



San Francisco Science Fiction Conventions, Inc.

A California Non-Profit Corporation recognized under IRC §501(c)(3)
PO Box 61363 ❖ Sunnyvale CA 94088-1363 ❖ USA
info@sfsfc.org ❖ <http://www.sfsfc.org>

Regular Meeting of Board of Directors Minutes

Saturday, July 12, 2003, 1742 Fremont St., Santa Clara, California

1. Call to Order

The regular trimesterly meeting of the Board of Directors of SFSFC, Inc., met on Saturday, July 12, 2003, in the backyard at 1742 Fremont Street, Santa Clara CA. The meeting was called to order at 1:07 PM, President David Gallaher presiding and Assistant Secretary Cindy Scott recording. Members present: Nancy L. Cobb, David Gallaher, Craige Howlett, Jan Price, Cindy Scott, Michael Siladi, Kevin Standlee (by telephone) Tom Whitmore. Members absent: David W. Clark, Kathryn Daugherty, Crickett Fox. Tony Cratz presented an unrestricted proxy to him from Kathryn Daugherty. Others present: Kelly Buehler, Wolfgang Coe, Spring Schoenhuth.

2. Previous Minutes

2.1 Special Meeting, August 11, 2002

The minutes of this meeting were approved as presented by unanimous consent.

2.2 Regular Meeting, November 16, 2002

Assistant Secretary Ms. Scott reported that these minutes are not yet ready, but that she expects to be able to distribute them soon. By unanimous consent, consideration of the minutes of the regular meeting of November 16, 2002 was postponed to the next regular meeting.

2.3 Directors-Elect Officer-Selection Meeting, November 16, 2002

As with the regular meeting of this same date, the minutes are not yet available for review. By unanimous consent, consideration of the minutes of the meeting of directors and directors-elect of November 16, 2002 for the purpose of electing officers was postponed to the next regular meeting.

Crickett Fox arrived at 1:10 PM.

2.4 Regular Meeting, March 15, 2003

The minutes of the regular meeting of March 15, 2003 were approved as presented by unanimous consent.

3. Officer Reports

3.1 President

Dave Gallaher reported that while at Westercon Christian McGuire of S.C.I.F.I. informed him that S.C.I.F.I. has donated \$1500 to Saul Jaffe in support of the SF-Lovers electronic service. Per SFSFC resolution 2003-5: SF-Lovers Grant, SFSFC will match that grant up to the remainder of the \$1050 challenge grant adopted in resolution 2003-5. Previously Glenn Glazer had donated

\$150 to the SF-Lovers cause, which SFSFC had already matched. The remaining challenge grant SFSFC will send to Mr. Jaffe for SF-Lovers is \$900.

3.2 Treasurer

Mr. Howlett and Michael Schaffer have been reviewing the corporate financials and have a discrepancy of about \$2000 between what QuickBooks thinks we have and what the bank statements say we have. QuickBooks reports less than the bank statements do. They are working on resolving this discrepancy and expect to have this resolved by the next regular meeting in November.

Currently the corporation has about \$40,000 in various accounts (checking, CDs).

Mr. Howlett and Mr. Schaffer have finished the June 2002 taxes and they will be filed by August 31, 2003. Mr. Standlee was concerned that there may be penalties to various agencies due to the lateness of this filing. Mr. Howlett assured the Board that Mr. Schaffer has explained the delay to the appropriate agencies and we will owe nothing.

3.3 Secretary

Mr. Standlee reported that he had filed the SR-100 form with the Secretary of State to register the move of the corporate office to 2804 Stuart Street, Berkeley CA. It took quite some time to get the paperwork endorsed, but the move is now officially done. Mr. Standlee can tell this has taken effect, as he gets a great deal more solicitation calls on his work phone for Mr. Gallaher.

4. Standing Committee Reports

4.1 Construction

Mr. Siladi reports that construction will happen later this year. Currently he is looking at the 3rd weekend in September (19-21). The possible venues for this event are the Westin Santa Clara, Doubletree San Jose, or Beverly Heritage Hotel Milpitas. He is waiting for the bids to come back. There is a large contingent from the LA and Southern California areas that want to come up for this event, so they are trying for a weekend about four weeks before Conjecture in October. Mr. Howlett raised his usual questions about seeing a budget, etc., which Mr. Siladi indicated was still pending receipt of the hotel bids. Current planning is for a 20-25-person convention at about \$25 per person. There will be no brunch this time.

