

Minutes of ExCom Meeting Saturday, December 16, 2000

As approved

Minutes

Date: Saturday, December 16, 2000
Time: 9:25 a.m. - 5 p.m.
Place: KKLA Radio Station
701 N. Brand Blvd., Suite 550
Glendale, CA 91203

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	
	José Castañeda	
	Joe Dehn	
	Bruce Dovner	
Alternate At-Large Reps:	Elizabeth Brierly	ExCom Alternate #1
	John Scott Ballard	ExCom Alternate #2
Regional Reps:	Frank Manske	Region 1
	Brian Lee Cross	Region 30
	Steve Cicero	Region 37
	Jascha Lee	Region 43
	Bernard Zimmring	Region 61
Alternates:	Jeff Sommer	Region 01
Staff:	Juan Ros	Executive Director, LPC

Visitors: Jonathan Zwickel, Madera; Mark Selzer, Chair Region 64; Mark Hilgenberg, Secretary Region 61; Nate Craddock, Region 64; Doug Scribner, Vice Chair, Region 30

Absent: Lori Adasiewicz

1. Call Meeting to Order

Mark Hinkle called the meeting to order at 9:25 AM

2. Public Statements

Brian Lee Cross announced his candidacy for State Chair.

3. Approval of Agenda – Time guidelines were clarified by the secretary. Add 15 minutes for the Human Resource Committee Report. Add Item 7a. LNC Report by Joe Dehn. Approved as amended.

4. Approval of Minutes

- a) September 16, 2000 Executive Committee Meeting - approved

5. Officers Reports

- a) Chair - Mark Hinkle

Mark relinquished most of his time to Joe Dehn for a report of the LNC Meeting.

- b) Northern Vice Chair - Rodney Austin

Rodney said that most of what he worked on was election related. He reported that there is now a contact in Lassen County, Rose Bishop. This leaves us with only King County without a contact. He reported that he had sent an email to all of the Region Chairs in the north reminding them of the state convention and requested that he be notified of their local

elections. He said that he has had two counties respond. He said that Merced County is generally getting three people to the meetings. Tulare County had a meeting with only three people. He reported that Jonathan Richter was able to beat back a Cultural Arts tax and a Hotel tax increase in Fresno County.

c) Southern Vice Chair - Ted Brown

Ted reported on his election and that Bakersfield opened a campaign office. He said that he had held a brainstorming and planning meeting a few weeks ago at his house. He said that this was attended by about 40 people. He said that his goal was to discuss how to increase the party visibility and membership. Ted reported that Bonnie Flickinger was elected Mayor of Morano Valley. He reported on several special elections that were coming up. He reported that he was not going to run again for Southern Vice Chair.

d) Secretary - Sandi Webb

Sandi Webb reported that there had been two Executive Committee email votes this quarter, October 31 - Kubby Defense Fund - Failed and August 27 - LPC Monthly printing - passed.

Sandi asked whether the committee wanted here to print the minutes and standing resolutions for each member. It was decided that the minutes will be printed but not the standing resolutions. She stated that she will make a packet for the new members at the next meeting.

e) Treasurer - Eric Lund

Eric Lund handed out a balance sheet. He said that we have been able to meet our bills due to some fundraisers but that we were still tight. He said that we are on target for everything except the fundraising cost which we had exceeded the budgeted amount.

Motion: Aaron Starr moved to increase the mail fundraising line item by \$7,000 from \$14,400 to \$21,400.

Passed by unanimous voice vote.

Aaron Starr said that he had not had time to do the phone fundraising that he had volunteered for at the last ExCom and asked if anyone else had been able to. Bruce Dovner said that he had gone through his list about four times but was not successful in getting anything. Rodney said that he also had made calls to his list. He had one pledge.

Aaron asked what the funds in the restricted fund balance was for. Eric reported that this was for Operation Breakthrough.

Ted proposed that the remaining funds (\$100) in the LPC PAC be given to the campaign for special elections and close out the account.

