

Executive Director's Report September 2010

Membership (YTD starting April 1)

	September 2010	September 2009	YTD 2010	YTD 2009	Gain/(Loss) vs. prior yr.
New Members	87	66	568	577	
Lapsed Members	(227)	(163)	(1,151)	(1,792)	
Net Gain (Loss)	(140)	(97)	(583)	(1,215)	
			9/30/2010	9/30/2009	
Regular Members			16,632	17,852	(1,220) -6.8%
Family/Associate			1,106	1,149	(43) -3.7%
Life			243	245	(2) -0.1%
Contributory			132	125	7 5.6%
Business			177	132	45 34.0%
Total Members			18,430	19,503	(1,073) -5.5%
Budget Dues	\$101,980		\$562,550		
Actual Dues	\$90,535		\$541,958	\$591,938	(\$49,980) -8.4%
Difference	(\$11,445)		(\$20,592)		vs. budget > -3.7%

Fiscal year to date membership is down 583 (3.1 percent) compared to down 1,215 (5.9 percent) last year and down 9 the preceding year.

Finances

FY 2011 OPERATIONS SUMMARY

	INCOME	EXPENSES	Net Inc/Exp	CAPITAL	NET
FIRST QTR	498,543	570,479	(71,936)	2,860	(74,796)
JULY 2010	174,684	166,263	8,421	0	8,421
AUG 2010	200,038	213,490	(13,452)	0	(13,452)
SEPT 2010	142,165	166,111	(23,946)	6,000	(29,946)
YTD ACTUAL	1,015,430	1,116,343	(100,913)	8,860	(109,773)
YTD BUDGET	1,053,230	1,117,045	63,815	17,000	(80,815)
YTD VARIANCE	(37,800)	702	(37,098)	(14,140)	(28,958)

Income for the current year is 3.6 percent below budget, while expenses are below budget by 0.1 percent. This is a net actual shortfall of \$100,913 on a YTD expense budget of \$1,116,343 before capital.

Investments

FUND	COST	VALUE 9/30/2010	INSTRUMENTS
NAWCC Investment Fund	\$540,504	\$466,267	Corporate Bonds, CD & Cash
Life Membership Fund	\$128,329	\$84,038	Stocks, Bonds & Cash
Museum Endowment Fund	\$300,110	\$232,227	Mutual Funds, CD & Cash
Museum & Library Investment Fund	\$781,629	\$713,701	Bonds, Equities, CD & Cash
Library & Research Center Endowment	\$88,353	\$88,916	Bonds, Equities & Cash
School Endowment	\$173,395	\$176,831	CD & Cash
	<u>\$2,012,320</u>	<u>\$1,761,980</u>	

The current values on investments reflect paper gains and losses due to market fluctuations. Since most of our fixed income investments are held to maturity, actual gains and losses will only occur at maturity or when an investment is sold.

Development

Regular donations total \$81,710 YTD versus \$61,790 the previous year. Grants total \$0 YTD versus \$23,923 last year. Endowment/investment fund donations total \$20 versus \$18,664 last year. Pledge payments YTD are \$8,692. In-kind donations total \$285 versus \$4,651 last year. In-kind donations do not include items donated to the School or to Museum collections for which the value is not determined.

I attended the Practical Planned Giving Conference in Chicago near the end of the month. At the conference, I talked with Crescendo representatives concerning our Planned Giving website. We will be one of the first clients to upgrade to their new website format, which offers far greater assistance to those who want to interactively gather information for their estate planning. Their distribution service for our weekly planned giving newsletters has also been enhanced to allow segmentation of the lists for various audiences.

Information Services

The fiber-optic cabling to the School has been completed, and the computers and phones have been connected. The phones are functioning as they should without any dropped calls, and file download across the network is greatly enhanced.

We set up an SPF record with our Domain Registration provider. An SPF record specifies which domains and IP addresses are legitimate originating sources for email purporting to be from a particular email address.

We installed the four new PCs from George Kabacinski via HP's Gifts in Kind program. Two were placed for personnel in the Library, one was installed for the membership group, and the fourth was installed as a replacement for a troublesome PC in the Publications Department.

We upgraded the Communications Director to a PC with the new Adobe Creative Suite and transferred his PC to the Communications Assistant as a replacement for her PC, which has not been running very well. In addition, two older PCs in the Library were replaced with reconfigured faster PCs. In the NAWCC Store we replaced the two register computers with newer models. We have also been upgrading to Windows7 where possible. We currently have seven PCs running Windows7 and Office 2007.

