

**FOURTH QUARTER 2014  
IFTA, INC. BOARD OF TRUSTEES MEETING  
OCTOBER 21 - 22**

**Board Members:**

Cindy Arnold	Nevada Department of Motor Vehicles
Ron Hester	Ontario Ministry of Finance
Garry Hinkley	Maine Bureau of Motor Vehicles
Hugh Hughson	British Columbia Ministry of Finance
Trent Knoles	Illinois Department of Revenue
Stephen Nutter	Virginia Department of Motor Vehicles
Joy Prenger	Missouri Motor Carrier Services
Chuck Ulm	Comptroller of Maryland
Stuart Zion	Colorado Department of Revenue

**IFTA, Inc. Personnel:**

Lonette Turner	CEO / CFO
Jason DeGraf	Information Services Director
Tom King	Webmaster
Amanda Koeller	Program Administrator
Debora Meise	Senior Director
Tammy Trinker	Office and Events Administrator

**Guests:**

Sandy Johnson	North Star Fleet Solutions, Inc.
Robert Pitcher	American Trucking Associations, Inc.
Joshua Waitz	J.P. Morgan Securities

**Call to Order**

The IFTA, Inc. Board of Trustees (Board) held its Fourth Quarter 2014 Board meeting at the IFTA, Inc. offices in Chandler, AZ. All Board members were in attendance. Also in attendance were Industry Advisory Committee (IAC) members Ms. Sandy Johnson, North Star Fleet Solutions, Inc., Chair and Mr. Robert Pitcher, American Trucking Associations, Inc. Mr. Joshua Waitz, J.P. Morgan Securities, IFTA, Inc. Investment and Financial Advisor, attended the morning of the second day of the meeting in order to provide a report to the Board on the IFTA, Inc. investments. Mr. Ron Hester (ON), Board President, called the meeting to order.

**Approval of Minutes**

The Board reviewed and amended the Second Quarter 2014 Board Meeting minutes.

**Motion:** Mr. Garry Hinkley (ME) moved to approve the minutes as amended from the Second Quarter 2014 IFTA, Inc. Board of Trustees meeting. Mr. Stephen Nutter (VA) seconded. The motion passed.

During the third quarter the Board completed several actions by email and the minutes from these actions were presented. The actions included approval of committee volunteers to the Dispute

Resolution Committee (DRC), Law Enforcement Committee (LEC) and Clearinghouse Advisory Committee (CAC). In addition, the Board also approved the second Vice-Chair position to the Law Enforcement Committee and selected the recipient of the 2014 Charles M. Mills Award of Excellence. Lastly, the Board reviewed the necessity of and approved for the IFTA, Inc. 401(K) merger.

**Motion:** Mrs. Cindy Arnold (NV) moved to approve the minutes from the Actions by Email as written. Mr. Hugh Hughson (BC) seconded. The motion passed.

Following the conclusion of this year's Annual IFTA Business Meeting, the Board held a meeting to discuss and review the content and discussions during the business meeting.

**Motion:** Mr. Trent Knoles (IL) moved to approve the minutes from the Board meeting following the Annual IFTA Business Meeting as written. Mr. Chuck Ulm (MD) seconded. The motion passed.

### **Consent Agenda**

A Consent Agenda was reviewed by the Board. This agenda consisted of committee reports from the Agreement Procedures (APC), Dispute Resolution, and Information Technology Advisory (ITAC) committees. Additionally, reports were provided by the Electronic Credentials (ECWG) and IFTA Compliance Audit Working (ICAWG) Groups.

**Motion:** Mr. Stuart Zion (CO) moved to accept the Consent Agenda as presented. Mr. Hughson seconded. The motion passed.

### **Law Enforcement Committee Report**

This report was pulled from the Consent agenda as there were action items that the Board needed to address. The Board discussed the expiring committee term of Lt. Jennifer Brown, LEC Chair. Much discussion was had regarding extending Lt. Brown's term so that she could continue to serve on the committee as a voting member. In addition, Mr. Anthony Hatcher's (MD) term is also expiring and has expressed an interest in remaining on the committee. As the Bylaws and committee charters do not specify a limit on such extensions, it was explained that the Board could continue to extend committee terms for an indefinite amount of time.

Currently there are two committee members representing the Western Region and there is a vacancy in the Northeastern and Midwestern Regions. Mr. Eric Belford (MT) was presented as a candidate to fill the vacant Midwestern Region.

**Motion:** Mr. Knoles moved to accept the appointment of Mr. Eric Belford (MT) to the Law Enforcement Committee to fill the vacant Midwestern position. Ms. Joy Prenger (MO) seconded the motion. The motion passed.

