



Palm Beach Coin News

THE MONTHLY NEWSLETTER OF THE PALM BEACH COIN CLUB

May 2019

Volume 29, Number 5

May 2019 Events

May 5

Gold Coast Coin, Stamp & Collectible Show
Hollywood Rotary Club, 2349 Taylor St, Hollywood

May 8

PBCC Meeting: Doors open at 5:00PM
Meeting Begins at 7:00PM
★ *Estate Auction #39-3* ★

May 12

Coin, Stamp and Collectible Show
Azar Shrine Center, 1591 Eau Gallie Blvd, Melbourne

May 19

Coin and Stamp Show
Volunteer Park Community Center, Plantation

May 22

PBCC Meeting: Doors open at 5:00PM
Meeting begins at 7:00PM
★ *Estate Auction #33-7* ★

May 26

PBCC Coin Show
American Polish Club,
4725 Lake Worth Rd., Greenacres

SUN	MON	TUE	WED	THU	FRI	SAT
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Presidents Message

Slab Auction #6 was a success because the club made \$1146. Only 90 of the 178 lots sold but the sales total was \$11,461. We also had *Free Food Night* with about 90 members in attendance. It was "all you can eat" but we had to tell a few people, "I'm sorry, that's all you can eat".

The *2020 Red Books* are in. Hard cover is \$9.50 and Soft cover is \$8.50. The new *Mega-Red* is delayed but I will have eight copies at \$27 each.

Wednesday, May 8th is *Estate Auction #39-3*. There are 139 lots of Colonials, Half Cents, Large Cents, Indians, Lincolns, Walkers, Franklins, and Dollars. The bidding starts below *Greysheet* bid.

Saturday, May 11th is our annual picnic at John Prince Park, Granowicz pavilion. Same location as last year, in the back SE part of the park. Tony is collecting \$5 per person for members and their family. We really don't want guests because the picnic is a club member benefit and you are only paying 25% of our cost per person.

Wednesday, May 22nd is *Estate Auction #33-7*. There are 95 lots of bulk coins in vinyl pages and partial sets in albums. There are mostly Large cents through Jefferson nickel sets. There are plenty of bargains.

Friday, July 12th is our bus trip to *Summer FUN* in Orlando. The bus will leave at 7:00 AM and return about 8:00 PM. Leaving from Iglesia Familiar Church, 855 Jog Rd, at the NW corner of Summit Blvd & Jog Rd. \$10 per person. See Tony to sign up.

There will be two more Estate Auctions in June. All Auctions and the club newsletter are on our club website at <http://pbcc.anaclubs.org/>

Tony

From the E-Sylum, Vol. 03, Number 11, March 13, 2019.

U.S. Mint Proof Bullion Coins As Investments

While looking for other things I came across this November 26, 2017 *Wall Street Journal* article about the dubious utility of U.S. Mint proof bullion coins as investments. It still rings true today. -Editor

The government currently is selling the gold-coin proofs at a 25% markup over per-ounce gold prices, a premium that can run as high as \$360 per coin. The silver coins carry a more than 200% premium over market silver prices.

That might be well worth it for coin collectors and hoarders—or for stashing in a post-apocalypse bunker along with the guns and freeze-dried macaroni. But some unhappy investors have deposited them into retirement accounts, where the shiny gold and silver coins have performed like lead sinkers.

Paul Ramage, a 64-year-old retired software engineer from Michigan, said he was looking for a haven from stocks for his individual retirement account in 2013. A private dealer persuaded him to buy 45 four-coin sets of American Eagle gold proofs, and 979 ounces of silver Eagle proofs, records show.

You can guess where this is heading. The "investment" turned out to be a dud. -Editor

The U.S. Mint does operate a bit like a coin dealer. Salespeople answer phones. An online store, with a pop-up chat window, adorns the website. Customers can sign up to have annual proof sets charged to their credit cards.

Mint profits on gold Eagle proofs hit nearly 18% last year. Net profits on the Silver Eagle proofs were even better, reaching about 41% last year.

The Mint transfers its profits to the Treasury's General Fund. "We are not in it to make money," said Kristie McNally, the Mint's chief financial officer.

Mint officials said they pitch proof coinage as collector's items, not investments. But Congress kept the door open to putting the coins into retirement account investments a few years after banning other collectible items in 1981.