One of the other computers donated by George Kabacinski is a server. We plan to use this server to replace our outdated Exchange Server. In anticipation of the upgrade, we have purchased Server and Exchange software. We will be installing Server 2008 and Exchange 2010 on the new server from George and migrating our main server from Server 2003 to Server 2008 and combining all databases into SQL 2005. We purchased all the software from Techsoup.com (including 50 user access licenses for both servers) at approximately 5 percent of the actual retail value. Techsoup.com provides non-profits with software donated by such companies as Microsoft and Adobe.

We rearranged the Server Room and connected a scanner capable of scanning slides in anticipation of transferring our slide programs to digital files and PowerPoint presentations.

School of Horology

Classes continued during the month of September. Jennifer Adams, registrar, completed the State Licensing Renewal application for the Department of Education. The application was submitted on time. Jennifer Adams and Jim Michaels attended the Accrediting Commission on Career Schools and Colleges conference in Philadelphia September 29 through October 1. This is an annual conference held to keep the schools informed and updated to changes in the Accreditation Commission and can be used as continuing education for the School Director. The SOH Service Center has had a steady stream of watch and clock repair work. The service center is now repairing and selling timepieces on eBay for customers. The customers are

required to pay for repairs, and the service center receives commission off each sale. The School eBay store continues to list school items as time allows.

Museum/Library

The Museum's admission revenue for September was \$5,641.00. Visitation for September was 1,096 visitors, including 63 NAWCC members (5.8 percent). NAWCC Store sales for September were \$5,534.91. The Museum Director and staff have completed AAM Accreditation worksheets for submission to the AAM; the final review of these worksheets will occur in early October, with submission to the AAM by the middle of the month.

The Museum's online searchable collection database recorded 1,917 searches via the database's website. New shelving was installed in the Museum's Collection Storage Area to provide the opportunity for all accessioned items to be stored in the proper location. This work was undertaken by Facility staff under the direction of Chuck Auman. The Museum is researching shippers to arrange for the donation of a small collection of German wooden clockwork clock movements from the Deutsches Uhrenmuseum. The Museum Curator continues to work on refining the collection database's information, making it more useful for researchers.

The Museum continues to develop 2011's exhibits and fleshing out the exhibit schedule beyond 2013. Both of the current exhibits continue to receive attention in the local press, and the James Bond watch exhibit has received a great deal of coverage on numerous online and print watch venues. The exhibit also received great regional press in advance of the Casino Night/Bond Enthusiast Weekend held at the beginning of September. We are finalizing the loan of over a dozen clockwork mechanism toys from the National Museum of Play in Rochester, NY.

The Museum held a Casino Night Fund Raising event as part of the Bond Watch exhibit. The Museum has received free promotional advertising through its media partner 101 the Rose and Smooth Jazz. Ticket sales were less than expected, but the event was successful in the amount of media attention it garnered for the Museum and NAWCC. Staff continues to work with the Gallet Watch Group on the development of promotional Web and print materials for the sale of their Museum Edition Flight Officer wristwatch.

The Library had 210 visitors for the month and loaned 307 items; 85 research and reference questions were answered, 13 items were donated, and 26 acquisitions were purchased.

Publications

The October *Watch & Clock Bulletin* was mailed from Cadmus on Monday, September 27. The December *Bulletin* was planned in September and will include the Crafts Contest results (winners will be featured on both front and back covers of the December issue). Article topics range from American watches, to a family of New Jersey clockmakers, to horology in U.S. lighthouse operations. The December issue features the final installment of Scotty Dean's repair column, which ran for all of 2010.

The October *MART* was delivered to the vendor on Thursday, September 9, and copies were received by September 20. Reminder emails were sent for October using Constant Contact. After the August *MART*'s poor revenue result, we developed a new ad option for first-time advertisers—the "Photo-Op," which is a 2.25 x 2 inch ad, featuring a photo, for \$49. This ad option has been placed on the *MART* "homepage," and links to this page have been incorporated into a banner ad featured on the Message Board, the NAWCC homepage, and the 4Sale site.

The CD for Mark McKinley's talking clocks book has been created. We are waiting on cataloging-in-publication content from the Library of Congress. Richard Watkins' book on watch collecting is being formatted.