**Motion:** Mr. Ulm moved that the Board extend Lt. Brown's term by two years as an at-large representative.

During discussion of the motion some of the Board expressed concern in extending the term limits of a committee member so that they could remain a voting member of the committee. It was explained that any committee member rolling off of a committee may, at a later date, reapply for that same committee when the next vacancy arises. This policy allows for all committees to accept new applicants for the

opportunity to serve. The Board was informed of the LECs intention to request the committee charter be amended to have three members from each region. The Board felt that this change could be permitted but that a limit would need to be applied to committee travel paid for by the organization. Following the conclusion of the discussions, Mr. Ulm withdrew his motion to extend Lt. Brown's term.

**Motion:** Mr. Hinkley moved to accept Lt. Brown as the Law Enforcement Committee Ex-Officio member with the understanding that her term was not extended. Mr. Hughson seconded this motion. The motion passed.

Discussion was also had regarding the term limits of Inspector Andrew Markle (ON). Insp. Markle's term is also expiring, but as current First Vice-Chair to the LEC, he is willing to accept the position of Chair should the Board wish to extend his term.

**Motion:** Mr. Ulm moved to approve the extension of the term of Inspector Andrew Markle (ON) and, by doing so, allow Insp. Markle to assume the position of Chair of the Law Enforcement Committee. Mr. Zion seconded the motion. The motion passed.

In regards to Mr. Hatcher's request to extend his committee term for another two years, the Board decided to uphold the committee charter language referencing membership terms. It was stressed, again, that any committee member rotating off of a committee always has the opportunity to return to the committee at a later date. Mr. Ulm will notify Lt. Brown, Insp. Markle and Mr. Hatcher of the Board's decisions regarding their committee term requests.

### **Clearinghouse Advisory Committee Report**

Mr. Hinkley reviewed the written report submitted by Mr. Randy Boone (IN), Clearinghouse Advisory Committee (CAC) Chair. The committee created a Dual Fuel Subcommittee to address the issue of trucks operating on two fuels simultaneously. Generally, it was explained, this fuel type is a combination of diesel fuel and either liquid natural gas (LNG) or compressed natural gas (CNG). It is the committee's position that diesel fuel used in combination with either LNG or CNG should be reported separately from diesel fuel used on its own. As a result, the committee is proposing four new fuel types to be added to the clearinghouse reporting database. These fuel types are:

- **DL= diesel fuel used in conjunction with LNG**
- **DLG= LNG used in conjunction with diesel fuel**
- **DC= diesel fuel used in conjunction with CNG**
- **DCG= CNG used in conjunction with diesel fuel**

It was explained that the committee was not telling membership how to build their reporting system by including these four new fuel types, but how to report it to the clearinghouse. Mr. Pitcher expressed that the proposed system change could work but it would take a lot of education both to membership and industry alike. Furthermore, he cautioned, that it would only work until the next new fuel type. Mr. Hughson felt that if this system were adopted now it would be easier to implement for future, additional fuel types.

At this time, Mr. Hughson explained that these fuel types need to be addressed so that the jurisdiction systems could be upgraded. It was noted that should these new tax rates be included for reporting to the clearinghouse it did not hold jurisdictions to using these reporting fuel types.

**Motion:** Mr. Hinkley moved to add the four new fuel types, DL, DLG, DC, and DCG to the IFTA Clearinghouse. Mr. Hughson seconded the motion.

During discussion of the motion clarification was requested. It was explained that the new fuel types would be a necessity in segregating the diesel percentages from the LNG and CNG percentages. The application of these four types will help to justify the mileage and, in the end, the total of the summary report due or owed.

Regarding education of the community it was thought that multiple webinars would be the best forums to review and explain the process and its purpose. Mr. Hughson explained that the fuel uses involved in these types are kept completely separate from each other. Different pumps, tanks and distribution centers where as gasoline adds the components into the same tank. The Board then voted on the motion proposed by Mr. Hinkley. The motion passed.

#### **Clearinghouse Update**

Mr. Jason DeGraf, Information Services Director, presented this update to the Board. Mr. DeGraf had added new distance reports as well as a yearly stats page based on fuel, return types, tax, distance, et al. This page can be accessed through a link on the clearinghouse page. Currently, a means of tracking amended returns in order to locate the original returns is being investigated.

Vendors are changing at the jurisdiction level due to the Regional Processing Center (RPC) coming to a close so many jurisdictions are in testing phases. Mr. DeGraf continues to work with these jurisdictions to ensure there is no interruption in their services. The Electronic Credentials Working Group (ECWG) has also inquired about a barcode that can be scanned by law enforcement. This is not yet available on the public forum but can be researched and made available.

#### **Funds Netting**

Mrs. Amanda Koeller, Program Administrator, reported that Nova Scotia hopes to be a full Participating Member of the Clearinghouse by the end of 2014. The new single disbursement will take effect January 1, 2015. Other jurisdictions working towards full participation in the Clearinghouse include Manitoba and Oklahoma by the end of 2015 and Alberta and Quebec in 2016. At this time Newfoundland has not committed to becoming a clearinghouse member.

