

GUAM ECONOMIC DEVELOPMENT AUTHORITY

Fiscal Year 2019 Projected Budget

Adopted by the Board of Directors on October 18, 2018.

Recommended & Certified by:



Jay Rojas, Administrator



Mana Silva Taijeron, Deputy Administrator

Approved by:



Edward I. Calvo, Board Chairman



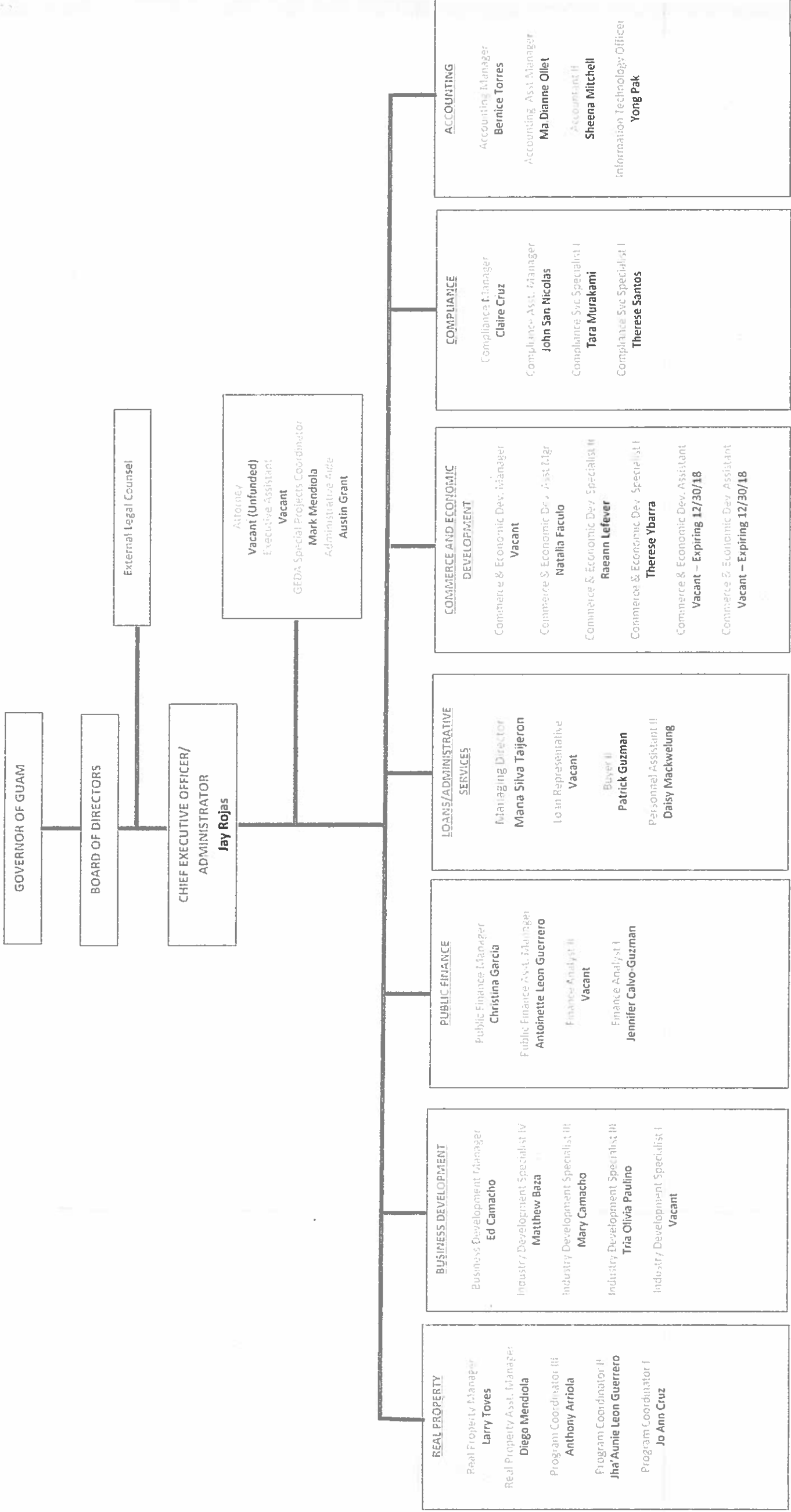
David John, Board Vice Chairman

GEDA FY2019 BUDGET REQUEST

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GEDA FY2019
ORGANIZATIONAL CHART



