

LNC EC

August 20, 1998

Present: David Bergland, Chair
Mark Tuniewicz, Treasurer
Steve Givot, Secretary
Joe Dehn

Staff: Ron Crickenberger, National Director
Steve Dasbach, Chief Operating Officer

Also present: John Buttrick, At-Large Representative (joined meeting during 2000 Convention Report)
BetteRose Smith (CO), Region 1 Representative
Ken Bisson (IN), Region 3 Representative (joined meeting during 2000 Convention Report)
Chris Spruyt (NC), Region 4 Representative (joined meeting during 2000 Convention Report)

The meeting was called to order by Bergland at 8:30 PM EDT.

Item: 2000 Convention Report

Bergland reported that Convention Committee members Geoff Neale, Sharon Ayres, and Steve Dasbach plus Juan Ros (Executive Director, LP-CA), Kris Williams, Marti Balcom, and he visited the Los Angeles Bonaventure Hotel, the Century Plaza Hotel and the Anaheim Marriott hotel. The site visit group overwhelmingly preferred the Anaheim Marriott to the two other facilities. He reported that Dasbach negotiated a contract similar to the final 1998 contract. Bergland noted that Dehn had correctly pointed out that the Executive Committee was to have approved the site selection decision.

Dasbach reported that the Renaissance Hotel (site of the 1998 convention) is also a Marriott hotel. He said that Balcom and he secured improvements over the 1998 contract to make it more favorable for the LNC. For example, the 1998 contract called for one room night free for each 50 room nights sold; the 2000 contract provides for one room night free for each 40 room nights sold. Additionally, the 2000 contract gives the LNC more free base rooms.

Dasbach said that the contract was negotiated by Kris Williams and Marti Balcom under his supervision, with input from Bill Hall. He said that Bergland and Hall reviewed and approved the contract prior to signing, and that Hall deemed it to be superior to either the 1998 Sheraton contract or the 1998 Renaissance contract. He

said that the 2000 Anaheim Marriott contract has a liquidated damages contract similar to that in the 1998 Sheraton contract. Dasbach said that he believes liquidated damages are set at \$120,000 in the Anaheim Marriott 2000 contract. He said that the contract also has a provision relating to possible construction which might interfere with our convention.

Dasbach said that the 1998 Renaissance contract had a stated room rate of \$101 while the 2000 Anaheim Marriott contract has a stated room rate of \$104. Balcom said it was the lowest rate she had heard of in Los Angeles area.

Dehn asked that the minutes reflect that neither the Convention Planning Committee nor the Executive Committee approved either the site or the contract as called for by the LNC.

Givot moved that Executive Committee ratify and confirm the site chosen and contract negotiated for the 2000 Convention at the Anaheim Marriott. Tuniewicz seconded the motion.

Tuniewicz asked about crime rates in the area where the Anaheim Marriott is located as well as the distance to Los Angeles International Airport.

Dasbach said that the hotel is located in a very safe area, near Disneyland. He also said that it is about 40 to 60 minutes to Los Angeles International Airport, 15 to 20 minutes from John Wayne Airport in Orange County, and 15 to 20 minutes from Long Beach Airport.

Smith asked about the area around the Anaheim Marriott hotel.

Dasbach said that it is across the street from the Anaheim Hilton. Also, the hotel is across the street from the Anaheim Convention Center. He also noted that the Convention Center is not booked for our time period and will not likely be booked.

Dasbach reported that he observed that the level of service at the hotel was very high. They had a statue of Liberty out for the site visit.

Ayes: Bergland, Givot, Tuniewicz

Abstain: Dehn

Item: 1998 Convention Report

Dasbach reported that expenses for the 1998 convention were substantially larger than Kris Williams had projected. He said that the convention made approximately \$15,000 before fundraising revenues. This includes the revenue from the Washington Sheraton in payment of liquidated damages from cancellation of the event. He said

that about \$100,000 of expenses were billed in early July, which was far more than projected. One such item was \$6,500 for staging expense for the banquet.

Givot asked how much money came in from fundraising at the banquet.

Dasbach said that about \$30,000 was raised at the banquet and that this is comparable to the prior off-year (1994) convention.

Tuniewicz asked if there was a lack of "scaling down of expenses" in many areas.

Dasbach said that the problem related to expenses. He said that most could have been controlled if they had been foreseen sufficiently in advance of the event but that some were simply overlooked in preparing the projections.

Givot said that some portion of the problem resulted from the lack of a long-term project plan which should not recur given staffing changes and incorporating what we have learned from this experience.

Dasbach said that whoever manages the next convention will know that having such a plan will be a requirement of the job.

Item: Web Site Planning

Dehn submitted a written report. (Attached) He said that he spoke with the potential outside contractor about what needs to be done and the time frame required to complete the project. He estimated the elapsed time as follows: two months for project scope definition to formal proposal (which will include a fixed price) with an additional four months for production. He said that the first decision point regarding this expenditure is September, 1998.

Dasbach asked what the time frame would be for actual disbursements for the project in 1998 and 1999.

Dehn said that he had not raised that question, but that he anticipates payments would be spread out over the four month production period.

Dasbach suggested that this might be an excellent topic for the next fundraising letter.

Givot asked what the estimated cost to LNC would be and what current year budget authority remained for this budget line item.

Dasbach said that LNC's share of the cost is anticipated to be about \$25,000. The total budget line item for communications for 1998 is \$83,000 not all of which will be

spent. Additionally, he said that most of \$80,000 in contingency should be available since only about \$10,000 has been spent to date.

Dehn said that he does not think we should use this topic for a fundraising letter until the first phase is approved, because we may decide not to proceed with the project.

