

**MEETING MINUTES
LNC EXECUTIVE COMMITTEE
DECEMBER 2, 2020
ONLINE VIA ZOOM**



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

TABLE OF CONTENTS

OPENING CEREMONY	3
PURPOSE	3
CALL TO ORDER	3
ATTENDANCE	3
PRESIDENTIAL FILING FEES	ERROR! BOOKMARK NOT DEFINED.
ADJOURNMENT	5

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/lncvotestally2020>.

IF THERE IS A ONE NOTE NOTEBOOK NOT IT HERE OR SAY THERE WAS NONE.

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_2_December_2020

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

OPENING CEREMONY

PURPOSE

The purpose of this Executive Committee meeting was consideration of the proposed budget and related staff issues.

CALL TO ORDER

Chairman Joseph Bishop-Henchman called the meeting to order at 8:02 p.m. (all times Eastern).

ATTENDANCE

The following Executive Committee members were in attendance: Joseph Bishop-Henchman (Chair), Ken Moellman Vice-Chair), Caryn Ann Harlos (Secretary), Tim Hagan (Treasurer); Laura Ebke (At-Large), Richard Longstreth (At-Large), John Phillips (Region 6)

The following LNC members were noted as in attendance in the gallery: Erin Adams, Whitney Bilyeu, Tim Ferreira, Susan Hogarth, Erik Raudsep, Valerie Sarwark

The following staff were noted as in attendance in the gallery: Andy Burns, Tara DeSisto, Tyler Harris, Robert Kraus,

The gallery also contained several attendees from the general membership.

EXECUTIVE SESSION

Ms. Harlos moved that the Executive Committee enter into Executive Session for consideration of the confidential portions of the budget and discussion of staff issues with both staff and the general LNC members present for the budget discussion and only the general LNC members present for the remaining discussion of the staff issues.

The Executive Committee entered into Executive Session at 8:54 p.m. Staff departed from the Executive Session at 9:22 p.m. The Executive Committee arose from Executive Session at 9:44 p.m.

CONSIDERATION OF THE 2021 BUDGET

Mr. Hagan moved that the Executive Committee recommend the following proposed budget to the entire LNC.

	2021 Budget Proposal
Support and Revenue	
20-Membership Dues	704,000
21-Donations	149,000
22-Recurring Gifts	483,306
23-Board / ED Solicitation & Major Gifts	198,000
24-Convention Revenue	0
25-Project Program Revenue	84,500
26-Brand / Political Materials	64,200
27-Ballot Access Voter Reg Donations	84,000
28-Member Communications Rev	4,700
29-Other Revenue & Offsets	0
Total Support and Revenue	<u>1,771,706</u>
Cost of Support and Revenue	
32-Fundraising Costs	412,308
33-Membership Fundraising Costs	130,100
35-Convention	0
36-Ballot Access Fundraising Exp	10,000
37-Building Fundraising Exp	0
Total Cost of Support and Revenue	<u>552,408</u>
Net Support Available for Programs	<u>1,219,298</u>
Program Expense	
40-Administrative Costs	333,040
45-Compensation	440,300
50-Affiliate Support	74,160
55-Brand / Political Materials	64,200
58-Campus Outreach	750
60-Candidate, Campaign & Initiatives	171,500
70-Ballot Access Voter Reg. & Related Exp.	84,000
75-Litigation	5,500
80-Media	0
85-Membership Communications Exp	39,375
88-Outreach	5,000
90-Project Program Other	1,400
Total Program Expenses	<u>1,219,225</u>

Net Operating Surplus (or Deficit)	73
Bequest Receivable & Sep. Seg. Funds	89,196
Capital Exp. Projects, Surplus, Release to Pay Mort.	77,550
Convention Bill	0
Unrestricted Operating Surplus (or Deficit)	11,719
Net Surplus (or Deficit) After Capital Expenses & Bequest	11,792

A roll call vote was taken and the entire Executive Committee voted in the affirmative.
[20201202-01]

The complete budget proposal submitted to the Executive Committee by the Party Chair is attached to these minutes.

ADJOURNMENT

The Executive Committee adjourned at 9:47 p.m.

Respectfully submitted,



LNC Secretary ~ Secretary@LP.org ~ 561.523.2250



2021 Proposed LNC Budget

November 2020

1

November 29, 2020

Colleagues,

After a generation-long absence, a Libertarian won election to a state legislature on November 3. Marshall Burt will take his seat in Wyoming's General Assembly, after winning 54% of the vote in his district and defeating a 14-year incumbent.

