

EXECUTIVE DIRECTOR'S REPORT

Mr. Sigurdson provided an update to the Board on the following:

- Staffing: Gary Bauer, who held the position of Database Program Analyst, resigned from state service effective July 30th. Gary was with the Board for almost thirteen years, and was very involved in supporting treasurers who used the Campaign Finance Reporter software developed by the Board.
- Pre-primary Report of Receipts and Expenditures: The deadline for the pre-primary report was July 29th. The Board has received reports from all judicial candidates required to file, and is missing reports for only three of the 268 House candidates who were required to file a report. Of the 298 registered party units, 293 have filed a report, as have 241 of 246 political committees and 171 of 198 political funds.
- Report to the Legislature – Lobbying of Political Subdivisions: At the 2024 legislative session, the Board was tasked with studying whether the laws regulating lobbying should distinguish between lobbying of public officials and lobbying of local officials in political subdivisions. In particular, the Board was directed to study the statutory definitions of "lobbyist," "local official," "public official," and "official action of a political subdivision" as 2 provided in Chapter 10A. The Board will report the study's results to the legislature in January of 2025, and may include legislative recommendations on distinctions between the lobbying of public and local officials that the Board believes are warranted and appropriate. The Board will hold a public meeting on these issues on Monday, August 19, at 9 AM in the Blazing Star Room of the Centennial Office Building. Members of the regulated community, organizations that represent political subdivision, and good governance groups have been invited to provide their views on lobbying of political subdivisions. There will be other opportunities for the public to provide comment as the drafting of the report goes forward.
- Operational Budget – Fiscal Year 2025: The Board's budget for fiscal year 2025 is \$1,981,000 which reflects a base budget of \$1,791,000 for operations, and a one-time increase of \$190,000 for IT development. The Board's budget for FY24 also contained a one-time increase for IT development. Money not spent in the first year of the biennium, FY24, is carried forward for use in FY25. Money not used in the second year of the biennium reverts to the state general fund. At the end of FY24 there was approximately \$382,000 in unobligated funds available to carryforward into FY25. However, the carryforward includes \$163,000 which will be used for the Azure Cloud service agreement with MNIT, which has been signed but not invoiced.

The following motion was made:

Member Soule's motion: To approve the budget as presented

Vote on motion: Unanimously passed.

RECONCILIATION OF 2023 CONTRIBUTIONS

Mr. Sigurdson presented the Board with a memo that is attached to and made a part of these minutes. The Board reconciles contributions reported by registered committees to the contributions reported received by registered committees. The numbers should match, or an explanation found for a discrepancy. In 2023,

\$702,851 of \$8,488,540 in contributions from registered committees to other registered committees did not reconcile. After working through the reconciliation process and contacting committees for amendments the amount that still does not reconcile has been reduced to \$5,841. This means that 99.92% of the contributions between registered committees reconcile.

ENFORCEMENT REPORT

A. Consent Items

1. Administrative termination of lobbyist Margaret Meyer (4636)

Pro-Choice Minnesota (5837) stated Ms. Meyer left employment with them on May 24, 2024. Despite messages via telephone and email, Pro-Choice has been unable to contact her to request she terminate her lobbyist registration. It is worth noting that in the past, CFB staff has also had a hard time contacting Ms. Meyer. If the termination is approved, Pro-Choice requests the termination be backdated to May 24, 2024. Ms. Meyer has not filed the lobbyist report that was due June 17, 2024, and a late filing fee continues to accrue at a rate of \$25 per day. Meyer is the principal’s sole registered lobbyist.

The following motion was made:

Member Soule’s motion: To approve the termination.

Vote on motion: Flynn, Rashid, Swanson voted no.
 Kleis and Soule voted yes. Motion did not pass.

B. Waiver Requests

1. Grassroots-Legalize Cannabis Party (20839)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to grant requests 1-5. Unanimously passed.
2024 June	6/14/24	6/18/24	\$100	No.	Waive.	
The treasurer, Oliver Steinberg states he experienced a medical issue and was hospitalized from June 8 th until late June 15 th . He attempted to complete the report on June 16 th but was hospitalized again. He submitted the report electronically on June 18 th , two working days past the deadline.						

2. Andrea Lovoll (4862)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to grant requests 1-5. Unanimously passed.
2024 LDR	6/17/24	6/25/24	\$125	No.	Waive.	
Ms. Lovoll states that she encountered difficulties with CFRO’s online system, which prevented her from submitting her report on time. Ms. Lovoll attempted to contact Board staff via email and phone, however she did not receive a response due to CFB staff changes. After several unsuccessful attempts to submit the report electronically, Ms. Lovoll physically delivered her report to the CFB office after the deadline.						