4.2 ConJosé

Mr. Gallaher requested that the Secretary include a copy of the "ConJosé Worldcon Operating Report" as submitted to the Board of Directors electronically before and in hard copy at this meeting. That report follows:

ConJosé Worldcon Operating Committee Report — July 2003

Executive Summary

The ConJosé committee has accomplished some of its remaining major goals, and is continuing to work on its post-convention duties. Progress on finishing our remaining tasks is still slower than we would like; however, we are ahead of the pace established by our two immediate predecessors.

We continue to expect to have all tasks completed by the end of fiscal year 2003-2004. At this time, the committee expects to request that it be discharged at the July 2004 meeting of the SFSFC Board of Directors.

Convention Finances

A convention profit and loss statement for the fiscal year ending June 30, 2003 and for the convention's entire fiscal lifetime to date, and a balance sheet as of the end of FY 2002-03 was submitted to the Board under separate cover. The committee is solvent, and expects to return a surplus of at least \$10,000 to the Board of Directors upon our discharge. As we reported last March, all major bills have been paid. Most traditional membership reimbursements have also been paid.

Tasks Accomplished March-June 2003

Major ConJosé tasks completed in the past four months (in roughly chronological order):

- **Traditional Membership Reimbursements.** We budgeted \$125,000 to reimburse the memberships of qualified program participants, volunteers, staff, and committee, consistent with our adopted policies and the traditional practice of North American Worldcons. As of June 30, 2003, we had issued 690 payments for a total of \$96,473. When reimbursing memberships, we also reimbursed those members pre-supporting/friend of the bid membership in the Bay Area in 2003 Worldcon bid, and we refunded the bid committee dues of the members of the BA2003 Bid Committee.

Goal: **End of May 2003.** Actual: **End of June 2003** (a few reimbursements are still outstanding).

To the extent that it was practical to do so, we issued reimbursements to our members in countries where we have a resident agent through that agent, and to use any remaining funds on deposit with that agent to accomplish this. This involved or will involve a number of special individualized payment arrangements between specific individuals and us. We commend committee Treasurer Cindy Scott for her flexibility in accommodating many members' requests. We expect to have no remaining non-US assets after paying traditional reimbursements, except for a small amount of Canadian funds that we intend to give to Torcon 3 as part of Pass Along Funds.

- **Site Selection Charges.** As reported last March, there was some confusion between ConJosé and Interaction regarding the handover of records and payment of credit card charges incurred by CJ on Interaction's behalf. March Goal: May 2003. **Actual Completion: March 2003.**
- **Refund of Scooter Rental Charges.** Due to a misunderstanding, the Canadian vendor of the mobility equipment (scooters) consistently quoted prices in Canadian dollars when ConJosé requested quotes in US dollars. Accordingly, as there was never any intention of making a profit on the equipment rentals, ConJosé planned to issue refunds to the people who rented scooters. Upon further investigation, we discovered that the actual fees charged for rental of the equipment itself (\$4276) were slightly more than the cost of the rental to people at con (\$3784), therefore no refunds are due. In light of our actual operating surplus, ConJosé declined that portion of the grant from SCIFI that was to partially subsidize the rental cost of the scooters.
- **Pass-Along Funds.** We informed our three successor Worldcons that we anticipate making additional Pass-Along Funds payments of between \$1,000 and \$5,000 to each

of them. We also told them that we will deduct from any such payments expenses undertaken by us on their behalf, particularly the shipping of Worldcon exhibit materials and equipment to Torcon 3 and Noreascon 4.

- **Thank You Parties.** We hosted the second and third of four planned Thank You parties at BayCon 2003 and Westercon 56 (The final party is planned for Torcon 3 in Toronto.)

Remaining Major Tasks

ConJosé still has a number of tasks remaining before it is finished in the eyes of Fandom. We reported in March that we expected to be able to complete the most important of them prior to the end of the fiscal year ending June 30, 2003. Unfortunately, while we did accomplish most of the membership reimbursements, the remaining major tasks have slipped into FY 2003-2004. This list is in priority order; that is, we expect to complete these tasks in this order. We have included the projected completion dates we gave last March and the current estimates to give the Board some specific and measurable deliverables.

