

Unapproved minutes of the June 7th, 2001 Board of Directors Meeting.

HOUSTON AREA LEAGUE OF PC USERS  
MINUTES OF June 7th, 2001  
BOARD OF DIRECTORS MEETING  
4543 Post Oak Place  
Houston, Texas

Any corrections, changes, additions to these minutes will be noted in the next month's minutes when the minutes are approved by the Board.

ATTENDEES:

Officers

President Robert Gunn  
First Vice President - SIGs Mike Mashburn  
Vice President - Communications Jay Thomas  
Vice President - Programs Josie Duffey  
Treasurer Wes Leggett  
Membership Secretary Marvin Kaiser  
Recording Secretary Anne Sipes

Directors:

Michelle Annis  
Norman Blaylock  
Bret Branon           Absent  
Joe A. Brown  
John P. Chambers  
Stephen Cravey  
Scott Doctor  
William A Goetschius  
Monte Goodman  
Robert P Grefe  
Donald McGowan   Absent  
Joseph E Morris Jr  
Mike Novominsky  
Sharon O'Fiel  
David R. Pausky  
Brian Sadler

Parliamentarian: Marilyn Gore

Guests:

Scott Provost  
36585 Chuck Toney  
3999 Jimmie Stewart  
49440 W.J. Mechura  
51593 Jeff Browning  
45525 Susan Ostlund  
30460 P. Freeman

1     **I.     CALL TO ORDER AT 7:00 PM**

2     David Pausky collected Conflict of Interest Statements and delivered them to the Recording  
3     Secretary.

4     The President read the Election Committee Report( **Attachment 1**).

5     The President asked how many people present had used the online voting system. Most  
6     people in the room raised their hands.

7     The Parliamentarian displayed the Election results on the screen.

8     The President introduced the new Board members. The remaining Directors introduced  
9     themselves.

10    The President confirmed that the Recording Secretary had collected the Conflict of Interest  
11    statements. Every Board Member present did have a Conflict of Interest Statement on file  
12    with the Recording Secretary at that time.

13    The President asked for the approval of the May minutes.

14    The Treasurer stated that the April Report had been included in the May Minutes instead of  
15    the May Report( **Attachment 2**).

16    The Recording Secretary reported that the VP Communications Report that was included in  
17    the May minutes was also the April Report and should be replaced with the May Report(  
18    **Attachment 3**).

19    David Pausky stated that the Treasurers motion (**Motion 010503**) to extend the FY2000 -  
20    2001 budget for one month in order to give the new Board spending authority while it  
21    develops the FY2001 - 2002 budget was actually a motion to extend the FY2000 - 2001  
22    budget for two months.

23    Mike Mashburn stated that he had appended the charities named by deceased SIG Leader,  
24    Ken Aitken's family to his motion (**Motion 010505**) to recognize Ken Aitken's service to  
25    HAL-PC; to offer their condolences to Mr. Aitken's family; and request that our members pay  
26    their respects to Mr. Aitken by memorial gifts to charities specified by Mr. Aitken's family  
27    and that those charities had not been included in the minutes. The charities that should have  
28    been named are:

29 American Heart Assn., P.O.Box 20448, Houston TX 77225-0448

30 American Lung Assn., 2425 West Loop South, Suite 330, Houston TX 77027-4207

31 David Pausky made a motion (**Motion 010601**) that the minutes of the June 7<sup>th</sup> Board of  
32 Directors Meeting be approved as amended.

33 The motion passed.

## 34 **II. REPORTS**

35 The Treasurer offered his report ( **Attachment 4**).

36 The Treasurer stated that the Board needed to agree on when the Finance Committee would  
37 meet. He stated that the current budget had been extended through August 2<sup>nd</sup>.

38 After discussion the Board agreed to have the first Finance Committee Meeting of this Fiscal  
39 Year on June 29<sup>th</sup> at 7pm. The second Finance Committee meeting was scheduled for June  
40 30<sup>th</sup> at 1pm.

41 The President asked that all department heads submit their preliminary budgets to Michelle  
42 Annis by June 22<sup>nd</sup>. Michelle Annis agreed to enter all of the budget figures into a  
43 spreadsheet and to send the spreadsheet to the Board members before the first Finance  
44 Committee Meeting.

