

Minutes of ExCom Meeting
Saturday, September 16, 2000
As Approved

Minutes

Date: September 16, 2000
Time: Saturday, 9 a.m. - 5:30 p.m.
Place: San Jose Doubletree Hotel

In attendance:

Officers:	Mark Hinkle	Chair
	Rodney Austin	Northern Vice Chair
	Ted Brown	Southern Vice Chair
	Sandi Webb	Secretary
	Eric Lund	Treasurer

At-Large Reps: Aaron Starr
Lori Adasiewicz
José Castañeda
Joe Dehn
Bruce Dovner

Alternate At-Large Reps: Elizabeth Brierly ExCom Alternate #1

Regional Reps:	Frank Manske	Region 1
	Brian Lee Cross	Region 30
	Steve Cicero	Region 37
	Jascha Lee	Region 43
	Bernard Zimring	Region 61

Alternates: Jeff Sommer Region 1

Staff: Juan Ros Executive Director, LPC

Visitors: Richard Winger

Absent: John Scott Ballard

1. Call Meeting to Order

Mark Hinkle called the meeting to order at 9:22 AM

2. Public Statements - None

3. Approval of Agenda - Add item 9d Statewide Candidates Support and 9e access to LPC Database.
Approved as amended.

4. Approval of Minutes

a) July 4, 2000 Executive Committee Meeting Minutes. Approved as amended. 3 abstentions.

5. Officers Reports

a) Chair - Mark Hinkle

Mark Hinkle noted that he has been working long hours at his new company and had very little to report. He said that he had not had time to do major donor fund raising. He thanked Aaron Starr for his efforts in raising funds for Operation Breakthrough. He noted that there is a fundraising letter that is ready to be mailed. He noted that we had gotten \$20,000 in pledged donations from the Operation Breakthrough from the telemarketing.

b) Northern Vice Chair - Rodney Austin

Rodney Austin reported that, besides Tulare and Merced Counties, the regions that were left to organize in Northern California, are regions with less than 10 members. He said that Juan Ros has helped with contacts in those regions.

The only two counties where there is no contact are Kings and Lassen. Tulare has scheduled a local convention with only 3 in attendance because of event conflicts. The meeting will be re-scheduled.

Rodney reported on the Conference of Regional Counties. He said that there were 18 in attendance. Rodney thanked Joe Dehn, Sandi Webb, J. R. Graham and Mark Selzer for their presentations to the Conference. He said that those in attendance remarked to him that the Conference was helpful to them. He noted that the Conference consisted of seminars the first day and a meeting on Sunday that was an extension of the Northern Regional meetings that are held quarterly. He said that Operation Breakthrough was discussed. He requested that any information that was accumulated about people in the regions who could be donors or activists be passed on the Region Chair. He especially wanted the names of those people who had said that they would be willing to run for office in the future passed on to the regional chairs. He said that he was fulfilling a request of the attendees at the conference meeting on Sunday to ask the LPC office to collect information about the newly recruited local candidates from the regional chairs or the candidates themselves. Information about the candidates' goals for their races, the resources they have and are willing to use, the opposition they face, etc. could be used to isolate the best several races that deserve extra emphasis and support.

Time was extended for 5 minutes.

Juan Ros noted that Allan Eddy did the work of the mailing to Colusa, Kings and Lassen Counties. Aaron Starr asked how many of the regions in the north actually communicate with their members through a regular newsletter. Rodney said that one of the things he will insist on each region actually have elections. He noted that the north has some regions that are active in name only. Mark Hinkle said that he would like to keep track of the progress of each region, i.e. How many officers, do they have a field office, a newsletter. Joe Dehn noted that it is very hard to have a newsletter when there are very few people in the region. He suggested that several regions combine their efforts. Rodney said he would work on this.

Mark noted that to be considered an active region, they must hold elections.

c) Southern Vice Chair - Ted Brown

Ted Brown said that he received a call from a new member in north Santa Barbara County who would like to organize meetings. He said that B.J. Wagener is assisting her. Ted reported on the demonstrations at the Democratic Convention and the Immigration CheckPoint. He reported on the booths at the County Fairs. Ted reported that he was escorted from a candidate's forum by authorities and that it was a very successful publicity stunt.

Brian Lee Cross mentioned a street fair that the Orange County Region had a booth at. He reported that the fair generally has 500,000 people attend during its run. He reported that those working the booth found it better than the County Fair because the booth was in the main traffic lane instead of in a "government agency/ non-profit" building. He reported that he would look into getting a commercial booth at the County Fair next year to be out in the traffic. He noted that they had no conservatives show up on the political quiz at this fair or at the County Fair.

d) Secretary - Sandi Webb

Sandi Webb reported that we had had four Executive Committee E-mail votes and two Operations Committee votes. It was requested that the Secretary record the votes by officers to allow the use of the membership list.

