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BENJAMIN CRUZ <speaker@senatorbjcruz.com>

MC Fwd: Guam Visitors Bureau FY 2017 Citizen Centric Report

1 message

BENJAMIN CRUZ <speaker@senatorbjcruz.com>
To: 34th Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

Wed, Jun 13, 2018 at 8:55 AM

06/13/18	06/13/18	Guam Visitors Bureau	Guam Visitors Bureau FY 2017 Citizen Centric Report*	34-18-1985

---------- Forwarded message ---------
From: **Lisa Linek** <lisa.linek@visitguam.org>
Date: Wed, Jun 13, 2018 at 8:40 AM
Subject: Guam Visitors Bureau FY 2017 Citizen Centric Report
To: speaker@senatorbjcruz.com, Christian Rivera <crivera@guamopa.com>
Cc: Rose Cunliffe <rose.cunliffe@visitguam.org>, Juanita Sablan <juanita.sablan@visitguam.org>, Laurette Perez <laurette.perez@visitguam.org>

Hafa Adai,

Attached is the Guam Visitors Bureau FY 2017 Citizen Centric Report.

Thank you!

--

Senseramente',

Lisa B. Linek
Accountant III

GUAM VISITORS BUREAU
401 Pale San Vitores Road | Tumon, Guam 96913 | (671) 646-5278
lisa.linek@visitguam.org | http://www.visitguam.org

GUAM VISITORS BUREAU 55TH ANNIVERSARY 1963 - 2018 | GUAM

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Go GREEN - keep it on the SCREEN! Think before you print...

GU#34-18-1985
Speaker Benjamin J.F. Cruz

JUN 13 2018
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--

OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

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FY2017 CITIZEN CENTRIC REPORT



GUAM VISITORS BUREAU
55TH ANNIVERSARY
1963 - 2018

GUAM

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Doc. No. 34GL-18-1985.*

CITIZEN-CENTRIC REPORTING
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Making Guam a better place to live, work and visit.

About the Guam Visitors Bureau

The Guam Visitors Bureau (GVB), a non-profit membership corporation, is the official tourism agency for the U.S. Territory of Guam. Among its responsibilities, GVB is charged with setting tourism policy and direction; developing and implementing Guam's tourism strategic and marketing plans; managing programs and activities that enhance and showcase Guam's people, place and culture in order to deliver an incomparable visitor experience; and coordinating tourism-related research, planning, events and outreach activities.

GVB serves as a critical bridge linking government, the tourism industry, visitors and the local community, and aims to contribute successfully to a good quality of life for residents through tourism.