**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 PROJECTED BUDGET - SUMMARY**

	FISCAL YEAR 2018			FISCAL YEAR 2019	
	APPROVED	AS OF 09/30/18		INCREASE (DECREASE)	AMOUNT PROJECTED
SUMMARY					
Revenues	3,218,302	2,357,912		(405,327)	2,812,975
Operating Expenses	3,222,054	2,966,602		(349,841)	2,872,213
Net Operating Income	(3,752)	(608,690)		(755,167)	(59,238)
Non-Operating Income	85,792	259,324		15,888	101,680
Depreciation Expense	45,000	36,211		(5,000)	40,000
Net Income/(Loss)	37,040	(385,577)		(744,279)	2,442

> GEDA generates its own revenues to sustain annual operations from (3) primary sources:

- (1) rental income from Industrial Parks
- (2) application and surveillance fees from QC beneficiaries
- (3) management of the GALC lease properties under the current MOU

> Bond Fees and other federal/local grants are additional sources of revenues, but may not represent a recurring annual income

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 PROJECTED REVENUES**

REVENUES	FISCAL YEAR 2018			FISCAL YEAR 2019	
	APPROVED	AS OF 09/30/18		INCREASE (DECREASE)	AMOUNT PROJECTED
REVENUES					
Leases					
Industrial Parks					
Cabras Industrial Park	24,739	24,739		0	24,739
ET Calvo Memorial	1,067,912	1,081,184		(763)	1,067,149
Harmon Industrial Park	133,969	128,186		0	133,969
Total Leases	1,226,620	1,234,109	Sch A	(763)	1,225,857
GALC	122,102	121,962	Sch A	(29,254)	92,849
QC/Surveillance	63,855	99,355	Sch B	(2,500)	61,355
QC/Economic Development	718,625	350,000	Sch B	0	718,625
QC/Marketing	75,000	50,000	Sch B	(5,000)	70,000
Anticipated Bond Fee	1,010,000	501,486	Sch C	(367,810)	642,190
Guam Product Seal	2,100	1,000		0	2,100
Non-Operating Revenue:					
GHC	1,680	1,593		0	1,680
Interest on Investments	75,000	85,251		5,000	80,000
Interest on Checking	0	758		0	0
Other:	9,112	171,722		10,888	20,000
				0	
Total Other Revenue	85,792	259,324		15,888	101,680
Total Revenues	3,304,094	2,617,236		(389,439)	2,914,655

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 INDUSTRIAL PARK PROJECTED REVENUE**