Mark commented that he had received a few e-mail messages asking that the ExCom rescind their vote on endorsing Proposition 38. Mark noted that as he had only received two requests from members on the ExCom and it had passed with overwhelming support, he did not see the need to put it to an e-mail vote.

e) Treasurer - Eric Lund

Eric Lund gave the ExCom an update on the checks that had been stolen stating that the people have been arrested and that the LPC has been reimbursed by the bank.

Eric explained the several pages of the report.

1. Balance Sheet as of September 2000
 - Total Assets \$12,447.83 (General = \$4,033.38; Restricted = \$8,414.45)
 - Total Liabilities \$6,404.34 (General = \$6,404.34; Restricted = 0)
 - Fund Balance \$12,447.83 (General = **(\$2,370.96)**; Restricted = \$8,414.45)
 - Adjusted to reflect changes in accounting. (General = \$1,875.78; Restricted = \$4,167.71)
 - Total Liabilities and Fund Balance \$12,447.83 (General = \$4,033.38; Restricted = \$8,414.45)
2. Statement of Activities -- January 1, 2000 through August 31, 2000

Eric explained that the LPC is spending well in advance of where it should be at this date according to the budget. Aaron Starr noted that the major problem appeared to be the Major Donor Fundraising. Eric noted that there were several items that had already gone over the budgeted amounts. The report was gone over line by line. Changes in accounting were made to the Restricted Fund. The new office accounted for much of the overage. These were seen as one-time expenses.

Lori Adasiewicz, Aaron Starr, Rodney Austin, Bruce Dovner, Mark Hinkle, Juan Ros, Elizabeth Brierly and Brian Lee Cross volunteered to raise money from major donors.

Motion: Change the expense budget as follows:

- Add \$5,000 to Newsletter
- Add \$1,650 to Office Phone
- Add \$1,000 to Office Rent
- Add \$2,000 to Other Administration
- Add \$4,000 2000 Convention Operation Expense

Passed with no objection.

Mark Hinkle proposed that a percentage of restricted funds be attributed to office overhead. This was discussed but no decision was made.

3. Statement of Activities -- Actuals and Projections for FY 2000
4. Income Statement for Fundraiser 2000-01 -- March 1 through September 16, 2000

Gross Contributions \$11,260.86
Costs \$5,034.42
Net Proceeds \$6,226.44

5. Income Statement for Fundraiser 2000-02 -- Operation Breakthrough

(During the telemarketing to find candidates, those who would not run for office were asked to donate to the LPC. All costs involved were charged against the Operation Breakthrough as this was a byproduct. All net proceeds go to the LPC General Fund.)

Gross Contributions \$7,025.00
Costs \$2,778.25
Net Proceeds \$4,246.74

Lunch

f) Executive Director - Juan Ros

Juan Ros reported that most of his work since the last ExCom meeting was on Operation Breakthrough. He said that he was able to get out 23 news releases, 29 media appearances, 39 interviews, and 46 media calls so far this year. He reported on several bills that he had been monitoring.

Juan reported that this is the period during which each region could now request voter registration information from their counties. He reported on two fundraising letters and the Operation Breakthrough pledges. He reported on the activities of the new office and the progress of his new assistant. He said that Alex had translated Harry Browne's home page into Spanish. It was discussed to have the press releases translated into Spanish.

Juan gave a final report on the 2000 Convention.

Convention Income \$42,690.00
Convention Expenses \$49,565.34
Total (\$6,875.34)

9c Defending ourselves against a hostile new initiative - Richard Winger

Richard reported that the group that put the Blanket Primary on the California ballot is working on a new proposal. He said that the Judge that struck down the blanket primary wrote an opinion that may open the door for a system that is used by the state of Louisiana. Louisiana has a system that includes all candidates on the same ballot in the primary and the top two vote getters go to the general election. Richard said this would completely exclude our candidates from the general election. Richard asked if there was anyone who could meet with the person coordinating the effort. Aaron Starr and Juan Ros volunteered.

Richard further discussed the possibility for the LP to allow decline to state voters to vote in our primary. It was discussed that a change of the bylaws at the next state convention would be needed.

