

**Society of Plastics Engineers
Executive Committee
Teleconference Meeting**

September 2, 2003

Teleconference Meeting Agenda

Docket No.	Docket Item
1.	Roll call
2.	Rebate Suspension discussion
3.	Vote & Follow-up Discussions
	Adjourn

1. Roll Call

The meeting was called to order at 12:00 noon Eastern Time by President Donna S. Davis who presided.

Present were: President-Elect Karen L. Winkler, Senior Vice President Len Czuba, Vice President Treasurer, Nancy J. Hermanson, Prior Past President Terence J. Browitt, Vice Presidents: Vicki Flaris, P. Randy Lewis, Hoa Q. Pham, and Executive Director Michael R. Cappelletti. This constituted a quorum.

Absent: Vice Presidents: Richard J. Bradley, Peter Lipp, Eldridge M. Mount III, Timothy W. Womer, Claudius Feger and Rick J. Wilson.

Present as a guest was Deputy Executive Director Susan E. Oderwald.

2. Rebate Suspension:

Treasurer Nancy J. Hermanson reviewed the financial situation leading to the need to have this meeting. The financial report which was prepared and sent to the Sections and Divisions officers for their review was cited specifically with respect to the outlook for the projected cash flow position. Citing the graphs on pages 11 and 12, of the report, Treasurer Hermanson moved **“That the Executive Committee recommend to Council the suspension of the payment of rebates in 2004 and 2005 to Sections and Divisions except in instances of demonstrated hardship, as proposed by the Finance Committee.”**

The motion was seconded and discussion ensued.

There was complete agreement by all Executive Committee members present as well as reported by President Davis by those not able to attend, that the projected financial position of SPE required immediate and drastic action to mitigate the need to dip into the line of credit projected to be up to \$650K in the middle of 2004. The recent economic slump dating back more than three years has resulted in the use of all cash reserves leaving the Society without any cash reserves. To date, the line of credit has been used only minimally to bridge shortfalls between the payment of liabilities and an inflow of revenue and has been paid back in short order.

3. Vote & Follow up Discussion

Following an in depth discussion predicated on the need for action, **the motion carried.** Randy Lewis wished to be recorded as abstaining because he would rather have seen more than one budget presented to Council. Karen L. Winkler and Len Czuba voted against the resolution and both requested to be recorded, not on the need for action but rather on the proposed method of taking action. Both had proposed a request to Council for voluntary participation in the suspension of rebates in the immediate future with a possible mandatory suspension of rebates in later years if the need still existed.

Specific questions were raised as to the possible need to suspend STAR, PRIDE and other Section/Division performance criteria since the loss of funding may directly affect the ability to carry out these programs. Nancy Hermanson agreed to review this aspect of rebate suspension with the Finance Committee and staff and develop appropriate action.

The meeting was adjourned at 1:08 pm eastern time with no more formal action taken.

Submitted,

Len Czuba
Sr. Vice President and acting Secretary