BOARD MINUTES
ABA Fall Board Meeting
October 23, 2017
Antwerp, Belgium

Members in Attendance

D. Anderson        S. Henry        C. Shepler
B. Blankenship     J. Jalbert      M. Shepler
B. Blunt           T. JeBran       I. Smart
H. Blunt           J. Meier        A. Spence
M. Butts           J. Miller       L. Spruill
M. Colborne        TJ Morgan       W. Torres
D. DeVivo          P. Pantuso      F. Tremblay
R. Eyre            J. Percy, Jr.   S. Woelfel
A. Fiorini         P. Picknelly
T. Fischer         P. Raygorodskaya

Members Not in Attendance

C. Anzuoni         B. Foley        G. Mackay
E. Berardi         D. Eaton        C. Morris
D. Cornell         A. Glickman     D. Moser
S. Parr-Brooks     S. Haddad       K. Sanders
L. Burtwistle      F. Hentry       F. Tedesco
B. Cole            D. Johnson      C. Young
J. Conway          S. Lee
W. Dickinson       C. Lentzsch
E. Fickett

Guests & Speakers

A. Berardi         J. Forbes       P. Soubry
I. Bratnikov       J. Henry        C. Zelle
R. Cornell         D. Geiger

Staff

E. Braendel        R. Schweitzer
L. Brewer
M. Hinton
P. Pantuso
S. Rohde
Opening Remarks

Board Chairman John Meier welcomed the Board to Belgium and discussed the importance of seeing the impressive operations of bus systems in Europe through Bus World and other trips and discussions. In addition, Meier discussed how this meeting is tied to the ABA Strategic Plan, learning innovative ways to serve customers and manage operations when crafting a new multi-year plan for ABA. Meier introduced the many special guests in attendance, including former members of the ABA Board of Directors, and thanked them for making this meeting a possibility.

Approval of the May Board Meeting Minutes

A motion was passed to approve the minutes from the May 3 ABA Spring Board Meeting in Washington, DC, which was seconded. The ayes were unanimous.

President’s Report

ABA President & CEO Peter Pantuso covered several topics in his report:

- ABA staffing has seen some changes since May. Baita Coly with the Finance Department recently left and the search is underway for his replacement. Two staff members recently joined: Izza Qureshi with Meetings, Education and Member Services and Seth Coppe with the Executive Office.
- ABA total revenue for as of September 2017 is $5,840,000. There are several expenses not anticipated for the year, including $40,000 for strategic planning, $50,000 for the new association database, $20,000 for Marketplace, and $80,000 for publishing.
- Several future Marketplace dates were recently confirmed: Omaha in 2020, Maryland in 2021 and Nashville in 2024. Texas in 2022 is being finalized. A site for 2023 will soon be secured.
- Membership growth is a top priority for ABA. A total of 250 new members have joined as of August 2017, 191 of which have entirely new. A key point for continuing this growth is to understand the needs and value proposition, while focusing on members already belonging to other groups and association as this makes them likelier to join another. All of this has been a target of the meetings and communications teams.
- Government Affairs: Even though there is so much political uncertainty in Washington, the Government Affairs and Policy team represents ABA well. In addition, there has been a renewed focus on BusPAC strategy. BusPAC has held several recent fundraisers for Members of Congress who are key to the motorcoach industry, and will continue to seek out other supportive members in the future. Another focus is outreach and engagement with third parties who have similar interests. In addition, lease and interchange, tolling and HOV lanes and tax reform are all very important issues for ABA. ABA recently engaged a firm to handle appropriates for security funding. ABA holds seats on DOT’s National Advisory Committee on Travel and Tourism, and is the only bus association seat on the Motor Carrier Safety Advisory Council. Recently, ABA engaged in filing multiple DOT comments with members input and involvement.
- In July, ABA met with UMA to discuss HR 2120, a bill UMA rolled out. There are several elements that would be good for the motorcoach industry if adopted. During the meeting, ABA presented
several changes that should be made. These meetings are a step in the right direction, breaking down barriers that may have existed. The future plan is to continue communications and exchange ideas as there are lots more in common than differences between the two groups.

