

EXECUTIVE COMMITTEE MINUTES
LIBERTARIAN NATIONAL COMMITTEE
NOVEMBER 28, 2023
VIA ZOOM



PREPARED BY **CARYN ANN HARLOS**, LNC SECRETARY

TABLE OF CONTENTS

| | |
|---|----------|
| OPENING CEREMONY | 4 |
| CALL TO ORDER | 4 |
| HOUSEKEEPING | 4 |
| EXECUTIVE COMMITTEE MEMBER ATTENDANCE | 4 |
| REMAINING LNC MEMBER ATTENDANCE | 4 |
| OPPORTUNITY FOR PUBLIC COMMENT | 4 |
| PURPOSE OF EXECUTIVE COMMITTEE MEETING | 5 |
| NEW BUSINESS WITH PREVIOUS NOTICE | 5 |
| CONSIDERATION OF PROPOSED BUDGET | 5 |
| EXECUTIVE SESSION | 5 |
| NEW BUSINESS WITH PREVIOUS NOTICE (CONT'D) | 5 |
| ADJOURNMENT | 5 |
| TABLE OF NUMBERED MOTIONS/BALLOTS | 6 |
| TABLE OF APPENDICES | 6 |
| APPENDIX A – PROPOSED BUDGET | 7 |

LEGEND: text to be inserted, ~~text to be deleted~~, unchanged existing text, *substantive final main motions*.

All main substantive motions will be set off by *bold and italics in green font* (with related subsidiary and incidental motions *set off by highlighted italics*) and will be assigned a motion number comprising the date and a sequential number to be recorded in the Secretary's Main Motion/Ballot Tally record located at <https://tinyurl.com/LNCVotes2023>

Points of Order and substantive objections will be indicated in **BOLD RED TEXT**.

All vote results, challenges, and rulings will be set off by **BOLD ITALICS**.

The LPedia article for this meeting can be found at:

[https://lpedia.org/wiki/LNC Executive Committee Meeting 28 November 2023#Recording.28s.29](https://lpedia.org/wiki/LNC_Executive_Committee_Meeting_28_November_2023#Recording.28s.29)

Recordings for this meeting can be found at the LPedia link.

OPENING CEREMONY

CALL TO ORDER

Chair McArdle called the meeting to order at 9:14 p.m. (all times Eastern).

HOUSEKEEPING

EXECUTIVE COMMITTEE MEMBER ATTENDANCE

The following were in attendance:¹

Officers: Angela McArdle (Chair), Andrew Watkins (Vice-Chair), Caryn Ann Harlos (Secretary), Todd Hagopian (Treasurer)

Non-Officers: Steven Nekhaila (At-Large), Kathy Yeniscavich (At-Large), Adrian F Malagon (At-Large)

REMAINING LNC MEMBER ATTENDANCE

Regional Representatives: Adam Haman (Region 1), Dave Benner (Region 2), Dustin Nanna (Region 3), Otto Dassing (Region 5), Mark Tuniewicz (Region 6), Beth Vest (Region 7)

Regional Alternates: Greg Hertzsch (Region 3), Will Hyman (Region 5), Bill Redpath (Region 6)

Absent: Gary Alvstad (Region 4 Alternate), Dustin Blankenship (At-Large Representative), Dave Benner (Region 2 Representative), Richard Burke (Region 1 Alternate), Martin Cowen (Region 2 Alternate) Pat Ford (Region 8 Representative), Robley Hall (Region 8 Alternate), Meredith Hays (Region 4 Representative), Mike Rufo (At-Large Representative)

Staff: None

The gallery comprised Larry Silver.

OPPORTUNITY FOR PUBLIC COMMENT

There were no requests for public comment.

¹ Mr. Nekhaila arrived after the initial roll call.

PURPOSE OF EXECUTIVE COMMITTEE MEETING

The meeting was called to consider the proposed budget to recommend to the full LNC.

