

MEMORANDUM

February 21, 1997

TO: Sam Chilcote
FROM: Bill Adams *Bill*
SUBJECT: 1997 LMC Supplemental Budget Request

I have added some additional statistical analyses to the attached schedule of proposed increases in the LMC budget.

I have listed below my thoughts about these proposals.

There is virtually no chance that our member companies will approve the BC&T request for \$1,618,000 of supplemental 1997 budget.

Walter Woodson's proposal to reallocate \$505,000 of existing LMC funds is quite reasonable. These proposed reallocations will probably be totally unacceptable to the LMC, unless we couple them with at least a one-for-one match of new TI money.

Our member companies will probably limit The Institute's 1998 legislative budget to a modest cost of living increase over our 1997 budget. Therefore, the only way to increase our 1998 budget significantly, will be to reallocate funds from other Institute programs.

Our starting point for negotiations with Frank Hurt should be to explain the intractable position our member companies have taken on increases in The Institute's operating budget.

W.A.A.

Attachment

cc: Walter Woodson