Jeff Sommer asked about the e-gold account. Eric explained that there had been a few donors who wanted to contribute in this fashion. He said that it doesn't cost the LP anything to maintain it.

f) Executive Director - Juan Ros

Juan Ros handed out a written report. He said that he has become a regular on a radio show. He said that two reporters did stories on Operation Breakthrough. Juan said that there had been a small problem with the candidates telling the reporters that they were running for the local offices because the party had asked them to. Sandi Webb suggested that Bonnie Flickinger and herself come up with a FAQ sheet and good answers for the press for candidates.

Juan said that he had written some proposed legislation for the Legislative Committee and that the committee was still working on it.

Juan reported on the election and the Operation Breakthrough winners. Jeff Sommer said that he had heard that Operation Breakthrough was recruiting people who did not expose the LP ideals. Juan said that recruitment was from the registered Libertarian list. He said that an attempt was made to ascertain the position on the issues of these candidates. Juan noted that the seats that were being recruited for were non-partisan and there are not clear Libertarian positions that they would face. He said that when people were found not to be sufficiently Libertarian, they were not called back to finalize the seat and that they were not listed as LP candidates.

Juan was suggested to offer a complementary one year membership to all of our duly elected Libertarians. Aaron Starr suggested that we expand this to all of our candidates. It was noted that this would get too expensive. Joe Dehn said that we could put them on the list for the newsletter.

Juan reported on the list he had received from the counties listing the registrations in the counties. He reported on fundraising.

Juan reported that his executive assistant was resigning and that he had a person in mind to replace her.

Juan gave a report on the progress of finding a site for the 2002 State Convention. He said that he would have a formal proposal at the next meeting.

6. Standing Committees

- a) Legislative Committee (no formal report)
- b) Convention Oversight Committee.

Jeff Sommer gave a brief report. He said that he was having problems getting in touch with Cullene Lang. He reported that he spoke to Cullene Lang about advertising for the convention. She said she would not be doing a mailing to the general membership. She was going to contact the Regional Chairs. Mark clarified some points on the hotel site. Jeff said that he would like to see the contract that Liberty Services has with the convention hotel. Cullene would not give him a copy. It was determined that the contract with the hotel was up the Liberty Services. Mark noted that the cost of mailing to the list of members has not shown to be effective in increasing attendance at the conventions in the past.

The names of some potential speakers was discussed. Mark clarified that he and the ExCom have veto power over the speakers especially the fundraising banquet speaker.

Motion: Brian moved that the LPC promote to convention organizers the names of speakers for the convention.

Moved to table until after lunch: Pass.

- c) Human Resources Committee.

A written report by Steve Alexander was handed out that outlined a proposal for an Executive Director Bonus Plan. A semi-annual bonus paid in January and July of each year starting January 2001. The formula would be 1% of the UMP gross revenue plus 2% of all other revenue plus 10% of the year to year growth in all revenue if any. This bonus would replace the fundraising commissions. The plan would be retroactive to 1998.

Mark Hinkle explained that the plan from the beginning for the Executive Director included a bonus plan that was never implemented. Aaron Starr explained that we did have one. He said that he didn't think that all of the conditions had ever been met.

Sandi Webb said that she objected to consideration. She explained that this item should be tabled until the next meeting because it had been presented at the last minute and was too important to resolve in the few minutes allotted. Aaron Starr pointed out that although he serves on the Human Resources Committee, he had never been contacted by the other committee members about this proposal. Aaron said he didn't object to discussing the proposal but that it would need more than the 15 minutes allotted.

Motion to table until after lunch: Pass

Lunch

Mark Hinkle gave a short report on the proposal. He said that part of the bonus plan would be based on the size of the organization. He said that as the organization grew the bonus would grow.

Motion: Joe Dehn moved to amend the written proposal to apply to the year 2001 and forward. Seconded.

