

**FIRST QUARTER 2019**  
**IFTA, INC. BOARD OF TRUSTEES MEETING**  
**January 23 - 24**

**Board Members:**

Stephen Nutter, President	Virginia Department of Motor Vehicles
Scott Bryer, First Vice-President	New Hampshire Department of Safety
Antoinette Tannous, Second Vice-President	Revenue Quebec
Mark Byrne	Nebraska Department of motor Vehicles
Trent Knoles	Illinois Department of Revenue
Craig Lyon	Saskatchewan Ministry of Finance
Rodney Richard	Arkansas Department of Finance
L. Michael Romeo	Connecticut Department of Revenue Services
Helen Varcoe	Montana Department of Transportation

**IFTA, Inc. Personnel:**

Monica Halstead	Business Supervisor
Jason DeGraf	Information Services Director
Maria Coronado	Membership Services Officer
Tom King	Webmaster
Debora Meise	Senior Director
Tammy Trinker	Office and Events Administrator

**Others in Attendance:**

Robert Pitcher	American Trucking Associations, Inc.
Tim Adams	IRP, Inc. CEO
Dennis Vanderslice	ARI Fleet, Industry Advisory Committee Chair
Dr. Denvil Duncan Dr. Sean Nicholson-Crotty	University of Indiana School of Public and Environmental Affairs (SPEA)

- 1) **Call to Order** – *Mr. Stephen Nutter (VA), IFTA, Inc. Board of Trustees (Board) President*
  - a) Mr. Nutter called the meeting to order.
  - b) All current Board members were in attendance with Mr. Mark Byrne (NE) attending by conference call.
  - c) Mr. Tim Adams, CEO of IRP, Inc., Mr. Robert Pitcher, ATA, and Mr. Dennis Vanderslice, ARI Fleet and Industry Advisory Committee (IAC) Chair also attended this two day meeting.
  - d) Guest speakers, Dr. Denvil Duncan and Dr. Sean Nicholson-Crotty, spoke with the Board and reviewed the Strategic Plan in depth.
  
- 2) **Approval of Minutes** – *Mr. Nutter*
  - a) 4Q18 Board Meeting

**Motion:** Mr. Scott Bryer (NH) moved to approve the minutes from the Fourth Quarter 2018 IFTA, Inc. Board of Trustees meeting. Mr. Trent Knoles (IL) seconded the motion.

After discussion minor corrections were made to the minutes. Mr. Nutter then asked for a vote to approve the amended minutes. The motion passed unanimously.

- b) Board Actions by Email
  - i. September through December 2018

The Board determined that no action was required to approve these minutes.

**3) Election of Officers for 2019 – Mr. Nutter**

- a) President of the Board

**Motion:** Ms. Antoinette Tannous (QC) nominated Mr. Stephen Nutter (VA) as President of the IFTA, Inc. Board of Trustees for the calendar year 2019. Mr. Bryer seconded the motion. With no additional nominations, the motion was approved.

- b) First Vice President

**Motion:** Ms. Tannous nominated Mr. Scott Bryer (NH) as First Vice-President of the IFTA, Inc. Board of Trustees for the calendar year 2019. Mr. Knoles seconded the motion. With no additional nominations, the motion was approved.

- c) Second Vice President

**Motion:** Mr. Bryer nominated Ms. Antoinette Tannous (QC) as Second Vice-President of the IFTA, Inc. Board of Trustees for the calendar year 2019. Mr. Knoles seconded the motion. With no additional nominations, the motion was approved.

**4) Consent for Board to Working Committees – Mr. Nutter**

- a) Committee Board Liaisons

The Board reviewed the current liaisons to the IFTA committees, both standing and special. Changes were made to all committee Board liaisons. These new assignments are reflected as follows:

- i. Agreement Procedures Committee (APC)  
Mr. Knoles as lead with Helen Varcoe (MT)
- ii. Audit Committee (AC)  
L. Michael Romeo (CT) as lead with Mr. Byrne
- iii. Clearinghouse Advisory Committee (CAC)  
Rodney Richard (AR) as lead with Mr. Romeo
- iv. Dispute Resolution Committee (DRC)  
Ms. Varcoe as lead with Mr. Richard
- v. Industry Advisory Committee (IAC)  
Ms. Tannous as lead with Mr. Romeo

- vi. Law Enforcement Committee (LEC)  
Mr. Knoles as lead with Mr. Byrne
- vii. Program Compliance Review Committee (PCRC)  
Mr. Bryer as lead with Craig Lyon (SK)
- viii. Attorneys' Section Steering Committee (ASSC)  
Mr. Bryer as lead with Ms. Tannous
- ix. IFTA/IRP Board Subcommittee  
Mr. Nutter as lead with Mr. Bryer and Ms. Tannous
- x. Electronic Credentials Working Group (ECWG)  
This working group is currently dormant. No liaisons were assigned at this time.