45 The VP-Communications offered his report ( **Attachment 5**).

46 He stated that we are still having a problem with Southwestern Bell Representatives signing  
47 our DSL customers up for Southwestern Bell Internet Service without telling them that their  
48 Internet Service Provider has been changed.

49 The VP-SIGs offered a document reviewing the beginnings of HAL-PC. He informed the  
50 Board that we celebrate our 20<sup>th</sup> anniversary in the year 2002.

51 Josie Duffey offered the Programs Committee Report ( **Attachment 6**).

52 She read letters of appreciation from members, Directors, SIG Leaders and Vendors. She also  
53 passed around pictures taken at Computefest 2001.

54 She was given a round of applause at the end of her presentation.

55 David Pausky said that he would provide the office with a list of people who won prizes.

56 Webmaster, Marilyn Gore said that she would post the winners on the HAL-PC Website.

57 The Director of Member Services stated that he was getting e-mail requests for HAL-PC  
58 products.

59 Webmaster, Marilyn Gore said that she would put up a shopping cart for those individuals

60 who would prefer to shop online.

61 Joe Morris Jr reported that we ended May with 11,431 active members. We began June with  
62 11,145 active members.

63 There was some discussion about the steady decline in membership.

64 Webmaster, Marilyn Gore said that she would investigate putting a question of the month on  
65 the website to see about getting more feedback from the membership.

66 **III. UNFINISHED BUSINESS**

67 Brian Sadler withdrew his motion that there be no smoking in the building located at 4543  
68 Post Oak Place Drive in order to comply with the building rules and offered a subsidiary  
69 motion that the Board consider the question.

70 Several members of the Board brought up issues.

71 Mike Novominsky made a motion that the issue be referred to the Legal Committee for  
72 review.

73 The motion passed by acclamation.

74

75 **IV. NEW BUSINESS**

76 Election of new Officers:

77 Monte Goodman nominated Robert Gunn as President.

78 David Pausky made a motion to close nominations.

79 Robert Gunn was elected President by acclamation.

80 David Pausky nominated Mike Mashburn as VP-SIGs.

81 Monte Goodman made a motion to close nominations.

82 Mike Mashburn was elected VP-SIGs by acclamation.

83 Norman Blaylock nominated Josie Duffey as VP-Programs.

84 Anne Sipes made a motion to close nominations.

85 Josie Duffey was elected VP Programs by acclamation.

86 Stephen Cravey nominated Jay Thomas as VP Communications.

87 Joe Morris JR made a motion to close nominations.

88 Jay Thomas was elected VP Communications by acclamation.

89 Stephen Cravey nominated Anne Sipes as Recording Secretary.

90 Michelle Annis made a motion to close nominations.

91 Anne Sipes was elected Recording Secretary by acclamation.

92 Monte Goodman nominated Marvin Kaiser as Membership Secretary.

93 Joe Morris Jr made a motion to close nominations.  
94 Marvin Kaiser was elected Membership Secretary by acclamation.

95 Mike Novominsky nominated Wes Leggett as Treasurer.  
96 Joe Morris Jr made a motion to close nominations.  
97 Wes Leggett was elected Treasurer by acclamation.

98 **V. ADJOURN**

99 Monte Goodman moved (**MOTION 010602**) to adjourn

100 The June 7th, 2001 Board of Directors Meeting adjourned at 8:39 pm.

Respectfully Submitted,  
Anne Sipes  
Recording Secretary

## Attachment 1

Report of June 2, 2001 Election  
By Carla S. Cawlfeld, Election Committee Chairman

### GENERAL INFORMATION:

**THIS WAS THE FIRST COMPUTER-BASED ELECTION AT HAL-PC AND IT WORKED MAGNIFICENTLY!!!** This system will be used on all future elections.

1. Results-posted in Attachment A. Out of approximately 13,000 HAL-PC members, 347 voted, or 2.67%.
2. Committee Thank You-The Election Committee wishes to thank everyone who helped us at HAL-PC. The following people served on the Election Committee and deserve thanks:

Carla S. Cawlfeld, Marilyn Gore, Robert Gunn, Jeff Hupp, Wes Leggett, Joe Morris, Jr. Also working the night of the Election were Joanne Ballato and Stephen Cravey.

3. Man-hours worked-Since January 23, 2001, the EC worked about 40 hours. Last year, because it was a completely manual process, in just the last three weeks, the Election Committee worked almost 200 hours. This is by far the easiest election ever held at HAL-PC. We announced the results at 7:03pm.