- ABA is working with a new publisher and our communications department is focusing on internal and external communication flow, ensuring unified and streamlined message processes. In addition, ABA is working to grow its social media and providing crisis communications support for bus incidents. Several PSA collaborations are in the works with the Trucking Associations, FMCSA, AAA and others, sending a message about big vehicles on the road and how cars can interact with them.

- The ABA Foundation concluded its 2015 Census and will soon begin the 2016 Census. The current focus for the Foundation is to connect with the government affairs department at ABA. This has been a great year for Foundation fundraising with all proceeds going to educational scholarships. ABA Gives Back and the ABA Foundation will once again work together at a Marketplace event sponsored by Hard Rock. The silent and live auctions at Marketplace are shaping up to be successful events, with four coaches donated.

- ABA continues its operational partnership with external groups including Florida Motorcoach Association and SKAL International. SKAL International brings in a small revenue for ABA but comes with a significant time commitment for several members of ABA staff. The group is likely to seek new management at ABA’s suggestion.

- Several ABA councils, including the Hispanic Motorcoach Council and Entertainer Motorcoach Council, hold meetings per year. To attract new membership and represent the entire motorcoach industry, the possibility of additional councils, such as the Asian Motorcoach Council and the School Bus Council, were discussed. There was a favorable response from the Board to begin creating these councils.

- ABA supported Motorcoach Marketing Council in 2017 with a contribution, but continuing to support them in 2018 at the same level is questionable. There is a small reach to companies, however there is a great material for the companies who want to use the information.

Counsel’s Report

ABA General Counsel Rick Schweitzer provided a legal update and reminded the attendees that the meeting would be conducted under the ABA antitrust guidelines and reviewed the prohibited topics therein.

Tolling: There has been an ongoing effort with the Federal Highway Administration (FHWA) to implement provisions in the FAST Act, enacted in December 2015, that provides tolling equity for bus operators. The Administration released proposed guidance that listed 85 federally-funded toll facilities, which is not sufficient to implement this provision as there is no understanding of special deals with local transit agencies – a key piece of information to make the provision effective. In addition, FHWA has not addressed overpayments since the Act went into effect in October 2015. Private operators should be receiving credits or refunds if there are deals in place. Refunds may be available under the Federal Civil Rights Acts, as understood from outside counsel. Until agencies are understood to have a special deal, however, no cases can be filed. Special counsel is working to receive more information. Comments were filed on this issue in the spring of 2017.
Specific Tolling Issue with New York Thruway Authority: The American Trucking Associations filed a class action lawsuit for portion of revenue used for canal systems. This class suit was defined to include trucking but not buses. ABA was approached to join another suit including buses. ABA leadership agreed to file a different case but both cases were dismissed by Federal judge on a provision in 1991 highway legislation. The cases are on appeal, but the Counsel is not optimistic of chances as court’s analysis was sound.

Case in Florida: The Florida Records Act lawsuit out of Florida, which was ongoing during the spring Board meeting has been settled.

**Government Affairs Capitol Hill Meeting**

Suzanne Te Beau Rohde and Jim Jalbert provided an update on the key issues in Washington affecting the motorcoach industry.

ABA has a watch list of items it is tracking in FY 18 appropriations, which have not yet been passed.

Lease and interchange could be potentially included in the House and Senate appropriations bills, however security funding is not expected to be included in the House bill and the Senate postponed a markup on the topic. ABA has hired counsel to help restore security funding.

Tax reform is currently a key issue in Washington. Congressional leaders are confident that legislation will be passed by the end of the year. This is an ambitious plan with lots of obstacles.

GAP made progress in advancing ABA’s legislative objective concerning airport access, working with a coalition and crafting an amendment for consideration as part of the Federal Aviation Administration reauthorization effort. The GAP staff also engaged in advocacy efforts concerning travel related issues, including the VISA waiver program and funding for Brand USA.

A nominee for administrator of FMCSA has been announced, but the final nomination vote may be held up in the Senate.

Several key rules have been released or held back that pertain to the motorcoach industry.

