



# Office of the Governor of Guam

## A Report to the Citizens of Guam

For Fiscal Year 2010 \* Issued August 2011

Disclaimer: Governor Calvo & Lt. Governor Tenorio did not take office until January 3, 2011, the second quarter of Fiscal Year 2011.

### Our Mission

To change government, foster economic growth, eliminate poverty and build the Guamanian Dream for every Guamanian.

### Our Vision

By 2020, the people of Guam will compete against the best in the world and win. New industries will be built by a strong workforce. The government will provide the most efficient service.

### Our Objective

To improve lives by breaking down barriers, bringing vision to everyday decisions, and making government transparent, responsive, caring and restrained.

### Our Goals

- World-class economy
- Excellent career choices
- Best education
- Healthcare that brings people
- Prevention of crime
- Cutting-edge technology & infrastructure
- Care for the indigent & people living with disabilities

### Our Functions

- Uncompromising fiscal restraint
- Policy based on vision
- Leadership over the government
- Transparent & active communications, engagement
- Assistance to those in need
- Central repository of information

## What We Do, Why We Do It & How We're Different

The Office of the Governor is led by the island's leaders, Governor Calvo and Lt. Governor Tenorio. Together, they chose a staff that shares their values in government: protection of the people's right to know, integrity in government service, fiscal responsibility and personal accountability in service to the people, and an undying passion to improve the lives of the people through a focused vision and a positive attitude about the potential of our people. This Citizens Centric Report is for the operations of the Governor's Office in FY2010. Calvo & Tenorio were not in office that year. We have adjusted this report as much as possible to reflect this difference. It should be noted the Governor & Lt. Governor cut the size of the Governor's Office workforce by 16 percent, reduced the number of special assistants and reorganized their offices.

## The Major Issues Affecting Guam

### Cruel cycle of poverty threatens community's future

It wasn't too long ago that homelessness was unheard of. In today's Guam, thousands of citizens struggle to make ends meet, pay the rent, afford school uniforms and find a job. Here is a glimpse of the economic situation, which tell of a growing cycle of poverty on the island:

- Unemployment is 13.3% (March 2011 unemployment report)
- Close to 10,000 adults looking for a job (March 2011 report)
- 45,000 residents 16 and up not working or looking for work
- 43,000 citizens on some form of public assistance
- Only 45,000 homes for 158,000

people. Half are occupied by renters.

- This last point earns us the unwelcome distinction of having one of the lowest homeownership rates in the nation.

Over the years, this government has failed its citizens. Its blatant refusal to prioritize education has led to a generational gap. It's led to heavier reliance on public assistance and parents who have to sacrifice time with their children to hold more than one job. It is a cycle that must be broken.

### An Outdated Government

The government of Guam is 61 years old. Efforts to reorganize were undertaken in the second Bordallo administration. Another attempt was made in the Camacho administration in 2003. Though the community has been growing and changing, the government has changed little. This has led to inefficient service, a lack of leadership, and residents wanting for change to their outdated government.

### No links between education, workforce development and economic growth

Master planning for the community is lacking. There has been no concerted effort to take available data and educated assumptions about the island's prospects and imagine what the future could look like in every aspect of the community. This should be the basis for a true vision of Guam and how we can meet that vision. From there, the island's leaders can set goals and implement the changes needed. Today's efforts are disjointed.

This page of this report is supposed to detail progress in FY2010. Governor Calvo & Lt. Governor Tenorio were not in the Governor's Office during that time. We present, instead, progress since Jan. 2011.



*"I have this impenetrable faith in our future, because we are Guamanians."  
- Governor Calvo.*



## Fiscal reform, transparency, accountability & customer service

The Governor and Lieutenant Governor first sought to change the culture and service of government itself when they assumed office. Here are major points:

- Switched from budget model to cash model accounting of funds
- Found severe cash shortfall and immediately cut spending; suspended Hay plan pay increases
- Began shrinking size of government through unclassified terminations
- Implemented new customer service guidelines and directed agency heads to hold employees to high

standards of excellence

- Implemented transparency policy and released any existing gag orders
- Began reorganization and efforts to reduce the operational cost of govt.
- Released withheld allotments to University of Guam, Guam Community College & Judiciary
- Ended practice of budgeting by appropriations levels and instead use reliably ascertained revenue levels

*(FY2011 only – administration came to office January 3, 2011)*

## Economic development; Increasing opportunities for you

A strong fiscal foundation is being laid as the administration seeks intermediate and long-term solutions to create careers, build industries and bring more wealth to all Guamanians. The administration is working on a host of economic development initiatives, including:

- Negotiated agreements that led to signing of the Programmatic Agreement, setting the military buildup in motion.
- Hotly pursuing the payback of ALL past-due tax refunds to the people, which will inject \$311 million into the economy.
- Pushing the injection of half-a-billion dollars in capital projects

ranging from ARRA funds to the HOT bond funding to highway funds.