- **Additional Expense Reimbursements.** Because there are sufficient funds to do so after traditional membership reimbursements, we plan to reimburse certain travel expenses of those members of the committee who incurred substantial extra travel expenses (primarily airfare) to come to pre-convention planning meetings. We are working on establishing specific guidelines for these reimbursements, including complying with IRS payment requirements. (We are currently researching whether or not we must collect Taxpayer ID Numbers from people whom we pay more than \$600 in expense reimbursement and generate forms 1099-MISC for them.) March Report Goal: June 2003. **Current Goal: August 2003.**
- **Post-Con Membership Packages.** Supporting members and Attending members who did not attend ConJosé are entitled to the generally distributed publications: Souvenir Book, Pocket Program, Restaurant Guide, and Membership Badge. Completing this task is dependent upon the Registrar completing the post-convention canvass of our records to determine who needs a membership package. (As of the beginning of July, this was *still* not yet complete, despite repeated requests from us and despite some heroic efforts by other committee members to fulfil Registration's requests.) March Report Goal: June 2003. **Current Goal: August 2003.**
- **Surplus Sale.** Once we have mailed post-con packages, we will know how many membership badges we have left. There has been a persistent request for us to sell our surplus badge holders; at this time, we do not expect to have enough to sell, and indeed may find it challenging to fulfil the non-attending member demand. (As mentioned above, we would like to give supporting members name badges, but will only do so if there are sufficient stocks to do so once attending no-show members demands are satisfied.). The convention has a storage locker full of donated office equipment, furniture, and assorted miscellany, all of which is costing us money for locker rental. As time and resources permit, we anticipate creating a list of everything that is surplus to requirements and selling it or otherwise disposing of it as possible. The actual mechanics of how we will do this are still uncertain. Goal for start: **July 2003.** Goal for completion: **early 2004.**

- **Thank You Parties.** As we reported in March, we have a total of four of these, the last of which will be at Torcon 3. Goal for completion: **Labor Day Weekend 2003.**

We have discussed the prospect of hosting a Staff & Committee Thank You party, possibly in the form of a large picnic, sometime in late September or early October 2003. We have not fleshed out this idea in any depth, because of the more pressing demands on our time in accomplishing the other tasks listed in this report.

Minor Tasks

In addition to the above major tasks, we have a number of minor – in the sense of requiring relatively small resource commitments – tasks that we still must finish or that are ongoing.

- **Membership Count.** Cindy Scott continues to work with Elaine Brennan to bring this situation to what we hope will be a satisfactory conclusion; however, results have not been promising, and we have been obliged to provide Torcon 3's Publication's division with a rough estimate of 5,300 attendees. (We have asked them to mark that as an estimate in their Long List in the hope that it will not result in this figure being permanently enshrined in fannish history.) March Goal: June 2003. **Current Goal: Unknown.**
- **Report to Torcon 3 Business Meeting.** As we reported in March, consistent with our obligations under the WSFS Constitution, the ConJosé Committee will make the required financial report to the 2003 WSFS Business Meeting in Toronto. This report to WSFS will be substantially the same as what we reported to the SFSFC Board at this meeting. Beginning with the 2004 WSFS Business Meeting, SFSFC will be required to make such reports, for as long as a reportable balance remains. **Goal: Labor Day Weekend 2003** and ongoing thereafter.

Committee Wind-Down

Unchanged from last report. We continue to expect to “hand in the keys” at the July 2004 Board of Directors meeting, with all financial matters wound up by the end of the fiscal year ending June 30, 2004. At around that time, the Committee plans to transfer to the General Fund any remaining assets, including bank accounts. We expect to be able to report to the 2004 WSFS Business Meeting that the ConJosé Committee has been discharged and that the SFSFC General Fund will manage any further obligations of the convention.

Ongoing Responsibilities

As we mentioned above, ConJosé currently shows and expects to continue to show a surplus of income over expenses. We made a tentative Pass-Along Funds donation of \$30,000, per our commitments to the PAF program, and expect to pay between \$3,000 and \$15,000 more.

Until such time as SFSFC has spent a sum equal to the amount of any remaining reportable balance of ConJosé, it must continue to submit annual reports to the WSFS Business Meeting. Details of this process were in our March 2003 report.

Conclusion

While we had hoped to have all of our financial obligations completed by the end of FY 2002-03, we were unable to do so; however, we expect to have most of our remaining financial obligations fulfilled before the end of calendar year 2003. We expect to be able to turn over at least \$10,000 and probably substantially more than that to the SFSFC General fund when we are discharged in July 2004. We have continued to concentrate on finishing our assigned tasks, letting Fandom know that we've done so, and winding up the convention's affairs and turning over the management of our remaining assets and responsibilities to the SFSFC Board of Directors by July 2004. We look forward to working with the Board to expedite this process.

Kevin Standlee
Tom Whitmore
July 12, 2003

Mr. Whitmore reported that things were moving along. We are behind on some of our goals and ahead on some of the others. There will be more pass-along funds to the seated Worldcons. Some of the pass-along funds would be used to ship some items to Torcon. It was mentioned that Torcon appears to have hit the jackpot in pass along funds, with a current total close to \$40,000 from predecessors.