6. Standing Committees

- a) Legislative Committee (no report)
- b) Human Resources Committee (no report)

- c) Convention Oversight Committee (no report)
- d) Membership Committee - Bruce Dovner/ Aaron Starr

Bruce reported that he had a proposal instead of a formal report. Aaron Starr explained why retention of existing members was important. He explained that the existing dues split between the region and the state party is 60/40 but that the bylaws don't specify how the 60% regional dues are to be divided. Bruce and Aaron's proposal would create a reward system for those regions that do a better job of retaining members. Rodney asked if the regions would put their efforts into retention at the expense of recruiting new members. Aaron said that although both retention and recruitment are important, those groups that have a very high retention rate would have a big incentive to recruit more members. He said that those regions that are having the problem with retention should be concentrating their efforts on that, not recruiting.

Eric noted that there was a membership recruitment incentive program in 1993 or 94, which did little to motivate regions to bring in more members. Eric said that this new proposal was too complex.

Bruce and Aaron's proposal:

Membership dues received by the LPC under the UMP would be distributed as follows.

1. The net distribution of dues would remain as stated in the Bylaws, with 60% net being distributed to the regions and 40% retained by the state party.
2. Each region would received dues as follows:
 - 2.1. Each region would receive a base amount equal to 40% of the dues paid by the region.
 - 2.2. Each region would receive amounts for which it may qualify as follows:

2.2.1. 20% of the net dues received under the UMP would be distributed to the regions as follows:

Each region would be ranked in reverse order of the ratio of number of lapsed members for the last year, divided by the number current members. A member would be considered lapsed after a two-month grace period. The lower the ratio, the higher the ranking.

- 2.2.1.1. Starting with the first region on the list as ordered in the last section, each successive region would receive an additional amount of money equal to the dollar amount received in section 2.2.1.1 above, until the 20% of net dues received as described above is distributed. In the event of a tie in rankings between the regions to receive the last of the amounts to be distributed and there is not enough money to left to pay each region the dollar amounts described in section 2.2.1.1 above, neither of the tied regions would receive any monies and the monies would be carried over to be distributed in the next month, as described above.

A system of gradual phase in was discussed but no wording was proposed.

Motion: Moved to table the item. 6 yes, 8 no **Failed**

This item was out of time

- e) Budget Committee (no report)
- f) Audit Committee - Eric Lund read the written report by Steve Marsland.

Summary of the report. *"A full and complete and consistent set of financial documents were presented for audit. Accordingly, a complete audit was conducted for 1999. It is the opinion of this auditor that the figures reported in the 1999 Libertarian Party Financial Report represent a fair and full accounting for the activities of the Party in 1999."* signed - Steve Marsland.

There were several recommendations in the report.

Motion: Payments to officers and employees of the Libertarian Party (other than payroll) be approved in writing by the Party Chair, except for payments to the Chair which would be approved by the Secretary (or another officer selected by the ExCom). This written approval (sign-off or signature on the invoice/expense report) would act in concert with the present review by the Treasurer to assure the highest level of review for such expense reimbursements.

Discussion: Aaron Starr said that the treasurer reviews all the documents and decides whether to pay an item or not. He said that this would add an extra step with the Chair signing off on everything. Aaron said this was unnecessary. Ted said that there was a false assumption that the Chair was currently approving payments to the Chair. This is not the case. It was noted that Steve was trying to make sure that there was no conflict of interest even in appearance.

Motion to amend by substitution: Aaron Starr moved to substitute "The payments to the Treasurer to be approved by the Party Chair." **Passed**

Motion: Whenever the Libertarian Party enters into any contractual financial arrangement that such arrangement be documented in writing, such as a properly executed purchase order or contract, and that a copy of such writing be provided to the Treasurer.

Discussion: It was not clear how this differed from the current standing resolutions regarding contracts. Eric said that it would be good to get notice of items such as new stationery for the office when the items are ordered instead of when the bill comes in.

Vote on motion: 5 yes, 5 no. **Failed**

7. Other Committee Reports

a) Membership Standards Guideline Committee Report - Ted Brown

Ted reported that the point of the committee was to make a proposal whether there should be any guidelines as to when the chair could remove someone from a party event. He stated that there were several opinions among the committee members. Ted said that his opinion was that the chair could do it with the approval of another officer unless there was an emergency. He said that the committee never got to the question of removing someone from a convention that is passing out literature that is deemed inappropriate. He said that Aaron wanted to give the Chair more individual discretion but no conclusion was reached.