The Board was presented with the 2016 funds netting calendar which included the single disbursement for approval. The CAC had worked with IFTA, Inc. to create this calendar.

**Motion:** Mr. Hinkley moved to approve the 2016 funds netting calendar. Ms. Prenger seconded the motion. The motion passed.

Mr. Hinkley reported on the cooperative project with the Federal Motor Carrier Safety Administration (FMCSA). This project will give non-CVISN states the ability to share demographic data through the Safety and Fitness Electronic Records (SAFER) system. Currently there are fifteen non CVISN states.

While the project has not expanded at the moment Mr. Hinkley felt that revised Clearinghouse Access Agreements should be drafted for when the project is successfully completed. It was opined that Nevada would be the first true test of this system.

### **IFTA, Inc. Website**

IFTA, Inc. Webmaster, Mr. Tom King, demonstrated the latest developments on the IFTA, Inc. website. The meeting materials from both the Annual IFTA Business and Attorneys' Section Meetings have been posted to the website and are available for download. Comments on the ballots for the second comment period are also being received. Mr. King is working on the message boards to enable the board features to be supported through Google Chrome. Currently file uploads through the message board work with both Internet Explorer (IE) and Firefox; Mr. King is working to ensure that this feature will work through Chrome as well.

The tax rate calendar was also recently uploaded to the website. This calendar shows the tax rate due dates from 2014 through 2016 and assists members with automatic tax rate systems. Previously a survey was distributed to membership asking for ways that IFTA, Inc. could improve both the staff and its resources. Comments continue to be received from this survey. A feedback system fielding general comments is also being tested so that membership could use this feature to contact IFTA, Inc.

### **2016 Decal Specifications for Approval**

Mrs. Debora Meise, IFTA, Inc. Senior Director, presented the 2016 IFTA decal specifications for the Board's approval. There were no major changes other than the color. For 2016 the decal color will be blue. All other provisions remain the same.

**Motion:** Mr. Knoles moved to approve the 2016 IFTA decal specifications. Mr. Hughson seconded. The motion passed.

Discussion was also had regarding a sole vendor that could create the decals for multiple jurisdictions. In previous years, it has been suggested that it be a service provided by IFTA, Inc. It was explained that, in order for IFTA, Inc. to become the decal provider for all member jurisdictions there were additional business requirements that would need to be met. Also, it was noted that IFTA, Inc. would have to bid for the decals and there was no guarantee that IFTA, Inc. would be the lowest bid.

IFTA, Inc. will also research the Bylaws to determine if the decal specifications could be approved by the Board every three years or if they are required to be approved annually. It was felt that approving the decal specifications every three years, unless there are specific recommendations that would change the decal specifications, would permit membership to outsource the decal orders well in advance of the due date.

### **Audit Committee Report**

The Audit Committee Board Liaison, Mr. Nutter, presented this report to the Board. The committee is working very hard to prepare for the February 2015 IFTA/IRP Audit Workshop. This upcoming workshop will have the attendees working on a mock audit. In addition, the committee had been researching data for the committee sponsored ballots, FTPBP 3-2014 and 4-2014.

The committee term limits were then discussed by the Board. It was explained that Mr. Jeff Hood (IN), current Chair of the Audit Committee, will become the Ex-Officio following the 2015 Audit Workshop. Mr. David Nicholson (OK), current Vice Chair, would then assume the Chair position.

Mr. Hood recognized two committee members whose terms are expiring following the conclusion of the February 2015 IFTA/IRP Audit Workshop. These individuals are Mr. Bob Schwab (MO) and Ms. Dawn Lietz (NV). The Board discussed a method in which committee members who have served their full terms could be recognized. IFTA, Inc. can present an electronic certificate to all committee members who roll off of their committees after completing their full three consecutive, two-year terms. Such a certificate could also be forwarded to the individual's manager or supervisor.

**Motion:** Mr. Ulm moved that Mr. Jeff Hood (IN) become the Ex-Officio and that Mr. David Nicholson (OK) be appointed as the new Chair of the Audit Committee. Mr. Ulm also approved a two year extension allowing Mr. Nicholson to serve as Chair of the Audit Committee.

During discussion of the motion it was pointed out that the Board did not have to approve Mr. Hood's change from Chair to Ex-Officio. Mr. Ulm then amended his original motion as follows.

**Motion:** Mr. Ulm moved that Mr. Nicholson be granted a two year extension and also be approved as Chair of the Audit Committee. Mr. Nutter seconded. The motion passed. The effective date of this move is March 1, 2015.