Marshall's election was more than luck. It is a success of the Libertarian Frontier Project. The Frontier Project is a targeted strategy to use data and research to identify winnable seats, recruit principled Libertarians active in their communities and capable of winning public office, provide branding and strategy help, and train and deploy canvassing teams. Moving away from a direct subsidy model, candidates raise their own campaign funds, but National HQ provides infrastructure, strategic support, and canvassers. Frontier candidates other than Marshall also did exceedingly well.

An old saying is, "Don't tell me your priorities; give me your budget and I will know your priorities." The Frontier Project succeeded because the LNC prioritized it, dedicating funds and personnel toward its success. This was no small task, as we face many competing demands and ideas for our time and resources. I am honored to be part of an LNC that prizes focus, teamwork, and results, seeking to build a professional organization capable of electing Libertarians to change public policy. I am also grateful to our staff, LNC committees, and LNC members who worked in the past several weeks to finalize this submission to the LNC.

This recommended 2021 LNC budget builds on these efforts to develop campaign and candidate infrastructure, improve fundraising, and overhaul our marketing and activism support efforts, while being a balanced budget that incorporates prudent revenue goals and spending estimates.

Key initiatives include:

1. Frontier Project Next Phase: Campaign Training to Elect More Candidates in 2021 and 2022 & Support Network for Libertarian Elected Officials

Our biggest need in the Frontier Project races in 2020 was enough trained campaign personnel: campaign managers, treasurers, field directors, communications directors, etc. If we are to elect more Libertarians in 2021 and 2022, we need a deep bench. This will require both formal training – building on the 2 regional trainings we conducted in 2020 and increasingly available online training options – and hands-on experience by being a part of actual local campaigns in 2021.

This budget includes requests from Apollo Pazell and Cara Schulz, including \$15,000 for Libertarian Frontier Project activities, \$17,500 for training programs, and \$25,000 for canvassers and support staff for our new network to support Libertarian elected officials. Cara has developed a comprehensive curriculum for such a program (included

in her report), with the idea of offering certifications to those who complete all the classes to be a Libertarian campaign manager.

As a result, support initiatives to elect Libertarians to public office will be 10 percent of the total LNC budget in 2021, up from 1 percent of the total LNC budget in 2017.

2. Getting a Head Start on Ballot Access for 2022 and 2024

We won 50 state + DC ballot access for 2020, despite challenging pandemic conditions that made signature gathering more difficult and bid up the price of paid petitioners. Ballot access efforts by wealthier or more well-known candidates fell short, and the fact that we succeeded is a testament to the thousands of Libertarian activists who gathered signatures and donated their time and money. Thanks to our presidential ticket and many state-level candidates, we retained ballot status in 30 states + DC.

It is imperative that we develop a comprehensive strategy for securing ballot access in the remaining states between now and 2024, using petitioning, litigation, and legislative effort. This will be a strategy that engages affected state affiliates as well as the LNC, in a broader form than the current Ballot Access Committee. I propose that a Ballot Access Summit be held in late 2020 or early 2021 to begin developing that strategy. In the meantime, our budget includes an \$84,000 placeholder for ballot access expenses in 2021, enough to pursue efforts in four states where our team identified that early action would be beneficial: Alaska, Arkansas, Maine, and North Dakota.

3. Securing More Resources by Building Relationships with Major Donors and Prospects

This budget sustains our investment in fundraising staff begun by the last LNC, retains database and other resources essential to our success, and incorporates an overhaul of our major gifts program to adjust fundraising levels (submitted to the LNC as a separate policy manual amendment). These combined initiatives result in more direct asks made to our high-capacity donors. Our financial supporters are long-term investors in our Party; for example, our most generous 100 donors have been giving to the Party on average for 26 years!

We have much room to grow in establishing major donors; currently (2019 full-year) we have only 131 donors who give at \$1,000 or more, and only 13 donors who give at \$5,000 or more. To build and sustain these life-long partnerships, we must carry out clear and systematic prospecting, asking, and stewardship strategies. This builds on efforts in the past four months to cultivate major donors (growing our group of max-level donors from 2 to 6) and open up new FEC accounts for legal expenses and building expenses to legally allow us to accept donations in excess of \$35,500 per year.

While we project that fundraising will increase as a result of these investments, we are cautious in including only a fraction of this amount in our revenue projections. Similarly, we project a drop in membership dues (following this year's 29% growth) not because that is our goal but because we aim to be responsible in estimating the

revenue that we will rely on. The budget also includes \$40,000 in revenue and costs associated with fundraising events in 2021; the LNC may be asked to adjust these amounts as the year progresses if significant donor commitments emerge.

4. Hiring a Communications Director and Executing a Marketing Strategy

This budget funds a full-time communications director to lead our marketing and outreach strategy. The *Framework for a Strategic Plan* document identified a gap in our HQ org chart: identifying media opportunities and providing talking points that can be used, developing relationships with editors and producers and connecting them with our spokespeople, and providing training and general libertarian promotion.