**Motion:** Mr. Bryer moved to accept the Committee Board Liaison assignments as discussed. Ms. Tannous seconded the motion. The motion was approved.

b) Jurisdiction Board Liaisons

The Board reviewed the current liaisons to the IFTA jurisdictions. Changes were made as necessary. These new assignments are reflected as follows:

- i. Stephen Nutter (VA)  
North Carolina, South Carolina, Tennessee, Virginia, and West Virginia
- ii. Scott Bryer (NH)  
Delaware, Maryland, New Jersey, New Hampshire, and Pennsylvania
- iii. Antoinette Tannous (QC)  
Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, and Quebec
- iv. Mark Byrne (NE)  
Iowa, Indiana, Missouri, Nebraska, North Dakota, and South Dakota
- v. Craig Lyon (SK)  
Alberta, British Columbia, Manitoba, New Brunswick, and Saskatchewan
- vi. Trent Knoles (IL)  
Illinois, Kansas, Michigan, Minnesota, Ohio, Oklahoma, and Wisconsin
- vii. Rodney Richard (AR)  
Arkansas, Kentucky, Alabama, Georgia, Florida, Louisiana, and Mississippi
- viii. L. Michael Romeo (CT)  
Connecticut, Maine, Massachusetts, New York, Rhode Island, and Vermont

- ix. Helen Varcoe (MT)  
Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Texas, Utah, Washington, and Wyoming

**Motion:** Mr. Bryer moved to accept the Jurisdiction Board Liaison assignments as discussed. Mr. Lyon seconded the motion. The motion was approved.

- c) Regional Calls  
The Board discussed the proper procedure for jurisdictions that are outside of a Board liaison's region. It was questioned if the Board liaison should participate in additional regional calls for that jurisdiction or if the jurisdiction should dial in to the Board liaison's regional call. No definitive answer was provided at this time.

**5) Review of Preliminary Strategic Plan Report – Mr. Nutter**

- a) An in-depth review of the Strategic Plan analysis was completed by the Board.
- b) Manitoba, New Brunswick, Ontario, and Saskatchewan will not be adding a carbon based tax.
- c) Both the vehicle mileage tax and electric vehicles are issues of concern to the organization.
- d) Alternative fuels policies cannot be amended at the jurisdiction level and is more of a government policy. Initial costs remain a barrier to advancing alternative fuels.
- e) Funding roadway infrastructure may require additional assistance beyond the current resources.
- f) Staggered regional program compliance reviews may be presenting misleading data that membership is not in compliance.
- g) I-95 Corridor is a pilot program implementing mileage based user fee starting with heavy trucks greater than 26,000 lbs. IFTA, Inc. has partnered in this pilot program.
- h) RUCwest is a three jurisdiction pilot program for a road use fee. These jurisdictions include California, Oregon, and Washington.
- i) A Stakeholder Perspective shows that the IFTA Agreement adds value for both jurisdictions and industry and runs relatively smoothly.
- j) The report suggested that IFTA, Inc. become more proactive in shaping policy and administrative solutions to what could become disruptions in the fuel tax system arising from areas such as alternative fuels, fuel efficiency, vehicle mileage systems, et al.
- k) Increased industry participation was recommended as a result of the report to assist IFTA in staying abreast of coming changes and to take advantage of new technology opportunities.
- l) Greater coordination between IFTA, Inc. and IRP, Inc. and identifying areas of collaboration were recommended. This is an area that both the IFTA and IRP Boards continue to discuss.