The final paragraph summed up the situation for buyers well. -Editor

Nonetheless, Jeffrey Christian, a precious-metals investment adviser, said he steers his clients away: "It's sort of like buying a car and driving it off the parking lot. It will have an immediate depreciation."

To read the complete article (subscription required), see: *U.S. Mint's Gold and Silver Coins Turn to Lead for Some Retirement Investors* at <https://www.wsj.com/articles/u-s-mints-gold-and-silver-coins-turn-to-lead-for-some-retirement-investors-1511720285>

From the Palm Beach Post, February 22, 2019.

Thief Dumps Coin Collection into CoinStar Machine

By Eliot Kleinberg

A North Palm businessman says a 'friend' now in custody robbed him of items totaling \$350,000.

NORTH PALM BEACH — Michael Johnson envisioned Shane Anthony Mele sending those commemorative presidential dollars spiraling down a slot to be converted from \$33,000 worth of collectibles to just enough store credit to buy a couple of 12-packs of beer.

"He easily had \$33,000 worth and he dumped it in a Coin Star machine," Johnson said.

Authorities said Mele, 40, of Riviera Beach confessed he stole rare coins and other items, valued at \$350,000, from Johnson's North Palm Beach office in December.

Mele reportedly said he sold some, then ran many through change machines where he got just face value.

Johnson, who said he's disabled and mostly not working, said Mele wiped him out of his life savings.

"I was using those coins to help stay alive," he said.

"There's no insurance that covers this kind of thing, really. Not at the losses we're talking about," he said. "It's put me in a world of hurt."

Mele was booked the evening of Feb. 1 at the Palm Beach County Jail, charged with grand theft of more than \$100,000, along with a unrelated 10-count drug charge. He left Feb. 4 after posting bond, jail and court records show.

Mele could not be located for comment. A North Palm Beach Police report shows no address, and the telephone number shown for Mele was disconnected.

Johnson, who's in the finance industry, said he inherited a large coin collection, as well as a love of collecting, from his father who died about six years ago. He said he started collecting at age 16 and estimated he had more than 100,000 coins in 80 boxes, some worth just a little and some extremely valuable.

Now, he said, they're mostly gone.

He said he'd met Mele a few years back through mutual friends and he'd helped out the man. He said Mele contacted him last fall on social media, saying his wallet had been stolen, and he let Mele stay at his business office on U.S. 1 just north of Ebbtide Drive in exchange for help with a work project. He said Mele stayed off and on from October until Dec. 19.

Johnson said he came in the next day "and everything was ransacked."

He said Mele had broken the lock on the cabinet.

The police report said Johnson gave investigators security-camera video showing Mele placing blue tape over cameras on the night of Dec. 19.

He said he'd had some collectible coins out but had not mentioned to Mele his large cache or where it was.

The report said police learned Mele had an outstanding warrant — it doesn't say for what — and, acting on a tip, the Palm Beach County Sheriff's Office picked up Mele on Feb. 1 at a home in Lake Worth.

A separate PBSO report said deputies found items in Mele's backpack that led to seven counts of possession of painkillers, one for possession of marijuana and two counts for possession of drug paraphernalia.

The report said Mele later confessed to North Palm Beach police to stealing the coins, telling authorities that "Johnson owed him." It doesn't elaborate. It says Mele told police he was "looking for a way out" and saw the coins as just that.

When Mele was arrested, the report said he had some coins on him.

He told investigators he took some coins to South Florida Coins & Jewelry in Lake Worth, where he said he got about \$4,000.

The store's owner, George Hornberg, told *The Palm Beach Post* on Tuesday the total actually was \$2,330.

He said he spent about 2½ hours processing the coins. He said unlike valuable jewelry, sales of collectible coins do not require filling out of paperwork. He said he is cooperating with law enforcement.

Mele told police he dumped the rest of the collectibles in "Coin Star" machines at area grocery stores. People often trade large stashes of loose coins for store credit, minus a fee of as much as 11.9 percent.

That means if he dropped in the 33 presidential coins, valued at \$1,000 each, he got about \$29.30.

To read the complete article, see: *A North Palm businessman says a 'friend' now in custody robbed him of items totaling \$350,000* at <https://www.palmbeachpost.com/news/20190222/did-rare-stolen-coins-end-up-in-supermarket-change-machine-victim-wonders>

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