While our candidates and elected officials are who people want to hear from, and we will always depend on our state affiliates and our volunteers to conduct most of outreach, national HQ has an important part to play in this, one that needs a dedicated person for it.

This budget also includes \$5,000 requested by the Marketing & Media Committee for an overhaul of our branded materials.

5. Hiring a Volunteer Coordinator and Engaging Our Activists

This budget funds a full-time volunteer coordinator to support and engage our activists to achieve results. Thousands of people join the Libertarian Party to be a part of changing the world, and national HQ has a role in supporting their efforts and those by state affiliates, providing opportunities to win elections, lobby, and protest.

The *Framework for a Strategic Plan* document identified a number of projects that could be advanced by such a role, primarily identifying volunteers and funneling them to various engagement opportunities to move us from an online party to an on-the-ground party.

6. Splitting the Membership Department Into Its Component Parts

This budget supports an in-progress organizational overhaul to create clearer roles, responsibilities, and expectations for our HQ staff. A key element of this structural overhaul is splitting the membership department, moving its development responsibilities to the development department (moving one FTE position to there; we also hope to rely more heavily on LNC members and automated processes for basic membership welcoming and renewals), moving its outreach responsibilities to the new marketing department to be headed by a full-time Communications Director, and a new activism support department to be headed by a full-time Volunteer Coordinator. Existing personnel in the membership department would be eligible to apply for those or other newly created positions.

The EPCC has been fully engaged in helping develop job descriptions for the roles. I look forward to working with LNC members to further flesh these out.

7. **Clearing the CRM Onboarding Queue, Improving IT Customer Service**

25 states have joined our CRM database project, with 13 more in progress or in queue, as detailed further in Andy Burns's report. This budget funds the expenses necessary to clear this queue, and adds a part-time position to assist with IT "customer service" responsibilities which become increasingly important as more states join. The budget also includes \$15,000 (in both revenue and costs) requested by the Affiliate Support Committee to promote the "Affiliate in a Box" project to be completed in 2021, and \$5,000 in branded material overhaul requested by the Marketing & Media Committee.

8. **Producing and Promoting Affiliate-in-a-Box**

A top request from our leaders is a ready-to-use kit of best practices and successful ideas for state and local Libertarian leaders, minimizing wheel-reinventing they must do. This budget includes \$15,000 (in both revenue and costs) requested by the Affiliate Support Committee to promote the Affiliate-in-a-Box project to be rolled out in 2021. The Committee is developing a contest to develop the best items for inclusion and then to distribute sets of the final product.

9. **Liquidating the Outstanding Mortgage on our Headquarters Building**

This budget anticipates one final HQ fundraising push to pay off the \$37,400 remaining balance on our mortgage. It was in 2010 that the party began efforts to acquire a permanent national headquarters, purchasing the three-story building in Alexandria, VA in 2014. Previous LNCs made additional payments (\$82,000 in 2019 and \$47,500 in 2020) to avoid a balloon payment in 2024 and pay down the principal. While a discretionary expense this year, paying this off now will eliminate a major expense in future years and release those funds for other priorities.

10. **A Structurally Balanced Budget**

This budget anticipates 2021 operating revenues of \$1,771,706 (a 15 percent reduction from \$2,082,881 in 2020 reflecting a trend of reduced revenue in post-presidential election years) and operating expenses of \$1,771,633 (a 9 percent reduction from \$1,944,495 in 2020, as we right-size our expenses following the presidential election), not counting bequests and mortgage principal payments.

The result would be an operating surplus of \$73 and an increase in net assets of \$11,719. This budget complies with the policy manual requirement that projected revenue not exceed 20% above the 2017 revenue total (\$1,771,840, not including bequest revenue). This budget does not anticipate utilizing any surplus general operating cash from 2020, instead leaving any of these one-time funds to build the organization's financial cash reserve and provide a margin to smooth our cash flow needs during the year. Any convention revenues received in 2022 are also not included in amounts available to be spent, instead reserved for convention expenses in 2022.

My sincerest thanks to everyone who are a part of our journey together, to this point and onward. Imagine the impact from a Libertarian Party that:

- Elects, re-elects, and supports principled Libertarians to change public policy
- Builds & sustains partnerships that provide the resources for our maximum impact
- Supports and engages a growing membership to achieve results
- Conveys the LP as impactful & growing, the best option, and worthy of your support
- Delivers infrastructure and operating practices that seamlessly support our activities

I look forward to working with you to make 2021 the year the Libertarian Party got out of start-up mode. Success begets success, so let's strive for team victories to celebrate in the months and years ahead!

