

Minutes of the American Philatelic Society
General Membership Meeting

March 1, 2003, 9:05 a.m. PST
Biloxi, Mississippi

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Called to order 9:05 a.m. Approximately 40 people present.

President Peter McCann welcomed those attending and introduced the APS officers.

American Philatelic Research Library president Charles Peterson introduced the APRL trustees.

Executive director Robert Lamb introduced the staff present.

Certificates, medals and pins were awarded to APS 25- and 50-year members.

The Century Award, for sponsoring 100 new members, was presented to Immediate Past President John M. Hotchner.

McCann: The Board's meeting was short, just five hours. There was not much new business, mostly old business.

Winter 2006 will be held in conjunction with the Washington 2006 international show.

STAMPSHOW 2008 will be held in Hartford.

The Board de-certified the Filatelic Fiesta show in San Jose and Midaphil in Kansas City.

The APS is losing some members, but otherwise, membership is fairly stable and staying around 50,000.

The means of recruiting have changed drastically in the last few years. Half the new members come from the Internet, and some of those are the result of the Internet Sales Unit.

The Board discussed amending the Bylaws on election timing. With STAMPSHOW being held earlier in August, there is a complicated ripple effect. The proposed amendment reduces the time between the election and taking office. The Board also asked for a Bylaws amendment on shortening the election cycle.

The Board discussed enhancing member services, particularly on the Internet. The Board voted to set up a members-only section of the APS Web site, which will work similarly to the ISU.

Vice President Janet Klug explained the function of the Board of Vice Presidents and the complaints process.

The BVP has met three times since the August meeting. It only had to deal with 10 cases. Of these, six members were expelled, one suspended, two were reprimanded and one complaint was dismissed.

The fallout from the auction bid rigging scandal is still continuing. In action taken this week, three members were expelled, and one complaint was dismissed when charges were dropped. Situations like this one take longer, because of the procedures required by the Bylaws and the laws of Pennsylvania.

The BVP has recommended a Bylaws amendment to expedite similar cases, and the proposal has gone to the Bylaws committee.

Secretary Lloyd de Vries delivered a short report.

Treasurer Nancy Clark introduced the Finance Committee.

She reported the staff has been trimmed, and expenses are the lowest in 10 years.

The operating budget was balanced this year, and there was an excess of \$6500. That's not much, but considering the times, it's good.

Investments are still a problem. The APS has met regularly with PNC Advisors. There was a net loss of \$177,000 in the Society's investment income in 2002. Clark said she was glad the Board shifted investments to fixed-rate funds.

Attorney Virginia Eisenstein reported that on February 14, the judge dismissed the case against the APS brought by Greg Stolow. The judge said he is not a member, so he didn't have standing to make his allegations. He still can appeal.

The other case against the APS is still pending. It has been tried, but is awaiting a decision. It stems from the Board of Vice President's action against an individual.

There are no new cases.

Peterson said the APS Board voted a year ago to give financial support to the APRL, which bought the Match Factory property using a loan from the APS. He presented a check for the first mortgage payment of \$43,667.17.

Lamb thanked the local committee and clubs. He said the Biloxi show would be remembered as one of the great winter shows.

The last three years have been difficult financially. Investments went from an ostrich egg to a big goose egg. Headquarters has tightened its operations, shaved its profits to just \$6500 out of a \$3.5 million budget, but the APS has rounded an important corner.

In doing so, the APS was careful not to cut any services to members.

The Sales Division has been automated and now uses six instead of 13 people. The Division is also growing again. On January 1, it had \$10 million in inventory, the first time at that level since the Spring of 2001.

The ISU grossed approximately \$1.2 million last year, and is about 10% ahead of that this year.

Expertizing is growing. The rates were changed to favor members. Volume has dropped 4.5%, but income is up.

The Education Department has been extremely active, doing much more outreach and expanding Internet courses. The beginning course is a real workhouse and the Department is starting an intermediate course. Education held Stamp Camps with the USPS, and trained adults who work with kids.

The beginners kit sold out its first supply.

Education Director Kim Kowalczyk is working on a beginners' booklet.

Match Factory construction has begun. The first phase is scheduled for completion on July 23. That phase will be mostly commercial property, although the APS will use a fourth of it. The remainder has been or will be rented, with enough rent to cover all expenses.

The APS has a "pro forma" for Phase II, and an offer on its present building, at several hundred thousand dollars more than expected. The prospective buyer is now in "due diligence." After the first month, he has to pay the APS for more time. Other buyers have expressed an interest in the present building, but none has made a firm offer.

When there is a final offer, the APS will move on Phase II, which involves moving the APS and APRL out of the present building.

Phase III will then be considered.

Lamb said he enjoys being executive director.

Donations last year were \$397,000, with pledges for an additional \$179,000. No dues money has been used for the Match Factory, and that situation will continue.

Not all the donations were for the Match Factory. Insurance Plan founder and former manager Horace Harrison left the APRL \$135,000 for library acquisitions.

Peterson points out that the \$135,000 is in addition to Vooy's fund.

Questions were invited from the floor. There were none.

Member #30648, J.J. Henry, moved to adjourn. The motion was seconded and carried.