#### **Attorneys' Section Steering Committee Report**

Mr. Zion presented this report to the Board. There were eighteen persons in attendance at the September IFTA Attorneys' Meeting. This meeting was held in Tempe, AZ. Mr. Collin Davis (IN), current Chair of the IFTA Attorneys' Section Steering Committee (ASSC), will be resigning as Chair due to a position change with the IN Department of Revenue. Mr. Edward Beaudette (MT), current Vice Chair, is presented to the Board as the new Chair. Additionally, Ms. Sukanya Mukherjee (MD) was presented as the new Vice Chair.

**Motion:** Mr. Zion moved to approve Mr. Beaudette and Ms. Mukherjee as Chair and Vice Chair of the IFTA Attorneys' Section Steering Committee. Mr. Ulm seconded the motion. The motion passed.

#### **Program Compliance Update**

Mrs. Meise reported on the 2014 Program Compliance Reviews. There were sixteen reviews conducted during 2014. It was a very busy year with training the new IFTA, Inc. employee, Mrs. Patricia Platt, Program Compliance Administrator.

Mrs. Meise informed the Board that all of the reviews should be held electronically. Mr. Dick Beckner, Program Compliance Administrator, will act as lead on four of the reviews and Mrs. Platt will be lead on the remaining reviews. The Kansas review will be led by IFTA, Inc.

Some of the goals that will be pushed include ensuring the reviewer training and jurisdiction's review webinars are expedited.

### **Program Compliance Review Committee Report**

Mr. Knoles presented the Program Compliance Review Committee (PCRC) report to the Board. Following the Annual IFTA Business Meeting discussions, it was the decision of the committee to withdraw FTPBP 1-2014. This ballot proposed changing back to the five year review cycle versus the current four year cycle. In light of the committee's decision to withdraw this ballot, the PCRC has realigned the review schedule and have made the Canadian provinces their own region for the purposes of Program Compliance Reviews. This change will be made effective with the 2016 reviews. Some jurisdictions, as a result of this realignment, will undergo interim reviews in 2016 to have them included in the Canadian region review cycle. Following the Board meeting, IFTA, Inc. will issue a memorandum to membership clarifying the additional region and review cycle changes instituted by the committee.

The PCRC is also working on tracking the number of audits a jurisdiction has completed. This is to ensure that membership is on course for meeting the 3% audit requirement. The committee issues a letter to each of the member jurisdictions following the release of the Annual Reports. It is a tool to assist with knowing if a jurisdiction is meeting or failing to meet their audit requirement. The committee has received positive feedback from those jurisdictions that have received this letter.

### **Committee Chairs Conference Call**

Mr. Hester welcomed everyone to the call. The following committee representatives participated on the call.

- Agreement Procedures Committee – Ms. Kimberly Knox-Lawrence (ME), Chair
- Audit Committee – Mr. Jeff Hood (IN), Chair
- Dispute Resolution Committee – Mr. Mark Byrne (NE), Chair
- Industry Advisory Committee – Ms. Sandy Johnson (North Star Fleet Solutions, Inc.), Chair
- Information Technology Advisory Committee – Mr. Thom Rabaglia (WI), Vice Chair
- Program Compliance Review Committee – Mr. Joe Dian (IN), Chair
- Attorneys' Section Steering Committee – Mr. Collin Davis (IN), Chair
- Dual Fuel Working Group – Mr. Hugh Hughson (BC), Chair
- IFTA Compliance Working Group – Mr. David Nicholson (OK), Chair
- Clearinghouse Advisory Committee – Mr. Randy Boone (IN), Chair

The following reports were offered by the committee representative participating on the conference call.

#### ***Agreement Procedures Committee***

Ms. Knox-Lawrence commented positively on the recent IFTA/IRP Managers' and Law Enforcement Workshop hosted by IRP, Inc. Approximately 125 persons were in attendance. The committee will be losing members due to term limitations and retirements and will be looking for volunteers from the Canadian and Southeastern Regions. They continue to work on the New Members Guide as well as the Best Practices Guide.

#### ***Audit Committee***

Mr. Hood informed the Board that the Audit Committee continues to work on the February 2015 IFTA/IRP Audit Workshop. They have been working together with the IRP Audit Committee and have established a preliminary agenda. The committee has also been working on the two ballots for 2014

that they are sponsoring. A webinar was presented in early October reviewing the ballots and feedback was positive with approximately fifty persons dialing in to the webinar. The Audit Committee continues to work on the Best Practices Guide and is developing an Auditor 101 webinar as well. It is the committee's intent to release this webinar prior to the February workshop.

Committee vacancies were also addressed by Mr. Hood. The committee continues to accept volunteers for the upcoming vacancies. Mr. Hood also asked the Board to consider the amount of reimbursements for committee members attending the IFTA/IRP Audit Workshop. It was noted that there were some expenses which are not currently covered or reimbursed by IFTA, Inc. These fees include additional hotel nights and the registration fees. No decision was made at this time regarding additional reimbursed or covered meeting expenses.