INDUSTRIAL PARK LEASES	FY2017	FY2018	FY2019 Projected	Comments
CABRAS INDUSTRIAL PARK				
Guam United Warehouse	\$24,738.54	\$24,738.54	\$24,738.54	
Total Cabras Industrial Park	\$24,738.54	\$24,738.54	\$24,738.54	
E. T. CALVO MEMORIAL PARK				
B & B Inc. (Copy Express - Lot 6, Blk. 6)	\$21,827.52	\$21,827.52	\$22,646.04	
Calvo Enterprises (formerly Leland Campbell - Lots 9 & 10, Blk 4)	\$3,520.37	\$3,520.37	\$3,520.37	
Coral Reef Marine Center (Lot 4, Blk 6)	\$24,543.88	\$24,543.88	\$24,543.88	
Take Care - Medical Center (Lot 1New, Blk 2)	\$5,263.44	\$5,789.78	\$5,263.44	
Take Care - Parking Lot (Lot 1new, Blk 2)	\$342,300.00	\$342,300.00	\$342,300.00	
Take Care - Dental Annex (Lot 3, Blk 2)	\$74,799.96	\$75,650.04	\$75,650.04	
T.A. Enterprise, Inc. (Lots 1,2,3 & 4 Blk 4)	\$7,167.44	\$7,167.44	\$7,167.44	
Fujita Property (Guam) Inc. (Lot 1, Blk 1)	\$24,053.84	\$24,053.84	\$24,053.84	
Fujita Property (Guam) Inc. (Lot 1 & 2, Blk 6) Parking Lot	\$38,731.92	\$38,731.92	\$38,731.92	
Guam Power Authority (Lot 1-1 & Lot 1-R1, Blk 3)	\$66,261.92	\$111,061.00	\$86,800.00	
S.H. Enterprises (formerly KALS Corp - Lot 4, Blk 2)	\$143,777.04	\$143,777.04	\$158,154.72	
BMR (Former Massey Tire Co. Lots 11 & 12, Blk 4)	\$32,670.00	\$32,670.00	\$32,670.00	
Pacific Charlie (Lot 11 & 12, Blk 4)	\$26,400.00	\$26,400.00	\$26,400.00	
Thrity Nine LLC (Lot 2, Blk 2)	\$80,547.84	\$80,547.84	\$80,547.84	
United States Postal Service (Lots 3 & 5, Blk 6)	\$48,966.36	\$48,966.36	\$48,966.36	
The Americana Group (Lots 13 & 14, Blk 4)	\$39,037.50	\$42,942.00	\$44,100.00	
Tai Fa Import & Export, Formerly Fred Chao Inc.-(Lots 5, 6 & 8, Blk 4)	\$28,880.00	\$31,680.00	\$31,680.00	
B & B Tenants (3% of Rents Paid to GEDA)	\$3,312.00	\$3,511.00	\$3,553.00	
S.H. Enterprises (3% of sub-rents paid to GEDA)	\$2,520.00	\$2,772.00	\$10,400.00	
Total E. T. Calvo Memorial Park	\$1,014,581.03	\$1,067,912.03	\$1,067,148.89	
HARMON/SEAPORT INDUSTRIAL PARK				
Genghis Khan Guam, Inc. (Charles Corn Ent.) (Lot 5109-NEW-A)	\$36,432.00	\$36,432.00	\$36,432.00	
Anna Wang Kao (Lot 5165-2PART)	\$52,707.60	\$57,978.36	\$57,978.36	
Hon Tai Corporation (Lot 5165-2S-3)	\$1,777.41	\$1,777.42	\$1,777.42	
Guam Dry Cleaners (Lot 5165-2S-R4)	\$7,763.65	\$7,763.65	\$7,763.65	
Guam Dry Cleaners (Lot 5165-2S-New)	\$7,109.67	\$7,109.67	\$7,109.67	
Harmon Field Joint Venture (Lot 5165-2North)	\$8,206.28	\$8,206.29	\$8,206.29	
RJM Pacific Properties (Lot 5165-2S-4)	\$2,597.30	\$2,597.30	\$2,597.30	
Guam Dry Cleaners (11% of Sub-rents to GEDA)	\$8,250.00	\$12,104.40	\$12,104.40	
Total Harmon Industrial Park	\$124,843.91	\$133,969.09	\$133,969.09	
GALC LAND BANK TRUST PROPERTIES (GEDA'S SHARE)				
KwikSpace Ground Rent	\$5,784.96	\$5,842.80	\$6,831.48	10% increase for 2019
KwikSpace Participation Rent	\$850.00	\$1,500.00		
Matson Ground Rent	\$42,564.00	\$42,564.00	\$42,564.00	
Matson Participation Rent	\$300.00	\$600.00		
Northern Market, LLC	\$35,002.08	\$43,453.08	\$43,453.08	
Guam EPA License Agreement - Tiyan Facility	\$13,728.00	\$13,728.00	\$0.00	Per GALC letter dated 8/3/18, GEDA served 90 day notice
DPHSS License Agreement (WIC Program Office) - Tiyan Facility	\$14,414.40	\$14,414.40	\$0.00	
Total GALC Land Bank Trust Properties (GEDA's Share)	\$112,643.44	\$122,102.28	\$92,848.56	
	\$1,276,806.92	\$1,348,721.94	\$1,318,705.08	