- Pursuing visa waiver programs to allow more tourist travel from China and Russia.
- Preparing to open a program management office to manage government economic development and federal initiatives.
- Created Council of Economic Advisors. Will assess GovGuam bureaucracy and recommend regulatory reform to make Guam more business-friendly.

*These are examples of some of the initiatives. Please call our office for more complete information.*

## Affordable housing

Affordable housing is one of our cornerstone initiatives we began early on. Thus far, our housing and land agencies have brought the community together with a goal of building 3,000 new homes by 2017. Here are some highlights:

- New and rehabilitated homes planned for Sagan Linahan
- New housing projects throughout

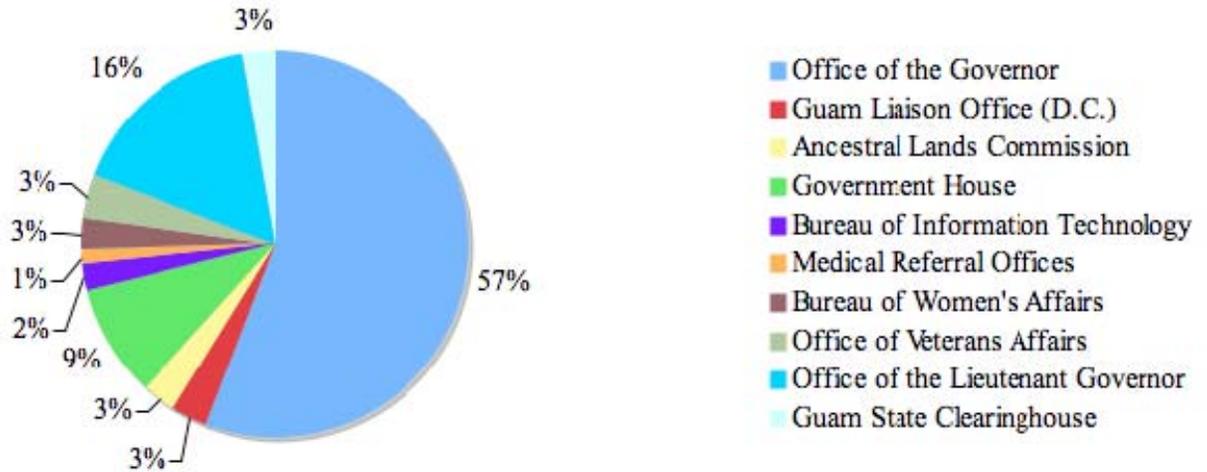
Dededo and Yigo.

- Affordable rental units in the planning stage.
- 69 new residential and agricultural CLTC leases executed to date.
- Release of more ancestral lands

*This also is a short list of achievements in this initiative.*

The information provided below is taken from the audited financial statements of the government of Guam for the fiscal year ending September 30, 2010. It should be noted Governor Calvo and Lt. Governor Tenorio were not in executive office at this time. This information is provided as required by law. The bottom chart is copied directly from the statement.

### FY2010 Governor's Office Expenditures



QuickTime™ and a decompressor are needed to see this picture.

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*Please feel free to call  
us with any of your  
comments or  
suggestions on how we  
can improve service for  
you.*



## **Customer Service Hotline**

If you have any complaints or concerns about your government, please call 475-GUAM

## **IMAGINE Guam: A vision & blueprint to the future**

Governor Calvo first brought this concept forward in 2009, when he introduced a legislative resolution that would have put in motion a 'Classrooms-to-Careers' initiative. The name itself was a misnomer, which is why it has been changed to what appears above. Since taking office, the administration has been in talks with the University of Guam and economic advisors on the creation of a master community plan. This is different from your normal government master plan. This effort is not limited to projected industry plans, fiscal reform and capital improvements within a five year period. No. The Governor wants to bring community leaders together. He wants them to use available data and prospects from the opportunities of the military buildup investment, then imagine the future of the island. Every aspect of community life from modes of transportation to the types of industry to how we derive our energy to the array of careers to build a new economy should be explored. This information will be used to guide public and private school curricula and workforce development. This is fashioned closely after several Asian models of economic development. This is the visionary leadership the Governor wants to employ to bring more stability, confidence and optimism to the future.

### **Renewable energy**

The future of sustainability and economic development is renewable energy. Right now, the island relies on imported fossil fuels for the transportation of over 95 percent of all goods brought to Guam, and for all vehicle transportation. That places an undue burden on Guamanians as the price of oil fluctuates at expensive intervals. The islands are at the mercy of the global oil market. The Governor's Office is supportive of and working with the UOG Center for Island Sustainability, and the Guam Power Authority, on alternative and renewable energy production on the island. This will change the face of the economy on the island, lead to more jobs, and in the long-term reduce prices for the people.



### **Future Initiatives**

- **Implementation of Public Safety Master Plan**
- **Healthcare reform**
- **Support for systems of care**
- **Performance-based budgeting**
- **Protection of unborn children**
- **Veterans services**
- **Rebuilding Hagatna**
- **Athletics**
- **Protection of natural resources**