### ***Clearinghouse Advisory Committee***

Mr. Boone announced that the committee had recently added two new members. These members were Ms. Monique Williams (GA) and Mr. Kurtis Miros (WY). This leaves the committee with a vacancy in the Northeast Region. There has been some restructuring of the committee so that all the members are involved with the different subcommittees. These subcommittees are Quality Control, Best Practices Guide, Electronic Credentialing and Dual Fuels. The subcommittees are currently preparing purpose statements and plans to complete their tasks.

The CAC also has volunteers which are not committee members, yet they assist the committee. These volunteers are Ms. Tricia Grona (MA), Ms. Carla Pape (ID) and Mr. Kevin Davis (ID).

### ***Dispute Resolution Committee***

Mr. Byrne informed the Board that the Dispute Resolution Committee (DRC) currently has no pending business to date. However, they are recruiting for the Southeast Region in anticipation of a member rolling off the committee in December 2014.

### ***Industry Advisory Committee***

Ms. Johnson offered this committee's report. The Industry Advisory Committee (IAC) was encouraged by the ICAWG discussions held during the August Annual IFTA Business Meeting and felt that the white paper prepared by the working group had the desired effect. The committee also believes that the new fuel types are encouraging as industry feels that standardization is important for industry compliance. Ms. Johnson informed the Board that Ms. Prenger has been assisting with the investigation on non-receipted fuel and working with both the jurisdictions and industry to reach a resolution. Regarding the electronic credentialing, Ms. Johnson expressed that the working group's progress is very encouraging. They are researching very important questions regarding what is required and what is being enforced in relation to credentials.

Mr. Pitcher also spoke about electronic credentialing. He informed the Board that the IAC created a small working group that is addressing this issue. Mr. Pitcher explained that a decal is not a necessary form of identifying a legally qualified motor vehicle. It was explained that the vehicle could be scanned and tracked by two identifiers. These identifiers could be the US DOT number printed on the outside of the vehicle as well as the license plate. Some of the questions the working group is researching include:

- What does industry want in an electronic credential?
- What are the functions of an electronic credential?



- What would be necessary to have a working, successful electronic credential?
- What would the cost of an electronic credential be?
- What, if any, alternatives to the IFTA decal are there?

Currently the working group is planning for a possible ballot in 2016 to address the issue of electronic credentialing.

#### ***Information Technology Advisory Committee***

Mr. Rabaglia, on behalf of the committee chair, Mr. Scott Miller (KS), announced that while there is no charge to the committee pending from the Board, they are exploring electronic credentialing.

#### ***Program Compliance Review Committee***

Mr. Dian briefly reviewed the two committee ballot proposals discussed during the Annual IFTA Business Meeting in August. FTPBP 1-2014 has been withdrawn and FTPBP 2-2014 will continue as presented during the business meeting. Mr. Dian reviewed the new review cycle wherein the Canadian jurisdictions have been formulated into a fifth region, the Canadian Region, for the purposes of reviews only. He explained that there will be a transition period to assist in establishing this new region that will require some of the Canadian jurisdictions to be reviewed two years following their last review. These reviews will only focus on issues found during their previous review and will not be as in-depth as a full review.

Other activities of the committee include rewriting the Program Compliance Review Committee manual and reviewing the reports to the DRC regarding the New Jersey Order. The committee is also looking for an administrative volunteer from the Southeast Region. In 2015 the committee anticipates additional vacancies that will need to be filled.

#### ***Attorneys' Section Steering Committee***

Mr. Davis remarked on the success of the September IFTA Attorneys' Section Meeting which was held in Tempe, AZ. The highlight of this two-day meeting was the moot court exercise. Following this meeting the committee presented Mr. Beaudette as Chair and Ms. Mukherjee as Vice Chair, which the Board had approved earlier during the meeting.

#### ***Dual Fuels Working Group***

Mr. Hughson announced that Short Track Ballot Proposal 1-2014 is out for comment prior to the voting period. This ballot addresses the intent to establish a standard unit measure for LNG reporting and transmittal purposes between IFTA members. This ballot is being sponsored by the Board of Trustees. Additionally, the Board also reviewed the four new fuel types proposed by the CAC. These new fuel types have the endorsement of the Board and information pertaining to the reporting of these fuel types will be provided following the Board meeting.

#### ***IFTA Compliance Audit Working Group***

Mr. Nicholson reported that the working group drafted a white paper which reviews the topics of controversy discussed during the Annual IFTA Business Meeting in relation to FTPBP 3-2014. In addition to the release of this paper, the working group held a webinar in early October. The webinar was greatly attended and addressed the issues presented during the business meeting. The working group is continuing to research and answer all of the questions posed during the webinar and will post the answers on the IFTA, Inc. website once they have been compiled.