AREAS FOR IMPROVEMENT: NONE! (Just a little "tweaking".)  
(The black type is a reprint from the June 6, 2000 Report.) The Blue type is from 2001.

Year 2000-All aspects of the historical HAL-PC election process should be reviewed. With under 5% of our members voting, the Board of Directors should invent election policies that are much more member-friendly. Addressed by the 2001 Election Committee and DONE! There are only a limited number of things the Election Committee can do to increase voter turnout. We addressed that which is in our authority.

4. Electronic Voting (both Internet and Election Night)-The Board of Directors of HAL-PC needs to explore the logistics, mechanics, legalities, and security issues relating to Electronic Voting. Electronic Voting could be as broad as allowing the members to vote via the Internet, or as narrow as having computers set up for voting the night of the Special Meeting. This would certainly be easier for a larger number of the HAL-PC members to vote, and it might even be easier on the Election Committee. It is ironic that the world's largest computer club does not use computers in its elections. Addressed by the 2001 Election Committee and DONE! We had both at home online voting available from May 1 thru June 2, 2001, as well as voter computer entry voting at HAL-PC HQ the night of the Election. This computer system will be used in all future HAL-PC elections, with a little bit of tweaking.

5. Membership Database-This year's Election Committee used May 1, 2000, as the cutoff date for the official certified membership database. This meant that anyone who was not on that list was not eligible to vote. During the Absentee cycle, out of 512 requests, 23 (4.49%) were rejected due to expired memberships. At the General Meeting, at least 10 people (out of about 400) were denied ballots due to expired memberships. Some of these 10 people had

current blue membership cards with either 05/2001 or 06/2001 expiration dates. They were perhaps slightly late in their renewals, but thought of themselves as current HAL-PC members. Neither the Election Committee nor these members were happy about there being no way to accommodate their voting wishes, and many of these members felt they were unfairly disenfranchised. We need to think up a better way, if possible. Addressed by the 2001 Election Committee and DONE! We ran notices for two months in the HAL-PC Magazine advising voters to get their memberships current before the April 14, 2001 deadline. No voters were turned away unhappy on election night due to expired memberships.

6. Absentee Ballots-Scrap the need for members to personally write to the Election Committee requesting an Absentee Ballot. This process is Byzantine, quirky, expensive, unwieldy and unfriendly to both the members and the Election Committee. The process used this year required several steps-1. The member had to mail in an Absentee Ballot request by a certain date (May 15), and include a self-addressed, stamped envelope. 2. The EC had to check this request against the database, issue a ballot, and mail it back to the member. 3. The member had to return the Ballot to the EC by another certain date (May 29). 4. The EC had to then look up the member again in the database, and log that member as having voted. Addressed by the 2001 Election Committee and DONE! We printed the Ballot in the HAL-PC Magazine with a Validation Section, posted it on our website, and made copies available in the HAL-PC HQ all during the month of May. An official governmental sealed Ballot Can was provided for collection of the Ballots. All verification of membership was done at the time the vote was tallied. This was a much simpler process.

A simpler, still secure method is the following:

\* Post a PDF copy of the Absentee Ballot with a Validation Section on the HAL-PC website for members to download, AND print a copy of the Absentee Ballot with a Validation Section in the Magazine, for members to cut out, or photocopy, and mail in to a PO Box. This covers both classes of members-those with Internet access, and those whose only link to HAL-PC is the Magazine. Addressed by the 2001 Election Committee and DONE! Due to lack of use, the P O Box will not be used in the future.

\* The Validation Section will carry the Member's Name, HAL-PC Membership Number, and Signature. Upon receipt of the Ballot, the Election Committee will compare the information to the membership database, and if no other Ballot has already been received for that member, it will be counted. In the event of a duplication or discrepancy, the member listed in the membership database can be contacted to confirm which is the accurate ballot. This cuts down by 2/3 the amount of work required of the Election Committee, and reduces the cost and number of steps required for the member to negotiate. Addressed by the 2001 Election Committee and DONE!