NEW BUSINESS WITH PREVIOUS NOTICE

CONSIDERATION OF PROPOSED BUDGET

Treasurer Hagopian gave a presentation on the proposed budget. The slides presented to the Executive Committee are attached hereto as **Appendix A**.

EXECUTIVE SESSION

WITHOUT OBJECTION, the Executive Committee went into Executive Session at 9:55 p.m. with the rest of the LNC and staff present for purposes of discussing the confidential portions of the budget regarding staff and pending/potential litigation.

The LNC arose out of Executive Session at 10:28 p.m.

NEW BUSINESS WITH PREVIOUS NOTICE (CONT'D)

Treasurer Hagopian moved to recommend the proposed budget for adoption by the LNC.

A roll call vote was conducted with the following results:

| Member | Yes | No | Abstain |
|---------------|----------|----------|----------|
| Hagopian | X | | |
| Harlos | X | | |
| Malagon | X | | |
| Nekhaila | X | | |
| Watkins | X | | |
| Yeniscavich | X | | |
| McArdle | X | | |
| TOTALS | 7 | 0 | 0 |

This motion PASSED with a roll call vote of 7-0-0. [20231128-01].

ADJOURNMENT

The Executive Committee adjourned for the day **WITHOUT OBJECTION** at 10:41 p.m.

TABLE OF NUMBERED MOTIONS/BALLOTS

*Note that the master log of motions in 2023 can be found here: <https://tinyurl.com/LNCVotes2023>

| ID# | Motion/Ballot | Result |
|-------------|---|--------|
| 20231128-01 | Approve proposed budget to recommend to LNC | PASSED |

TABLE OF APPENDICES

| Appendix | Title | Author |
|----------|-----------------|----------|
| A | Proposed Budget | Hagopian |

Respectfully submitted,



LNC Secretary ~ Secretary@LP.org ~ 561.523.2250

APPENDIX A – PROPOSED BUDGET

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Comparing The Proposed 2024 vs. 2020 Budget

| | 2020 | 2024 | Difference | NOTES |
|-----------------------|------------------------|------------------------|------------------------|--|
| Membership | \$ 1,297,148.00 | \$ 751,000.00 | \$ (546,148.00) | Starting approx 25% lower membership than in 2020 |
| Donations | \$ 743,798.00 | \$ 729,000.00 | \$ (14,798.00) | Aristotle, wealth screening, new CRM, ballot access drives |
| Convention | \$ 288,202.00 | \$ 500,000.00 | \$ 211,798.00 | Convention fundraising was much higher in 2022 vs 2020 |
| Total Revenue | \$ 2,329,148.00 | \$ 1,980,000.00 | \$ (349,148.00) | |
| Fundraising Expense | \$ 564,265.00 | \$ 370,000.00 | \$ (194,265.00) | 131% increase over projected 2022 numbers to get a 33% increase in non-convention donations |
| Outreach & Activism | \$ 585,261.00 | \$ 93,000.00 | \$ (492,261.00) | 2020: \$63K Affiliate Dev, \$40K LP News, \$299K candidate support, \$181K brand materials |
| Ballot Access | \$ 99,747.00 | \$ 200,000.00 | \$ 100,253.00 | Much greater need for ballot access dollars - This would still only get us 47 states plus DC |
| Convention | \$ 240,044.00 | \$ 303,000.00 | \$ 62,956.00 | Quotes directly from the committee |
| Salary | \$ 464,579.00 | \$ 617,700.00 | \$ 153,121.00 | Not an apples to apples comparison, but shows we have not cut dramatically |
| Admin | \$ 192,394.00 | \$ 181,800.00 | \$ (10,594.00) | Net neutral |
| Professional Services | \$ 99,642.00 | \$ 190,500.00 | \$ 90,858.00 | Outsourcing increase here so that our staff can focus on growing the party, plus legal |
| Depreciation | \$ 33,292.00 | \$ 24,000.00 | \$ (9,292.00) | |
| | \$ 2,279,224.00 | \$ 1,980,000.00 | \$ (299,224.00) | |