### ***Audit Committee Travel Reimbursement Clarification***

Mr. Hood inquired about the travel expenses and reimbursements for the IFTA Audit Committee during the upcoming IFTA/IRP Audit Workshop. It was explained that the current budget only allows for the reimbursement of 3 days per diem, two paid hotel nights and airline travel. The Audit Committee is requesting the Board to consider expanding the covered expenses as the workshop is a five day event with four hotel nights as well as the registration fees.

### ***IFTA/IRP Managers' and Law Enforcement Workshop***

Ms. Knox-Lawrence spoke briefly regarding the planning and length of this workshop. This workshop has been planned by the IRP Education Committee (EC) and the IFTA Agreement Procedures and Law Enforcement Committees. There had been discussions during the workshop that the committee meetings should not be held during the actual workshop agenda. The EC had requested these meetings be held either prior to or after the conclusion of the actual workshop agenda. Additionally, the EC felt that the workshop should be reduced from three to two days. The APC felt that the workshop should remain with three meeting days and not be reduced as there is a lot of pertinent data and discussions held during this combined workshop.

Mr. Hester recognized and thanked the three committees involved in the planning and hosting of the IFTA/IRP Managers' and Law Enforcement Workshop. The Board appreciates all of their work, time, and effort spent to present this unique event. IFTA, Inc. will review the financial aspect of increasing the travel reimbursement and covered expenses for committee members participating at workshops hosted by IFTA, Inc. This will be considered for the 2016 meetings.

### ***Committee Charters and Member Terms Review***

Mr. Hughson briefly spoke regarding the committee charters and member terms. He explained that a spreadsheet was distributed which identified charter differences. In addition, Mrs. Meise followed up with amended charters showing the tracked differences. The committee chairs were asked to review the spreadsheet and amended charters and respond back with any concerns or suggestions.

Following the discussions, Mr. Hester recognized the committees and the Chairs for their hard work over the course of the year. The conference call was then concluded.

### ***IFTA Meetings Update***

Mrs. Tammy Trinker, Office and Events Administrator, presented this update to the Board. The registration fees for the 2015 IFTA/IRP Audit Workshop were presented. The fees presented were \$305 for member jurisdiction representatives and \$355 for industry and general public representatives.

**Motion:** Mr. Zion moved to approve the registration fees for the 2015 IFTA/IRP Audit Workshop as presented. Mr. Hinkley seconded the motion. The motion passed.

The Board then discussed the benefits of holding the 1Q15 Board Meeting by webinar. It was undisputed that there was a significant cost savings by holding the Board meeting by webinar rather than meeting face to face. After some discussion the Board observed that they should meet face to face in February as they need to continue working on the new Strategic Plan.

Discussion was had regarding the Attorneys' Section Steering Committee request to host another Attorneys' Section Meeting in 2015. The Board Liaison's will approach the committee and suggest that the meeting be held in conjunction with another event such as the Annual IFTA Business Meeting in August 2015 or the IFTA/IRP Managers' and Law Enforcement Workshop in October 2015. This recommendation was to assist with possible attrition charges as well as exposing the committee members to another event and networking with different members and more industry personnel.

#### **2014 IRP Annual Meeting**

Ms. Turner provided a review of the 2014 IRP Annual Meeting. This meeting was held in May in Albuquerque, NM. Some of the items covered during this meeting included a financial report, repository update, and a Strategic Plan. Ms. Turner reported that both IFTA and IRP are working on similar projects but are approaching them from different angles. Other reports offered during this meeting included reports from the FMCSA, AAMVA, CVSA, and committee reports from the IRP Industry Advisory Committee, IT Committee, and the International Committee.

#### **2014 CVSA Meeting**

Mrs. Meise informed the Board that, during the previous CVSA meeting held in Los Angeles, CA, IFTA, Inc. was asked to increase its presence at the annual CVSA workshops. Currently IFTA has been on the agenda for approximately a half a day and will be looking to increase IFTA-related issues to a full day of discussion.

#### **Standing Committees Representation and Consistency**

Mr. Hughson and Mrs. Meise addressed the standing committee charter consistencies. Mr. Hughson asked the Board to adopt the changes as presented. During discussions it was opined that committee charter ownership, for the purpose of amendments, resided with the Board and not the specific committee. The Board decided that the committees themselves should also have input and will ask for feedback prior to the 1Q15 Board Meeting in February 2015. If no comments are received from the committees the Board will then proceed with the charters as presented. It was also noted that the committees have not provided feedback regarding the Committee Chair's Guide.

