

Executive Director's Report February 2011

Membership

Fiscal Year starting April 1	February 2011	February 2010	YTD 2011	YTD 2010	
New Members	148	150	1,132	1,168	
Lapsed Members	(203)	(304)	(2020)	(2,858)	
Net Gain (Loss)	(55)	(154)	(888)	(1,690)	
Twelve Month Comparison			2/28/2011	2/28/2010	Gain/(Loss) vs. prior yr.
Regular Members			16,296	17,365	(1,069) -6.2%
Family/Associate			1,094	1,139	(45) -4.0%
Life			242	245	(3) -0.1%
Contributory			143	125	18 14.4%
Business			210	154	56 36.3%
Total Members			17,985	19,028	(1,043) -5.5%
Budget Dues FY	\$117,500		\$1,097,950		
Actual Dues FY	\$99,698		\$1,078,965	\$1,145,729	(\$66,764) -5.8%
Difference	(\$17,802)		(\$18,985)		vs. budget > -1.7%

Fiscal year-to-date membership is down 888 (4.7 percent) compared to down 1,690 (8.2 percent) last year and down 700 the preceding year.

Finances

FY 2011 OPERATIONS SUMMARY

	INCOME	EXPENSES	Net Inc/Exp	CAPITAL	NET
FIRST QTR	498,543	570,281	(71,738)	2,860	(74,598)
SECOND QTR	516,887	545,864	(28,977)	6,000	(34,977)
THIRD QTR	637,276	602,170	35,106	6,075	29,031
JAN 11	174,432	150,686	23,746	2,210	21,536
FEB 11	195,993	183,106	12,887	0	12,887
YTD ACTUAL	2,023,131	2,052,107	(28,976)	17,145	(46,121)
YTD BUDGET	2,056,715	2,082,832	(26,117)	19,600	(45,717)
YTD VARIANCE	(33,584)	30,725	(2,859)	2,455	(404)

Income for the current year is 1.6 percent below budget, while expenses are less than budget by 1.5 percent. The net actual shortfall is \$28,973 (1.4 percent) on the YTD expense budget of \$2,082,832 before capital.

Investments

Funds	VALUE		INSTRUMENTS
	COST	2/28/2011	
NAWCC Investment Fund	\$387,135	\$348,617	Corporate Bonds, CD & Cash
Life Membership Fund	128,329	77,071	Stocks, Bonds & Cash
Museum & Library Investment Fund	242,810	220,313	Bonds, Equities, CD & Cash
Standard Investments	758,274	646,001	
Long-Term Investment Account			Cash, Corporate Bonds, Mutual Funds
NAWCC Investment Fund	154,369	154,369	
Museum Endowment Fund	300,110	302,859	
Museum & Library Investment Fund	538,789	541,682	

Library & Research Center Endowment	88,353	94,442
School Endowment	173,395	178,803
Sub-total Long-Term Investments	<u>1,255,016</u>	<u>1,272,155</u>
Total Investments	<u>2,013,290</u>	<u>1,918,156</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 \$150,240 YTD versus \$143,999 the previous year. Grants total \$0 YTD versus \$23,923 last year. Endowment/investment fund donations total \$9,640 versus \$22,709 last year. Pledge payments YTD are \$9,192. In-kind donations total \$5,067 versus \$11,474 last year. In-kind donations do not include items donated to the School or to Museum collections for which the value is not determined.

The annual fund campaign through the end of February had total donations of \$40,274 compared to \$51,486 last February. The average donation per donor is almost identical to last year, but the number of donors this year is 325 compared to 405 last year. Because overall regular donations are ahead of last year, some who have given did so earlier in the year or did not identify the gifts as associated with the annual fund.

Information Services

The Microsoft Exchange 2010 upgrade had to be postponed while we sorted out some issues with the File and Print server regarding its connectivity to the current Exchange Server. The upgrade was rescheduled to March 5.

IS is in the process of installing the new WatchDig website on our webserver. Information Services (IS) uploaded another 5 library videos to the website.