Respectfully submitted,  
Carla S. Cawlfeld

Results of the 2001 HAL-PC Election

Total Election Committee Man Hours: ~~40  
(compared to ~~200 in last manual election)

On-Line Voting (May 1 thru June 2, 2001)

Valid Ballots: 275  
Attempted Ballots from Expired Memberships: 0

Mail-In/Paper Ballots:  
Valid Ballots: 50  
Ballots from Expired Memberships: 0  
Ballots without Member Validation section complete & signed: 1  
Voter mailed in blank forms (no name, no info at all): 0  
Ballots received after June 1, 2001: 0

In Person Voting on June 2, 2001  
Invalid Ballots (zero votes): 0  
Valid Ballots Cast: 22

Total Valid HAL-PC Votes Cast: 347  
(This is approximately 2.67% out of membership of 13,000)

Election Results:

Name	Ballot Position	# Votes/%
1. Marvin Kaiser	11	305 / 87.89%
2. Josie Duffey	3	304 / 87.61%
2. David Pausky	12	304 / 87.61%
4. Monte Goodman	2	300 / 86.46%
5. John P. Chambers	9	291 / 83.86%
6. Brian Sadler	1	287 / 82.71%
7. Mike Novominsky	5	284 / 81.84%
8. Sharon O'Fiel	6	278 / 80.12%
9. Joe A. Brown	10	266 / 76.66%
10. Scott Doctor	15	218 / 62.82%
11. Bret Branon	4	207 / 59.65%
12. James Coon	7	105 / 30.26%
13. Brian Walters	13	91 / 26.22%
14. Mark Flato	8	76 / 21.90%
15. Dick Huddleston	14	69 / 19.88%



## Attachment 2

### HAL-PC Treasurers Report May 2001

At the time of this writing, May 3rd, HAL-PC has no significant outstanding debt and a balance of \$201,093.52 in the Bank of America cash account. Michelle informs me that there are outstanding items amounting to approximately \$55,000 against this balance and deposits to be made totalling \$12,000. There have been no transfers to or from any of HAL's other accounts during this period.

This month we met with Jody Blazek of Blazek & Vetterling to discuss what is required in order to keep HAL-PC on the right track. She is a specialist in the area of non-profit accounting and by far the most knowledgeable individual in this area that I have ever encountered.

We are nearing the end of HAL-PC's financial year which means it is time again to work on our budget. In order to provide the necessary time to develop the next years' budget we will need to pass a motion to extend spending authority at the present levels to pay any bills that come due.

I move that we authorize spending at the levels of the present years' spending until the end of the August Board Meeting or until a new budget is approved, whichever comes first.

Respectfully submitted,

Wesley L. Leggett,  
Treasurer

### Attachment 3

Vice-President/Communications Report  
to the HAL-PC Board of Directors  
May 3rd, 2001

#### Internet

Our ADSL user count continues to slowly increase and we are continuing to see a number of new conventional dialup users every month.

HALNet continues to offer reliable, uncongested Internet connectivity at a very reasonable price. We are beginning to see interest from commercial users. Progress has been slow in this area as great care is being taken to avoid selling service to any commercial user whose peak needs would conflict with the needs of our own members.

In the coming weeks, our users can look forward to a much improved Usenet News Server. Improvements are anticipated in both total article retention time as well as completeness of available articles.

#### The Magazine

Advertiser interest in the HAL-PC Magazine is at a very high level. The number of full-page ads has increased. The May issue features articles and reviews by a number of our members but The Magazine is always open to additional submissions and volunteers to write reviews. As most of you probably know, the HAL-PC Magazine is written, edited produced and proofread, each and every month, by an entirely volunteer staff headed up by Meredith Foster who I would like to take this opportunity to thank for her efforts as well as all the regular columnists, contributing writers and reviewers.

Respectfully submitted,

Jay Thomas  
Vice-President / Communications

## Attachment 4

### HAL-PC Treasurer Report June 2001

At the time of this writing, May 28, HAL-PC has no significant outstanding debt and a balance of \$159,507 in HAL's Bank of America cash account. There have been no transfers to or from any of HAL's other accounts during this period.