In Liberty,

A handwritten signature in black ink, appearing to read "Joe Bishop-Henchman". The signature is fluid and cursive, with a large initial "J" and a long horizontal stroke extending to the right.

Joe Bishop-Henchman, LNC Chair

	Jan-Dec 17 *	Jan -Dec 19 *	2020 YTD * Extrapolated	Ave 2017/2019	2021 BUDGET
Support and Revenue					
20-Membership Dues	554,688	622,486	947,064	588,587	704,000
21-Donations *	220,443	108,819	212,751	164,631	149,000
22-Recurring Gifts	360,045	366,141	398,837	363,083	483,306
23-Board / ED Solicitation & Major Gifts	53,613	136,640	138,167	95,127	198,000
24-Convention Revenue	0	0	0	0	0
25-Project Program Revenue	89,025	131,647	56,355	110,336	84,500
26-Brand / Political Materials	61,902	66,660	193,519	64,281	64,200
27-BallotAccess Voter Reg Donations	130,474	36,543	131,395	83,509	84,000
28-Member Communications Rev	6,344	2,045	4,795	4,195	4,700
29-Other Revenue & Offsets	0	0	0	0	0
Total Support and Revenue	1,476,534	1,470,981	2,082,881	1,473,758	1,771,706
Cost of Support and Revenue					
32-Fundraising Costs	182,755	141,445	377,891	162,100	412,308
33-Membership Fundraising Costs	207,658	121,796	143,291	164,727	130,100
35-Convention	0	0	0	0	0
36-BallotAccess Fundraising Exp	9,732	1,468	6,409	5,600	10,000
37-Building Fundraising Exp	101	3,734	0	1,918	0
Total Cost of Support and Revenue	400,246	268,443	527,591	334,345	552,408
Net Support Available for Programs	1,076,288	1,202,538	1,555,291	1,139,413	1,219,298
Program Expense					
40-Administrative Costs	355,873	281,295	317,567	318,584	333,040
45-Compensation	507,556	484,357	455,392	495,957	440,300
50-Affiliate Support	55,356	60,105	54,695	57,731	74,160
55-Brand / Political Materials	73,924	46,725	189,489	60,325	64,200
58-Campus Outreach	750	75	621	413	750
60-Candidate, Campaign & Initiatives	18,513	87,310	235,616	52,912	171,500
70-BallotAccess Voter Reg & Related Exp	130,818	0	122,360	65,409	84,000
75-Litigation	5,475	19,783	5,539	12,629	5,500
80-Media	10,313	13,242	792	11,778	0
85-Member Communications Exp	61,035	29,745	28,697	45,390	39,375
88-Outreach	6,027	7,155	4,667	6,591	5,000
90-Project Program Other	9,781	2,743	1,469	0	1,400
Total Program Expense	1,235,421	1,032,535	1,416,904	1,127,716	1,219,225
Net Operating Surplus (or Deficit)	-159,133	170,003	138,387	11,697	73
Bequest Receivable & Sep. Seg. Funds	33,400	68,800	72,000	51,100	89,196
Cap Exp. Projects Surplus, Release to Pay Mort	86,000	132,390	53,750	109,195	77,550
Convention Bill		0			0
Unrestricted Operating Surplus (or Deficit)	-211,483	98,299	153,757	-56,592	11,719

Libertarian National Committee, Inc.

