

LNC Executive Committee Meeting

Teleconference March 13, 2001

Present: Jim Lark, Chair
Dan Fylstra, Vice-Chair
Mark Tuniewicz, Treasurer
Steve Givot, Secretary
Ken Bisson (IN), At Large Representative
Joe Dehn (CA), Region 2 Representative
Michael "MG" Gilson de Lemos (FL), Region 4

Also Present: Deryl Martin (TN) - Region 7 Representative
Mike Dixon (IL), Region 1 Representative

Staff: Steve Dasbach, National Director

Lark called the meeting to order at 8:33 PM EST.

Item: Adoption of Agenda

Tuniewicz asked whether Dixon wished a proposal to adopt a policy regarding LNC member involvement in presidential campaigns to be discussed at this meeting.

Dasbach said that the full LNC would have to approve such a policy.

Givot suggested that Lark consider placing it on the agenda for the April, 2001 LNC meeting.

Lark said that he believes that it should not be on the agenda for this meeting. He said that it may be added to the April, 2001 LNC agenda.

Dehn said that he would like a discussion of the site of the April, 2001 LNC meeting.

Givot objected, saying that the LNC discussed holding this meeting at the hotel where NORML meeting is being held. He said that he understands that no space was available at the same hotel as the NORML meeting, but that staff obtained proximate space at a nearby hotel.

The agenda was adopted with the addition of a discussion of the site of the April, 2001 LNC meeting.

Item: Site of April, 2001 LNC meeting

Dehn asked for answers to questions about alternate sites for the April, 2001 LNC meeting.

Dasbach said that alternative sites in far away locations were not checked for availability because the LNC specifically asked to be near the NORML convention.

Dehn asked what sort of contract exists between the LNC and the hotel.

Dasbach said that he is not sure. He said that Dianne Pilcher was in charge of these arrangements and that she is not currently available to provide answers to that question.

Dehn said that LNC members have been placed in an awkward position because the LNC voted to have the party cover hotel costs which are significantly higher than what the LNC members would otherwise have paid by themselves.

Fylstra said that the LNC has been put in an awkward position by itself. He said that the staff is not responsible for this situation. He said that LNC members should have understood that placing this constraint on the staff could reasonably be expected to raise the cost of lodging.

Bisson said that the prior weekend he attended a conference in Chicago at a cost of \$179 per night. He said that the cost of the hotel in Washington is not extravagant by reasonable standards.

MG asked Dehn if he feels that this is an example of a wider problem.

Dehn said that he is not sure. He said that he feels that this may be the result of a lack of communication between the LNC and the staff about expectations regarding expenses. He said that over the years, an expectation has developed regarding what such accommodations should cost.

Dasbach said that if there is any problem, it relates to a decision he made to hold the meeting near the NORML meeting.

Givot said that the appropriate time to raise and decide the question of the incremental cost of meeting at or near the NORML meeting hotel would have been the December, 2000 LNC meeting.

Tuniewicz said that the motion which he made at the December, 2000 LNC meeting called for a \$100 per night limitation on lodging costs for LNC-SPT meetings.

Bisson said that spending this amount of time discussing this and questioning such a decision on the part of the National Director was a waste of time. He said that having the National Director spend time looking for alternative lodging is, in his opinion, a waste of the National Director's time.

MG asked that Dasbach look for alternative lodging.

Bisson objected.

Fylstra objected.

Givot objected.

Item: National Director's Report

Dasbach said that the books for 2000 have now been closed.

Dasbach reviewed outstanding accounts payable.

MG asked Dasbach if he had emailed a written copy of his report.

Dasbach said that he had not done so because he was out of the office all day. He said that now that the books are closed for 2000, he will again be able to mail report because closing the books for 2000 makes generation of those reports possible. He cited a technical limitation of the accounting software which precludes generation of reports in a given year until the prior year's books are closed.

Dasbach said that the Annual Report mailing to members appears to be yielding the anticipated number of responses, but the dollar amount of contributions is down somewhat. He said that this will probably result in a budgetary shortfall.

Dasbach said that there was a technical problem relating to a portion of the Annual Report mailing to prospects and non-renewed members and that this portion will be sent again. He said that the technical problem was internal to the national office, not the mailing house. He said that he does not yet have information about the response rates from this portion of the mailing, but they appear to be in line with the prior year's results.

Dasbach said that the NC ballot drive has been costing about \$10,000 per week and generating about 10,000 signatures per week. He said that the drive is being slowed down to about \$2,000 per week generating about 2,000 signatures per week, allowing a greater proportion of signatures to be gathered by volunteers and minimizing the number of excess signatures gathered.

Dasbach said that Crickenberger anticipates that the \$2,000 per week cost for signatures is likely to be maintained until the end of the year.

Dasbach said that the most recent membership count is 32,544 as of today.

MG asked about the status of obtaining the Browne contributor list.

Dasbach said that the information has been received from the Browne campaign and, to his belief, was recently imported into the LP database.

Fylstra said that he appreciates getting this verbal report, but that he would very much like getting a written summary half a day before each meeting.