Doc. No. 34GL-18-1985.*

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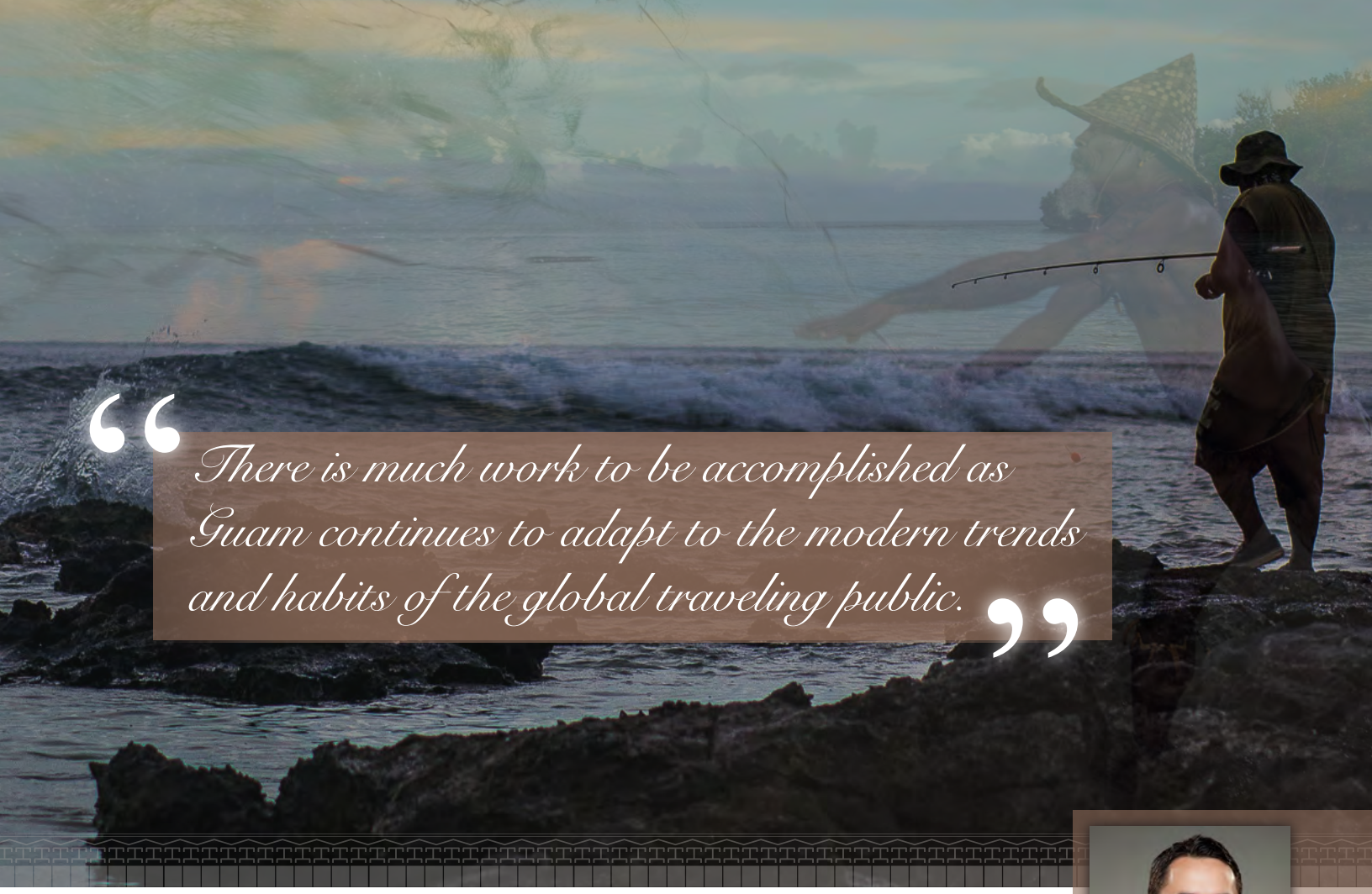
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Doc. No. 34GL-18-1985.*



> *There is much work to be accomplished as Guam continues to adapt to the modern trends and habits of the global traveling public.*



Jon Nathan Denight
President & CEO



Antonio "Tony" Muña, Jr.
Vice President

Håfa Adai!

The Guam Visitors Bureau is proud of the 8th year in a row that the Office of Public Accountability gave our non-profit membership corporation an unqualified or "clean" audit. It is a reflection of our commitment to be responsible and transparent with the funds expended to improve the quality of life for our people and promote our island home.

Fiscal Year 2017 broke a new record in Guam's tourism history with the island welcoming 1.56 million visitors for the first time in a single year. Despite many challenges during FY2017 due to external forces, Guam's tourism industry has remained resilient.

Guam celebrated 50 years since the first flight of Pan American Airways brought 109 Japanese travel agents and media to the island.

GVB was also honored to become the first tourism office to win the President's "E" Award, the highest recognition any U.S. entity can receive for making a significant contribution to the expansion of U.S. exports.

There is much work to be accomplished as Guam continues to adapt to the modern trends and habits of the global traveling public. GVB remains at the forefront of the changing tides of tourism, while sharing the island's 4,000-year old Chamorro culture and Håfa Adai spirit with the world.

Only together can we achieve the goals set forth in this era of Guam's top industry and keep our focus to make Guam a better place to live, work and visit.

Si Yu'os Ma'åse',

JON NATHAN DENIGHT
President & CEO

ANTONIO "TONY" MUÑA, JR.
Vice President

Doc. No. 34GL-18-1985.*



> *This honor highlights our commitment to transparency and accountability with the resources entrusted to the Bureau.*



Rose Q. Cunliffe
Director of Finance & Administration

Håfa Adai!