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 QUALIFYING CERTIFICATE PROJECTED REVENUE**

QUALIFYING CERTIFICATE	FY2017	FY2018	FY2019 Projected	Purpose
I. HOTEL INDUSTRY				
Asia Pacific Hotel Inc. FIESTA RESORT HOTEL	\$14,310.00	\$0.00	\$0.00	Surveillance
Asia Pacific Hotel Inc. FIESTA RESORT HOTEL	\$40,000.00	\$0.00	\$0.00	Economic Dev
City Hill Co. (Guam) dba GUAM PLAZA HOTEL	\$22,860.00	\$22,860.00	\$22,860.00	Surveillance
City Hill Co. (Guam) dba GUAM PLAZA HOTEL	\$20,000.00	\$20,000.00	\$20,000.00	Marketing
Interpacific Resorts Corporation dba PACIFIC ISLANDS CLUB	\$36,000.00	\$0.00	\$0.00	Surveillance
Premier Hotel dba SHERATON LAGUNA HOTEL	\$13,995.00	\$13,995.00	\$13,995.00	Surveillance
Premier Hotel dba SHERATON LAGUNA HOTEL	\$20,000.00	\$20,000.00	\$20,000.00	Marketing
TNN Guam, Inc. dba TSUBAKI HOTEL	\$0.00	\$68,625.00	\$68,625.00	Economic Dev
TNN Guam, Inc. dba TSUBAKI HOTEL	\$0.00	\$3,000.00	\$3,000.00	Surveillance
Total	\$167,165.00	\$148,480.00	\$148,480.00	
II. ATTRACTION INDUSTRY				
Hard Rock Café	\$3,000.00	\$3,000.00	\$3,000.00	Surveillance
Total	\$3,000.00	\$3,000.00	\$3,000.00	
III. DOMESTIC INSURER				
Century Insurance Company (Guam) LTD	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Century Insurance Company (Guam) LTD	\$100,000.00	\$100,000.00	\$100,000.00	Economic Dev
Core Tech Captive Insurance Company	\$0.00	\$50,000.00	\$0.00	Economic Dev
Core Tech Captive Insurance Company	\$0.00	\$1,000.00	\$1,000.00	Surveillance
First Net	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Island Home Insurance Company (Expired)	\$1,000.00	\$1,000.00	\$0.00	Surveillance
Marianas Captive Group, Inc	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Net Care Life	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Take Care Insurance	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Take Care Insurance	\$10,000.00	\$10,000.00	\$10,000.00	Marketing
TakeCare Risk Management	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Terrace Guam Inc. (Dissolved)	\$1,000.00	\$1,000.00	\$0.00	Surveillance
Tokio Marine	\$1,000.00	\$1,000.00	\$1,000.00	Surveillance
Total	\$119,000.00	\$170,000.00	\$118,000.00	
IV. MEDICAL INDUSTRY				
Guam Regional Medical City	\$250,000.00	\$250,000.00	\$350,000.00	Economic Dev
Guam Regional Medical City	\$2,000.00	\$2,000.00	\$2,000.00	Surveillance
Total	\$252,000.00	\$252,000.00	\$352,000.00	
V. SERVICES INDUSTRY				
ACI Pacific	\$2,000.00	\$2,000.00	\$2,000.00	Surveillance
Total	\$2,000.00	\$2,000.00	\$2,000.00	
VI. MANUFACTURING INDUSTRY				
Core Tech Intl. / Sun Woo	\$2,000.00	\$2,000.00	\$2,000.00	Surveillance
Core Tech Intl. / Sun Woo	\$20,000.00	\$20,000.00	\$20,000.00	Marketing
Total	\$22,000.00	\$22,000.00	\$22,000.00	
VII. AGRICULTURE				
Grow Guam (Pending Revocation)	\$500.00	\$500.00	\$0.00	Surveillance
Grow Guam (Pending Revocation)	\$5,000.00	\$5,000.00	\$0.00	Marketing
Total	\$5,500.00	\$5,500.00	\$0.00	
VIII. TAX CREDIT				
Guam Basketball Confederation	\$1,500.00	\$1,500.00	\$1,500.00	Surveillance
Guam Football Association	\$1,500.00	\$1,500.00	\$1,500.00	Surveillance
Guam Racing Association	\$1,500.00	\$1,500.00	\$1,500.00	Surveillance
Total	\$4,500.00	\$4,500.00	\$4,500.00	
IX. OTHER				
- Special Hotel QC	\$463,333.33	\$250,000.00	\$200,000.00	Economic Dev
Total	\$463,333.33	\$250,000.00	\$200,000.00	
TOTAL QC REVENUES	\$1,038,498.33	\$857,480.00	\$849,980.00	
GEDA Revenues	\$110,165.00	\$63,855.00	\$61,355.00	
Economic Development	\$853,333.33	\$718,625.00	\$718,625.00	
Marketing Revenues	\$75,000.00	\$75,000.00	\$70,000.00	

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 ANTICIPATED BOND FEES REVENUES**