Revenue includes recent improvements, but does not include future improvements
Revenue heavily convention-dependent
Ballot access disadvantage from Day one – No clear path to 50 states – Budget Proposal shows 47 + DC
Additional CRM investment shown to begin in July, so as not to interfere with ballot access spend
Cash position becomes VERY tight in March through May
Huge decrease in Outreach & Activism budget so we can fund more ballot access on lower revenue

Main Discussion Points

REVENUE

\$1,480,000 non-convention revenue is a 33% increase over 2022 and is an average of \$123,333/month
Fundraising expense is up 131% over projected 2023 finish in order to obtain the target revenue
If we spend the targeted expenses, we should beat the targeted revenue
\$500,000 convention revenue is 73% higher than 2020, but 5% lower than 2022

FUNDRAISING EXPENSE

Includes membership cards
Includes Fundraising Contractor and fundraising employee
Includes wealth screening software
Includes mailers

PROGRAM BUDGETS

\$200,000 for ballot access petitioning (front-loaded for the first 7 months of the year)
\$56,000 for Outreach & Activism
\$12,000 for membership communications
\$25,000 for campaign/candidate support (back-loaded to the back half of the year)

Main Discussion Points

SALARY & RELATED EXPENSE

All current salaries accounted for
Multiple new positions created, contractors converted, or jobs expanded built into the budget
Outsourced HR Service
Money set aside for Executive Director Flexibility moving forward

ADMIN EXPENSE

Includes additional CRM option beginning in July
Conversion to new CRM system included in quote, so staff will not be responsible for the work
Does not include any expenses needed in order to rent the building
No other major changes in this category

PROFESSIONAL SERVICES EXPENSE

\$65,000 for Legal
\$78,000 for Accounting, A/P, A/R, FEC inputs, Monthly Financial Package work
\$30,000 for 3rd Party FEC Filing contractor
\$19,500 to maintain CiviCRM at a working level

Anticipated Q&A

Is this a conservative budget, aggressive, or just right?

It is hard to tell. Based on our previous 12 months, it is extremely aggressive. Based on our previous three months, I would say it is between just right and conservative.

What do we have to do in order to hit the revenue number?

In our original 2023 budget, we had \$320,000 set aside for fundraising expense. We are projected to spend less than 50% of that. We have done much better spending those dollars the past three months. In 2023, we are budgeting \$370,000 for fundraising expenses. We need to find efficient, productive ways to spend that money.

Can't we just dip into our cash reserves and spend more?

In this budget, we already do. Our month-to-month budget format will show that we fall below our target cash reserve in March and just barely make it to Convention without needing some form of equity injection

Is our convention estimate too aggressive?

It is definitely a more aggressive number than what they saw in 2020. However, it is 5% below 2022. We are anticipating a spirited convention and we are hoping to replicate the fundraising numbers we saw in 2022.

Anticipated Q&A

Why do we need to spend so much on ballot access versus 2020?

We came into the 2024 cycle with far less ballot access based on the lower numbers that the Jorgensen ticket received versus the Johnson ticket four years earlier

What are the three states we would have to leave off of ballot access?

We will cover in executive session, but the three remaining states would likely cost over \$600,000 to complete.

Is \$65,000 enough for legal expenses?

We will cover in executive session

The outreach/activism budget is down \$492K versus 2020, what aren't we spending?

We are projecting \$274K less in candidate/campaign support and \$181K less on branding. That makes up most of the difference. Ballot access, and spending fundraising expense to make sure the revenue comes in, is more important.

What is the new CRM, how much is it, and when will it be voted on?

Motion has already been introduced. Whether that one passes, or a different one, the Chair has expressed the desire to have this in the budget. After careful discussions, I decided to place it mid-year for cash flow reasons.