2021 LNC BUDGET - (see Account Detail for breakdown) - DRAFT 11 - 11/29/20

	Jan-Dec 17 *	Jan-Dec 19 *	Jan-Sep 20 *	2020 YTD *		Ave 2017/2019	ENTER DATA HERE for 2021	OB Class	Notes
				Extrapolated					
Ordinary Revenue/Expense									
Revenue									
4000 · General Fundraising									
4010 · Direct Mail Fundraising									
4010-10 · DM - House Fundraising General	88,378	27,154	51,194	68,259	57,766	68,200	21	(a)	
4010-11 · DM - House Fundraising Renewal	13,503	4,335	5,743	7,657	8,919	7,600	20	(a)	
4010-12 · DM - House Fundraising New Don	1,220	425	1,639	2,185	823	2,100	20	(a)	
4010-20 · DM - Donor Renewal	145,468	143,108	115,430	153,907	144,288	139,200	20	(b)	
4010-30 · DM - New Donor Prospecting	23,470	3,310	8,370	11,160	13,390	13,300	20	(c)	
Total 4010 · Direct Mail Fundraising	272,039	178,332	182,376	243,168	225,186	230,400			
4020 · Direct Solicitation Major Donor									
4020-10 · Board Solicitation	5,493	3,010	25	33	4,252	20,000	23	(y)	
4020-20 · Chair Solicitation	47,920	26,500	38,500	51,333	37,210	125,000	23	(y)	
4020-30 · ED Solicitation	200	107,130	65,100	86,800	53,665	53,000	23	(y)	
Total 4020 · Direct Solicitation Major Donor	53,613	136,640	103,625	138,167	95,127	198,000			
4030 · Online Contributions - Web									
4030-10 · Online Cont - General	40,452	39,855	64,576	86,101	40,154	40,100	21	(c)	
4030-20 · Online Cont - Donor Renewal	204,638	300,633	314,542	419,389	252,636	379,400	20	(b)	
4030-30 · Online Cont - New Donor Prosp	150,110	166,150	261,114	348,152	158,130	158,100	20	(c)	
Total 4030 · Online Contributions - Web	395,200	506,638	640,232	853,643	450,919	577,600			
4040 · Tele Fundraising - Phone Bank									
4040-10 · Tele Fund - General **	781	731	340	453	756	700	21	(c)	
4040-20 · Tele Fund - Donor Renewal	15,854	4,525	3,460	4,613	10,190	4,100	20	(b)	
4040-30 · Tele Fund - New Donor Prosp	425	-	-	-	213	200	20	(c)	
Total 4040 · Tele Fundraising - Phone Bank	17,060	5,256	3,800	5,067	11,158	5,000			
4080 · Recurring Contrib - Pledge	360,045	366,141	299,128	398,837	363,093	483,306	22	(e)	
4090 · Ballot Access / Voter Reg.	130,474	36,543	98,546	131,395	83,509	84,000	27	(z)	
Total 4000 · General Fundraising	1,228,431	1,228,550	1,327,707	1,770,276	1,228,991	1,578,306			
4100 · Project Revenue									
4106 · Campus Outreach	-	-	-	-	-	-	25		
4108 · Building Fund	71,808	105,223	16,291	21,721	88,516	37,400	25	(f)	
4110 · Legal Action Fund	500	8,189	2,626	3,501	4,345	3,500	25	(d)	
Total 4100 · Project Revenue	72,308	113,412	18,917	25,223	92,860	40,900			
4200 · Events and Conventions									
4200-10 · Convention Revenue	-	-	-	-	-	-	24		
4200-15 · Convention Fundraising Unrestricted	16,367	29,754	36,153	48,204	23,061	-	21		
4200-20 · Other Events	74,465	11,220	6,400	8,533	42,843	40,000	21	(c)	
Total 4200 · Events and Conventions	90,832	40,974	42,553	56,737	65,903	40,000			
4300 · Program Revenue									
4310 · Affiliate Development	4,135	5,578	3,227	4,303	4,857	19,300	25	(u)	
4320 · Outreach & Marketing	-	105	1,000	1,200	53	-	21		
4340 · LP News	6,344	2,045	3,596	4,795	4,195	4,700	28	(d)	
4375 · Branding / Political Materials	61,902	66,660	145,139	193,519	64,281	64,200	26	(c)	
4360-40 · Candidate Support & Training	-	9,932	19,169	25,559	4,966	9,900	25	(g)	
4395 · Lpedia Hist Pres Revenue	12,582	2,725	953	1,271	7,654	1,200	25	(d)	
Total 4300 · Program Revenue	84,963	87,045	173,084	230,645	86,004	112,500			
Total Revenue	1,476,534	1,470,981	1,562,261	2,082,881	1,473,758	1,771,706			
Gross Proceeds	1,476,534	1,470,981	1,562,261	2,082,881	1,473,758	1,771,706			

	Jan-Dec 17 *	Jan-Dec 19 *	Jan-Sep 20 *	2020 YTD * Extrapolated	Ave 2017/2019	ENTER DATA HERE for 2021	OB Class	Notes
7380 - Ballot Access - Other								
7380-10 - Ballot Access Petitioning Exp.	130,818	-	77,912	103,883	65,409	84,000	70	(q)
7380-20 - Ballot Access Travel Expense	-	-	13,858	18,477	-	-	70	
7380-30 - Ballot Access Legal	-	5,093	3,151	4,201	2,547	-	75	
7380-40 - Ballot Access Lobbying	-	-	-	-	-	-	70	
7380-50 - Voter Registration	-	-	-	-	-	-	70	
Total 7380 - Ballot Access - Other	130,818	5,093	94,921	126,561	67,956	84,000		
7395 - Lpedia Hist Preservation Exp	9,781	2,743	1,102	1,469	-	1,400	90	(d)
Total 7300 - Program-Related Expenses	365,767	252,118	481,490	641,987	302,681	439,635		