We are planning to install wireless in the Museum to make access possible to additional information about our exhibits. The plan is to use QR codes displayed by select pieces. These codes contain links to websites and can be read by smart phones and other similar wireless devices. The device can then connect via the Museum wireless to those websites, which would display additional information about the exhibit or artifact.

We are also planning for the installation of a new DVR (digital video recording) security system for the Museum. In addition to the current cameras in the Museum we want to add some to the outside of the building overlooking the front parking lot as well as the Poplar Street emergency exit. This upgrade is made possible by three gifts: Buckeye Chapter 23, member Frank Del Greco, and a matching gift from the Lubrizol Foundation.

One of the new computers in the Library had a hard drive crash. We replaced the computer with another and had HP send us a warranty replacement drive. We installed the drive and reinstalled the operating system and all our current program files.

We have added 24 new Business Members to the online business directory in just the past 2 months. We have also begun setting up new members with logins and sending them a welcome email with details on how to login and what they can see and do as members on our website.

School of Horology

Classes continued for the month of February. Classes for the clock program were C-1000 Machine Tools and Construction and for the watch program W-900 Making Parts and W-1000 Chronographs. The School received 1 new application for admission.

The SOH service center has had a steady stream of watch and clock repair work. The service center has grossed \$46,238 for repair work for the past 11 months, which is more than double what was budgeted. The service center continues to repair and sell timepieces on eBay for customers. The customers are required to

pay for repairs when needed and the service center receives a commission off each sale. The School lists items for sell on the 4Sale\$NAWCC site when items are available. The School eBay Store also continues to list School items as time allows.

Museum/Library

The Museum's admission revenue for February was \$1,747. Visitation for February was 460 visitors, including 29 NAWCC members (6.3 percent). NAWCC Store sales for February were \$4,079. The Museum submitted the checklist provided by the American Association of Museums regarding further information or clarification for our self-study. Areas identified in the self-study as being concerns included strategic planning and governance. We should be prepared for these to be issues as we move along in the accreditation process. The Museum has offered to travel to AAM headquarters to discuss any concerns in person if needed.

The Museum's online searchable collection database recorded 3,107 searches via the database's website. The Museum is expecting material from the estate of the late Ursula Metsker to be delivered to the Museum in March. The Museum presented a number of objects to the Museum Collection Committee for approval for accession. The Museum received a donation of 97 watches from a Texas donor. We expect to sort through this donation in the coming weeks. The Museum Curator and volunteers (including NAWCC School of Horology Clock Instructor Al Dodson) continue to work on refining the collection database's information, making it more useful for researchers.

The Museum continued to finalize loan requests and preparation for 2011's exhibits and beginning the process of fundraising and object selection for 2012. A major watch company is interested in serving as a sponsor for 2012's exhibit on time and sport. We continue to work with a Swiss horology museum on the loan of several items for exhibit in 2011.

The Library had 126 visitors for the month and loaned 210 items; 134 research and reference questions were answered, 200 items were donated, and 6 acquisitions were purchased.

Publications

The April *Bulletin* was finalized in February. The April issue features seven articles and award recipients, including Fellow awards and biographies. The issue also features In Memoriams for two Fellows and two Silver Star Fellows: Dr. Roger Robinson, Elmer Crum, Irvin Rosen, and William Mather.

The April *MART* was delivered to the vendor on Tuesday, March 8. The April *MART* is 56 pages and includes Board minutes from the December meeting. Because advertising remains low, a few Association promotions were either not included or reduced in size in this issue to keep the page count to a minimum.

Proofreading work continues on Tom Spittler's and Chris Bailey's *Clockmakers and Watchmakers in America by Name and by Place* and on Phil Balcomb's *Clock Book*. Richard Watkin's *Watch Collecting* book is under review by a peer reviewer.

Copyediting and proofing continues on all marketing material: primarily eHappenings and press releases. Additional banners were designed for the upcoming Clockworks! exhibit. Signage for the exhibit was copyedited. A new member application for distribution by business members and others was designed.

Updates were made to the Publications area of the website, and to the Symposium area. Work on WatchDig, our new watch website initiative absorbed much time in February.

