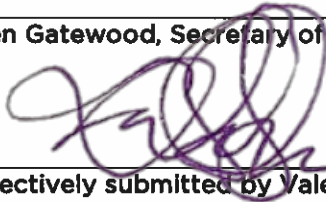
- January 13, 2021
- January 27, 2021

XII. ADJOURNMENT

Director Shinohara made a motion, seconded by Vice-Chairman Shimizu, to adjourn the Board of Directors regular board meeting at 2:58 pm. Motion Approved.



Mr. Stephen Gatewood, Secretary of the Board of Directors



Board Minutes respectively submitted by Valerie Sablan, Executive Secretary