

As far as I am aware the debt to which you refer on the FEC report is non existent. New party officers were elected at the National Committee meeting held in Salt Lake City the week of April 16th. The party's book keeper along with the new Treasurer who is a CPA have been working with the FEC staff and their ITT people to resolve the errors that apparently have been on the report for some time. Most of those errors have been corrected, some of which were a result of their software and some were a result of improper reporting on our part, but there is still some work that needs to be done. As near as they have been able to determine there are some payroll deposits on the report that need to be offset against what is shown as a debt. The amount should have been shown initially as an expense and not a debt. The errors were not brought to our attention until just shortly before the national committee meeting.

Likewise the debt shown is not correct either. Some of that has been corrected, but it is my understanding that we are only able to correct up to a certain amount each quarter due to FEC reporting rules. Our people are being diligent in getting that resolved as well. The FEC people have been very helpful in helping us work through the issues. Filing their reports is not easy and if not done exactly right, errors will result.

In summary the CP is operating in the black and before too long all of the problems showing in the reports should reflect that. Hopefully by the end of the next quarter the FEC reports will reflect what the party's actual books reflect.

Sincerely,

Frank Fluckiger