Respectfully submitted,

Wesley L. Leggett,  
Treasurer

May 28, 2001  
3:01 pm

#### HAL-PC STATEMENT OF REVENUES AND EXPENSES

	11 Months Ended Apr/01 =====	Annual Budget =====	Unused =====	% Used =====
<b>REVENUES</b>				
Interest income	\$668.81	\$50,000.00	\$49,331.19	
Internet Expo income	(250.00)	0.00	250.00	
Presentation fees	9,750.00	0.00	(9,750.00)	
Vendor fees	1,450.00	31,200.00	29,750.00	
Internet services - Exempt	13,540.02	0.00	(13,540.02)	
Revenue - Other	102.50	0.00	(102.50)	
Donations to HAL-PC	680.19	0.00	(680.19)	
Donations to MCSE SIG	1,480.00	0.00	(1,480.00)	
Donations to HAL-PC	7,965.00	0.00	(7,965.00)	
Donations to PC Upgrade SIG	260.00	0.00	(260.00)	
Donation A+	328.94	0.00	(328.94)	
Rental income	12,000.00	14,400.00	2,400.00	
Ad Sales--National Ad Program	47,790.00	31,500.00	(16,290.00)	
Advertising - Magazine	159,004.44	71,450.00	(87,554.44)	
Annual dues	352,273.91	420,000.00	67,726.09	
HALNet ADSL fees	5,394.07	0.00	(5,394.07)	
HALNet extend fees - Exempt	3,613.00	0.00	(3,613.00)	
INTERNET - STATIC IP	80.00	0.00	(80.00)	
HALNet monthly fees - Exempt	644,034.64	1,120,358.00	476,323.36	
Equipment Sales NonTaxable	1,000.00	0.00	(1,000.00)	
HTML class fees 1,130.00	0.00	(1,130.00)		
Learning Center class fees	14,370.00	28,000.00	13,630.00	
HAL-PC Clear Lake class fees	4,260.00	8,000.00	3,740.00	
<b>Taxable revenues</b>				
Electronic parts sales	149.00	0.00	(149.00)	
HALNet monthly fees	(295.48)	0.00	295.48	
Pipeline sales	1,500.00	0.00	(1,500.00)	
Software sales	3,274.80	0.00	(3,274.80)	
Learning Center manual sales	44.35	0.00	(44.35)	
Monitor sales	877.60	0.00	(877.60)	
Phone line sales	895.00	0.00	(895.00)	
Refreshment sales	4,271.77	0.00	(4,271.77)	
E-mail account fees	1,003.22	0.00	(1,003.22)	
Group purchase revenue	299.77	0.00	(299.77)	
<b>TOTAL Sales Taxable for Sales Tax</b>				
	12,020.03	0.00	(12,020.03)	
<b>TOTAL REVENUES</b>				
	1,292,945.55	1,774,908.00	481,962.45	
<b>Adjustments</b>				
Discounts	(160.00)	0.00	160.00	
<b>TOTAL Adjustments</b>				
	(160.00)	0.00	160.00	
<b>***** NET REVENUES</b>				
	1,292,785.55	1,774,908.00	482,122.45	

Cost of Goods Sold				
Learning Center manuals cost	267.83	0.00	(267.83)	
Group purchase sales cost	360.26	5,000.00	4,639.74	7.2%
Electronic parts sales cost	149.00	0.00	(149.00)	
Refreshment sales cost	4,794.42	0.00	(4,794.42)	
Refreshment supplies cost	498.89	0.00	(498.89)	
TOTAL Cost of Goods Sold	6,070.40	5,000.00	(1,070.40)	121.4%
***** ADJUSTED NET REVENUES	1,286,715.15	1,769,908.00	483,192.85	