Our program participant checks didn't quite "lap" MilPhil's but some of our checks arrived before MilPhil's did. Some people have asked why we didn't get our reimbursement checks out sooner, but overall everyone seems pleased with the reimbursements. Mr. Standlee's comment was that people figured we were going disastrously broke and they'd never hear from us again. One of the reasons for this was that we had always budgeted \$100,000 for reimbursements, and we needed the funds to be able to cover those. If we had not planned on making reimbursements, we would have had an extra \$100,000 to play with.

Both Mr. Whitmore and Mr. Standlee wanted to acknowledge Ms. Scott's efforts in getting things out.

They mentioned it is likely we will keep seeing things about the membership count come up, because we could not have this much surplus without significantly more attendees than we thought we had. People did not under spend their budgets that much.

Mr. Siladi inquired if it is possible we will see another \$9000 or so in income, as we are close to the \$1 Million mark. One of the reasons it appears we have close to a \$1 Million Worldcon is that we booked the Art Show as part of the General Fund. This accounts for about \$130,000 of our income. Sorry folks, we're not really a \$1 Million Worldcon.

Mr. Siladi pointed out that in the ConJosé report, all items had an expected completion date with the exception of Membership Count. Mr. Whitmore commented that he had spoken with our Registrar, Elaine Brennan, at Westercon and she expected to have this information by the end of the month. He would be making a follow-up call to her if he had not heard anything from her by sometime next week.

Mr. Standlee asked what version of the database Ms. Scott had, and she indicated that her version of the database was from a few months ago. If we had to, we could take that version of

the database and the copies of what was sent to Ms. Brennan and finish the task ourselves. It would take several months in Mr. Standlee's opinion, but it could be done.

Mr. Siladi commented on the fact that we had already essentially paid her \$2000 to do her job and he objects to getting nothing for that expense. Mr. Whitmore commented that we did get some stuff from that trip and it was not a total waste.

On the 1999-2003 financial statement Mr. Siladi asked about the Art Show commissions and sales. He wanted to be sure that commissions we had not double-booked commissions in both income and commissions. Ms. Scott assured him this was not the case.

Mr. Standlee commented that we would be submitting a simplified version of the Profit and Loss statement to the WSFS Business Meeting at Torcon 3 per our WSFS duties, and that the numbers from June 30, 2003 are what we would be submitting.

There were a few misspellings and naming inconsistencies pointed out on the Financial Statements that Ms. Scott said she would correct.

Mr. Standlee asked if the format of the "ConJosé Worldcon Committee Report" was a good thing for the board and if they wanted it to be continued. All board members agreed it was, and in particular getting it long enough before the meeting that we could read it was very helpful.

The Chairs of ConJosé still expect a large donation to SFSFC. They are still anticipating reimbursements of Airfare and mileage for those committee members not in the greater Bay Area. They need to do some more research to see about 1099 requirements and make sure we don't get in trouble with the IRS.

The meeting recessed at 2:10 PM and reconvened at 2:39 PM.

5. Unfinished Business

5.1 Bylaw Amendment: Voting Status of Standing Committee Chairs

The text of this amendment being one of the things in the minutes of the November 2002 Board meeting that is missing, consideration of the motion was postponed to the next regular meeting.

5.2 Grant Request Handling

The board elected to postpone consideration of this until we come up with a process for handling grant requests.

5.3 Grant Requests

5.3.1 Bucconeer/Student SF Contest

Ms. Price introduced a resolution (2003-7; text distributed at the meeting) that would issue a grant to the Student Science Fiction and Fantasy Contest (Young Writers' Competition) to fund the continuation of this event. She then gave us the following information about the Student Science Fiction and Fantasy Contest:

This competition was started in 1998 with the funds leftover from Bucconeer. It has been funded from 1998 through 2003 with those funds, but those funds have now been exhausted. There was about \$1,000 received as a donation to keep this going from the Los Angeles NASFIC, and that too is now exhausted.

The approximate cost to run this contest for one year is between \$5,000 and \$8,000. They receive about 500 submissions per year from third through twelfth grade students.

Submissions then need reproduction, mailing, judging, etc. First place gets \$50, a t-shirt saying "future Hugo winner" and an invitation to Worldcon with a full pass. Second place gets \$10, a t-shirt saying "future Hugo winner" and an invitation to Worldcon with a one-day pass.

They have tried for a corporate sponsorship and have been soundly turned down. There are currently about 4,500 on their mailing list, but they are working on culling that list down to those who have responded.

Mr. Siladi moved to change the grant amount and have them come back to us next year with the request when we'll have the excess ConJosé funds. Mr. Standlee suggested that we first take up the amount of the grant and then the issue of the "come back next year" clause, and moved to create a blank in the motion by striking out the grant amount. This was agreed to without objection.

