

MONTANA MESSAGE

December 2015 ISSUE

PETRO POLLY...her observation

A Sign of the Times

As a little girl climbed onto Santa's lap, Santa asked the usual, "And what would you like for Christmas?" The child stared at him open mouthed and horrified for a minute, then gasped: "Didn't you get my E-mail?"

MONTANA'S INFRASTRUCTURE

In the September issue of the WPMA News, we discussed the ongoing concerns of the Legislature (and affected organizations) to provide an infrastructure funding plan for the State. This industry is one of those potentially affected organizations with the emergence of several proposals from local governments to enact local option fuel taxes to boost funds for street/road maintenance. Montana law provides that a County (vote of Commissioners) may place a referendum on their local ballot to enact up to a 2 cent per gallon, gasoline excise tax. Local option fuel taxes are one of the top three issues on the Association's "watch list" and it will accordingly expend resources to insure one is never implemented. At the time of this publication the Board has provided written statements of opposition to three counties that are discussing referendums. The Board has also forwarded a position statement to the Economic Development Council in Dawson County that is pursuing adoption of a ballot proposal for June of 2016. The Board, at its October 7th meeting, adopted this position to carry forward to all local governments. It is in two parts:

First, the Association will not oppose an "across-the-board", statewide fuel tax increase that includes increased allocations to counties, cities and towns, if the proceeds are used strictly for the building and maintenance of highways, streets and roads.

Further, if a coalition of affected parties including the organizations representing the local governments, is formed, and can agree on the parameters of a statewide fuel tax increase, the Association would support such a legislative effort.

After much discussion, the Board determined that while a statewide tax increase is unsavory, the alternative of counties implementing varying gasoline tax rates is much worse. The Association will be watching the actions of the local governments closely and acting accordingly.

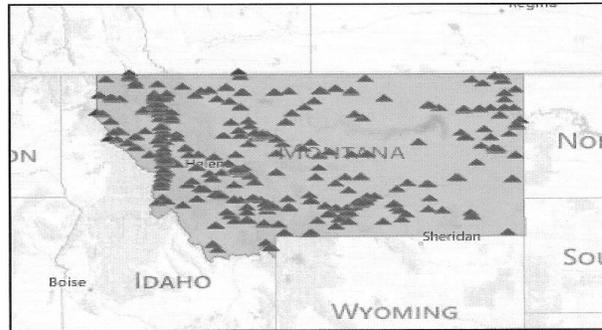
NEW MEMBER SERVICE

The MPMCSA Board of Directors approved a new member service at its October 7th meeting that may provide solutions for some business owners to the ACA compliance requirements of Obamacare. PayneWest Insurance company has developed a plan that can assist employers with over 50 full-time employees in providing a MEC* (Minimum Essential Care) policy to their eligible employees. The plan includes a risk compliance tool that identifies eligible employees, tracks who is enrolled in coverage and proves compliance to the IRS using forms 1094 and 1095. Compared to the fines (\$2000 per employee annually) that some businesses may choose to pay vs. insuring their employees with a Bronze plan, the cost of the PayneWest MEC plan at \$69 per employee, may prove a very useful business tool. There is much confusion that exists with what will satisfy the ACA requirements to avoid the \$2000 per employee fine. The fact is, a business is only required to offer a MEC plan that covers one of the 10 ACA essential benefits; in the case of the PayneWest program, that is "preventative care". More information will be available soon on the MPMCSA website and will be provided directly to members.

NACS INDUSTRY REPORT

Every year the National Association of Convenience Stores (NACS) publishes industry reports for each state that includes statistics on number of stores, number of employees, sales, etc. Following is the recently released 2014 report for Montana.

2014 State Report Montana



Governor Steve Bullock

	Average Per Store	District	Montana
Total Stores:	1	678	678
Total Employees:	17	11,255	11,255
Transactions Per Day:	1,338	907,164	907,164
Total Sales:	\$4,578,460	\$3,104,195,880	\$3,104,195,880
Merchandise:	\$908,366	\$615,872,148	\$615,872,148
Food:	\$211,525	\$143,413,950	\$143,413,950
Fuel:	\$3,458,569	\$2,344,909,782	\$2,344,909,782
Gallons of Fuel:	1,038,609	704,176,902	704,176,902
Credit Card Fees Paid:	\$74,981	\$50,837,118	\$50,837,118
Utility Expenses:	\$41,436	\$28,093,608	\$28,093,608
Labor Expenses:	\$255,408	\$173,166,624	\$173,166,624
Pre-Tax Profit:	\$68,404	\$46,377,912	\$46,377,912

Source: NACS State of the Industry Report of 2014 Data; Nielsen TDLinx Store Count (December 31, 2014)