EXPENSES				
Accounting	10,978.24	28,175.00	17,196.76	39.0%
Ad Sales--Other UserGrps Share	62,502.50	0.00	(62,502.50)	
Advertising	31,353.77	58,710.00	27,356.23	53.4%
Audio visual	17,178.82	16,300.00	(878.82)	105.4%
Bank charges	908.33	3,900.00	2,991.67	23.3%
Credit card expense	24,732.91	34,240.00	9,507.09	72.2%
Contract labor	0.00	200.00	200.00	0.0%
Decorations, chairs & tables	631.32	3,700.00	3,068.68	17.1%
Delivery service	1,140.00	1,686.00	546.00	67.6%
Amortization expense leasehold	18,341.90	0.00	(18,341.90)	
Dues & subscriptions	95.00	250.00	155.00	38.0%
Electrical	2,506.39	12,500.00	9,993.61	20.1%
Electronic parts	2,918.13	9,500.00	6,581.87	30.7%
Employee payroll	158,041.44	215,000.00	56,958.56	73.5%
Entertainment and meals	307.50	200.00	(107.50)	153.8%
Equipment rental	431.50	4,965.00	4,533.50	8.7%
First aid services	240.00	0.00	(240.00)	
Incentives-Volunteer	66.30	0.00	(66.30)	
Food - Volunteer Development	3,042.77	15,200.00	12,157.23	20.0%
Food Special Events	0.00	125.00	125.00	0.0%
Food Special Events	269.41	2,400.00	2,130.59	11.2%
Food Special Events	718.10	1,600.00	881.90	44.9%
Special Events .30	27.90	0.00	(27.90)	
Freight	601.45	400.00	(201.45)	150.4%
Information services	13.57	1,800.00	1,786.43	0.8%
Insurance - Other	2,755.00	16,000.00	13,245.00	17.2%
Internet Connectivity	54,627.52	216,300.00	161,672.48	25.3%
Internet Connectivity	2,094.78	0.00	(2,094.78)	
Interest expense	4.32	0.00	(4.32)	
Internet - Backbone	99,076.46	0.00	(99,076.46)	
Licenses and fees	52,054.03	7,200.00	(44,854.03)	723.0%
Mailing Labels	4,308.78	6,000.00	1,691.22	71.8%
Mailing Labels Fundraiser	701.83	0.00	(701.83)	
Management fees	88,000.00	96,000.00	8,000.00	91.7%
Manuals	2,851.22	9,040.00	6,188.78	31.5%
Maintenance	5,507.19	9,520.00	4,012.81	57.8%
Miscellaneous	(168.03)	6,700.00	6,868.03	-2.5%
Mileage	6.40	0.00	(6.40)	
MCSE expenses	1,775.35	0.00	(1,775.35)	
Monthly retainer	5,833.50	6,000.00	166.50	97.2%
NPC fee expense	152.22	0.00	(152.22)	
Office supplies and expense	5,378.53	9,410.00	4,031.47	57.2%
Parking	15.00	300.00	285.00	5.0%
Payroll taxes	12,314.00	37,981.00	25,667.00	32.4%
Penalties	109.59	0.00	(109.59)	
Photography	0.00	100.00	100.00	0.0%
Plaques, trophies & awards	0.00	200.00	200.00	0.0%
Postage	18,983.68	41,203.00	22,219.32	46.1%
Printing	181,188.13	219,145.00	37,956.87	82.7%
Professional services rendered	100.00	0.00	(100.00)	
Promotions	0.00	164.00	164.00	0.0%
Rent	120,037.52	146,347.68	26,310.16	82.0%
Repairs	829.29	7,000.00	6,170.71	11.8%
Returned Checks/Charge Backs	18.88	0.00	(18.88)	
Security and patrol	600.00	400.00	(200.00)	150.0%
Service Contract	0.00	300.00	300.00	0.0%
Small tools and equipment	276.31	12,000.00	11,723.69	2.3%
Software purchases	5,722.55	16,100.00	10,377.45	35.5%
Spares	0.00	3,000.00	3,000.00	0.0%
Supplies	4,489.47	8,857.00	4,367.53	50.7%
Teaching	289.17	0.00	(289.17)	
Telephone	253,711.41	301,068.00	47,356.59	84.3%
Telephone-Cell	2,065.18	6,000.00	3,934.82	34.4%
Telephone - Cell	419.08	0.00	(419.08)	
Telephone - Cell	696.56	0.00	(696.56)	
Telephone - Cell	348.37	2,803.56	2,455.19	12.4%

Telephone - PRI	21,015.96	43,320.00	22,304.04	48.5%
Travel	3,090.86	8,800.00	5,709.14	35.1%
Vehicle allowance	2,750.00	0.00	(2,750.00)	
TOTAL EXPENSES	1,291,077.36	1,648,110.24	357,032.88	78.3%
***** OPERATING REVENUES	(4,362.21)	121,797.76	126,159.97	
Other Income & Expenses				
Returned Check Fees	45.24	0.00	(45.24)	
A/P discounts	4.34	0.00	(4.34)	
Late Fee	(10.00)	0.00	10.00	
Finance charges income (exp.)	466.56	0.00	(466.56)	
Ret Check Income (FEE)	10.00	0.00	(10.00)	
Budgeted equipment purchases	(19,051.87)	(81,500.00)	(62,448.13)	23.4%
TOTAL Other Income & Expenses	(18,535.73)	(81,500.00)	(62,964.27)	22.7%
***** REVENUES OVER (UNDER) EXPENSES	(22,897.94)	40,297.76	63,195.70	
***** NET REVENUES OVER (UNDER) EXPENSES	(\$22,897.94)	\$40,297.76	\$63,195.70	