Communications

Communications maintained the various NAWCC websites, monitoring and troubleshooting all NAWCC online resources, plus offering technical advice and offering individual customer service via phone and email. Finalized and sent the February/March edition of our bimonthly eHappenings member newszine. Designed and coded Appraisal class watch test for test vetting; sent targeted Appraisal class Constant Contact mailing to appraisers list. Various other Constant Contact epress releases and scheduled membership

notifications were developed and sent. Continued development of new media for our various Web applications, including an updated Chapter Finder utility and a new Business Member directory program. Designed and formatted the newsletter for Chapter 141 and Chapter 11; printed, mailed, and invoiced newsletters for Chapter 1, Chapter 83, Chapter 141, and Chapter 11. Communications also helped edit and update Chapter websites for Chapter 141, 183, and Chapter 11; sent recruitment materials to Florida Regional; sent more press releases for Night at the Museum, Family Sleepover, and the March Calendar of Events to area media; and mailed packs of posters to Lancaster and York libraries.

Communications sent follow-up emails and made phone calls to returning and prospective vendors for 2011 Hops 'N' Clocks event, assembled package of flyers and posters for Florida Regional, arranged for live broadcast with WHP-TV 21, researched advertising options for association with antique and collecting publications for targeted spring advertisement program, met and arranged photo shoot and interview/story to appear in the *Merchandiser*, ensured inclusion of coupon materials in "PA Getaway Guide." Contracted catering of Chamber Mixer and Clockworks! exhibit opening, met with Special Events team to contribute to exhibit planning. Met with numerous tourist outlets and area advertisers to develop new ad strategy. Arranged for Museum's participation with Groupbuy, contacted Antique Automobile Museum and discussed alternatives for retaking our bus trip deposit.

Education/Volunteers

Education conducted several outreach programs this month: two programs on the Chinese New Year at area libraries and one make-a-clock workshop. We also held a make-a-clock workshop day for area scouts which was set up through the local council. We continued to prepare materials for the new watch valuation course. We continue to take webinar demos from several companies on their software, as well as webinars on best practices of webinars. We are also continuing to write exhibit text for the Clockworks! exhibit, as well as creating educational components for the exhibit. We have also assisted several chapters with youth material for upcoming regionals/or special exhibits in which they wish to have youth materials available.

We continue to meet with prospective School of Horology students in person and over the phone to answer questions regarding available student financial aid. We assisted a student with applying for a private student loan. We are also continuing to update training on financial aid software as time permits. We cannot begin processing 2011-2012 student financial aid information until the software for the 2011-2012 award year is distributed in late March. We are using free software from the Department of Education for processing.

We continue to receive requests for summer and fall internships. We are in the process of interviewing potential interns for the summer. Total Volunteer Hours for February: 415.

Education updated the website to reflect the make-a-clock workshops, which we will offer on demand to groups interested in making a clock. We have already scheduled several of these prior to updating the information on the website to area scout and recreation groups. We continue to work on event planning for 2011 events, including promotion of these events with the communications staff.

Facilities

The contractor cost to plow and salt the parking lots was \$630 for the month. We spent over 20 hours to remove the snow and ice from the sidewalks. This is the first year in three years that we did not have any slip and fall claims. We had our annual fire system inspection done and needed to replace the backup batteries.

Maintenance Supervisor Ken Wolpert remains on long-term disability. The controller continues to handle many of the day-to-day maintenance items such as changing light bulbs, ordering maintenance supplies, and scheduling services.

Admin/Other

I attended the Lone Star Regional on March 4 and 5, with a trip to Kansas in the days immediately before the Regional. In Kansas I met with the executor for the Ursula Metsker estate. The NAWCC is one of four charities that the Metsker estate is to be divided among. I also visited with several members and saw several

member collections in Oklahoma City. I also attended the annual meeting of the Lancaster County Chamber of Commerce.

Work continues on the budget for our fiscal year starting April 1. Decreasing revenues in several areas will continue to present challenges in maintaining resources to carry out our ongoing programs.

The 4Sale\$NAWCC auction/classified site registered its 1,000th registered user on March 1. The site has had over 5,119 visits from 4,110 unique visitors in the last 30 days. Listings continue on the light side, with currently about 60 listings.

J. Steven Humphrey, Exec. Dir. 3/15/11