



REGULAR BOARD OF DIRECTORS MEETING MINUTES

Thursday, March 23, 2023, at 1:30 p.m.

GVB Conference Room and Teleconference – GoToMeeting

<https://meet.goto.com/GUAMVISITORSBUREAU/gvb-board-meeting>

I. CALL TO ORDER

- Chairman Morinaga called the meeting of the Board of Directors to order at 1:34 p.m., with a quorum being met.

II. ROLL CALL

In-Person: Milton Morinaga, Paula Monk, George Chiu, Sonny Ada, Joaquin Cook, Mary Rhodes, Jeffrey Jones, and Ho Eun

Online: Mayor Rudy Paco (cannot vote until rules are established for online voting)

III. ACTION BY THE BOARD

- Chairman Morinaga thanked the Board and staff for allowing him to serve as the chairman. He decided to step down as board chairman when a new chairman was elected.

A. Election of Officers – Resolution

- Chairman Morinaga recited GVB resolution 2023-001, Election of Officers.

Director Ada made a motion, seconded by Director Rhodes, to approve the Election by Officers Resolution as presented, subject to correction to add Director Monk’s name. **Motion retracted.**

Director Ada made a motion, seconded by Director Cook, to approve the corrected Election by Officers Resolution to include Director Monk’s name. **Motion Approved.**

Director Jones made a motion to nominate Director Chiu as Chairman of the Board. Chairman Morinaga made a motion to close the nomination. Director Chiu accepted the nomination. The board unanimously voted to elect Director Chiu as the new Chairman of the Board. **Motion Approved.**

- Chairman Chiu thanked Director Morinaga for his years of service as Chairman. Director Morinaga is stepping down as the chairman and will continue as a member of the Board of Directors.

Director Jones nominated Director Joaquin Cook as Vice Chairman of the Board. Director Ho made a motion to close the nomination, seconded by Director Ada. Director Cook accepted the nomination. The board unanimously voted to elect Director Cook as the new Vice-Chairman. **Motion Approved.**

Director Rhodes nominated Director Ho Eun as Treasurer of the Board. Director Ada made a motion to close the nomination. Director Eun accepted the nomination. The board unanimously voted to elect Director Eun as the new Treasurer of the Board. **Motion Approved.**

Director Eun nominated Director Jeffrey Jones as Secretary of the Board. Director Ada made a motion to close the nomination. Director Jones accepted the nomination. The board unanimously voted to elect Director Jones as the new Secretary of the Board. **Motion Approved.**

- Legal Counsel concurred that the elections of officers complied with Guam laws.
 - The Secretary and Treasurer are not statutory positions, only ceremonial.

B. Election of 12th Director - Resolution

- President & CEO Gutierrez requested the AG's opinion on selecting the 12th Director.
- Director Chiu expressed that the Board is not legally obligated to follow legal opinion advice.
- Director Rhodes stated that the requirement is eight for a quorum and eight to vote with a resolution.
- Director Jones suggested that the Board proceed with selecting the 12th director.
 - If contrary to Attorney General's opinion, the Board can ratify when 11 members are present.
- Chairman Chiu recited the resolution to elect the 12th Director of the Board.

Director Jones made a motion, seconded by Director Ada, to approve the Resolution of the Election of the 12th Director. **Motion Approved**

Director Jones nominated Monte Mesa as the 12th Director of the board. Director Jones moved to close the nomination, seconded by Director Ada. Director Mesa accepted the nomination by phone. The board unanimously voted to elect Monte Mesa as the new 12th Director of the Board. **Motion Approved.**

- Director Ada departed the meeting at 1:50 p.m.

IV. CHAIRMAN'S REPORT

- Chairman Chiu did not have anything to report.

V. MANAGEMENT'S REPORT

- Vice-President Perez presented Management's report with updates on Guam's tourism recovery.
 - Global, regional, North-East Asia (Japan & Korea)
- Management's extensive report is available for review on GVB's website.

FY 2022 External Audit Update

- GVB Finance Department and the auditors are verifying data from FY 2020.
- Auditors believe Federal funds over \$750K have been expended; if so, Uniform Guidance Audit Data will occur.
- The government of Guam public auditor's initial deadline is March 31, 2023.
- The audit manager provided a verbal deadline extension notice.
- Chairman Chui requested that documentation from OPA extending GVB's deadline be furnished to the Board of directors.

Finance Team

- Three vacancies will be filled; job announcements closed on April 24, 2023.
 - Accountant II.
 - Accountant III.
 - Management Analyst II.