The ABA Capitol Hill Fly-In is scheduled for May 2, followed by a BusPAC reception. Several key Members of Congress have announced they will step down at the end of their term. It will be up to BusPAC to establish good relationships with new members.

The Dahlia Bus crash case in New York created a flurry of activity and followed several accidents within a few weeks. There is an engaged focus on oversight on the bus industry from the NYC city council.

Other issues that were brought into focus included the recent changes to party bus regulations in Chicago in relation to security cameras and bodyguards, licensing for charters, and the public transit competition issue in Maine.
Guest Speaker Remarks

ABA President Peter Pantuso introduced Charlie Zelle, Commissioner of the Minnesota Department of Transportation and former ABA Chairman, who spoke on the state and federal outlook for transportation.

Committee Reports

BUSMARC

John Miller provided an update on BUSMARC.

BUSMARC held its summer meeting in conjunction with BISC with around 65 total attendees, including NHTSA and other DOT representatives.

Emphasis on the next meeting will be on the practices of hiring and training new staff.

Site visits were held during the summer meeting, and BUSMARC is in the process of finalizing the agenda for site visits during the upcoming winter meeting in Charlotte.

Meetings will continue to be jointly held with BISC through 2018.

Currently BUSMARC is developing its online community, promoting itself to state associations and developing initiatives for annual award for mechanics.

Finance and Budget Report

ABA’s CFO Eric Braendel provided the Finance and Budget report.

ABA will begin its audit in early January 2018, with plans for it to be completed prior to the end of January.

Earlier this year ABA transferred $100,000 from its operating account to its reserves as part of its annual obligation to replenish the reserve account. This is the 5th time, in as many years, that ABA has transferred $100,000 from its operating account to reserves. This transfer is done as a result of borrowing $2,050,000 from reserves in 2010 in order to use as a down payment and build out for its purchase of an office condominium in Washington, DC.

Revenue for the 9 months ending September 30, 2017, is $5,840,000, an increase of $101,000 over 2016. This is attributable to an increase in revenue from Marketplace in the amount of $200,000, an increase in Membership Dues in the amount of $30,000 and increase in Other Income in the amount of $25,000, mainly from Association Affinity Programs. These amounts more than offset the decline in revenue from Publications in the amount of $150,000.

By the end of the year, we anticipate matching or exceeding the budgets for Membership and Other Income. At the end of September, Marketplace Revenue has already exceeded the budgeted revenue for
the year, as we recognize 99% of this revenue in the 1st quarter. We anticipate additional revenue from Publications to be approximately $200,000-$250,000, most of which will come from Motorcoach Marketer which is published in December. Even in the best case scenario, Publications revenue will be approximately $350,000 below the original budgeted amount.

Expenses for the 9 months ending September 30, 2017, are $4,950,000, which represent an increase of $113,000 over 2016. The increase in expenses are due to an increase in Food, Decorating and Audio Visual costs at Marketplace in Cleveland. The costs in these categories were much higher than originally anticipated and these increases over last year were not included in the 2017 budget. The original 2017 budgeted net income for Marketplace is $1,693,000. Despite the significant increase in expenses over the prior year, and due to the revenue being greater than anticipated, we are anticipating a net income for Marketplace of approximately $1,678,000 for 2017, only $15,000 below our budget.

In addition to Mkpl, Membership Services expenses are approximately $88,000 above the prior year due mainly to the subscription costs entered into this year for the new Association Management Software. In addition to the subscription costs, ABA incurred consulting fees for assistance in choosing the new system.

One department that has experienced a decrease in expenses from the prior year is the Government Affairs department. This is due to pulling back on the amount of lobbying fees in 2017. ABA currently spends $5,000 per month compared to spending $22,500 per month in the prior year. In addition, the Government Affairs department has experienced a decrease in legal fees and dues and subscriptions.

The budget for 2018 revenue is $6,533,000 a $66,000 increase from the prior year’s $6,467,000. While we kept expected revenue from dues unchanged, we increased expected Marketplace revenue approximately $this was more than offset by the $150,000 while decreasing expected revenue from Ad sales in Publications and online media due to actual activity in 2017. The increase in expected Other Income is due to an increase in the amount of Affinity Income ABA has received, and expects to receive going forward.