Ted said that he was not inclined to pay bonuses based on the given formula. He said that he gets paid on the work that he actually does. He said that the Executive Directors job is not the type of job that lends itself to this type of bonus plan because of all the external factors. Aaron Starr disagreed. He said that the position is equivalent to a CEO. Aaron said that he liked the plan overall. He said that he could see some places to change it latter.

Joe Dehn reminded the committee that the question on the floor was the amendment.

Vote on the motion: 8 Yes, 5 No. **Passes.**

Motion to extend debate. 6 Yes, 5 No. **Fails**

Motion: Adopt the plan as amended.

Roll Call **Vote**

Officers

Mark Hinkle	Yes
Ted Brown	No
Rodney Austin	Yes

Eric Lund	No
Sandi Webb	Abstain
<u>At-Large Reps</u>	
Lori Adasiewicz	Absent
José Castañeda	No
Joe Dehn	Yes
Bruce Dovner	Abstain
Aaron Starr	Yes
<u>At-Large Alternates</u>	
Elizabeth Brierly, #1	No
John Ballard, #2	
<u>Region Reps</u>	
Frank J. Manske, Region 1	Abstain
Jeff Sommer , alternate R1	
Brian Lee Cross, Region 30	No
Bill Hajdu, Region alternate 30	
Steve Cicero, Region 37	No
Michael McGinty, alternate R 37	
Jascha Lee, Region 43	Yes
Allen Rice , alternate R43	
Bernard Zimring , Region 61	Yes
Kit Maira, alternate R61	

6 Yes, 6 No, 3 Abstentions. **Fails**

Motion to extend time for 10 minutes: Joe Dehn moved to extend time to discuss the question of past bonuses. He said that our Executive Director seems to feel that he is due him.

Juan said that part of his original agreement included a bonus plan that was never outlined. He said that he was promised this when he was hired.

Motion: Sandi Webb moved to return the question of the retroactive bonus to the committee to come up with a plan. Seconded.

Mark Hinkle asked for direction from the ExCom for the Human Resources Committee to go by to come up with a new plan. Joe Dehn suggested that the first step was to determine what expectations Juan Ros had concerning a bonus.

Aaron Starr suggested that we could hash this out at this time. Several committee members said that they would like to look at the plan and think about it before making a decision.

The bonus plan was discussed at length.

Motion to substitute: Jascha Lee moved to pay bonus of \$8,668.10 in 6 months and the balance of \$4,967.01 by Feb. 1, 2001. **Fails**

Original motion. 10 yes, 2 no. **Passes**

d) Membership Committee. Aaron Starr and Bruce Dovner presented a written proposal.

Bruce said that the ExCom had three options.

1. Create an incentive plan for the regions to renew lapsed members.
2. Have volunteers to call lapsed members on the phone.
3. Have paid solicitors call lapsed members.
4. Combination of all of the above.

Bruce outlined the merits and disadvantages of each option. Option one was the one the committee had decided on.

Aaron outlined this alternate. He explained that this incentive plan would not start for one year to allow the regions to get a baseline.

Jeff Somner questioned whether the bylaws allowed the Executive Committee to change the allocation in the manner proposed. This was discussed at length.

Mark Hinkle ruled that the ExCom did have the authority. Aaron pointed out that as this would not take effect for one year, there was plenty of time to take it to the Judicial Committee or the convention at large.

Advantages to the larger regions versus the smaller regions was discussed.

Juan Ros asked who would be responsible for reporting requirements in the plan. Aaron said that it would either be the LPC Treasurer or the LPC Secretary but the chair could delegate this to staff.

Resolution Concerning Dues Allocation Based on Membership Retention

1. Dues Allocation Based on Membership Retention

BYLAW 3: MEMBERSHIP, Section 6 states "Dues revenue received shall be shared 40% to the state Party and 60% to the regions. Dues shall be disbursed monthly to the active regions. Contributions shall be used for their designated purposes or, if not designated, as decided by the state Executive Committee or county organization which receives the contribution. Dues shall not be used for financing individual campaigns."