	Jan-Dec 17 *	Jan-Dec 19 *	Jan-Sep 20 *	2020 YTD * Extrapolated	Ave 2017/2019	ENTER DATA HERE for 2021	OB Class	Notes
Expense								
7000 - General Fundraising Expense								
7010 - Direct Mail Fundraising Exp								
7010-10 - DM - House General Expense	92,813	48,867	204,222	272,296	70,840	75,000	32	(h)
7010-20 - DM - Donor Renewal Expense	99,849	63,757	40,234	53,645	81,803	32,000	33	(i)
7010-30 - DM - New Donor Prospecting Exp	75,927	20,867	20,729	27,639	48,397	27,600	33	(d)
7010 - Direct Mail Fundraising Exp - Other	-	-	-	-	-	-		
Total 7010 - Direct Mail Fundraising Exp	268,589	133,491	265,185	353,580	201,040	134,600		
7020 - Direct Sol Major Donor Expense								
7020-10 - Board Solicitation Expense	15,702	-	-	-	7,851	-	32	
7020-20 - Chair Solicitation Expense	-	-	-	-	-	-	32	
7020-30 - ED Solicitation Expense	-	-	-	-	-	-	32	
Total 7020 - Direct Sol Major Donor Expense	15,702	-	-	-	7,851	-		
7030 - Online Contributions Exp - Web								
7030-10 - Online Cont Exp - General	-	-	-	-	-	-	32	
7030-20 - Online Cont Exp - Donor Renewal	6,045	4,633	23,715	31,620	5,339	5,300	33	(c)
7030-30 - Online Cont Exp - New Donor	17,215	12,586	21,845	29,127	14,901	14,900	33	(c)
Total 7030 - Online Contributions Exp - Web	23,260	17,219	45,560	60,747	20,240	20,200		
7040 - Tele Fundraising Expense								
7040-10 - Tele Fund Exp - General	-	-	-	-	-	-	32	
7040-20 - Tele Fund Exp - Donor Renewal	8,622	19,953	945	1,260	14,288	1,200	33	(d)
7040-30 - Tele Fund Exp - New Donor Prosp	-	-	-	-	-	-	33	
Total 7040 - Tele Fundraising Expense	8,622	19,953	945	1,260	14,288	1,200		
7050 - Fundraising Labor						200,993	32	(w)
7060 - Membership Contractors						49,100	33	(x)
7080 - Recurring Contrib - Pledge	23,077	25,004	18,873	25,164	24,041	36,000	32	(j)
7085 - Building Fund Fundraising Exp	101	3,734	-	-	1,918	-	37	
7090 - Ballot Access Fundraising Exp	9,732	1,468	4,807	6,409	5,600	10,000	36	(k)
7095 - Credit Card Prc Fees	47,737	53,201	53,181	70,908	50,469	60,315	32	(l)
Total 7000 - General Fundraising Expense	396,820	254,070	388,551	518,068	325,445	512,408		
7100 - Project-Related Expenses								
7106-10 - Campus Outreach	750	75	466	621	413	750	58	(m)
7108-10 - Building Fund Expense	-	-	-	-	-	-	90	
7110 - Legal Offense Fund Project	-	-	-	-	-	-	90	
Total 7100 - Project-Related Expenses	750	75	466	621	413	750		
7200 - Events and Conventions Exp								
7200-10 - Convention Expenses - General	-	-	-	-	-	-	35	
7200-15 - Convention Expense - Travel/F&B	-	-	-	-	-	-	35	
7200-20 - Convention Fundraising Expense	-	-	-	-	-	-	32	
7200-30 - Other Events	3,426	14,373	7,142	9,523	8,900	40,000	32	(o)
Total 7200 - Events and Conventions Exp	3,426	14,373	7,142	9,523	8,900	40,000		
7300 - Program-Related Expenses								
7310 - Affiliate Development-Material & Suppli	55,356	60,105	41,021	54,695	57,731	18,000	50	(m)
7311 - Affiliate Development-Labor						56,160	50	(x)
7320 - Outreach & Marketing Exp	6,027	7,155	3,500	4,667	6,591	5,000	88	(aa)
7330 - Media Relations & PR	10,313	13,242	594	792	11,778	-	80	
7340 - LP News - Printing & Postage	61,035	29,745	21,523	28,697	45,390	30,000	85	(n)
7341 - LP News - Labor						9,375	85	(x)
7350 - List Rental	-	-	-	-	-	-		
7375 - Branding/Political Materials	73,924	46,725	142,117	189,489	60,325	64,200	55	(o)
7360 - Campaign Candidate Support								
7360-10 - GOTV	-	-	-	-	-	-		
7360-20 - Candidate Tracker	-	-	-	-	-	-		
7360-30 - LibertyDecides08	-	-	-	-	-	-		
7360-40 - Candidate Support & Training	18,513	87,310	176,712	235,616	52,912	32,500		(p)
7360-45 - Candidate Support Contractor						139,000		(x)
7360-50 - Initiative Campaign Support	-	-	-	-	-	-		
7360 - Campaign Candidate Support - Other	-	-	-	-	-	-		
Total 7360 - Campaign Candidate Support	18,513	87,310	176,712	235,616	52,912	171,500	60	