3. John Ongaro (7516)						Board Action
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Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to grant requests 1-5.
2024 LDR	6/17/24	7/1/24	\$225	No.	Waive.	
Mr. Ongaro states his wife passed away on June 26 th . The past month has been extremely challenging for him. As a result, he was late in submitting his forms. Ongaro requests a waiver for the delay and hopes for understanding during this difficult time.						Unanimously passed.

4. Automotive Service Political Action Committee (40683)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to grant requests 1-5.
2024 June	6/14/24	6/17/24	\$50	Yes. \$50 - 2022 1st Quarter Report, due to family medical emergency.	Waive.	Unanimously passed.
Jodi Pillsbury, Office Manager for AASP called CFB staff on June 14, 2024, for help due to technical errors with CFRO. She did not receive a response. She submitted her report on June 17, 2024, and notified Board staff via email that she submitted it, not knowing if it was done correctly, but wanting to ensure its submission.						

5. Kevin Cray (4735)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to grant requests 1-5.
2024 LDR	6/17/24	6/18/24	\$25	No.	Waive.	Unanimously passed.
McKenzie Bolduc, the Vice President of Coalition for Community Solar Access (the principal) states she tried to file the report multiple times but had technical issues with the Board's electronic reporting system. Because of those issues, they submitted the report via email to Board staff on 6/18/24.						

6. Free Employee and Agent PAC (41341)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	Member Soule moved to reduce the \$550 LFF to \$300 leaving a total owed of \$350.
2023 year-end 2024 June	1/31/24 6/14/24	2/2/24 7/2/24	\$50 \$550	No.		
Treasurer Chris Merideth states the delay was due to an oversight exacerbated by a heavy workload caused by significant employee turnover. Merideth stressed their typical attentiveness to compliance matters and portrayed the incident as an isolated one. The committee registered with the Board in September 2023 and two of its three reports were filed late. The 2023 year-end report disclosed zero financial activity. The 2024 June report likewise disclosed zero new financial activity. Merideth mentioned that the committee has implemented measures to prevent a recurrence and asked the Board to consider waiving the fees. Merideth also pointed out that the organization is a small startup. Merideth expressed appreciation for the consideration and offered to provide more information if necessary.						Flynn, Rashid, Soule, Swanson voted yes. Kleis voted no.

7. Larry Johnson (4808)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	

2024 LDR	6/17/24	6/18/24	\$25	No.	Do not waive.	Mr. LeBeau appeared on behalf of Mr. Johnson. Member Soule moved to waive the fee. Rashid, Soule, Swanson voted yes. Flynn and Kleis voted no. Motion did not pass.
Reid LeBeau, designated lobbyist for CVS Health (the principal) states they didn't receive an email notice from CFB reminding them to file. Board records show that email reminders were sent to Johnson's email address 6/5/24 and 6/12/24. LeBeau acknowledges that the email notice is a courtesy. LeBeau states they haven't had issues in the past and hope the Board considers that in their decision.						

8. Minnesota Pork PAC (41282)						Board Action
Report(s)	Due	Filed	Amount	Prior Waivers	Recommended Action	No motion was made to waive the fee.
2024 June	6/14/24	6/21/24	\$200	No.	Do not waive.	
Pam Voelkel, deputy treasurer, states the organization has a history of filing reports on time and has made efforts to submit them ahead of schedule. The late filing was solely due to an oversight regarding the deadline. The individual responsible did not receive a notification about the overdue status until June 21st, at which point the report was promptly filed. However, Board staff sent an email to the chair and treasurer on June 12, 2024 reminding them to file. The report disclosed less than a dollar in new financial activity.						

C. Informational Items

1. Payment of late filing fee for original EIS

Scott Hesselgrave, \$20
 Kathy Jorgenson-Hegstad, \$20

2. Payment of late filing fee for 2022 year-end report

Unidos We Win PAC, \$1,000

3. Payment of late filing fee for 2023 year-end report

Unidos We Win PAC, \$1,000
 Minn Realtors Political Action Committee, \$25

4. Payment of late filing fee for 2024 1st Quarter report

Minn Organization of Republican Veterans (MORVets), \$50

5. Payment of late filing fee for 2023 lobbyist principal report

Project Lead the Way, \$75
 The Coca-Cola Company, \$50

6. Payment of late filing fee for 2024 June report