Updated style sheets for the department, reflecting this year's design changes, were created. 2010 Symposium Web pages were created. A Museum calendar promotional card was developed. A postcard for Membership was created about a DVD available to new members. Posters created for Museum educational

programs included Home School Day, Teddy Bear Day, Clockwork Toy Workshop, and Family Sleepover. Publication content for the October issues was posted to the website.

Communications

Communications maintained the various NAWCC websites, as usual, updating them and acting in support of our Internet footprint. Internet duties included monitoring the NAWCC Message Board and other online resources, including the NAWCC Community Center and the new 4Sale\$NAWCC, as well as developing an advertising strategy for the NAWCC Message Board. Several new chapter websites were updated and implemented. The September issue of our online members e-zine *Happenings* was sent as scheduled, along with several special email press releases and membership notifications, among them a special update on Chapter IRS non-profit procedures and the upcoming Clock Appraisal Course. Printed, mailed, and invoiced newsletters for Chapter 11 and Chapter 134. Area media were contacted to increase awareness of Bond Weekend; arrangements were coordinated for an article and an ad for insertion in Media One Education Guide. Arranged and hosted a sponsor visit from *Merchandiser* to promote special Volunteer Open House event.

Communications also prepared and mailed press releases for James Bond—Ian Fleming's Watch Ticking for James Bond Weekend, Candy Clock Halloween Family Timepiece Workshop, Volunteer Open House, and Smithsonian Museum Day. Planned advertising and developed articles (with photos and write-ups) for *Adventure Magazine*. In support of special events we contacted Susquehanna Glass for supplies for Bond Weekend, called Faulkner BMW to confirm arrangements for display and parking of special event cars. Collaborated with Special Events Committee to set up, carry out, and clean up of James Bond Casino Night, contacting local restaurants to establish restaurant reservations for Board dinners and Employee Christmas Party. Communications oversaw table layout for Wine & Chimes, contacted tree donation for Museum lobby Christmas décor, and followed up with 101 the Rose and Smooth Jazz (media sponsors) to ensure coverage of Wine & Chimes, preparing media kit for distribution.

Education/Volunteers

A large portion of Educator's time this month was devoted to scheduling workshops for 2011, inputting the information into the iMIS system, updating information on the website related to workshops, and inputting the information on the community calendar of events program. Some workshops were also revised, including the Hairspring Workshop, which will be offered as two weekend workshops to accommodate suggestions from those in the industry who want to take the workshop but cannot take off a whole week of work.

We continue to process financial aid material related to students who are using VA benefits as well as assist prospective students with determining the types of financial aid programs they may be eligible for.

We participated in the United Way's Day of Caring with 20 student volunteers from Millersville University for 3 hours on Saturday, September 11. The students cleaned the upstairs carpet in the staff area and Board room, painted exterior doors, weeded flower beds, and put together educational kits for school groups. Their help was most appreciated. Total Volunteer Hours for September: 519

The James Bond Weekend was held on September 10-11 with the Casino Night event on Friday and activities coordinated by the guest curator around the Bond exhibit on Saturday. Several people from out of state came for the event and enjoyed themselves. Volunteers and staff manned the gaming tables on Friday night, and prizes were given away to the highest chip holders at the end of the night (all prizes were donated to the event by local businesses).

Facilities

The Facilities Department continues to be very busy with painting the door frames on the main building, the handrails around the main entrances, and at the house. We have been trimming trees to keep them back from the parking areas, buildings, and off our roofs. We recycled the tree trimmings by taking them to the Columbia Borough recycling center.

The basement is ready to have the classrooms done. We recycled about nine tons of paper and cardboard. As we cleaned, we checked all supposedly empty boxes; we found two clock movements and returned them to Collections. Nothing was discarded without checking the document retention list for all financial and membership records.

Admin/Other

The construction of the new Turkey Hill Experience in the former mill building adjacent to the U.S. Rt. 30 interchange and two blocks from our Museum site is progressing at a rapid rate. Turkey Hill is planning to open the facility next May or June. The Borough of Columbia continues to work with the state highway department on relocation of Rt. 441 and other traffic flow improvements.

A number of items requested by the IRS regarding chapters in our group exemption application were forwarded to the IRS. We hope to hear in the next month whether the group exemption will be granted or if there will be additional requests for information.

I served as the national representative for the Great Lakes Regional in Dearborn, Michigan. I presented a program on the NAWCC's online resources.

J. Steven Humphrey, Exec. Dir. 10/14/10