Dasbach said that he would do his best to do so.

Lark asked for a status report on the lawsuit filed in AZ appealing the ruling denying acceptance of Harry Browne's independent petition.

Dasbach briefed the Executive Committee on the status of that litigation. He said that the purpose for pursuing this is to attempt to avoid having a bad precedent on the books in AZ.

Givot asked whether there is a means to recover the costs of the petition should the LNC prevail in the lawsuit.

Dasbach said that he does not know, but that he does not think so.

Item: Consideration of Goals for 2001

MG moved that the Executive Committee recommend the draft 2001 goals previously emailed by Lark to the LNC for consideration at its April, 2001 meeting.

Fylstra seconded.

Lark's proposed goals were:

- Achieve ballot access in Michigan, Nebraska, North Carolina, and Ohio.
- Achieve a record number of Libertarian candidates for an odd-year election and achieve a record number of Libertarian election victories.
- Achieve a new record for media outreach.
- Achieve a new record for number of members and for the total of members and contributors.
- Achieve a net worth in excess of \$175,000.
- Achieve the creation, review, and adoption of a strategic planning process and a multi-year strategic plan by the end of the December LNC meeting.

Lark's proposed measurables were:

- Michigan, Nebraska, and North Carolina completed and certified by 11/30/01. Ohio completed by 11/30/01.
- At least 300 Libertarian candidates (partisan and non-partisan races) appear on the ballot in 2001. At least 45 Libertarian victories (partisan and non-partisan races) during 2001.
- Achieve new records in each of the contact categories that we currently track.
- Current record end-of-month membership number = 33,419 (established 5/31/00). Membership on 12/31/01 will be at least the greater of 33,420 or 99% of the highest prior 2001 end-of-month membership number.
- The closed 12/31/01 balance sheet will show a net worth of at least \$175,000. In addition, cash (including reserve) will exceed accounts payable by at least \$160,000.

Fylstra asked whether the media contact goal is consistent with past experience.

Dasbach said that he believes that - based on past experience for the year after a presidential election - the media contact goal is achievable.

Bisson moved to amend the goal relating to member and contributor levels at year end to read "Membership at the end of 2001 will be at least 33,563 and total contributors will be at least 39,179" and that the goals be recommended to the LNC unranked and that it be made clear to the LNC that the order of the goals is not significant.

The amended was accepted as friendly without objection.

Dasbach responded to Fylstra's question by providing supporting data that there were an average of 130 media contacts per month in 2000, and that he believes that 2001 will yield a slightly higher result.

The motion passed by a vote of 5 to 0 with 2 abstentions.

Item: Discussion of Routine Information Reports

Lark said that he sent the Committee a message about a week ago listing six possible items of routine reporting. He referred to Givot's message about routine project reporting.

Givot referred to his prior recommendation about routine financial reporting.

MG said that Lark's list is an excellent starting point.

MG moved adoption of Lark's list.

Bisson seconded.

Lark clarified that the specific items on his list were:

- A monthly balance sheet summary
- A monthly spread sheet showing all revenues and expenses augmented with the analytical items which Givot and Tuniewicz have suggested.
- A monthly report regarding ongoing ballot drives, including cumulative costs
- A monthly report of media contacts, interviews, op eds, and TV appearances
- A monthly membership report including starting membership, lapsed members, number of previously lapsed who renewed, new members, and ending membership
- A monthly report showing the status of any pending litigation in which the LNC is a party

Lark said that all of these reports will be available to the full LNC.

Dehn asked whether the redesigned database can generate ad hoc reports.

Dasbach said that the capability exists, but that staff has not yet received training in how to do this.

Givot asked, if these reporting requirements are approved, that staff be given some time to come back to the Executive Committee with an estimate of the time when they can begin to deliver these reports so that there is a common expectation as to when this will begin.

Givot said that the Executive Committee should also set a time frame in which these reports will be used before the Executive Committee will ask for changes or additional reports.

Bisson said that he supports Givot's proposals and would also like to see an established minimum time period between distribution of these reports and the subsequent Executive Committee meeting.

Fylstra proposed that we should not wait for closing the month to produce these reports.

Dasbach said that it is necessary to manually transcribe data to produce some of these reports. He said that he would not want to transcribe the data twice. He said that it is necessary to transcribe the final data, so that Fylstra's suggestion would require that it be done twice.

Fylstra raised concern about the litigation report becoming public or, alternatively, excluding important materials.

MG said that the membership would probably be interested only in knowing the number, nature, and status of pending lawsuits.

MG said that he was under the impression that the Executive Committee would be receiving reports on all ongoing projects and a listing of prioritized "hot items" as well.

Lark said that he understands that such things would be part of the National Director's verbal report at Executive Committee meetings.

MG said that it may be necessary to put in writing and fine tune this list as we start to use it. He said that such additions can be made later.

Dehn said that Lark's original memo listed additional items that he would like to be included in the initial listing of routine reports.

Dehn said that an additional item that he believes should be added would be monthly reports on current direct mail projects.