#### **Review of the 2014 Annual IFTA Business Meeting**

##### ***Board Travel Policy for Annual Business Meeting***

Ms. Turner reviewed the Annual IFTA Business Meeting and informed the Board that she had not heard anything negative about the meeting itself. She asked the Board for their opinion in regards to creating a travel policy wherein any Board member who is not the voting member for their jurisdiction should still be covered through the travel policy. In effect this would permit any non-voting Board member to attend the Annual IFTA Business Meeting and be eligible for the same benefits as the other Board members who are voting delegates.

#### ***Action Items from Board Meeting following the ABM***

Following the Annual IFTA Business Meeting, the Board and IFTA, Inc. personnel met to discuss and review the business meeting itself. As a result there were some items of interest that were decided by the Board. The Board agreed that future Meet and Greets with the Board were unnecessary. On the registration forms, IFTA, Inc. will ask whether or not an attendee is a first-time attendee. If there are any first-time attendees, IFTA, Inc. would inform the Board members and they would contact them prior to and at the meeting.

### ***Annual IFTA Business Meeting Evaluations***

The Board reviewed the data provided from the Annual IFTA Business Meeting evaluations. Topics were also recommended for the 2015 Annual IFTA Business Meeting including breakout sessions regarding dual fuel, continue hosting the Town Hall Meeting and continue hosting a Committee Chair Luncheon with the Board.

### **2014 Ballot Update**

#### ***IFTA Ballot Proposals***

Mrs. Meise reviewed the 2014 ballots. She updated the Board informing them that FTPBP 1-2014 had been withdrawn. This ballot proposal had been sponsored by the PCRC. FTPBP 2-2014, 3-2014, and 4-2014 are currently out for the second comment period. The second comment period concludes November 17. Regarding the Board sponsored ballot, STPBP 5-2014, the Board was asked to review the ballot and comments to inform IFTA, Inc. if there are any changes to be made, if they wished to withdraw the ballot, or if they wanted to proceed with the ballot as currently written. It was the decision of the Board to restructure the ballot language prior to opening the ballot for vote. This restructuring would not change the ballot language and therefore it would not be a substantive change requiring a third comment period.

#### ***IRP Ballot Proposals***

Mrs. Meise reviewed the IRP 2014 ballots. IRP Ballot 391, regarding apportionable vehicles, passed by 90%. The IRP Ballot regarding inadequate assessments, Ballot 392, failed by 46%. IRP also had several ballots for the IRP Board Elections. The results of these ballots were that Mr. Robert Ide (VT), Mr. John Poole (TX), Mr. Jeff Hood (IN), Mr. Shaun Hammond (AB), and Mr. Peter Hurst (ON) have been elected to serve on the IRP, Inc. Board of Directors. At the time of the Board meeting, IRP Ballot 399 was sent out for a re-vote to elect a Region IV (US) representative. The close date for this ballot is November 3.

### **IFTA, Inc. Bylaws Review – Election Provisions**

Ms. Turner reviewed the IFTA, Inc. Bylaws with the Board. It was noted that the Board will need to address the issue of when there is no nominee from a required region.

### **Contingency Plan**

Mr. Hester addressed the Board regarding the Contingency Plan. It was proposed that in addition to disaster recovery, a plan be included for release of airborne viruses or diseases at the offices of IFTA, Inc. IFTA, Inc. will update the current Contingency Plan and incorporate plans for the Board's review and approval. Additionally, it was questioned if a Continuity Plan should be devised should a member jurisdiction become incapacitated for a period of time and what IFTA, Inc.'s role would be during such a period.

### **New Business**

#### ***Voting Privileges***

Mr. Nutter inquired about the effect a jurisdiction that does not have voting privileges may have on the outcome of ballots. It was explained that this issue had been discussed in the past and that, as a single jurisdiction, any voting is not directly affected due to the number of votes necessary for passage. Should there be multiple jurisdictions in a situation where they do not have voting privileges at the same time then the voting outcome could have an effect. It was noted that ballots need three-fourths of the membership with an affirmative vote to pass. Therefore ballots require 44 affirmative votes to pass and a single jurisdiction that does not have voting privileges would not affect the outcome.

### **Jurisdiction Communication Lists**

Another inquiry regarding industry having access to online data, including the Jurisdiction Communication Lists, was reviewed. Previously the Board had discussed this inquiry and had considered establishing an associate membership. Ms. Johnson was asked to inquire with other industry representatives to determine the scope of the data to be accessed. IFTA, Inc. would, with memberships' approval, create a private web page that could be accessed by industry representatives that have signed up and agreed to pay an associate's member fee. IFTA, Inc. will determine what would be included on the website and what fee would be charged and report to the Board.

### **Financial Report**

Ms. Turner reviewed the approved budget for Fiscal Year 14/15 with the Board. She explained that, overall, the organization has saved more money than anticipated and remains financially sound. The outside auditors from Lombard and Associates had completed the field work on the financial statement audit and the SOC II audit report is scheduled for November. Ms. Turner also informed the Board that the IFTA, Inc. staff was very appreciative of the Board's allowances and the new payroll resource company has been very responsive and available during the switchover from AmCheck to TAG.