2018 budgeted expenses total $6,466,000, approximately $213,000 higher than the budget for 2017. The most significant increases are due to the new Association Management System. Annual subscription costs, within the Membership Budget, are $79,000. In addition, certain costs incurred in 2017 related to the data extraction from the old system, were capitalized and will be amortized within the G & A department. The total capitalized costs were $165,000 and will be amortized over a 3 year period. As a result, there are $55,000 in amortization expense in the 2018 G & A budget.

The budgeted net income for 2018 is $67,000 compared to the net in the 2017 budget of $214,000.

A motion was made to approve the 2018 ABA budget, which was seconded. The ayes were unanimous.

**Governance Committee**

Governance Committee Chair Tom JeBran provided an update on the recent activities of the Governance Committee.
The Governance Committee met via conference call in July to discuss Board rotations and potential new members, as well as the results of the survey submitted by current members. Recommendations and self-nominations were received.

The committee then met via conference call in October and established a slate of new members for the ABA Board of Directors, ABA Executive Committee and the ABA Foundation Board of Governors.

_A motion was made to approve the nominated slate of ABA Board of Directors, which was seconded. The ayes were unanimous. The slate will move to full ABA membership for vote._

_A motion was made to approve the nominated slate of the ABA Executive Committee, which was seconded. The ayes were unanimous._

_A motion was made to approve the nominated slate of ABA Foundation Board of Directors, which was seconded. The ayes were unanimous._

**Strategic Safety**

A brief update was presented by Pete Pantuso on behalf of the Strategic Safety Committee Chairman Alan Glickman. The Committee has held recent conversations to ensure that the mission and direction of the ABA’s programs, including BISC, are consistent. There is an outstanding working relationship with the current BISC leadership, as there has been in the past, and BISC continues to thrive. The summer BISC meeting in the Baltimore-Washington region attracted approximately 160 participants and continues to be a leading source of information in the industry. Plans for the BISC meeting at Marketplace are well underway and a strong line up of speakers both inside and outside of the industry will be on hand to bring added value to attendees.

**Time-Place**

ABA staff Lynn Brewer provided updates on upcoming Marketplace and Board meetings.

Locations for Marketplace are locked in through 2022. Several cities are under consideration for 2023 and will be announced soon. Nashville is the location for 2024 Marketplace.

The spring Board meetings will be held in Washington, DC for the next two years.

The 2018 fall Board meeting will be held at the Fairmont Mission Inn in Sonoma and the 2019 fall Board meeting will be held at Breakers in Miami Beach.

**Technology**

The technology committee provided an overview of the key technology issues affecting the motorcoach industry. Data is becoming increasingly important in transit, and it is crucial that attention to be paid to this in the future.
Technology will determine where to be send buses in the future for the most efficient routes.

Uber and Lyft can now travel 90 miles in New York state.

Google and Transit: More people are beginning to participate in Google Analytics. It is important for companies to understand data of customers, such as webpage visits and activity during these visits. Participating in Google Analytics allows smaller companies that do not have a data warehouse to understand metrics using a simple process.

Barcoding: The motorcoach industry currently operates using a 1-D barcode, which prevents customers from storing digital tickets in systems like Apple Wallet. This is a downfall for the motorcoach industry, as other major transportation systems like airlines and trains have embraced new 2-D barcodes. The hold-up for much of the motorcoach industry is found in the accounting departments.

Paperless Ticketing: Several motorcoach companies have transitioned to paperless ticking in recent months, like Peter Pan. Businesses and customers alike are finding this very successful.

**BusPAC Report**

The current focus of BusPAC is new contributors and increasing the level of participation among current contributors.

As of October 23, there is $207,000 in account, up from a balance of $186,00 at the beginning of 2017. The lofty fundraising goal of $100,000 in 2017 is 70% complete, with 71,250 raised thus far.

Currently, 63% of the Board of Directors contributes to the PAC, a 15% increase from last year. ABA staff also donates at an average level of $7,000.