Dasbach said that once a direct mail project has been scheduled, a report should notify the Executive Committee about the scheduled project, including the proposed drop date and the projected cost. He said that this would be followed by a final report when the final results are known.

Lark moved to amend his motion to add to the list of routine reports:

- A report when a direct mailing (other than a routine fundraising letter) is scheduled showing the scheduled drop date and estimated costs and any other components of the project plan.
- A report when a direct mailing (other than a routine fundraising letter) is completed showing the costs, responses, and revenues associated with that direct mailing.

Givot seconded.

Without objection, the amendment was adopted.

Bisson moved to amend the motion to add to the list:

- A monthly report showing the number of candidates currently recruited.

MG seconded.

Without objection, the amendment was adopted.

Dehn amended the motion to add to the list of routine reports:

- A monthly report detailing any staffing changes.

Givot seconded.

Without objection, the amendment was adopted.

Dasbach proposed adding the following item to the list of routine reports:

- A monthly report showing the current number of candidates serving in elected or appointed office.

The Committee amended the list to add Dasbach's suggestion by a vote of 6 to 0 with 1 abstention.

Lark opened the discussion of related topics.

Bisson said that he believes that the increased speed of reports is not a good tradeoff for having the staff enter the data twice.

Fylstra said that he is not proposing that the work be done twice.

Dasbach said that he must enter the final data because he needs the final data for his own purposes.

MG said that a monthly reporting cycle by the National Director should be sufficient. He said that he would expect exception reporting.

Bisson said that it sounds like a meeting during the first week of the month should provide all of the monthly report for the closed month plus preliminary numbers approximate numbers for the month just ended.

Givot said that - with the exception of failing to show month-end accrued expenses - this would provide the best of alternatives.

Fylstra said that if a monthly budget is developed and if month end cash projections were available, then he would be happy with receiving these two reports at a meeting early each month.

Tuniewicz said that the last teleconference meeting was a month ago. He said that at the end of the National Director's report he had not seen financial reports in several weeks. He said that he has received no reports since then.

Dasbach reminded the Committee that reports for 2001 could not be produced until March 6 because the current bookkeeping system. He said that he would determine why reports were not sent to Tuniewicz immediately after the closing of the 2000 books on March 6.

Bisson moved that the Executive Committee schedule meetings on the first and third Wednesdays of each month beginning in April, that the National Director distribute the monthly reports for the closed month by the 27th day of the following month, and that the National Director would distribute a flash report for the immediately preceding month at least 48 hours prior to the first Executive Committee meeting of each month.

MG seconded.

Givot asked that the minutes reflect that the National Director report to the Executive Committee by March 27, 2001 meeting regarding any report that he cannot implement by the first LNC meeting in April, 2001.

The motion passed by a vote of 6 to 0 with 1 abstentions.

Givot moved that the Executive Committee list of reports not be expanded until the first Executive Committee meeting in July.

MG seconded.

Givot said that it is his intention to give the National Director time to get the new reporting structure in place and the Executive Committee time to live with and learn from this set of reports before making additional requests.

The motion passed by a vote of 3 to 0 with 4 abstentions.

MG said that the action taken by the Executive Committee on the topic of regular reporting may prove to be among the most important actions taken by the Committee.

Item: Providing Assistance to the LP of Costa Rica

Tuniewicz said that he was supportive of the request of the LP of Costa Rica up to the point where they request contributions via their web site.

MG said that he has been in communication with the LP of Costa Rica and that they have expressed a willingness to tweak their message to avoid problems which it might pose for us.

Bisson said that he would prefer for the entire LNC to vote on this matter of policy.

Lark asked MG is there is time pressure that would call for consideration prior to the April, 2001 LNC meeting.

Bisson moved that the Executive Committee recommends to the LNC that the LNC authorizes a posting by the LP of Costa Rica to our email list, to be approved by the Chair, which may point to the LP of Costa Rica's web site provided that the email itself does not request contributions.

Tuniewicz seconded.

The motion passed by a vote of 6 to 0 with one abstention.

Item: Remarks for the Good of the Party

Lark said that the past weekend's LNC-SPT meeting went very well. He thanked Marc Brandl of staff, facilitator Steve Givot, and all the members of LNC-SPT for their work on strategic planning.

Lark thanked all of the people who contributed to the production of the Annual Report in the LP News. He thanked Bill Winter, in particular.

Bisson asked about staff changes.

Dasbach said that Jon Trager has been added to the staff as the LP News reporter. He said that Trager has a degree in journalism as well as prior work experience that will be helpful in his new job.

Givot said that he attended Dasbach's TEC meeting this morning. He said he was very favorably impressed with the leader, the presenter, and Dasbach's peers. He said that he reviewed the cost of the program and feels that it is an excellent investment in staff development.

Dasbach advised the Committee that he was referred to the group by former LP Treasurer Hugh Butler.

MG said he felt the motion regarding the Costa Rica LP was "historic."

Item: Next Meeting

The Committee set its next meeting for Wednesday, April 4, 2001.

The meeting was adjourned at 10:38 PM EDT.