Dues to be allocated as follows:

Effective January 2002,

- 1) Forty percent (40%) of the dues attributable to a member/subscriber in an active region shall be retained by the state party.
- 2) Forty percent (40%) of the dues attributable to a member/subscriber in an active region shall be paid to the region the member/subscriber is affiliated with.
- 3) The remaining twenty percent (20%) shall be put into a pool to be paid to those active regions with the highest ratio of current members/subscribers divided by lapsed members/subscribers for the last twelve months. Those active regions with the highest ranking retention ratios shall receive double the 40% base amount in dollars for their region until the pool is exhausted.

2. Reporting

Each month, the following reports shall be issued to regional chairs, or their designees:

- a) A report shall stating which members/subscribers with addresses in their region have lapsed in the previous 12 months (lapsed meaning that we no longer earn UMP payments for that member/subscriber).
- b) A report stating which members with addresses in their region are scheduled to lapse in the next 3 months.
- c) A report calculating for each region the number of members lapsed in the last twelve months divided by the current active membership. The report shall show each region's ranking in terms of retention ratio.
- d) A report showing how dues are divided among the regions using the previous method of allocating dues and comparing it to the new method in this proposal. Also, a statement of how many fewer lapsed members are needed (or how many new members are needed) for the region to qualify for the higher amount, if in a low ranking region, and how many greater lapsed members can be tolerated (or how many fewer new members) for the region to fall into a lower amount, if in a high ranking region.

In addition, at least once each quarter, the regions' ranks shall be posted in the newsletter for all members/subscribers to see.

Vote on adopting the committee report:

<u>Roll Call</u>	<u>Vote</u>
<u>Officers</u>	
Mark Hinkle	Yes
Ted Brown	Yes
Rodney Austin	No
Eric Lund	No
Sandi Webb	Yes
<u>At-Large Reps</u>	
Lori Adasiewicz	Absent
José Castañeda	No
Joe Dehn	Abstain
Bruce Dovner	Yes
Aaron Starr	Yes
<u>At-Large Alternates</u>	
Elizabeth Brierly, #1	
John Ballard, #2	No
<u>Region Reps</u>	
Frank J. Manske, Region 1	No
Jeff Sommer, alternate R1	
Brian Lee Cross, Region 30	No
Bill Hajdu, Region alternate 30	

Steve Cicero, Region 37	Yes
Michael McGinty, alternate R 37	
Jascha Lee, Region 43	Yes
Allen Rice , alternate R43	
Bernard Zimring , Region 61	Yes
Kit Maira, alternate R61	

8 Yes, 6 No, 1 Abstention. **Passes.**

e) Budget Committee. Eric Lund presented the draft budget for 2001.

	<u>Amount</u>
Support and Revenue:	
Membership Dues	2500
UMP Membership	108,000
Pledges	57,000
Mail Fundraising	52,500
General Donations	0
Convention	
Operations	0
Fundraising	5000
Phone Fundraising	20,000
Major Donors	25,000
Misc. Support	2000
	<hr/>
Total Support and Revenue	<u>272,000</u>
Cost of Funds	
Membership Dues to National	2500
Membership Dues to Regions	64, 000 800
Pledges	
To Regions	5040
Free Memberships	3000
Mail Fundraising	28,875
Convention Operations	2000
Major Donors	2500
Phone Fundraising	9000
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Total Cost of Support	<u>117,715</u>
Expenses	
Payroll	90,000
Newsletter	30,600
Executive Director Exp.	9000
Office: Rent	4740
Phone	3000
<u>Bonus</u>	<u>1</u>
Other Administration	6000
Media Relations	3600
Chair's Discretionary	400
Treasurer's Expenses	300
Seed money for new regions	144
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Total Expenses	<u>150,184</u>
Total Support and Revenue over Expenses	\$4101

Motion: John Ballard moved to add line to Expenses – Bonus - \$18,000. Seconded.
Discussion that this would put the budget \$14,000 into the red.