Ted said that there was no report. He noted that there was no event coming up to require an immediate decision on policy. Aaron said this was something that was difficult to codify. He noted that this had only come up twice in the history of the LPC. Aaron said that this might be a self-correcting problem. It was noted that it was important to have some formal policy instead of dealing with a problem after the fact. Brian said that it seemed that they were being asked to create crimes that could get people kicked out of the LP. He said that he wanted some form of written procedure for the Chair to go through to remove someone. Ted said that he disagreed. He thought the Chair should only have to get the advice and consent of two other officers. Jeff Sommer noted that a unilateral decision by the Chair without any input from other officers seems dictatorial.

The committee agreed to continue to work on the issue and bring back proposals to the next ExCom meeting.

8. Old Business

a) 2001 State Convention Report - Cullene Lang (no report)

The vacancy on the Convention Oversight Committee was filled by Jeff Sommer and Elizabeth Brierly. Steve Cicero agreed to stay on the committee provided that Jeff Sommer would serve as committee chair.

b) Selection of Presidential Electors - Juan Ros

Juan gave a brief report and handed out the list that he was proposing. The list includes all donors who have contributed over \$1,000 to the LPC in the last year; all elected Libertarians from the city level up to the county, all LPC officers and a few activists.

Motion: Accept the list of 54 electors as presented and give the Operations Committee authority to replace anyone who is ineligible or refuse. Passed without dissent.

c) Operation Breakthrough - Juan Ros

Juan reported that the total cost per candidate recruited was about \$140. He said that 162 confirmed candidates had been recruited. With those who were recruited by other means, the LPC has a total of 181 non-partisan candidates for the general election, plus 113 partisan candidates for a total of 294 for the general election. He reported that six candidates have already won their elections by default. Geoff Braun of Placentia (Orange County) Placentia Library District; Gilbert Carroll of Milpitas (Santa Clara County) Gradalupe - Coyote Resource Conservation District; John Dennison of Healdsburg (Sonoma County) Alexander Valley Unified School District; Ray English of Descanso (San Diego County) Descanso Community Planning District (re-elected); Kelly McKnight of Pescadero (San Mateo County) La Honda-Pescadero Unified School District; Gary Molle of San Jose (Santa Clara County) Gradalupe-Coyote Resource Conservation District. When the candidates from the spring election are added to the list, there are a total of 304 candidates for the year 2000 running for 312 offices.

He reported that there were 230 people who couldn't run in this election but indicated that they would be interested in the future. He said that there were a few Libertarians that were already elected that we didn't know about that were contacted.

Juan discussed some of the problems that were encountered. He reported that the number of inquiries overwhelmed the office. He suggested that the next time the staff be increased ahead of time. Some of the information from the counties was incorrect and there was not enough information on some districts. There is no control over who runs for which office. Some of the candidates filed for a seat and then let the office know. There is no time for candidate training.

Aaron Starr said that he would be meeting with the company that had done that voter data. He said that he would like to see this effort expanded statewide. He had several other technical changes that he would make.

d) Take position on Prop 34 - Ted Brown

Ted Brown read the ballot description for Proposition 34, Campaign Finance Reform. This Proposition is a replacement for Prop 208. It was discussed that although this Proposition was "better" than Prop 208, which was thrown out by the court, it is far more likely to be upheld in the court. If Prop 34 passes then Prop 208 completely goes away. Joe Dehn said that he would like us to take a position of "NO" on Prop 34.

Motion: Take a position of NO.

<u>Roll Call</u>	<u>Vote</u>	<u>At-Large Alternates</u>	
<u>Officers</u>		Elizabeth Brierly, #1	
Mark Hinkle	Yes	John Ballard, #2	
Ted Brown	Yes	<u>Region Reps</u>	
Rodney Austin	Yes	Frank J. Manske, Region 1	Yes
Eric Lund	Yes	Jeff Sommer, alternate R1	
Sandi Webb	Yes	Brian Lee Cross, Region 30	Yes
<u>At-Large Reps</u>		Bill Hajdu, Region alternate 30	
Lori Adasiewicz	Yes	Steve Cicero, Region 37	Yes
José Castañeda	Yes	Michael McGinty, alternate R 37	
Joe Dehn	Yes	Jascha Lee, Region 43	Yes
Bruce Dovner	Abstain	Allen Rice, alternate R43	
Aaron Starr	Yes	Bernard Zimring, Region 61	Yes
		Kit Maira, alternate R61	

Passes

e) Region 26 split into two new inactive regions - Rodney Austin

Region 26 is the joint region of Inyo and Mono Counties. Rodney said that at this time it is a semi- active region. He said that they have a chair and are receiving their dues. They have very few meetings or other activities. Rodney said that the Chair lives in Inyo County. The contact in Mono County has recruited several members. Rodney said that the question at this time was whether to split the two counties now when they are inactive or to wait until they become more active. He stated that his preference was to wait. The Chair of the region would like to split into two regions at this time. Joe Dehn said that if those in Inyo County would rather be by themselves and Mono County is inactive, we are better off giving the Inyo group what they want. He said that there is no point keeping them together. He said that he has discussed this with the Chair and believes that it is too difficult to handle a region as spread out and sparsely populated as these two counties.

