

**GSTC Board Meeting
January 11, 2012
Meeting Minutes**

<u>PARTICIPANTS</u>	
<u>Board Members</u>	
Kelly Bricker	Staff
Anna Spenceley	Erika Harms
Herve Houdre	
Richard Edwards	
Leilani Latimer	
Fabian Roman	Absent Board Members
Shannon Stowell	Judy Kepher-Gona
Steve Noakes	Jamie Sweeting
Rick Parnell	Jane Ashton
Luigi Cabrini	Charles Arden-Clarke
Santiago Soler	Mei Zhang
Herbert Hamele	Ronald Sanabria

Agenda:

1. **Financial sustainability of GSTC**
 - **Review the 2011 budget 2011/2012**
2. **Board member selection**
3. **Annual meeting destination selection**

Board Chair, Kelly Bricker, welcomed the Board members and asked that all members make an attempt to call into the UNF conference line before the call to ensure that the meeting starts on time. The January 11th board meeting was recorded.

I. Financial sustainability of GSTC and Review the 2011 budget 2011/2012

- a. Richard Edwards led the Board through the 2011 budget and reviewed the monthly report tab. The budget was previously distributed to the Board. The largest expenses were discussed.
- b. Richard indicated the positive variances shown in columns A-F, while A-I shows the obligated expenses (\$74,000).
 - The GSTC has received a pro-bono work for lawyers dealing with trademark issues and the work on the website has also been done pro-bono.

- The monthly burn of the organization is around \$60,000. The forecasted budget for 2012 is \$1 million, with \$187,000 in cash on hand, \$55,000 in membership.
 - Not all UN sources and finances have been accrued and some may be accounted for later in January, but that this will bring only slight variations to the totals.
- c. The budget in 2012 and key revenue generators.
- The board was presented with an analysis of the main income.
 - The GSTC has resources until the end of the year. There is still a lot of work to be done, the work that the board does is important for moving forward.
 - There has been a growth in membership, due to the amount of renewals and the outreach of certain board members.
 - Accreditation process and approval are going to be a main source of funding.
 - So far 29 of the 130 certification programs have gone through the process of recognition. Ten of those have been recognized and are going through approval. This year there will be a cost to go through the program.
 - Destinations has been identified as the area in the medium term to sustain the organization.
 - Destinations Working Group is forecasting \$300,000 for the pilot program. There are 10 programs now who have submitted their application. It is important for the GSTC to build a program towards other destinations, particularly for foundations and donors.
 - Destinations will take place in the next 3 months- they will feed into the criteria. Travel will be done by consultants. The destinations will be chosen at the working group meeting on 1/16.
- d. The intent for 2012 is to build up partnerships, membership and sponsorships and to not rely solely on donations or grants.
- The Global Sustainable Tourism Partnership (GPST) and the GSTC are working to jointly develop and market education tools.
 - The board was concerned if there is a risk of partnering with GPST, as there may be conflicting interests in destination stewardship. However, The GSTC wants to focus on destinations and the GPST has been working on tool kits for training at specific destinations. The GSTC and GPST will work together.
 - The GSTC has also fostered a relationship with UNWTO Themis Group to develop a greater education and training component.
 - Possible future partnerships are with USAID and ILO.
- e. Expenditure breakdown: the current budget aligns with the GSTC's revenue and expected revenue.

- Janice presented her resignation on January 10th. She was aware we are short on funds and wanted to convey her commitment to the organization. Janice will be with the GSTC until 1/24. The position will not be filled.
 - Communications will be consultant dependent.
 - Erika conveyed to the Board that the best membership growth comes from the meetings with members and board member outreach. 1:1 meetings with members have proven to be the most effective.
 - Currently, \$57,000 has been allocated for travel expenses. The GSTC won't accept speaking engagements unless they are strategic, or if the costs are provided with an additional donation to the GSTC.
 - The annual meeting is expected to increase funds but also represents a large expenditure.
 - A ½ million is needed to operate the organization.
 - Amos's contract has changed to be dependent on deliverables.
 - Amos will continue to engage with ISO and ISEAL. ISO is creating a sustainable tourism norm, based on the GSTC. If this succeeds, the GSTC will be under the ISO umbrella. This will involve extra costs, primarily Amos's travel.
 - Grants have shown to be an unexpected small revenue generator.
- f. The greatest growth potential for the GSTC is in Destinations Working Group and the development of tools and education to provide services.
- Strengthening the tools offered by the GSTC will allow the GSTC to not be as dependent on sponsorship.
 - The GSTC has acquired a positive market brand to promote a model of social enterprise.
 - Once the destination pilots have been approved and executed, there is the expectation that there will be additional revenue with new destinations, but the budget was developed conservatively in order to manage expectations.
 - The expected income allows the GSTC to maintain the fixed costs.
 - If the pilots don't produce revenue, the GSTC will face a challenge in April, which the board will address during the April meeting.
 - A pressing issue for the board in 2012 is the difference between the GSTC for accommodations versus the approach towards destinations.
 - Will the GSTC become a "certifier" for the destinations, or will the GSTC become an approver of the certifications who are already certifying?
 - The working group will come back with a recommendation for the Board, and the Board will need to vote at the January 24th meeting or during the April meeting.