**6) IRP, Inc. Report – Mr. Adams**

- a) New officers to the IRP, Inc. Board of Directors were identified.
  - i. Dawn Lietz (NV), Chair
  - ii. Jeff Hood (IN), Vice Chair
  - iii. Jay Sween (WI), Treasurer
  - iv. Kevin Davis (ID), Secretary

- b) Two IRP ballots were voted on but did not pass. A survey indicated legislative approval would be necessary prior to implementing the electronic image ballot language.
  - i. Ballot 421 - Appendix for Non-Apportioned Vehicles
  - ii. Ballot 422 - Registrant from Non-Member Jurisdiction
- c) Strategy, Insights, and Results (SIR) is a company assisting IRP, Inc. with a strategic plan process for IRP. The IRP Board of Directors will be meeting to review and discuss the survey results and meet with the SIR facilitator.
- d) The IRP Board of Directors will be reviewing the modernization of the IRP, Inc. clearinghouse. A Request for Proposal (RFP) has been issued and funds have been allocated towards this endeavor.
- e) All IRP Board meetings are open with limited closed sessions and the IFTA, Inc. Board of Trustees was invited to attend these meetings.
- f) 2019 IRP Annual Meeting will be held in Louisville, KY May 7 – 9.
- g) 2019 IRP/IFTA Managers' and Law Enforcement Workshop will be held in Orlando, FL, September 10 – 12.

**7) IFTA, Inc. Updates – Monica Halstead, Business Supervisor**

- a) IFTA, Inc. is streamlining the accounts payable process.
- b) A new travel database is being compiled to better organize the data and flow of information between membership and IFTA, Inc.
- c) The tracking process for the new Program Compliance Review process is being reviewed to ensure that it could be streamlined and a single summary page be made available.
- d) THE IFTA NEWS format is being reconsidered and the IFTA Team is reviewing the timing, issuance, and content.
- e) New Jersey is now considered an IFTA member in good standing with no sanctions.
- f) The December 2018 funds netting had no glitches or late payments. IFTA, Inc. will be meeting with an investment officer regarding the investment of funds received from membership.
- g) As a result of the SOC II audit, a multifactor application (MFA) was initiated for the clearinghouse. Membership did not favor this new application. As a result, IFTA, Inc. is discussing the situation with the auditors further to create a better solution that meets the protocols.
- h) The Executive Committee recently discussed a formal procedure for accessing investment assets. This policy would aid the Board in understanding the procedure for how and when to relocate or amend the reserve and investment accounts. It was noted that developing a ten year strategy for the allocation of funds was important to the organization.

**8) Clearinghouse – Jason DeGraf, Information Services Director**

- a) A new clearinghouse demographic web page was released on January 1. This web page is more user friendly.
- b) IFTA, Inc. is in the process of relocating all IFTA servers to the existing colocation facility.
- c) The relocation should be finalized by March 1.
- d) A new email server will be reviewed following the server relocations. This new server is expected to cost \$2,000. The current email server utilized by IFTA, Inc., Exchange 2010, will expire December 2019.

- 9) **Website** – *Tom King, Webmaster*
- a) An IFTA mobile website launched in December 2018.
  - b) Due to non-usage, the Google search feature was removed from the IFTA, Inc. website.
  - c) Additional security measures have been incorporated into the website.
  - d) The IRP server is being prepped for the relocation to the existing colocation facility.
  - e) IRP webinars have been added to the website and the IFTA Annual Reports are open and available for 2019.
  - f) A web page for membership to post reports on the secure website is being researched.
- 10) **Program Compliance Reviews** – *Maria Coronado, Membership Services Officer*
- a) Alabama and Arkansas 2018 reviews have been closed.
  - b) Florida and South Carolina 2018 reviews are awaiting jurisdiction response.
  - c) Georgia, Kentucky, Louisiana, Mississippi, and North Carolina 2018 reviews are with the Program Compliance Review Committee.
  - d) Tennessee and Virginia 2018 reviews are with IFTA, Inc.
  - e) The West Virginia 2018 review is ongoing.
  - f) Connecticut, the first 2019 review, is scheduled for February.
- 11) **Programs Update** – *Debora Meise, Senior Director*
- a) With the new streamlined process for the Program Compliance Reviews (PCR), review teams have been selected for the next two years.
  - b) Beginning March 1, Mrs. Coronado will be the lead on all reviews.
  - c) The following Short Track Final Ballot Proposals (STFBP) for IFTA were approved by membership and became effective December 1, 2018:
    - i. STFBP 01-2018 - to clarify that the upload done on a daily basis for each business day is an upload of the full demographic data.
    - ii. STFBP 02-2018 – to align with the Bank of Canada’s new procedure in publishing exchange rates once each business day by 4:30 PM Eastern Time.
  - d) Membership dues invoices will be issued on March 1.
  - e) All Annual Reports are due by March 1. IFTA, Inc. is working on automated emails to ensure that 100% compliance is met.
- 12) **Meetings** – *Tammy Trinker, Office and Events Administrator*
- a) 194 persons pre-registered for the 2019 IFTA/IRP Audit Workshop.
  - b) 17 persons pre-registered for the 2019 IFTA Attorneys’ Meeting.
  - c) The quarterly Board meetings for 2019 have been contracted at the Hilton Phoenix Chandler hotel in Chandler, AZ.
  - d) The 2019 Annual IFTA Business Meeting will be August 14 – 15 at the Hilton North Raleigh/Midtown hotel in Raleigh, NC.
  - e) IFTA, Inc. continues to research locations and hotel options for the 2020 quarterly Board meetings as well as the IFTA/IRP Audit Workshop and Attorneys’ Meeting.
  - f) The 2020 Annual IFTA Business Meeting will be August 12 – 13 at the Tempe Mission Palms hotel in Tempe, AZ.