It was asked if a grant from SFSFC could count toward the "spend down" of excess ConJosé funds that are part of the WSFS reporting requirements. It was the President's opinion that it could. However, there were several board members who did not believe WSFS would allow it to count so because ConJosé had not yet closed its books and turned the remaining funds over to the corporation. If done at this time, it would have to be strictly an SFSFC donation, and not count toward the spend-down of ConJosé's excess funds.

The President suggested instead of a flat grant that we issue a grant with a "challenge match" grant, whereby SFSFC would grant some money to the Student Science Fiction and Fantasy Contest immediately, but would also match grants made by similar organizations up to a maximum amount.

At 3:02 PM Craig Howlett had to leave and gave his proxy to Wolfgang Coe.

Suggestions to fill the blank were \$8000 flat, \$5000 flat, \$2000/\$2000, \$1000/\$2000, \$2000 and \$1000. \$8000, \$5000, and \$2000/\$2000 were rejected on a vote by show of hands/voice. \$1000/\$2000 was adopted on a vote by show of hands/voice.

Mr. Siladi moved to amend the resolution by adding the following additional clause:

Resolved, that SFSFC invites the Student Science Fiction and Fantasy Contest to apply again next year for a grant for the same purpose.

The amendment passed without objection.

Resolution 2003-7, as amended, was adopted by unanimous consent. The adopted wording follows:

Resolution 2003-7: Student Science Fiction and Fantasy Contest

Whereas, The Student Science Fiction and Fantasy Contest has, for the last 6 years, fired the imaginations of students from elementary through high school grades by introducing them to science fiction and fantasy writing through competition; and

Whereas, The Student Science Fiction and Fantasy Contest has encouraged young people to find the joy of reading and creating stories and art related to Science Fiction and Fantasy; and

Whereas, The Student Science Fiction and Fantasy Contest has fostered an interest in researching the sciences; and

Whereas, The Student Science Fiction and Fantasy Contest has provided this unique opportunity to young people; and

Whereas, The Student Science Fiction and Fantasy Contest is sponsored and administered by dedicated members of fandom, beginning in 1998 through funding from 56th World Science Fiction Convention (Bucconeer); and

Whereas, the original funding for this venture will be depleted with the 6th annual competition, held in conjunction with the 61st World Science Fiction Convention (Torcon 3), and

Whereas, the administrators of the contest are seeking assistance from science fiction related groups to continue this work; and

Whereas, the SFSFC Board of Directors believes supporting the Science Fiction and Fantasy Contest would be a valid use of SFSFC's 501 (c)(3) funding in keeping with our primary objective "To promote science fiction and fantasy in all its forms..." as state in the SFSFC Bylaws; now, therefore, be it

Resolved, that SFSFC grants \$1000 to the Science Fiction and Fantasy Contest to support future competitions; and

Resolved, that SFSFC shall match grants for this purpose from other groups of a similar nature, to a maximum total of \$2000; and

Resolved, that SFSFC invites the Student Science Fiction and Fantasy Contest to apply again next year for a grant for the same purpose.

5.3.2 Strange Horizons

As there was no information on this request, and no one present to speak to this, no action was taken on this item.

5.3.3 Comic Book Legal Defense Fund

As there was no information on this request, and no one present to speak to this, no action was taken on this item.

5.4 Alliance of Bay Area Conventions (2003-6)

As Mr. Howlett was unavailable to speak to this item, it was postponed until after New Business

6. New Business

6.1 Heinlein Society Grant Request

Ms Scott referenced a letter (copies handed out at the meeting) from The Heinlein Society requesting a grant for reproduction of pins designed by Robert Heinlein to be given to blood donors at conventions.

Ms. Scott introduced the following motion (2003-8):

Resolution 2003-8: The Heinlein Society Blood Donor Pins

Resolved, that SFSFC grants \$500 to The Heinlein Society for reproduction of the pins designed by Robert Heinlein to be given to blood donors at conventions.

The motion was approved by unanimous consent.

5.4 Alliance of Bay Area Conventions (2003-6)

By unanimous consent, the Board elected to postpone discussion of resolution 2003-6, Alliance of Bay Area Conventions, until the next meeting in November.

Also by unanimous consent, the Board elected to postpone the Audit Committee Report until the next meeting in November.

7. Announcements/Future Meetings

7.1 Saturday, November 15, 2003

No time or place has been established for this meeting.

8. Adjournment

By unanimous consent, the meeting adjourned at 3:29 PM.

Cindy Scott
Assistant Secretary

[Approved November 15, 2003]