

Minutes for NFTGA General Assembly  
Ballroom, Wyndham Historic District  
Philadelphia, PA  
8:30am, Thursday, February 22, 2018

The meeting convened at 8:30am. No official attendance was taken. Free attendance to all conference attendees was inferred.

Conference chair Nick Cvetkovic welcomed everyone and acknowledged the Wyndham Hotel, stating “You can choose which cemetery your room overlooks.” Further introductory remarks included the note that we would celebrate the 20<sup>th</sup> anniversary of NFTGA over our working lunch and that our city tour to 1 Liberty Place Observation Deck (“not very high by other cities’ standards”) would take place on the way to dinner and that attendees would find their own way back to the hotel.

Three post tours were offered and it was noted that the Mural Arts tour was under-subscribed.

Incoming NFTGA President Ellen Malasky was welcomed to the podium. She discussed the agenda and the importance of enhancing the touring and guiding profession. Recalling the Washington, DC conference of 2016, she remarked how nice it was to only have rain and not snow.

Nick thanked Campo’s for sponsoring our opening dinner reception, the Philadelphia History Museum for hosting it, and the Museum of the American Revolution for sponsoring the evening’s upcoming observation deck visit. Whisper and Listen Technologies, competitors in the headset business, were both acknowledged for their sponsorship. Visit Philly, one of two tourism agencies, was also thanked for their sponsorship.

Meryl Levitz from Visit Philadelphia welcomed us to Philly and thanked guides for delivering our history to visitors, also observing “The higher tech a society is, the higher touch we will need to be.” She presented a magnificent video about the Historic District.

A second portion of the above presentation included “the Wow Video” showcasing the city’s major attractions and the statistic that Philadelphia is within a 5-hour drive of one quarter of the US population. Repeat business in the tourism market is very significant.

The spirit of the city was shown in the report that the restaurant, The Little Lion, recently sustained fire damage. Local competitors have shown solidarity and hired staff members temporarily while the establishment gets back on its feet.

During a small technical set-up, Ellen celebrated each attending association, introducing us to each other and having each member association’s representatives stand up and be recognized.

David Huether from US Travel Association spoke on the state of tourism in the US.

Ellen recommended increased participation in Destination Capitol Hill but, more importantly, lobbying your representatives in your home state, rather than when they are inundated with other lobbies and other issues immediately before and after you.

If guides can measure travel sentiment and frequency on a monthly or quarterly basis, US Travel Association would be interested in working with us. But how big is the labor impact for guides?

One member mentioned 90% of his tours involve arranging lunch at local restaurants where prices are beginning to rise and wondered if this is a trend? USTA believes it is. There was also the inquiry of whether USTA can help Missouri get off Fodor's No-Go list? This was greeted with "We can work on it".

Ustravel.org features on its banner "research" and on the bottom right of the subsequent box is "travel economic impact calculator".

The suggestion that the government add more 3-day weekends (especially to the "orphan months" of March, June, and August) for the benefit of the tourism trade was greeted with thunderous applause.

Listen Technologies distributed headsets to each table for demonstration of product. Juan Reboldi introduced his colleagues from Salt Lake City and presented his technology for hearing clearly in challenging environments. Guides are in the experience business, competing for time and dollars with other experiences people could choose on their visit. How you deliver your information is crucial to enriching the experience. What if it can't be hard?

Listen is a transceiver with two-way communication (which can be selectively disabled). No need to worry about channels and frequencies. Some devices allow you to connect seamlessly to a hearing aid without a cable.

In balance, it was then announced that Whisper Systems would provide headsets for all three post-conference tours.

Break—10:15 – 10:45

Many thanks to SYTA for connecting NFTGA to William Caldwell (CEO) and Lisa Curtin (COO) of Caldwell & Co. They spoke on the business of guiding as it relates to taxes and received the warmest reception of the conference. Their philosophy is: Visiting other places brings people together because we have more in common than we think we do.

The biggest problem facing the guiding industry is 1099 vs. W2. How do we best position ourselves, regardless of what side of the industry we are on? California is trying to make everyone in tourism W2. From an income tax point of view, it works best for everyone if we are 1099.