	Jan-Dec 17 *	Jan-Dec 19 *	Jan-Sep 20 *	2020 YTD * Extrapolated	Ave 2017/2019	ENTER DATA HERE for 2021	OB Class	Notes
8000 - Total Salary & Related (See Worksheet)	507,556	484,357	341,544	455,392	495,957	440,300	45	(r)
8100 - Admin & Overhead Exp (See Worksheet)								
8110 - Ofc Supplies & Non Cap Equipmt	7,875	7,730	5,451	7,268	7,803	7,300		(s)
8115 - Bad Debts Expense	-	-	-	-	-	-		
8120 - Telephone & Data Services	14,732	14,775	11,346	15,128	14,754	15,200		(s)
8125 - Equipment Leases & Maint.	2,054	1,951	371	495	2,003	500		(s)
8130 - Postage & Shipping	12,132	9,030	7,218	9,624	10,581	9,700		(s)
8140 - Travel, Meeting, & Meals Exp	25,348	2,229	12,702	16,936	13,789	17,000		(s)
8160 - Insurance	6,392	8,339	9,447	12,596	7,366	12,600		(s)
8170 - Total Occupancy & Related	45,356	46,892	30,323	40,431	46,124	40,300		(s)
8180 - Printing & Copying	6,434	10,752	7,536	10,048	8,593	10,100		(s)
8190 - Software, Hardware & Other IT **	115,197	58,259	52,882	70,509	87,228	68,000		(s)
8195 - Other Expenses & Bank Fees	7,584	6,796	5,001	6,668	7,190	6,700		(s)
Total 8100 - Admin & Overhead Expense	243,104	167,753	142,277	189,703	205,429	187,400	40	
8200 - Professional Services (See Worksheet)								
8210 - Legal								
8210-10 - Legal - General	54,903	55,852	44,154	58,872	55,378	58,900	40	(s)
8210-20 - Legal - Proactive	5,475	14,690	1,003	1,337	10,083	5,500	75	
Total 8210 - Legal	60,378	70,542	45,157	60,209	65,460	64,400		
8220 - Accounting	15,600	16,800	16,500	16,500	16,200	16,500	40	(s)
8230 - FEC Filing & Consulting	18,000	18,000	14,400	19,200	18,000	19,200	40	(s)
8240 - Computer Services	-	-	-	-	-	16,640	40	(r)
8200 - Professional Services - Other	-	-	-	-	-	1,200	40	(bb)
Total 8200 - Professional Services	93,978	105,342	76,057	95,909	99,660	117,940		
8300 - Depreciation Expense	24,266	22,890	24,969	33,292	23,578	33,200	40	(d)
8500 - Loss (Gain) on Disposal	-	-	-	-	-	-	40	
Total Expense	1,635,667	1,300,978	1,462,496	1,944,495	1,462,061	1,771,633		
Net Ordinary Revenue	(159,133)	170,003	99,765	138,387	11,697	73		
Net Revenue or Loss	(159,133)	170,003	99,765	138,387	11,697	73		
Bequests Receivable	33,400	68,800	72,000	72,000	51,100	23,882		(t)
Funds available in the Separated Segregated Funds	71,808	105,223	16,291	21,721	88,516	65,314		(v)
Capital Expenditures ***	-	50,390	6,250	6,250	25,195	-		
Projects Surplus (or Deficit)	71,558	113,337	18,451	24,801	92,448	40,150		
Release to pay off Mortgage Principal	86,000	82,000	37,500	47,500	84,000	37,400		(f)
Convention Bill Payable	-	-	-	-	-	-		
Unrestricted Net Surplus (Deficit) after Cap. Exp.	(211,483)	98,299	125,855	153,757	(56,592)	11,719		
# Major House Letters	8	1	4	5	5	4		
# Major Other Letters (B/A & B/F)	1	0	0	0	1	1		
# Issues LP News	5	3	3 to Date	4	4	4		
Y/E Membership	14,998	16,132	21,094	21,000 est YE	15,565	19,000		0.90

* 2017 / 19 / 20 general donations above excludes any bequest related revenue, interest, refunds & transfers