May 28, 2001 HAL-PC  
3:04 pm BALANCE SHEET

	Apr/01	Apr/00	Inc/<Dec> ==== Var =====	% == Var ==
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
PAYROLL POSTING ERROR	(\$4.74)	\$0.00	(\$4.74)	
Petty Cash	2,021.30	4,990.29	(2,968.99)	-59.5%
Cash in bank	160,304.79	230,391.85	(70,087.06)	-30.4%
Clearing	605.51	830.51	(225.00)	-27.1%
Certificates of Deposit	0.00	339,000.00	(339,000.00)	-100.0%
HAL-PC Endowment Fund	743,000.00	300,000.00	443,000.00	147.7%
Accounts receivable	85,852.62	151,411.94	(65,559.32)	-43.3%
Allowance for doubtful accts	34,970.66	(2,824.75)	37,795.41	1338.0%
TOTAL CURRENT ASSETS	1,026,750.14	1,023,799.84	2,950.30	0.3%
<b>PROPERTY AND EQUIPMENT:</b>				
Machinery & equipment				
Machinery & Equipment G&A	43.17	0.00	43.17	
Machinery & equipment	1,069.00	1,069.00	0.00	0.0%
Machinery & equipment	207,205.01	207,205.01	0.00	0.0%
Acc depr - Machinery & equip.	(208,274.01)	(208,274.01)	0.00	0.0%
TOTAL Machinery & equipment	43.17	0.00	43.17	
Furniture and fixtures				
Furniture and fixtures	2,633.44	32,633.44	0.00	0.0%
Acc depr - Furniture & fixt.	(32,633.44)	(32,633.36)	(0.08)	-0.0%
TOTAL Furniture & fixtures	0.00	0.08	(0.08)	-100.0%
Leasehold improvements				
Leasehold improvements	170,521.18	170,521.18	0.00	0.0%
Acc amort. - Leasehold impr.	(86,148.68)	(64,138.40)	(22,010.28)	-34.3%
TOTAL Leasehold improvements	84,372.50	106,382.78	(22,010.28)	-20.7%
TOTAL PROPERTY AND EQUIPMENT	84,415.67	106,382.86	(21,967.19)	-20.6%
<b>OTHER ASSETS:</b>				
Deposits				
Postmaster magazine deposit	17,088.16	3,378.16	13,710.00	405.8%
Postmaster Short Paid Deposit	870.00	400.00	470.00	117.5%

4543 P. O., Inc. - Security	6,762.88	6,762.88	0.00	0.0%
Deposits - Gulf Presort	1,000.00	500.00	500.00	100.0%
TOTAL Deposits	25,721.04	11,041.04	14,680.00	133.0%
Prepaid expenses				
Prepaid advertising expense	2,388.50	2,388.50	0.00	0.0%
Prepaid rent - Geo. R. Brown	0.00	10,600.00	(10,600.00)	-100.0%
TOTAL Prepaid expenses	2,388.50	12,988.50	(10,600.00)	-81.6%
TOTAL OTHER ASSETS	28,109.54	24,029.54	4,080.00	17.0%
TOTAL ASSETS	\$1,139,275.35	\$1,154,212.24	(\$14,936.89)	-1.3%
LIABILITIES				
CURRENT LIABILITIES:				
Accounts payable	\$41,680.66	\$81,376.50	(\$39,695.84)	-48.8%
Accounts receivable deposits	1,742.50	2,092.50	(350.00)	-16.7%
Payroll taxes payable	(154.68)	0.00	(154.68)	
SUI payable	43.81	22.79	21.02	92.2%
Sales tax payable	(20.90)	(195.28)	174.38	89.3%
Deferred revenue--Advertising	24,260.00	43,871.00	(19,611.00)	-44.7%
Deferred revenue--Membership	268,367.68	247,814.65	20,553.03	8.3%
Deferred revenue-Membership CL	7,522.74	5,937.08	1,585.66	26.7%
Deferred revenue--Presentation	8,300.00	8,300.00	0.00	0.0%
Deferred revenue--Vendor fees	1,250.00	375.00	875.00	233.3%
Deferred revenue-Internet fees	16.57	(246.30)	262.87	106.7%
Deferred monthly fees - Exempt	356,471.08	248,777.25	107,693.83	43.3%
Deferred revenue--HALNet CL Ex	2,502.40	2,247.89	254.51	11.3%
Deferred ADSL fees	698.18	1,971.24	(1,273.06)	-64.6%
Unfunded scholarships	1,000.00	1,000.00	0.00	0.0%
TOTAL CURRENT LIABILITIES	713,680.04	643,344.32	70,335.72	10.9%
TOTAL LIABILITIES	713,680.04	643,344.32	70,335.72	10.9%
FUND BALANCE				
Earnings from prior years	448,493.25	597,563.87	(149,070.62)	-24.9%
Current revenue over (under) expense	(22,897.94)	(86,695.95)	63,798.01	73.6%
TOTAL FUND BALANCE	425,595.31	510,867.92	(85,272.61)	-16.7%
TOTAL LIABILITIES & FUND BALANCE	\$1,139,275.35	\$1,154,212.24	(\$14,936.89)	-1.3%