To bulletproof your decision to maintain 1099, you need to have a contract. It must be specific enough to lay out duties but vague enough to maintain the individualism that is so valuable to the craft we provide. We must also send invoices and W9 with an EIN. We're better off with an EIN than an SSN on the documents.

Do you need to be an LLC or an SCORP to get an EIN? If you are non-incorporated, there is a box for sole proprietorship in the EIN application. It is not necessary to have a separate bank account, but it's a good idea. It shows you have a business as opposed to comingling with your personal funds.

Tip income = guide income. It's all taxable. Cash tips must be declared.

There is no danger of the IRS moving away from single-member LLC's. Precisely the opposite. We pay the highest rate of tax of any entity.

From a tax efficiency point of view, if each guide were organized as a subchapter SCORP, we would not receive 1099's because they are not required. There are additional forms to file at tax time, but you save a significant amount of money.

Distribution of profits is not subject to self-employment tax when one is an SCORP. If you make more than \$40,000 after expenses, it is worth incorporating.

Separate bank accounts and separate credit cards don't necessarily need to be in a separate name. It DOES need to be used exclusively for expenses with that particular DBA.

Any expense you incur that is a necessary business expense is tax deductible. This is very vague. Yay! On vacation with Viking, you learned something. This is continuing education. You pick up what to do or not do. It makes your skill set tighter and better. This is no different from the 40 hours of education required of your doctor, lawyer, or accountant, staying current in the profession. Any factor that comes into you is a potential nugget that goes into your tour. Your cable and cell phone bills are not pro-rated vis a vis the amount of time you spend on personal use vs. business use. Every restaurant experience is "industry observation" for guides.

How do you get a CPA that understands our industry? It is underrepresented in the accounting world. Industry observation and other terms new to us are classified in our files as "other expenses".

Accounting is not a cost. It's a value. Hire a CPA.

The law states that, if you show a profit 2 out of 5 years, then clearly you are not engaged in this business as a hobby. United Airlines lost money 17 years in a row. Did anyone question whether UA was engaged in a hobby? If you have a loss every year, depending on size and trends, you have to show you are engaged in this activity for business!

We've all heard "I can't take a home office because it's a red flag". This was true in 1986. Think about how much life has changed since then. You are entitled to deduct pro-rata the portion of your home that is affiliated with your home office.

Break for lunch, 12:15. Working lunch began at 12:30.

During lunch, Ellen made a presentation to celebrate the 20<sup>th</sup> anniversary of NFTGA. Vicky Schwartz of Washington DC stepped into the middle of the presentation to identify the people in the photos.

Outgoing president Gene Reyes was presented with a plaque commemorating his service he gave his report on the progress of the previous term. Highlights included increased and improved communications within the federation, enhanced partnerships and affiliations, and the creation of new associations.

Esther Banike, Holly Jensen, and Maricar Donato presented on WFTGA, stating that a guide is an “influencer” (that’s the big buzz word in the industry right now). When you join an association, you have more influence than you have as an individual. When your association is local, national, international, your influence grows in the same direction.

Communication with our area representative at the WFTGA is contingent upon association presidents keeping our email addresses accurate and current. There have been many cases of travelers seeking guides through the area representative, the rep sending the info to the associations, and hearing nothing back.

We are behind the times in the US (which is why it’s difficult to be elected on the WFTGA board) because we lack national standards and other guides in other countries don’t take us seriously when just anyone can hang up their shingle and call themselves guides.

International Tourist Guide Day enhances our legitimacy, makes the profession worth celebrating, and brings the world together.

Early bird registration to the 2019 WFTGA conference in Tbilisi is from late Feb. to mid-June. There is a limit to the number of early bird specials for each country so don’t dawdle.

Donald Leadbetter of the National Parks Service discussed National Parks and Tour Guides – Working Together. Before he was with the NPS, he was a tour guide with Suntrek doing adventure camping tours and cruise ships. He appreciates the challenges of doing the work we do.

NPS is the fourth largest federal landlord. The Bureau of Land Management, the Forest Service, and the Fish and Wildlife Service are the top three respectively. Conservation and preservation is their primary mission. It takes priority over visitation. He stated “We don’t think of ourselves as a tourism agency, as a tourism entity. That’s a different mindset. It is what it is.”