The Guam Visitors Bureau is pleased to been given an unqualified or "clean" audit by the Office of Public Accountability for FY2017 for the 8th time in a row. This honor highlights our commitment to transparency and accountability with the resources entrusted to the Bureau.

This year's citizen centric report emphasizes the work we have completed during FY2017, as well as the numerous organizations GVB has supported. We are proud of all the combined efforts to make our island paradise a better place to live, work and visit.

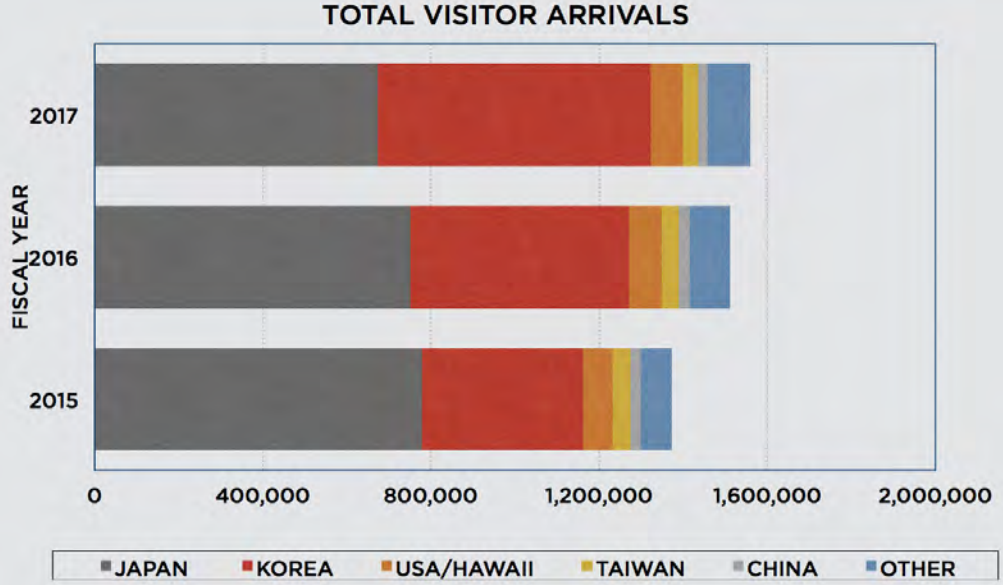
Un Sen Dangkulo na Si Yu'os Ma'åse' and Thank you!

Senseramente,

ROSE Q. CUNLIFFE
Director of Finance & Administration

Doc. No. 34GL-18-1985.*

PERFORMANCE



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

ARRIVALS

In fiscal year 2017 our visitor industry made history once again, as arrivals reached 1.56 Million to become the best year ever recorded for our island! This is the fifth consecutive year our visitor arrivals have surpassed the 1.3 Million mark. Despite the global tensions surrounding North Korea, the industry remains strong as our Korean market continues to demonstrate extraordinary growth.

Doc. No. 34-GL-18-1985

FINANCIALS

HIGHLIGHTS

An 11% hotel occupancy tax funds the Bureau's operations, authorized through the Legislature's annual budget appropriations. In fiscal year 2017, Public Law 33-185 appropriated $22,367,472 for GVB operations. The Bureau was able to recognize $22,367,472 of its appropriation for Operations, of which $140,000 remained uncollected as of 09/30/17.

PL 33-185 also appropriated $1,085,000 to the Guam Visitors Bureau for pass-thru entities, $200,000 to the Rainy Day Fund, and $200,000 for Cultural and Sports Ambassador Fund. The Bureau was able to recognize all appropriations for pass-thru entities, the Rainy Day Fund, and the Cultural and Sports Ambassador Fund.

In FY 2017, two other public laws appropriated additional monies to the GVB from the unappropriated, unallocated fund balance of the FY 2016 Tourist Attraction Fund, all of which the Bureau was able to recognize in FY 2017. PL 33-232 appropriated $150,000 from the FY 2016 Tourist Attraction Fund for the Hurâo Academy's development of Chamoru language "immersion" pre-school program. PL 33-233 appropriated $50,000 from the FY 2016 Tourist Attraction Fund to Guinahan Famagu'on Corporation for the printing and distribution of Chamoru literature for schoolchildren in the Chamoru Language and Culture Program of the Guam Department of Education.