Suzanna would like to establish a new fund, known as the Administrative Fund, to handle administrative costs of the PAC such as functions or new tracking software. These funds will not be used for elections, so this money will not be regulated by the FEC. This is an opportunity for individuals unable to donate due to restrictions and limitations, and to contribute using corporate dollars.

Such a fund will also increase the reach of BusPAC, but it should not detract from actual BusPAC contributions. This also provides the opportunity for more individuals to contribute in some way that have otherwise been unable to.

**Strategic Plan**

Peter Pantuso provided a detailed overview of the ABA strategic plan, highlighting the work of the committee, ABA staff, and the general focus of the organization that was decided upon.

*A motion was made to support the contents of the ABA Strategic Plan, which was seconded. The ayes were unanimous.*
2018 Marketplace Update

2018 Marketplace Chair Terry Fischer provided a report on the upcoming 2018 Marketplace in Charlotte. There are 2,237 total registration for this year to date. This is a considerable increase from last year and years prior at this time.

Many motorcoach companies who are not members of ABA have visited Marketplace in the past and saw first-hand the benefits of attending and becoming members. ABA hopes to continue this momentum to increase membership in years to come.

The host committee chair Mike Butts highlighted several restaurants and venues suggested to visit while in Charlotte.

The ABA Foundation is partnering with Prevost for a musical and is also working with Dale Earnhardt’s charity, and he could make a personal visit to the event. This will help raise money for the Foundation and ABA Gives Back.

ABA Foundation Report & Foundation Research Initiatives

ABA Foundation Chair Doug Anderson provided a report on the Foundation.

The ABA Foundation did not hold a fall Board meeting in 2017.

100% of contributions and funding go towards scholarships. In 2016, over $100,000 was awarded to scholarship recipients in 2017. The Foundation scholarship program has doubled its efforts in the past year.

The next large event for the ABA Foundation will be the Hard Rock Afterglow in conjunction with ABA Gives Back.

The silent and live auctions are in the planning stages for the 2018 Marketplace, with four motorcoaches being auctioned off during the auctions. This is up from two at the 2017 Marketplace.

In addition, the Foundation Board discussed new members for the Board which was voted on during the Governance Committee report.

The 2015 Motorcoach Census will be released in November 2017.

Communications Report

ABA Staff Melanie Hinton provided an update on ABA’s Communications department.

ABA is becoming very active on social media, seeing 6% growth among three social media channels (Facebook, Twitter and Instagram) since 2016.

Current focus is on advocacy and membership as well as the ABA Foundation.

A new social media campaign began after the Governor of New York called the construction work at Penn Station in New York City the “summer of hell”. ABA took advantage of this as many ABA members provide
scheduled service to the NYC area. When a news article was released on the comments, ABA would retweet or share using the line “May be the summer of hell, but buses keep you moving.” On Twitter, there were over 121,000 impressions in a 6-week period.

A new membership campaign is underway for ABA’s two diverse sets of members: bus and tour operators and travel and tourism. Bus operators are found to be on Facebook, so weekly ads are targeted. Travel and tourism members are found to be on Twitter, and are targets with the business side of Marketplace, education, networking and CTIS. Additional targeted ads for those who already “like” or “follow” competitive groups, like UMA and NTA. These ads are found to be more cost effective as there is a set advertising fee and members see targeted ads. Beginning in November, all ads will be switched over to target the upcoming Marketplace.

In September, several significant weather events occurred. A marketing campaign to promote the work ABA members were doing to assist with hurricane evacuations was known as Hurricane Heroes.

Additional marketing campaigns, ABA Everywhere and ABA Working for You, are still strong and proving beneficial.

Other member correspondence includes Marketplace Mondays, focusing on the annual meeting.

ABA received significant national media attention after the Dahlia Bus accident in New York. There was also a big boost in media attention after the Omaha Marketplace announcement and the Hurricane Heroes campaign.

**Meetings, Education, Membership**

This report was covered during the Time-Place committee report.

**Radar Issues**

No additional issues were mentioned during this portion of the meeting.

**Executive Session**

The Board of Directors began a closed Executive Session.

**Adjourn**

The 2017 Fall ABA Board of Directors Meeting was adjourned.