This year is the 50<sup>th</sup> anniversary of the National Trails Act and the National Scenic and Historic Rivers Act.

The crowd burst into song when the ad “See the USA in Your Chevrolet” was brought up on the screen. Mr. Leadbetter noted “This is how I know I’m dealing with tourism people. You can’t always control the situation.”

Increases to commercial entry fees may be coming to the National Parks. Seasonal entry fees may be coming to 17 parks for independent and commercial entry. Commercial use authorizations may also be imposed soon. For road-based commercial tours, they have always been required. The proposal now is to standardize the requirement. At the back end, there is a proposed management fee.

Reservation systems are being prepared for supersaturated park visitation like that at Zion and Arches.

NPS.gov/planyourvisit is good for alerts and other park information. It is definitely recommended to follow the parks on social media.

What not to do in National Parks: There has been an uptick in inappropriate behavior. Don't sneak onto the roof with no railing. Don't pet the bison. Don't cause sanitation issues (use your imagination).

Pat Jones (with over 40 years at NPS) is Chief of Interpretation and Education in Philadelphia. She started working the elevator at the Washington Monument. She was superintendent at several parks: San Antonio Missions, Manassas, and many others. She said "People want to love us to death." Can new parts of the park be opened in order to bring more people in? Can this do more harm than good?

Liberty Bell Center does not require tickets but you may have to wait in line. You and everyone else are all trying to get up to the bell, get your selfie, touch the bell, with busloads of 30-40 people each are competing for the same space. NPS says "Please work with us."

35% of visitors to Independence do not speak English as a native language. More written materials are being provided to compensate for English-only touring.

The best way to communicate with the parks is to contact the superintendent of the individual park directly.

With advance planning, school groups can obtain fee waivers.

Peter Pantuso of ABA, Morgan Maravich of NTA, Paul Caputo of NAI, and Lisa Berretta of SYTA formed a panel to discuss Working With our Tourism Industry Partners.

ABA has been around since 1926 and represents the tour and travel industries as well as just buses. They have 4,000 members. They started with the goal of addressing government affairs, regulatory issues, etc. Bus fees to National Parks may grow to \$1,200 per bus per visit. Mr. Pantuso believes the NPS presentation today was totally misleading.

Education and safety programs, in addition to research in the industry, are major missions of ABA. They host the largest domestic group travel show in the country. Regionally, there are many mergers and consolidations among bus companies, leading to fewer buses. Electronic logging systems will soon be required on all buses. There is no getting around the electronic logging system re how long the driver has been behind the wheel.

Easily 60% of the tourism industry is represented by ABA. By now, every bus should have some kind of electronic logging system or they are skirting the law. Enforcement has yet to take place. That will change in April.

ABA defers a lot to the California Bus Association. But they would be willing to work with the new Los Angeles association.

Nothing has changed in terms of number of hours or amount in fines operators can pay for violations. What has changed is the equipment. Right now, they can't get around the rules.

ABA cannot require its members to have a GPS set to commercial traffic, but they agree that failing to have one is stupid.

Mr. Caputo noted that we want people to leave a place feeling it's special. The term "interpretation" in this context dates to 1957. There are nature interpreters, cultural interpreters, living history interpreters, etc. We interpret our appreciation for our resources to our visitors. NAI defines interpretation as a "mission-based communication process that features intellectual and emotional connections between the audience and the vision behind the resource.

The Certified Interpretive Guide course from NAI is the biggest certification course from the association. The certification is not in content, but in communication style and technique.

Over 700 tour operators are members of NTA, which was founded in 1951. Like ABA, NTA offers a certification program. You can go to NTA online and search for tour operators.

The NTA Career Center is operational and no one is required to be an NTA member to sign up for it. There is a break on the fees through NFTGA.

185-billion dollars are represented in the student travel industry, which is represented by SYTA. They promote safe travel, as well as social, cultural, and emotional growth. Middle school and high school are the age ranges most commonly represented. The annual SYTA conference is coming up in Baltimore. Guides don't attend as individuals but guide association representatives do.

Presidents of both SYTA and NTA are currently on their way to Jordan for a Tourism Cares event.

The meeting adjourned at 4:25.