The Bureau also recognized $106,433 in Federal revenues, of which $71,433 was a FY 2015 reimbursement from FEMA related to Typhoon Dolphin and $35,000 which was part of a memorandum of understanding with the University of Guam Marine Laboratory regarding the Recreational User Certification Course: Diver Damage Study.

The FY17 unaudited Tourist Attraction Fund (TAF) collections were 10% higher than the previous year, totaling $44,011,958. Hotel occupancy increased from 80% in FY16 to 84.1% in FY17, while the average room rate increased to $206 from $198.

Direct appropriations from the Tourist Attraction Fund increased about 10% in FY 2017, from $16,218,172 in FY 2016 to $17,849,983. In PL 33-185, TAF revenue projections for FY 2017 were $41,502,455 and total appropriations from the TAF were $41,502,455. Comparing the total FY 2017 appropriation from the TAF ($41,502,455) to the actual unaudited collections ($44,011,958), there was a surplus of $2,309,503.

Membership dues increased 147% from $37,889 in FY 2016 to $93,411 in FY 2017. This significant increase was due to the membership election held in January 2017. In-kind contributions decreased about 24% to $120,424 in FY 2017 from $157,799 in FY 2016.

Marketing was the largest expense at $16.9 million in Professional Services, with Japan and Korea representing the largest share at a combined $8.4 million. At $2,667,901, personnel salaries and benefits decreased 2% over last year due to the retirement of 2 employees, but still only 11% of total expenses.

Management's Discussion and Analysis for the year ended September 30, 2016 is set forth in the Bureau's report on the audit of the financial statements, which is dated March 3, 2017, and that Discussion and Analysis explains the major factors impacting the 2016 financial statements and can be viewed at the Office of the Public Auditor's website at www.opaguam.org.