### **Rental Update**

Mrs. Koeller updated the Board on the rental properties. She informed the Board that both tenants are in good standing and that the dental office occupying Suite B-3 is halfway through the thirty-six month lease. Any concerns expressed regarding building maintenance have been addressed. IFTA, Inc. had utilized a real estate agency, CPI, who assisted in locating the current tenants. The fee shown in the financial report was a one-time fee based off of the total rental agreement amount.

### **Investment Report**

Mr. Josh Waitz, J.P. Morgan Securities, Chase Private Client, presented an investment report to the Board. Mr. Waitz is the Financial Advisor for IFTA, Inc. and reviewed the quarterly performance report as of 9/30/14.

### **Strategic Planning Session**

The Board held a Strategic Planning Session. During this session the Board reviewed the goals and objectives completed during the 2Q14 Board meeting. There are six drafted goals to the Strategic Plan and they are:

1. Use IFTA, Inc. resources efficiently and effectively.
2. Promote cooperation and trust by working with partners and providing outstanding customer service to members and stakeholders.
3. Identify and recommend uniform tax reporting, collection, and distribution procedures in response to emerging technologies.

4. Enhance confidence and trust among member jurisdictions.
5. Continually improve effective business operations.
6. Advance technology to provide the best customer service.

The Board began drafting action plans for these goals. This plan will continue to be reviewed and amended by the Board during the upcoming 2015 Board meetings.

**Adjournment**

Following the conclusion of the Fourth Quarter 2014 IFTA, Inc. Board of Trustees meeting, Mr. Hester called for a motion to adjourn.

**Motion:** Mr. Hinkley moved to adjourn the Fourth Quarter 2014 IFTA, Inc. Board of Trustees meeting. Mr. Hughson seconded the motion. The motion passed.

## ACTION ITEMS RESULTING FROM THE 4Q14 BOARD MEETING

ITEM	ACTION
1-4Q14	IFTA, Inc. will finalize the contracts for the 2015 Board meetings with the Embassy Suites in Tempe, AZ.
2-4Q14	IFTA, Inc. will contact The Historic Menger Hotel in San Antonio to determine if breakout rooms would be available for dual fuel vehicle reporting training at the 2015 Annual Business Meeting.
3-4Q14	IFTA, Inc. will monitor the committee term listings for each standing committee and send a certificate and letter to members who have served three consecutive two-year terms to recognize their service.
4-4Q14	IFTA, Inc. will finalize the program compliance review training for both jurisdictions and team members.
5-4Q14	IFTA, Inc. will post timely received comments from Clean Energy to the website for STPBP #5-2014.
6-4Q14	IFTA, Inc. will work with the Dual Fuels Working Group to prepare a training webinar regarding the reporting of dual fuel vehicles. The webinar will include how to utilize the four new fuel types for reporting purposes.
7-4Q14	IFTA, Inc. will write a letter to Jennifer Brown (AZ), outgoing chair of the LEC and to her supervisor regarding her exemplary service to the organization through her terms on the committee.
8-4Q14	IFTA, Inc. will create a Memorandum of Understanding or other document that the non-CVISN jurisdictions can sign regarding sending limited data to SAFER.
9-4Q14	IFTA, Inc. will distribute a Memorandum from the PCRC Chair to the membership regarding the decision to change review region structure for the 5-year review period.
10-4Q14	IFTA, Inc. will determine cost of paying for full Audit Workshop and Manager and Law Enforcement costs for the Audit Committee, the Agreement Procedures Committee and the Law Enforcement Committee. A report will be given at the 2Q15 Board meeting.
11-4Q14	IFTA, Inc. will invite IRP, Inc., AAMVA, FMCSA and FTA to attend our 1Q15 Board meeting.
12-4Q14	IFTA, Inc. will further revise its contingency plan to include a disaster recovery plan and contingencies for IFTA, Inc.'s actions on behalf of a jurisdiction that suffers a catastrophic loss.

## ACTION ITEMS RESULTING FROM THE 4Q14 BOARD MEETING

ITEM	ACTION
13-4Q14	IFTA, Inc. will look at the possibility of creating a secure industry access page to the website by determining what to make available and the cost of same.
14-4Q14	IFTA, Inc. will change the definitions of fuel types for the Clearinghouse and provide them to the membership after explanation is provided.
15-4Q14	IFTA, Inc. will update the Clearinghouse User Guide with the new fuel type definitions.
16-4Q14	IFTA, Inc. will look into costs of FaceTime/Skype, etc. for webinars and remote Board meetings for FYE16 budget.
17-4Q14	IFTA, Inc. will research the Bylaws to determine if the decal specifications could be approved by the Board every three years or if they are required to be approved annually.