## Attachment 5

Vice-President/Communications Report  
to the HAL-PC Board of Directors  
June 7th, 2001

### Internet

This year saw the introduction of on-line web-based voting for the HAL-PC Board of Directors, an innovation which has been discussed for many years as a logical one for a computer club to employ.

In the interest of making the HALNet service more attractive to potential users and in an effort to distinguish ourselves in the marketplace, a significant upgrade to HALNet's news server was recently completed. Improvement has been noted in terms of completeness of newsgroup contents as well as speed of article delivery to our users.

While our total user count has remained at a plateau of approximately 7900 users, we do continue to add ADSL users as the service becomes available to more and more areas.

In the commercial area, HALNet has recently begun providing a fractional T1 internet feed, at market rates, to a new customer. In time, it is hoped that revenue growth from our commercial service offerings will significantly offset our present recurring monthly costs for Internet bandwidth and connectivity.

### The Magazine

Over the last year, The Magazine has experienced a number of significant changes. The Magazine is now produced entirely on a computer and digitally transferred to the printer, Western Lithograph, resulting in reduced production costs as well as more timely delivery to our members. A number of new columns have appeared providing a broader range of article subjects and viewpoints. Paid advertising in The Magazine has also seen significant growth in the last year due in part to the HAL-PC National Ad Program undertaken by Duhrmon Jennings, HAL-PC's full-time advertising salesman. As always, The Magazine is anxious for input from our members.

Respectfully submitted,  
Jay Thomas / Vice-President Communications





## Attachment 6

Computerfest 2001      Chairman: Josie Duffey

This is submitted just before the event.

The event will include 35 vendor tables, 5 HAL-PC tables and 6 shared membership tables. We are renting tables, cloths, and skirting. We have contracted a Trolley from Horizon Tours to run from 11:30 to 6pm. We have two Police Officers for crowd control. William has arranged for Charlies Barbecue to sell Barbecue sandwiches for the event.

We purchased 10 signs that say HAL-PC event and riders with the day and time, so the signs can be used for future events. The sign company made a mistake on the signs, the arrow, so now we have 10 more free signs for future events. We have a temporary HAL-PC brochure and gift membership cards. The Trolley which I am proud of, after making the decision to get it and feeling the pressure of the expense, is now being sponsored and paid for by Reliant Energy Communications, due to my efforts. To be clear, all of the expenses of the event are paid for out of HAL-PC funds because when I was gifted the event I was told it was to be free to the Vendors in order to reestablish credibility for events. I believe I have accomplished a very thorough and professional event so far. We will see the results on June 2.

We will serve a continental breakfast for our volunteers to sweeten them up for their long day. We will serve a brunch for the Vendors to let them know we appreciate their presence and continuing support.

We are signed up for ITEC and have volunteers to man the tables for the two days. We have managed to straighten up the inconsistencies that were caused by the lack of communication due to the resignation of the prior Chairman.

I have made all of the arrangements and preparations as though it was for my family, by business or myself.

Respectively submitted

Josie Duffey  
Chair of Computerfest 2001