Doc. No. 34GL-18-1985.*

FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

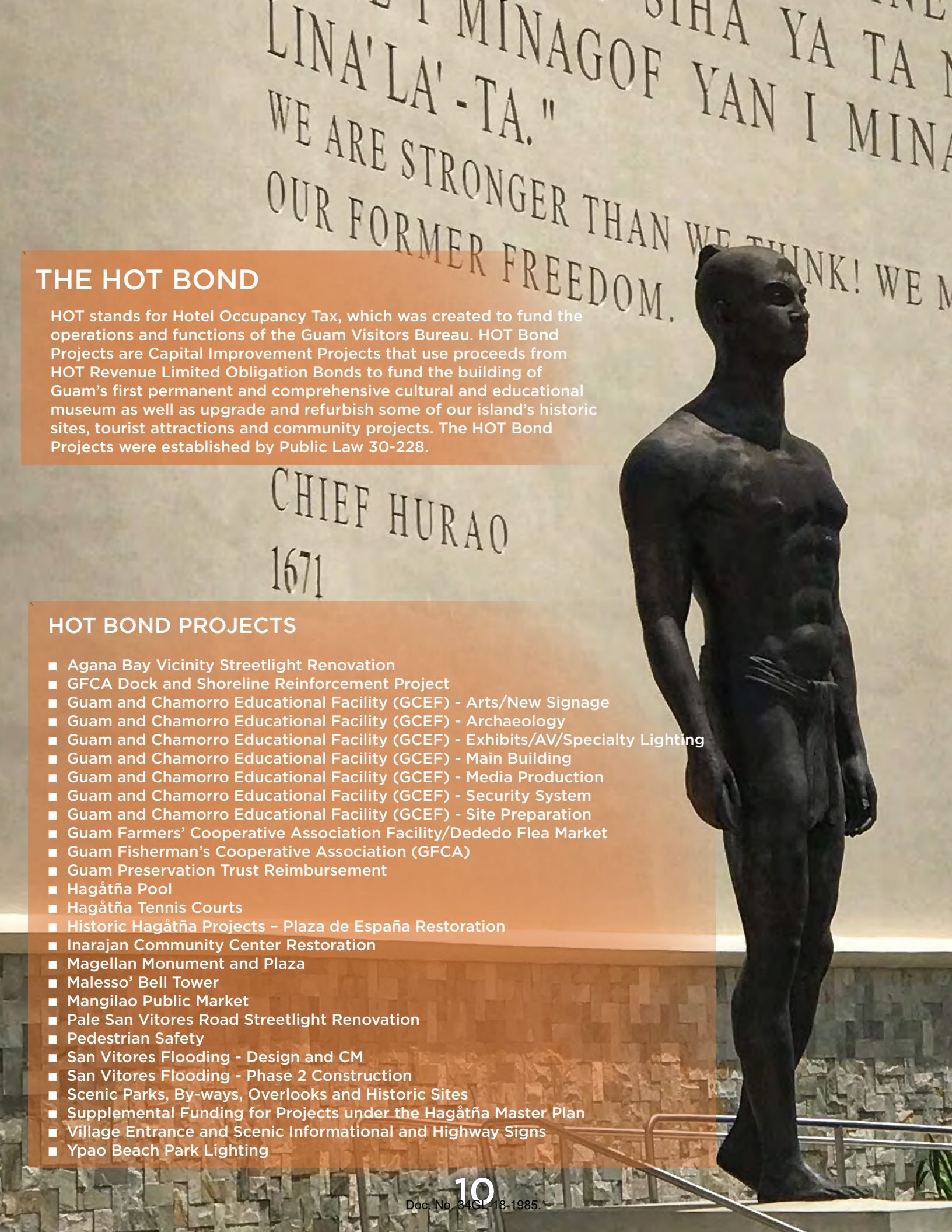
(Fiscal Year Ended September 30, 2017)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2017
Current assets:	
Cash - unrestricted	$14,390,076
Cash - restricted	2,504,198
Investments	2,537,450
Accounts receivable - Government of Guam	140,000
Accounts receivable - others	421,414
Due from Special TAF Projects Fund	-
Prepaid expenses	17,589
Total current assets	$20,010,727
Security deposit	133,230
Capital assets:	
Nonepreciable capital assets	5,992,415
Depreciable capital assets, net of accumulated depreciation	569,445
Total assets	26,705,817
Deferred outflows of resources:	
Deferred outflows from pension	740,012
	$27,445,829
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
Current liabilities	
Accounts payable	4,559,222
Accrued annual leave	142,976
Due to FESTPAC	-
Unearned income	18,700
Total current liabilities	4,720,898
Net pension liability	5,445,987
Accrued sick leave	166,006
Total liabilities	10,332,891
Deferred inflows of resources:	
Deferred inflows from pension	53,500
Commitments and contingencies	
Net position:	
Net investment in captial assets	6,561,860
Unrestricted	8,204,366
Restricted - expendable	2,293,212
Total net position	17,059,438
	27,445,829



FINANCIAL STATEMENTS
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
(Fiscal Year Ended September 30, 2017)

	2017
Revenues:	
Other income	551,303
Consumption tax refund	411,083
In-kind contributions from members and others	120,424
Memberships	93,411
	1,176,221
Expenses:	
Professional services	16,850,942
Personnel	3,148,675
Miscellaneous	1,139,485
Travel	809,853
Utilities	226,463
Rent/lease	225,449
Material and supplies	224,414
Promotional in-kind contributions	120,424
Grants	111,619
Printing	107,554
Repairs and maintenance	90,083
Depreciation	87,532
Consumption Tax	43,681
Equipment	37,231
Advertising	31,044
Total operating expenses	23,254,449
Operating revenues net of operating expenses	-22,078,228
Nonoperating revenues (expenses):	
Grants-in-aid from Government of Guam	
Operations	22,767,472
Pass through	1,085,000
FESTPAC	0
Pass through appropriations	-1,085,000
Other collections - FESTPAC	150
Donation expense - FESTPAC	-10,230
Federal revenues	35,000
Interest income	33,949
Other nonoperating expense	-1,069,439
Total nonoperating revenues (expenses), net	21,756,902
Change in net position	-321,326
Net position at beginning of year	17,380,764
Net position at end of year	17,059,438