- The distribution of existing tools and the process to identify tools will be discussed with the Education and Training Working Group. The findings will be presented at the 1/24 meeting.
- g. The approval of 2012 Budget will have the roll over numbers. If the GSTC does not reach the deadlines by April, there will be a different discussion.
 - By the end of January, the GSTC Secretariat will know the changes in budget and if the expected \$300,000 comes through. The forecast can then be adjusted.
 - The 2012 budget has been reviewed by Rick Parnell and his finance team.
 - The GSTC must secure cash flow in the first 3 months to secure staff's salaries.
- h. Budget was approved unanimously by the Board, with the caveat that the roll over figures on the revenue may be adjusted.

RESOLUTION: *BE IT RESOLVED that the Board approved the budget for 2012.*

RECOMMENDATION: To address the concerns that a certain percentage of the budget may not materialize a column of forecasts will be added to Budget. The Secretariat will send out a forecast every other month; only one scenario will be presented. At each review if substantial changes need to be made, the Board can get engaged quickly and prioritize quickly to make necessary changes.

II. Selection of the new board member

- a. Ten votes were for Clara Marquez Torres, two for Ignasi Delas, and another two for Jiwei Xu.
 - Clara was chosen as the newest board member.
- b. In January 2012, Mei Zhang resigned from the Board
 - In a written note, Jiwei Xu was selected to replace departing member Mei Zhang.

RESOLUTION: *BE IT RESOLVED that the Board approved new members Clara Torres Marquez and Jiwei Xu.*

RECOMMENDATION: There will be an orientation for newest board members to explain procedures and provide background information.

III. Annual Meeting

- a. The Board reached out to Cancun to hold the annual meeting with the WTTC.
 - The WTTC responded positively to work together in the future.
 - The GSTC Board will represent the GSTC at WTTC in Cancun.
- b. There wasn't a response from Quintana Roo.

- c. The GSTC's contact at Fairmont left and the Mexican Tourism Board was not able to get a response.
- d. The remaining proposals are Chiapas and Huatulco. After discussion among the Board members, Huatulco was chosen to host the 3rd Annual Membership meeting.
 - In terms of transportation, both Chiapas and Huatulco are accessible from Mexico City and Cancun.
 - There is a preference for Huatulco; their tourism and park authorities are favored.
 - ATTA's staffs based in Mexico have voiced their support for Huatulco.
 - The Mexico Tourism Board has expressed a financial commitment and is leaning towards Huatulco.
 - Huatulco is also a certified destination.
 - In terms of dates, Huatulco is flexible.

RESOLUTION: *BE IT RESOLVED that Huatulco, Mexico will host the 3rd Annual Membership Meeting. The GSTC Board will be represented at the FIDEC meeting in Chiapas in April 2012.*

RECOMMENDATION: *The GSTC could continue to work with Chiapas as they become a sustainable destination.*

SUMMARY OF RECOMMENDATIONS AND RESOLUTIONS

FINANCIAL SUSTAINABILITY OF GSTC AND REVIEW THE 2011 BUDGET 2011/2012

BE IT RESOLVED: *The Board approved the budget for 2012.*

BE IT RECOMMENDED: *To address the concerns that a certain percentage of the budget may not materialize a column of forecasts will be added to Budget. The Secretariat will send out a forecast every other month, only one scenario will be presented. At each review, if substantial changes need to be made, the Board can get engaged quickly and prioritize quickly to make necessary changes.*

SELECTION OF THE NEW BOARD MEMBER

BE IT RESOLVED: *The Board approved new members Clara Torres Marquez and Jiwei Xu.*

BE IT RECOMMENDED: *There will be an orientation for newest board members to explain procedures and provide background information.*

ANNUAL MEETING

BE IT RESOLVED: *The Board selected Huatulco, Mexico for the 3rd Annual Board Meeting. The GSTC Board will be represented at the FIDEC meeting in Chiapas in April 2012.*

BE IT RECOMMENDED: *The GSTC could continue to work with Chiapas as they become a sustainable destination.*