- In December 2022, a total of five individuals made up the Finance team
 - As of current, the Finance Department is comprised of only two individuals.
- With new management in the Finance Department and another person, the board has cause for concern about meeting the requirements of the March 31st audit deadline.

Finance Update

- Chairman Chiu would like a breakdown of large numbers in the financial report.
- Requesting a comprehensive report; encumbrances of projects need to be broken down.

Tourist Attraction Fund (TAF)

- The 11% Hotel Occupancy Tax funds GVB
- Each year, the legislature and GVB are at odds over the Tourist Attraction Fund and the amount GVB should obtain.
- By law, GVB should receive the 11% in its entirety
- The TAF's original forecast will be more than what was discussed in the legislature's appropriation
 - There is a provision in the budget law; any surplus above and beyond what they granted GVB will return to GVB.

Proposed Budget for FY 2024

- \$29M
- As arrivals climb, it'll start to generate TAF income
- Senior management will come to the board with a final proposed amount
 - Tie into KPIs for the future evaluation process

VI. REPORT OF THE BOARD COMMITTEES

- Committees have yet to be formed with the new board. Therefore, there are no current committee reports.

VII. NEW CORPORATION BUSINESS

Annual Performance Review of Management

- Required six months into the appointment term and once annually after that
- GVB Board has not conducted a performance review
- Chairman Chiu provided Board directors with an objective guideline format, a review of management, and a review of legal counsel.
 - To be discussed at the next board meeting
- GVB has no formal format for evaluating management.
- Vice-President Perez suggested an objective way to evaluate performance by taking GVB's budget amounts and relating it to proposed programs that management can discuss with key performance indicators.
 - Believes there is minimal basis other than subjective opinions currently.
- According to legal counsel, three parts must be in the performance review.
 - Performance, accomplishments, and reasons for obtaining
 - Must be published on the website
 - Cannot be discussed in Executive Session

Virtual Meetings

- The board would like to continue to attend meetings virtually and be able to take action.
 - According to legal counsel, meeting virtually meets quorum; however, the statutes require the passage of regulations.
 - Regulations require formulation in conjunction with the AG and the Office of Technology.

- If not conducted by the triple-A process, regulations will not be passed appropriately.
- Legal counsel recommended informing the legislature that Boards and Commissions were authorized to pass this at the Board level.
- Virtual meetings are the last option; If a member cannot attend in person and can only attend online due to circumstances, the board would like to know if their online presence will count for the quorum.
- Director Rhodes proposed research to be conducted with the front office to work through the Office of Technology.
 - Create a standard SOP for all agencies relative to virtual meetings.
 - Requested legal counsel or administration write something to the Office of Technology to effectuate change with all agencies to address online virtual attendance.
- Chairman Chiu requested a resolution to allow for virtual meetings to be presented at the next board meeting scheduled for April 13, 2023.
- Legal counsel to obtain AG's opinion relevant to virtual meeting attendance.

Rules & Regulations

- Director Rhodes requested that the Board's structure, all functions, and operations requiring Rules & Regulations to be passed be concisely documented with simplicity by Legal Counsel for the Board's review.

Committee Chairs

- Director Rhodes requested a resolution for Committee Chairs to be presented at the next board meeting scheduled for April 13, 2023.

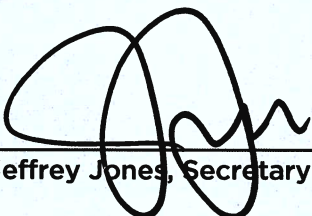
VIII. ANNOUNCEMENTS

Upcoming Board Meetings:

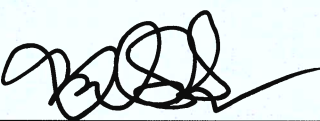
- April 13, 2023
- April 27, 2023

IX. ADJOURNMENT

- Chairman Chiu adjourned the meeting at 3:59 p.m.
- Legal Counsel cited the Open Government Law to adjourn a Board meeting. Only six members remained at the end of the March 23, 2023, Regular Board meeting.
- No quorum is needed to adjourn a board meeting.
- A notice to adjourn the Regular Board of Directors meeting was posted on GVB's main entrance doors. The Board adjourned the meeting until March 24, 2023, at 1:30 p.m.
- The meeting ended at 3:59 p.m.



Jeffrey Jones, Secretary of the Board of Directors



Board Minutes respectively submitted by Valerie Sablan, Executive Secretary