

Liberty for America

November 1, 2016

Pre-election Issue

This issue is the last before the election. It covers Presidential campaign finances associated with their most recent disclosure, covering October 1-19, 2016. The Johnson campaign actually has two campaign fund accounts, one being the normal presidential campaign fund and the other being the joint fundraising campaign fund.

Johnson fundraising continued to fall.

For the period in question, the presidential campaign committee began the Reporting Period with \$1,283,891 cash on hand, raised \$694,279, spent \$876,731, and ended the reporting period with \$1,101,439 cash on hand.

The Victory Fund began the early October with \$955,904, raised \$507,431, spent \$1,054,911, and ended the period with \$408,424 cash on hand.

The most noteworthy feature of these numbers is that the amount of money raised has declined precipitously from the previous months. Not quite \$700,000 in 19 days corresponds to a bit over \$1 million for the month. Of course, a good fund drive can indeed bring in extra cash, but the reported rate for the Gary Johnson 2016 campaign is far below what had been coming in in prior months. For the 19 days covered by the report, Johnson 2016 had 11 donors of \$1000 or more, including one donor of the legal maximum of \$2700.

There is a further interesting feature to the reports. The victory fund, on the last day of the reporting period, transferred \$634,547 to the Johnson 2016 campaign. That transfer was nearly 2/3 of their total spending for the period. The transfer was presumably received on the next day or later, because it was not reported by the Gary Johnson 2016 campaign as income for the period. Readers may wonder why the transfer was needed, given that the Johnson victory fund was doing a fine job of spending money on advertising.

A further minor interesting datum is that the Johnson 2016 campaign reported having raised \$10,308,873 and therefore had crossed the threshold for securing Secret Service protection for the candidates. However, there was a minor difficulty. The candidates are traveling on normal airliners. The Secret Service comes equipped with loaded machine guns, teargas, I gather hand grenades, and for all we know surface-to-air missiles. These technical devices are not welcome on passenger airliners because after all people carrying guns on airliners could be air pirates. As a result, the Secret Service needs for its agents to be supplied with travel on chartered aircraft, for which, by the way, the taxpayers will not pay. Now for the Democratic and Republican candidates, this is a nonissue, because they have chartered aircraft and are using it for travel at all times. The Secret Service people are then welcome on

board as extra passengers. In contrast, in order to use the Secret Service protection, the libertarian campaign would have to charter an airliner, which is not a cheap operation.

So where did the money go? The reader will note that no money is reported as going to the Utah campaign management operation.

Johnson 2016 had more than 60 people listed as consultants of some sort, getting paid between them \$327,378, nearly a quarter of all spending, including \$258,809 for campaign consulting, \$44,387 for social media, \$12,937 for fundraising consulting, \$5670 for ballot access consulting, and \$5575 for media relations. That's almost 38% for staff.

For Advertising: The grand total for Advertising was \$283,707. IVC Media received \$163,406. Facebook was paid \$66,856. Evan Twede,inc received \$24,220. Snapchat received \$17,148. Prime source received \$12,858. Power and Industry received \$7401. Printing by IDV GRAFX cost \$6947. \$4000 went to visual media. Transcend Creative cost \$3448. City Creek Entertainment received \$1845. No Monkey received \$1468. Snapchat received \$1361. That's 32% for advertising.

Software, primarily to Hustle, Inc., and Nation Builder, cost \$68,570.

The candidates travelled. Venues cost \$48,886. Airfare, hotels, and the like came to \$32,003. Catering and staging cost \$3727, and Staging cost \$2379, a total of \$86,995.

Ballot Access spending came to \$13,000.

The costs of handling money included online fundraising support \$3664, the accountant \$23,976, \$700 for Merchant Service processing, and \$1203 for Bank Fees, a total of \$58,058.

Other costs included Legal Fees-\$16,370, insurance \$10,109, Fundraising fees to Avandale Inc \$9737, Rent - \$1672, and Cable \$152, a total of \$38,040.

Spending by the Johnson Victory Fund was dominated by \$634,547 being transferred to Gary Johnson 2016. There was also a \$20,000 reimbursement on a donation.

In addition, money was spent on advertising:

Printing \$146,167
Facebook - \$59,828
Google - \$88,019

Raising money costs money.

Avondale Finance, 4 Longfellow, Boston received \$41,474.

Other Fundraising Consulting - \$28,412

Paypal, Sameday, and Shopify received \$16,031 for money transfer issues.

DB Capital Strategies for legal and compliance issues received \$11,000.

Catering - \$4053.

Event Cost - \$3596

60% of the money disbursed simply went to the other campaign. Most of the rest went to advertising.

The author suspects that we may see a December or January surprise.