Motion: Joe Dehn moved to split Region 26 into its constituent counties.

Passed

9. New Business

a) LPC's new IRS reporting requirements - Juan Ros

Juan reported that congress passed a law in June that closed a loophole in the tax code. He said that there were three reporting requirements.

1. Initial Notice of Status -- completed. He said the threshold for reporting was \$25,000 raised and that there may be some local regions that will fall under this requirement.
2. Periodic report of contributions and expenditures -- State and local political parties are exempt.
3. Annual Tax Return plus an Annual Information Return. He said that we will have to file this year and it is due on March 15, 2001. He said that the party would have to pay tax on any income. Contributions don't count as income. Income is revenue from ads in the newsletter, interest from savings etc.

b) Update on Arizona LP situation - Joe Dehn

Joe Dehn gave a brief rundown on the problems in Arizona leading up to them not allowing LP Presidential Candidate Harry Browne on the ballot. He said that the problem is magnified by a state law that is very difficult to deal with. He said that there are two factions in Arizona. The LP bylaws state that in any conflict between state law and the LP bylaws, the state law takes president. He said that the state of Arizona recognizes the faction that did not want Harry Browne as their candidate.

The Harry Browne campaign ran a signature drive to get on the ballot as an independent. The state deadline for petitions was June 14. The Browne campaign took this to court. Lost. It is on appeal.

- c) Defending ourselves against a hostile new initiative - Richard Winger (heard earlier)
- d) Statewide Candidates support

A handout from the Gail Lightfoot for Senate campaign was discussed. Joe Dehn talked about the point that Gail was making that the state party was not bringing the campaigns to the attention of the members so that they can become active in the campaigns. He said that the newsletter and news releases are services that are under our control. Rodney said that he agreed with Joe's assessment. He said that the responsibility for getting excitement in a campaign is the campaigns, not the state LP. Juan said that he had discussed news releases with Gail and that the releases that he puts out deal with state issues not federal. He said that the press releases look better to the press when they come from the candidate's campaign.

- e) Proposed Standing Resolution Change

Rodney Austin said that there had been a Standing Resolution passed regarding the membership database list. Joe Dean clarified that the ExCom allowed Gail Lightfoot's campaign to have the list at cost but that it had not been a Standing Resolution. He further clarified that the local candidates get the list on-line.

Motion: Rodney moved to remove any reference to contracts in any resolution regarding access to the LPC mailing list database. The bylaw requirement for protecting the membership list was discussed. Rodney said that he agreed that a contract that had a non-disclosure agreement would be permissible under the bylaws but that it couldn't include anything else such as price, single use etc.

This item was tabled.

Motion to extend time: Ted Brown moved to extend time for 5 minutes to discuss the rental of the list for the Kubby Defense fund. The list was approved by an ExCom vote. The question that Ted wanted to discuss was refunding the Defense fund the fee that was paid. This amount was \$530.

Failed.

10. Evaluation of Standing Resolutions

Aaron Starr asked about an old Standing Resolution that specified when a region was considered "active." He said that he would like to further define an active Region as more than having elected officers. Aaron noted several things that he thought should be included in the requirements. Bylaws, noticed annual elections, newsletter. Joe said that the bylaws already require noticed elections. It was noted that the LPC was not enforcing this requirement. Rodney said that he would work on that in Northern California. Joe Dehn found the missing Resolution.

Motion: Aaron Starr moved that to be considered an active region, the region must meet the following requirements:

- 1) At least 2 elected officers
- 2) Have a set of bylaws
- 3) A newsletter published at least quarterly
- 4) Notice of elections mailed on a timely basis to its members and to the state party office.
- 5) Effective date of Jan 1, 2001

What was considered a newsletter was discussed. A postcard was considered sufficient. Rodney said that the ExCom should not be trying to make decisions for the local parties in regard to level of activities. Rodney said that the LPC should be concerned with the State Party activities not the local parties. Eric spoke against the motion saying that a region can be active without a newsletter.

Motion to extend debate for 5 min: Failed

Vote on mane motion: Failed

11. Next Meeting -- **December 16, 2000 - Southern California**

12. Adjourn --