** Doesn't include capital expenses

*** 2019 Capt Exp includes \$25K for CRM, \$12K for Equipment & balance for Building. 2020 Capt Exp is for Building.

- (a) Based on 2020 - 4 major house letters plus multiple small targeted letters
- (b) Reflects current trend (2020 less growth factor)
- (c) Based on 2017/19 ave to reflect post election year norm
- (d) Reflects current trend
- (e) Reflects 32% increase of in active pledgers 2019 v 2020
- (f) Based on goal to pay off mortgage
- (g) Based on 2019
- (h) Based on 2020 - 4 major house letters plus multiple small targeted letters
- (i) For mailers / membership premiums plus contractors
- (j) Reflects 32% increase of in active pledgers 2019 v 2020 includes contractor cost
- (k) Based on 1 Major House Letter plus some other targeted mailings or LP News insert
- (l) Based on current cost as % of revenue
- (m) Non capital affiliate related costs plus \$15K additional Exp for the "Affiliate in a Box" Program
- (n) Reflects 4 issues at about \$7500 ea plus contractor
- (o) Branding and Other Events expected to break even
- (p) Includes \$15k for Libertarian Frontier Project and \$17.5k for campaign trainings
- (q) Per ballot access committee chair for AR
- (r) See confidential salary worksheet
- (s) See office admin worksheet
- (t) Actual expected
- (u) Reflects current trend plus \$15K Rev for the "Affiliate in a Box" Program
- (v) Monies available in the Building Fund and Legal Fund
- (w) Fundraising contractors
- (x) Contractor labor
- (y) Chair's estimate
- (z) Based on Ballot Access expenses (incl 1 house letter)
- (aa) Marketing & Media Committee request
- (bb) Human Resource subscription per EPCC request

2017 Occupancy			
8170 - Occupancy Expenses	Jan-Sep 20	2020 Est	2021 Projected Exp
8170-10 - Mortgage Interest Expense	3,234	4,312	3,600 Est based on mortg schedule
8170-20 - Utilities Expense	3,709	4,945	5,000 Based on current trend
8170-30 - Property Taxes, Fees & Permits	7,229	9,639	9,650 Based on curr City Assesment
8170-40 - Maintenance, Cleaning & Repairs	9,116	12,155	12,200 Based on current trend
8170-50 - Property Insurance	2,356	2,356	2,400 Based on current trend
8170-60 - Assc Fees, Parking & Storage	4,680	6,240	7,450 Current trend plus est escalation of management fee
Total 8170 - Occupancy Expenses	30,324	39,647	40,300
Number to Link to Acct Detail Worksheet:			40,300
8110 - Ofc Supplies & Non Cap Equip	5,451	7,268	7,300 Based on current trend
8120 - Telephone & Data Services	11,346	15,128	15,200 Based on current trend
8125 - Equipment Leases & Maint.	371	495	500 Based on current trend
8130 - Postage & Shipping	7,218	9,624	9,700 Based on current trend
8140 - Travel, Meeting, & Meals Exp	12,702	16,936	17,000 Based on current trend
8160 - Insurance	9,447	12,596	12,600 Based on current trend
8170 - Total Occupancy & Related	30,324	39,647	40,300 SEE ABOVE
8180 - Printing & Copying	7,536	10,048	10,100 Based on current trend
8190 - Software, Hardware & Other IT	52,882	70,509	68,000 Based on current trend minus IT savings
8195 - Other Expenses & Bank Fees	5,001	6,668	6,700 Based on current trend
8210-10 - Legal - General	44,154	58,872	58,900 Based on current trend
8220 - Accounting	16,500	16,500	16,500 Based on current trend
8230 - FEC Filing & Consulting	14,400	19,200	19,200 Based on current trend

Detailed salary information is redacted from this version of the document.

Budget Terminology

Cash is a snapshot at a particular moment of liquid assets able to meet current and future obligations. Best practice is to avoid negative cash flow at any point in time as shown by a cash-flow statement, through revenues exceeding expenses, availability of liquid net assets, and/or access to a line of credit. *The LNC Policy Manual has a targeted cash reserve equal to one month's occupancy, labor, and governance expenses, or approx. \$47,458.*

Budget is a period of time (usually annual) listing anticipated revenues and expenses. Best practice is for adoption of an annual budget where revenues equal or exceed expenses over the budget timeframe, to prevent exhaustion of net assets. Tool used is a budget profit/loss document.

Book is a continual classification of financial transactions, identifying revenues and assets by their restrictions on their usage (receivable vs. cash, liquid vs. illiquid, donor or legally restricted vs. unrestricted, released vs. unreleased), and expense obligations and liabilities by their function (program, development, management) and nature (salaries, rent, etc.). Best practice is for accuracy of all recording (including accurate reporting of time spent by staff by function and nature) and for unrestricted net assets to be not in a negative position at any time. Tool used is a balance sheet, or statement of financial position.