Motion to amend: Moved to amend to subtract \$18,000 from newsletter. No second. **Fails.**

Vote on motion: Fails

Motion: Rodney Austin moved to add line item for bonus of \$4000. Seconded.

Motion to substitute: Aaron Starr proposed a line item of \$1. Seconded. **Passed.**

Motion: Bruce Dovner moved to modify the budget as follows:

UMP membership increase \$12,00 to \$12,500

Dues to region increase by \$7,500 to \$72,300

New line Phone renewal \$4500

Newsletter increase \$12,00 to \$31800. Died for lack of a second.

Vote on Budget as amended:

Roll Call **Vote**

Officers

Mark Hinkle Yes

Ted Brown Yes

Rodney Austin Yes

Eric Lund Yes

Sandi Webb Yes

At-Large Reps

Lori Adasiewicz

José Castañeda Yes

Joe Dehn Yes

Bruce Dovner Yes

Aaron Starr Yes

At-Large Alternates

Elizabeth Brierly, #1 Yes

John Ballard, #2

Region Reps

Frank J. Manske, Region 1

Jeff Sommer, alternate R1 Yes

Brian Lee Cross, Region 30 Yes

Bill Hajdu, Region alternate 30

Steve Cicero, Region 37 Yes

Michael McGinty, alternate R 37

Jascha Lee, Region 43 Yes

Allen Rice, alternate R43

Bernard Zimring, Region 61 Yes

Kit Maira, alternate R61

Requires 2/3 to pass. 15 yes. Passes.

f) Audit Committee - no report.

7. Other Committee Reports

a) LNC Committee Report – Joe Dehn

Joe Dehn reported that the first meeting after the National convention in Washington D.C. Joe reported that as a lot of people all over the country have been talking about comprehensive strategic planning for the party, this subject was addressed. The LNC set up a Strategic Planning Team consisting of all of the LNC and alternates, plus two senior staff members (Steve Dasbach and Ron Crickenberger), two elected Libertarians (Don Gorman, and one to be selected), two people to be selected who have left the party to give the perspective of those who have given up on the LP. These meeting will be on a monthly bases starting in February. The comprehensive plan they are to develop is to be presented in August. Joe said that if anyone has any idea they are to contact the LPN Chair. He said that a lot of the material will be available on line at <http://www.lp.org>. The location of the next National Convention was discussed. He reported that the Georgia party was growing very fast and that we should be look at to see how they are doing it.

Mark Hinkle asked if Project Archimedes was going to be ramped back up now that the elections are over. Joe said yes and no. The Strategic Planning Team was going to come up with a new plan. At the same time the budget for next year includes some amount for direct mail. Aaron Starr asked if there were any discussion on membership levels after the election. He noted that after elections in the past the LP has had a spike of membership which was not there this time. Joe said there was some discussion but not a lot. He noted that the Browne campaign was not focused on this as well as some

technical difficulties. He said that because of a larger membership base, the numbers brought in by the campaign, although about the same as other campaigns, was a smaller percentage of the total and therefor looked smaller.

8. Old Business

9. New Business

- a) Selection of Bylaws Committee.

Nominations - Dan Wiener, Bob Weber, Jose Castaneda, Bruce Dovner, Joe Dehn. Approved as presented.

Nominations for Interim Chair: Dan Wiener, Bob Weber. Interim Chair – Dan Wiener

- b) Selection of Platform Committee Chair

Nomination: Ted Brown. Approved.

- c) Closed Session to confer with council. No action taken.

10. Evaluation of Standing Resolutions

- a) Add new standing resolution regarding committees.

Withdrawn.

- b) Pledger renewal threshold.

Juan Ros asked for direction from the ExCom regarding the paying of dues for pledgers. Juan said that we have been selling the pledge program as including the membership without a minimum. Juan said that there were a few people who were grandfathered in after the UMP.

Motion: Immediately begin membership renewal for credit card pledgers of \$10 per month or more. **Passed.**

- 11.** Next Meeting - Feb. 19 2001. San Jose directly following the convention.

- 12.** Adjourned