	<u>Bond Close date</u>	<u>PAR AMOUNT</u>	<u>GEDA FEES</u>
Simon Sanchez High School Financing (PL 31-229)	2nd QTR FY2019	\$59,000,000	\$148,000
GARVEE Bond Financing (PL31-233)	3RD QTR FY2019	\$77,000,000	\$184,000
Guam International Airport Authority Refunding	3RD QTR FY2019	\$35,095,000	\$100,190
Guam Memorial Hospital Capital Financing	3RD QTR FY2019	\$90,000,000	\$210,000
Total FY2019 Anticipated Revenues			\$642,190

Calculated at 1/2 of 1% for the first \$10MM, and 1/5th of 1% of the principal above \$10MM

**GUAM ECONOMIC DEVELOPMENT AUTHORITY
FY2019 PROJECTED BUDGET**

EXPENSES	2018			2019 PROPOSING	
	AUTHORIZED	REVISED	ACTUAL	GEDA Gen	OTHER
		BUDGET	as of 09/30/18	85.65%	14.355%
Salaries & Benefits	2,391,869	2,391,869	2,189,432	2,005,979	336,211
Travel					
- Conferences/Training	44,500	14,500	3,651	36,000	0
- Trade Missions/Marketing	105,000	105,000	80,375	Sch I 75,000	0
Marketing & Promotions					
- GPS, Promo Items, Promo TV, airtime	5,000	5,000	8,532	3,000	0
Contractual Services					
Office Space	210,594	210,594	208,502	213,196	35,732
Legal Services	25,000	63,000	64,954	75,000	0
Insurance	12,564	7,564	2,070	12,847	2,153
Audit	29,316	29,316	29,431	29,976	5,024
Copier Lease	10,889	10,889	9,128	16,865	2,827
Other Professional Service	184,600	184,600	184,100	186,000	0
Software - Licensing / Maintenance	8,600	11,600	11,573	12,200	0
Maintenance - Computer/Printers	1,000	1,000	0	500	
Maintenance - Vehicles	838	838	0	428	72
Lease Vehicle	8,594	8,594	8,594	8,088	1,174
Fuel Services	1,000	1,000	307	856	144
Postal Services	1,000	1,000	769	1,000	0
Courier Services	500	500	0	500	0
Subscriptions/Periodicals	2,368	2,368	1,363	4,363	0
Advertising	6,000	4,500	4,531	5,000	0
Printing & Photocopying	6,000	1,500	155	1,000	0
Total Contractual Services	508,863	538,863	525,477	567,819	47,125
Supplies & Materials	8,000	8,000	6,497	7,200	0
Equipment					
Software < \$500	500	500	0	500	0
Computer Peripheral/Accsy	500	500	0	500	0
Office Equip - Other	500	500	0	500	0
Total Equipment	1,500	1,500	0	1,500	0
Communication					
Telephone-Basic	6,232	6,232	1,391	3,323	557
Long Distance	200	200	224	200	0
Website - Investguam	3,350	3,350	2,262	2,569	431
ISP Services	4,875	4,875	1,016	1,713	287
Total Communications	14,657	14,657	4,893	7,805	1,275
Miscellaneous					
Retiree Supplemental/Med/Dental/Life	100,000	100,000	107,929	110,000	0
Board Stipends	0	0	0	8,500	
Contingency	2,500	2,500	10,133	2,500	0
Refreshment/Entertainment	3,500	2,000	1,232	2,500	0
Training & Development	7,500	3,500	1,299	5,000	0
Membership Dues/Fees	2,765	2,765	2,111	1,910	0
Cable TV	1,400	1,400	531	1,000	0
PTR's	10,000	0	0	5,000	0
Bank Chrgs / Investment Fees	15,000	30,500	24,288	30,000	0
Total Miscellaneous	142,665	142,665	147,523	167,910	0
Total Operational Expenses	3,222,054	3,222,054	2,966,381	2,872,213	384,611
Depreciation	45,000	45,000	36,211	40,000	0
Total Expenditures	3,267,054	3,267,054	3,002,592	2,912,213	384,611

FY2019 Marketing & Promotion

CATEGORY	DESCRIPTION	AMOUNT
Trade Mission	Japan Trade Mission	20,000
	Philippines Trade Mission	15,000
	Taiwan Trade Mission	20,000
	US Trade Mission	20,000
TOTAL Marketing & Promotions		75,000