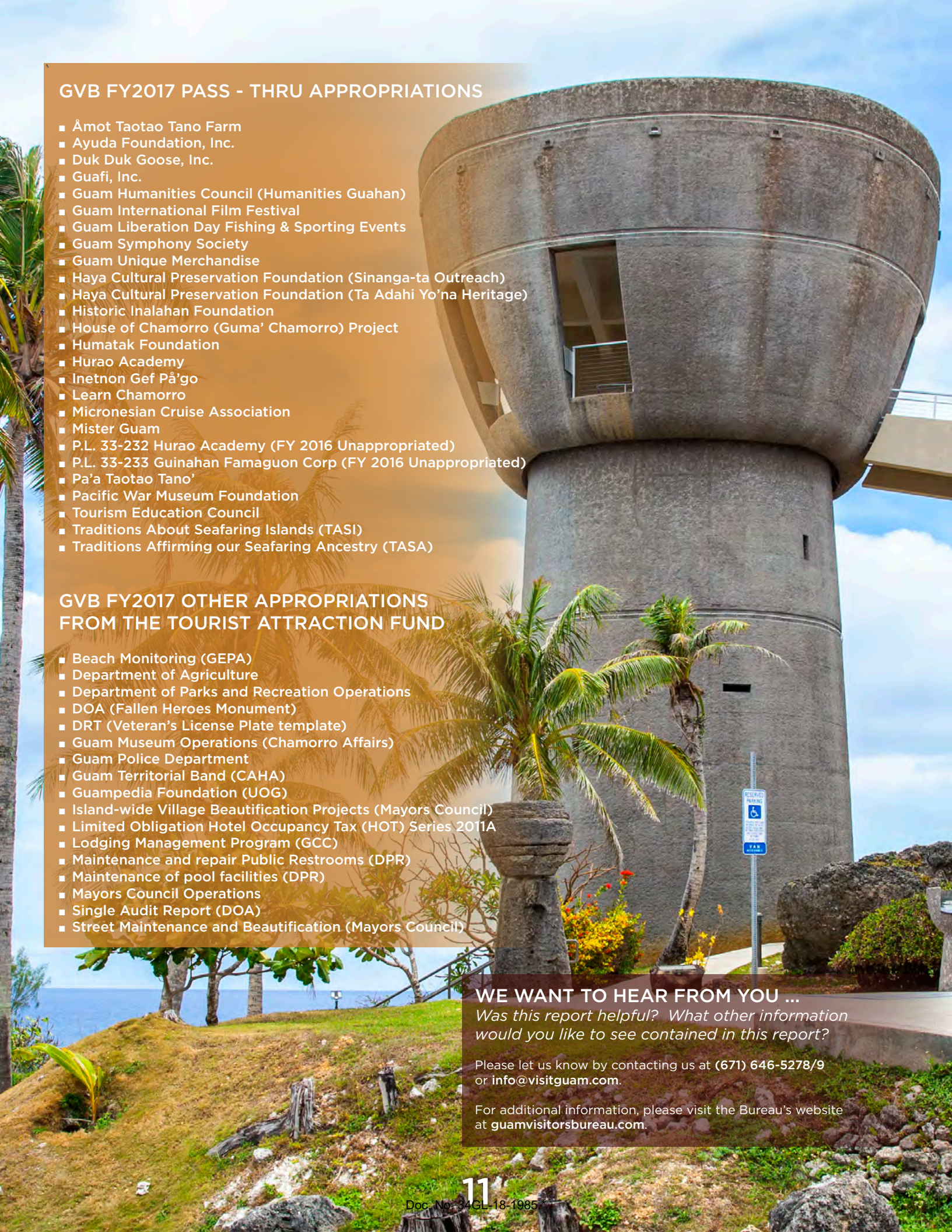
THE HOT BOND

HOT stands for Hotel Occupancy Tax, which was created to fund the operations and functions of the Guam Visitors Bureau. HOT Bond Projects are Capital Improvement Projects that use proceeds from HOT Revenue Limited Obligation Bonds to fund the building of Guam's first permanent and comprehensive cultural and educational museum as well as upgrade and refurbish some of our island's historic sites, tourist attractions and community projects. The HOT Bond Projects were established by Public Law 30-228.