**13) Wrap Up of Strategic Plan – Mr. Nutter**

- a) The Board completed a survey to assist in the discussions with the presenters from SPEA.
- b) Industry participation on committees was discussed. The biggest concern would be discussions concerning confidentiality issues.
- c) The Board determined that a document should be drafted outlining the regulations for industry participation on committees and that confidentiality concerns also be addressed and adhered to.
- d) The Board was encouraging industry participation on IFTA standing committees in a non-voting capacity and instilling guidelines to permit this participation.

**14) Strategic Plan – Dr. Denvil Duncan and Dr. Sean Nicholson-Crotty, University of Indiana School of Public and Environmental Affairs (SPEA)**

- a) The full Environmental and Stakeholder Analysis was presented for discussion and review by the Board.
- b) Some of the issues reviewed included the following:
  - i. Initial stakeholder feedback report
  - ii. Initial environmental scan report
  - iii. Mission, Vision, and Values of IFTA, Inc.
  - iv. Identifying primary strategic issues
  - v. Strategies for the primary strategic issues
- c) Mr. Pitcher will share data with Dr.'s Duncan and Nicholson-Crotty regarding what the environment would be like if there was no more IFTA.
- d) Issues of divergence deals with communication issues as well as coordination between IFTA and IRP.
- e) Seven issues were identified by the Board as strategic issues and included the following:
  - i. How does IFTA ensure the continuity of funds netting
  - ii. How does IFTA effectively foster collaboration and communication with jurisdictions, industry, and IRP
  - iii. How does IFTA improve technological competence in order to provide better service to members
  - iv. How can IFTA provide better training, technical assistance, and continuing education to the IFTA community
  - v. How does IFTA effectively mitigate service interruptions
  - vi. How does IFTA strengthen governance procedures (e.g. problem resolution systems, jurisdictional compliance, modernize language, etc)
  - vii. How does IFTA prepare for the growth of alternative fuel types
- f) Dr.'s Duncan and Nicholson-Crotty will include these issues on a strategies front to more clearly articulate what was discussed by the Board.

**15) Financial – Mr. Nutter**

- a) The Board reviewed the financial assets of the organization and determined that IFTA, Inc. remains financially sound.
- b) The Board determined that funds should be moved to reduce the total liquid asset to one million in the money market account(s). It was opined that this suggestion would protect the organization's finances and that a balance of one million would suffice to cover operating expenses as necessary.

**Motion:** Mr. Nutter motioned that the Board remove \$275,000 out of the IFTA money market account and move it into a managed account fund. Mr. Bryer seconded the motion. The motion was approved with a vote of 8 in favor. Mr. Byrne was not available for this vote.

**16) Adjournment – *Mr. Nutter***

**Motion:** Mr. Nutter moved to adjourn the First Quarter 2019 IFTA, Inc. Board of Trustees meeting. Mr. Bryer seconded. The motion passed.