Dasbach said that if a fundraising letter were drafted based on the web site project that there would be an alternative, backup fundraising letter ready in the event that the Executive Committee does not approve the web site project. He said that the backup letter was already in development

Dehn expressed concern that the time and effort invested in writing the letter may cloud our judgment on proceeding with web site project or with sending out the web site letter.

Dasbach assured the Committee that this would not happen.

Givot, Bergland, Tuniewicz, and Dehn expressed their enthusiasm for going forward subject to acceptable results in the first phase of the project.

Dasbach will proceed to prepare two letters, with the final decision on which letter will be sent made after the September report to the Executive Committee.

Item: Ballot Access Update

Dasbach reported that all ballot access drives underway appear to have been successfully completed, although he is still waiting to find out about NY. LPNY filed 28,000 signatures with 15,000 needed. The coming Friday is the last date to file objections to the NY petition.

Dasbach reported that the email fundraiser for ballot access had raised \$6,000 so far through the web site, in addition to \$1,000 received at headquarters.

Givot reported on the Illinois drive. About 61,000 signatures were filed on the 6,300 page petition. He said that the Republican Party has challenged about 44,000 signatures and about 5,550 whole pages as being invalid. If the Republican objection stands as is, there would be only about 3,300 valid signatures on the petition. Givot reported that he believes that we are in good shape.

Givot said that if page challenges are successfully defended, we have about 17,000 unchallenged signature lines with 25,000 needed. He said that leaves about 8,000 signatures to be found among the 44,000 challenged lines. He said that the Illinois State Board of Elections would do full binder check on all 44,000 challenged

signatures. He reported that thanks to nationwide email, Illinois seems to have plenty of volunteers coming to Illinois to fight off the challenge. The cost to date was about \$2300.

Item: Money

Dasbach reported that the May rollout recruiting letter did well when initial receipts arrived in June, but that results in July were poor. The letter resulted in a loss of about \$20,000. He said that he would be experimenting with two trial letters to improve the response rate and the contribution level.

Tuniewicz expressed concern that as mailings get larger, the risk of dollar loss increases.

Dasbach said that the first part of this letter's cycle was as expected; but the second part "plummeted." Based on feedback, he said, it seems that the summer is a particularly bad time to do a mailing.

Dasbach also updated the Executive Committee on other fundraising efforts.

Dehn asked what the number of pieces would be in planned Archimedes mailings.

Dasbach said that about 180,000 would be sent the end of August and that the following mailing was tentatively planned to be about 250,000 pieces.

Item: Campaign and candidate update

Crickenberger reported that the LP has identified 903 candidates so far this year, including 180 congressional candidates. He said that most will lose.

He also said that he was looking to raise money to support the reelection race of a Libertarian sheriff in CO as well as supporting reelection campaigns of other incumbents.

Item: Success '99 Seminars

Dasbach reported that Dan Smith and he will contact state chairs to see if they are interested and to work on dates as well as hosting and staffing it.

Dasbach said that Success '99 would be a "single track" program focusing on local organizing.

Item: Operations Update

Dasbach said that because of convention expenses and a drop off in revenues from the recent fundraising letter, surplus cash has dropped substantially.

Dasbach said that he plans to put emphasis on building up the pledge program. He said that non-routine expenditures will be reviewed by him prior to committing funds. He said that he has held off on hiring a reporter for LP News. He said that a key ballot access time is a few months ahead allowing a delay in hiring someone to manage ballot access efforts.

Dasbach reported that he has reviewed LNC's financial records and found that many items have been posted to the wrong line item, which makes budget evaluation difficult. He said he is working to correct these posting errors.

Dasbach updated the Committee on progress installing the new accounting system. He said that the chart of accounts has been input and that beta testing would proceed through October, with a full cut over anticipated on or before January, 1999.

Givot said that there was a need to plan for the projected growth of membership over the next two years. He asked whether there was a plan to accommodate this growth and what scheduled milestones exist in the coming months?

Dasbach said that he needs to first understand everything in place as it is now. He said that he needs to clean up account codes and other such items before dealing with future expansion. He said that Nick Dunbar needs time to put the new accounting system in place. The process of implementing the new accounting system is critical to building a new budget. He said between Mid-September and mid-October he expected to be doing preliminary budget work providing a budget at current membership levels with scaling added to address expanded membership.

Givot suggested that Dasbach pay special attention to membership-related budget items.

Item: Auditor recommendations

Dasbach said that he has deferred action on these pending resolution of higher priority items.

Item: Information System Update

Dasbach reported that Dan Gallagher has recommended that LNC contract with a network support vendor who has a higher level of expertise than Dan has. Dasbach said that he was exploring alternatives in response to this recommendation. He said that LNC was currently working with one potential vendor on small projects.

Dasbach said that there is a need to replace network cable connectors because John Famularo installed connectors which will not work at high speed despite the use of Category 5 wiring. He said that Dan Gallagher has suggested entering into a contract

with a vendor for a small number of hours per month to establish an ongoing relationship which would help assure some prioritization by the vendor in the future.

Givot asked Dasbach when he expected to fully migrate new hardware?

Dasbach said that one option is to keep the current LANTASTIC network connected to the new Windows NT network. If that is done, the test bed for the new Management Information System will start in a few months to see if it is running properly. He projected hardware transition in March, 1999 for all main systems. He said that hardware costs, exclusive of the new server, are not expected to be significant.

Bergland asked whether the project is expected to be within budget and whether or not it has been prefunded.

Dasbach said that budgetary authority should not be an issue in 1998. He said that the project has not been prefunded.

Item: December, 1998 LNC Pre-Meeting

Dasbach said that it seemed likely that the meeting would take place at the George Washington University Inn. He said that possibly there would be a program set up for a Friday visitation to headquarters to discuss budget or project priorities informally.

The meeting was adjourned at about 10:30PM EDT.