HOT BOND PROJECTS

- Agana Bay Vicinity Streetlight Renovation
- GFCA Dock and Shoreline Reinforcement Project
- Guam and Chamorro Educational Facility (GCEF) - Arts/New Signage
- Guam and Chamorro Educational Facility (GCEF) - Archaeology
- Guam and Chamorro Educational Facility (GCEF) - Exhibits/AV/Specialty Lighting
- Guam and Chamorro Educational Facility (GCEF) - Main Building
- Guam and Chamorro Educational Facility (GCEF) - Media Production
- Guam and Chamorro Educational Facility (GCEF) - Security System
- Guam and Chamorro Educational Facility (GCEF) - Site Preparation
- Guam Farmers' Cooperative Association Facility/Dededo Flea Market
- Guam Fisherman's Cooperative Association (GFCA)
- Guam Preservation Trust Reimbursement
- Hagåtña Pool
- Hagåtña Tennis Courts
- Historic Hagåtña Projects – Plaza de España Restoration
- Inarajan Community Center Restoration
- Magellan Monument and Plaza
- Malesso' Bell Tower
- Mangilao Public Market
- Pale San Vitores Road Streetlight Renovation
- Pedestrian Safety
- San Vitores Flooding - Design and CM
- San Vitores Flooding - Phase 2 Construction
- Scenic Parks, By-ways, Overlooks and Historic Sites
- Supplemental Funding for Projects under the Hagåtña Master Plan
- Village Entrance and Scenic Informational and Highway Signs
- Ypao Beach Park Lighting

Doc. No. 34GL-18-1985.*



GVB FY2017 PASS - THRU APPROPRIATIONS

- Åmot Taotao Tano Farm
- Ayuda Foundation, Inc.
- Duk Duk Goose, Inc.
- Guafi, Inc.
- Guam Humanities Council (Humanities Guahan)
- Guam International Film Festival
- Guam Liberation Day Fishing & Sporting Events
- Guam Symphony Society
- Guam Unique Merchandise
- Haya Cultural Preservation Foundation (Sinanga-ta Outreach)
- Haya Cultural Preservation Foundation (Ta Adahi Yo'na Heritage)
- Historic Inalahan Foundation
- House of Chamorro (Guma' Chamorro) Project
- Humatak Foundation
- Hurao Academy
- Inetnon Gef På'go
- Learn Chamorro
- Micronesian Cruise Association
- Mister Guam
- P.L. 33-232 Hurao Academy (FY 2016 Unappropriated)
- P.L. 33-233 Guinahan Famaguon Corp (FY 2016 Unappropriated)
- Pa'a Taotao Tano'
- Pacific War Museum Foundation
- Tourism Education Council
- Traditions About Seafaring Islands (TASI)
- Traditions Affirming our Seafaring Ancestry (TASA)

GVB FY2017 OTHER APPROPRIATIONS FROM THE TOURIST ATTRACTION FUND

- Beach Monitoring (GEPA)
- Department of Agriculture
- Department of Parks and Recreation Operations
- DOA (Fallen Heroes Monument)
- DRT (Veteran's License Plate template)
- Guam Museum Operations (Chamorro Affairs)
- Guam Police Department
- Guam Territorial Band (CAHA)
- Guampedia Foundation (UOG)
- Island-wide Village Beautification Projects (Mayors Council)
- Limited Obligation Hotel Occupancy Tax (HOT) Series 2011A
- Lodging Management Program (GCC)
- Maintenance and repair Public Restrooms (DPR)
- Maintenance of pool facilities (DPR)
- Mayors Council Operations
- Single Audit Report (DOA)
- Street Maintenance and Beautification (Mayors Council)

WE WANT TO HEAR FROM YOU ...

Was this report helpful? What other information would you like to see contained in this report?

Please let us know by contacting us at **(671) 646-5278/9** or **info@visitguam.com**.

For additional information, please visit the Bureau's website at **guamvisitorsbureau.com**.

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