

2017 IPM&CSA PAC Golf Events:

Clear Lake Country Club, June 6

(Event Coordinator: *Rob Franklin*)

CLEAR LAKE WINNERS: 1ST PLACE: ALTA COMPUTER

– Bob Michaelis, Eric Calder, Jan Roothoff, Brian Hales

2ND PLACE: BINGHAM COOPERATIVE

– Mike Jensen, Brock Driscoll, Blair Truman, Tyler Watt

Boise Ranch, July 13

(Event Coordinator: *Terry Spackman*)

Huntsman Springs, August 30

(Event Coordinator: *Ron Berry*)

HUNTSMAN SPRINGS WINNERS: 1ST PLACE: FISHER TECHNOLOGY

– Josh Nunamaker, Sam Forbush, Chris Taylor, Billy Butler

2ND PLACE: Ross Lusk, Shawn Bosh, Zack Davis & Aaron Davis

2018 Legislative Preview Overview

If your eye is on Idaho's economy, the outlook appears to be rosy with current statistics as your measure. State revenues are ahead of projections, unemployment is extremely low, and construction is booming - at least in the urban areas. On the political front, expect big turn-over at the State and legislative levels, with more open seats than Idaho has experienced in some time. Although we will stop short of calling it a wholesale generational change, we can expect Idaho's major offices to be filled by new occupants (if not new faces). Some of this looks like the proverbial game of "musical chairs," but this is Idaho after all, and for the most part, we are in familiar territory. Regardless of who is sworn in to office in 2019, IPM&CSA will be well positioned to work to defend and protect our industry.

Legislative Preview – It's all about the Election Cycle

Look to the 2018 Elections: For the real action in 2018, let's look beyond the debates and bill tracking at the Idaho Statehouse and focus on upcoming elections – the Primary in May (the determining election in many races), and the General in November. Idaho will experience the most wide-open election cycle we have seen in a while, perhaps a generation. The Governor's race is heating up with three well-known and well-funded candidates in the GOP primary – Congressman Raul Labrador, Lt. Governor Brad Little, and political newcomer, Tommy Alquist. Political insiders say it's a toss-up, with the outcome unpredictable in a closed primary election. With the current Lt. Governor, Brad Little, now running for Governor, no fewer than six candidates are running for Lt. Governor, and that's just on the Republican side. Raul Labrador is leaving Congress to run for Governor, and multiple candidates are also jumping at the chance to fill an open Congressional seat. On the legislative front, predictions are for 25% turnover, with retirements and ambitions for higher office driving many to move on. Whew! I'm exhausted already and 2018 hasn't even begun.

Industry Issues for 2018

Legislative issues will include PSTF Board: On the industry front, we will no doubt hear about the need for more money for Idaho's roads and bridges, and proposals to promote electric vehicles and alternative energy for transportation. IPM&CSA will work on legislation to redefine the board governing the Idaho Petroleum Clean Water Trust Fund (also known in the industry as the PSTF). More generally, we can expect legislators to renew their efforts to cut income tax rates and eliminate personal property taxes, to continue to fund the governor's education initiatives, and to adjust and expand health insurance coverage as states seek more independence from federal law. There will, of course, be a few wild cards thrown in to the mix, but as always, we will be looking out for the industry during the 2018 legislative session.

The Petroleum Clean Water Trust Fund – A Primer

PSTF – Idaho Made a Smart Move Early On – Creating an Insurance Fund, Not a Clean-Up Fund

We're lucky here in Idaho, to have one of the best Petroleum Storage Tank Funds in the country, and we can thank members of our own industry for "thinking outside of the box" (to use a trendy phrase) when they created Idaho's program back in 1990. The Idaho Petroleum Clean Water Trust Fund, or PSTF, provides financial assurance to underground storage tank holders, as required by federal law, and is overseen by a seven-member board, including three marketer members, two legislators, and specialists in environmental clean-up and financing. Unlike most other states, Idaho created the PSTF as an insurance company, rather than a clean-up fund. Pre-existing contamination is not covered, and policy-holders must meet a \$10,000 deductible. The Fund insures more than 4100 tanks, including underground, aboveground, farm and residential tanks, and covers more than 80% of Idaho's total tank count. The PSTF is funded, in part, by 20% of the one penny "transfer fee" which is imposed on every gallon of petroleum products transferred to or stored in the state. The bulk of the transfer fee goes to the Idaho Department of Transportation (77%) while 3% of the penny goes to Idaho Parks and Recreation.

A Track Record of Success: The Idaho Clean Water Petroleum Trust Fund has proven to be efficient, cost effective, and protective not only to Idaho's groundwater, but also to anyone who owns a petroleum storage tank qualifying for the program. Employees of the PSTF are on site regularly to ensure that tanks comply with state and federal requirements, and to advise owner/operators on maintaining their systems. PSTF works cooperatively with DEQ to clean up contamination related to petroleum tanks, and Idaho has an enviable track record for successful clean ups and for removing old tanks from service. With a 27-year history of successful operation and management, the PSTF is indispensable to our industry in meeting federal EPA financial assurance requirements and to Idaho's consumers in protecting groundwater and ensuring availability of fuel in rural areas.

PSTF Board Welcomes New Members

Of the many boards and commissions that operate in Idaho State Government, the Idaho Petroleum Clean Water Trust Fund is one of the best-kept secrets, which is not an altogether bad way to do business. The seven-member board has overseen the PSTF program since its creation in 2003, and the program has been managed since its inception by the Idaho State Insurance Fund. We would like to thank the two newest members of the PSTF board, Representative Randy Armstrong (R) Inkom, and Brett Adams, Adams Petroleum for their service.

Thanks to all members of the Idaho Petroleum Clean Water Trust Fund for their service to the state: Forde Johnson, Idaho Falls; – Financial/Insurance & Chairman of the board; Bob Nonini, Post Falls – Senate Representative; Randy Armstrong, Inkom – House Representative; Kirk Clarick, Boise – Environmental.

Marketer Representatives: John Jackson, Meridian – Jackson Energy; Brett Adams, Burley – Adams Petroleum; Dennis DeRoche, Blackfoot – DeRoche Oil Inc.

IPM&CSA Legislative Initiative: In the 2018 session, IPM&CSA will present legislation to redefine the board governing the Idaho Petroleum Clean Water Trust Fund to align marketer categories to current industry conditions. The existing board defines marketer categories by volumes which are no longer practical in the marketplace. We will seek to provide more flexibility for these jobber categories on the board.

2018 Elections – Our Chance to Support Candidates Up and Down the Ballot

IPM&CSA PAC Supports Our Allies at the Statehouse: IPM&CSA commits time and resources to legislative and statewide races and supports elected officials who share our philosophy of government policy and regulations. As in previous election cycles, Idaho marketers continue to build relationships with key legislators and government officials to ensure that our industry is represented in the development of Idaho laws and regulations.

IPM&CSA contributed to 49 legislative candidates in the 2016 election cycle, a year for legislative elections only. In 2018, the ballot will also include all state-wide offices and two Congressional representatives. 2018 provides us a good opportunity to support more candidates up and down the ballot.

We exceeded our fundraising goal for 2017! Thanks to members and vendors and friends who supported the 2017 IPM&CSA PAC golf tournaments to fund the IPM&CSA PAC efforts! And a huge "Thank You" to our event coordinators who donate countless hours to making these events a success!

2018 Upcoming Events: MARK YOUR CALENDAR

— Idaho Member meeting in Las Vegas: Tuesday February 20 – Time/location TBA

Come get an update on the 2018 legislative session and weigh in on issues impacting our industry. Stand by for details on time and place.

**— Get Your Room Reserved Early: August 8-10, 2018 IPM&CSA Convention and Trade Show, Coeur d’Alene
Resort, Coeur d’Alene, Idaho**

Hold the date for a family vacation in beautiful Coeur d’Alene, Idaho for the 2018 IPM&CSA Convention and Trade Show, August 8-10, 2018. You will want to bring friends and family and stay awhile. This is the high season in Coeur d’Alene. The room block always sells out early, so get your reservations now! Call Coeur d’Alene Reservations at 1-844-602-5311 and ask for the IPM&CSA room block. www.edaresort.com

CHECK THIS OUT – Idaho Website Has Photos, Registration, and News!

Check out the Idaho section of the WPMA Website. Register for events, find critical industry information and see your favorite photos from IPM&CSA events. Visit the updated Idaho page and let us know what you think and how we can improve the information we provide. www.wpma.com/idaho

NACS 2016 State Report for Idaho Offers C-Store Industry Snapshot:

NACS provides interesting statistics for Idaho C-Stores which illustrate just how important we are to the Idaho economy! Here’s how the numbers lay out based on the NACS State of the Industry Report of 2016; Nielsen TDLinx Store Count (December 31, 2016)

	AVERAGE PER STORE	IDAHO
Total Stores:	1	825
Total Employees:	16	13,365
Transactions per Day:	1,429	1,178,925
Total Sales:	\$3,558,417	\$2,935,694,025
Merchandise Sales:	\$1,060,675	\$ 875,056,875
Food Service Sales:	\$ 447,721	\$ 369,369,825
Total Motor Fuel Sales:	\$2,050,021	\$1,691,267,325
Total Motor Fuel Gallons: ...	1,206,991	995,767,575
Total Credit Card Expense: ..	\$ 61,475	\$ 50,716,875
Total Utilities Expense:	\$ 40,860	\$ 33,709,500
Total Labor Expense:	\$ 337,956	\$ 278,813,700
Pre-Tax Profit:	\$ 66,004	\$ 54,453,300