

Executive Director's Report April 2011

Membership

Fiscal Year starting April 1	April 2011	April 2010	YTD 2012	YTD 2011		
New Members	99	91	99	91		
Lapsed Members	(249)	(310)	(249)	(310)		
Net Gain (Loss)	(150)	(219)	(150)	(219)		
Twelve Month Comparison			4/30/2011	4/30/2010	Gain/(Loss) vs. prior yr.	
Regular Members			16,186	16,986	(800)	-4.7%
Family/Associate			1,086	1,137	(51)	-4.5%
Life			240	244	(4)	-1.6%
Contributory			147	129	18	14.0%
Business			226	158	68	43.0%
Total Members			17,885	18,654	(769)	-4.1%
Budget Dues FY	\$86,780		\$86,780			
Actual Dues FY	\$85,198		\$85,198	\$90,509	(\$5,311)	-5.9%
Difference	(\$1,582)		(\$1,582)		vs. budget >	-1.8%

Fiscal year-to-date membership is down 150 (0.8 percent) compared to down 219 (1.2 percent) last year and down 345 the preceding year.

Finances

FY 2012 OPERATIONS SUMMARY

	Income	Expenses	Net Inc/Exp	Transfer	Capital	Net
APR 2011	166,391	191,856	(25,465)	0	0	(25,465)
YTD ACTUAL	166,391	191,856	(25,465)	0	0	(25,465)
YTD BUDGET	182,235	197,776	(15,541)	0	0	(15,541)
YTD VARIANCE	(15,844)	5,920	(9,924)	0	0	(9,924)

Income for the current year is 8.7 percent below budget, while expenses are less than budget by 3.0 percent. The net actual shortfall is \$25,465 (13.3 percent) on the YTD expenses of \$191,856 before capital and transfers.

Investments

Funds	VALUE		INSTRUMENTS
	COST	4/30/2011	
NAWCC Investment Fund	\$380,338	\$377,675	Corporate Bonds, CD & Cash
Life Membership Fund	116,045	78,822	Stocks, Bonds & Cash
Museum & Library Investment Fund	192,586	199,934	Bonds, Equities, CD & Cash
Standard Investments	688,969	656,431	

Long-Term Investment Account *

			Cash, Corporate Bonds, Mutual Funds
NAWCC Investment Fund	154,369	155,974	
Museum Endowment Fund	303,910	309,864	
Museum & Library Investment Fund	538,809	547,356	
Library & Research Center Endowment	88,453	95,424	
School Endowment	173,395	180,663	

Sub-total Long-Term Investments	1,258,936	1,289,281
Total Investments	1,947,905	1,945,712

*Consolidated Long-Term funds balance-Individual named account balances calculated

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 \$12,666 YTD versus \$28,853 the previous year. Overall giving is up since last year's amount included a \$21,000 restricted contribution. Pledge payments YTD are \$10,000. In-kind donations total \$40 versus \$285 last year. In-kind donations do not include items donated for which the value is not determined.

The donor reception invitation list for the National Convention was prepared for donors who gave \$100 or more in the 2011 fiscal year. The list also includes persons from our 1943 Heritage Society and the John Harrison Endowment Society.

Information Services

Our new online Business Directory is almost ready to be rolled out. We are working to integrate the mapping portion of the directory with the search operation.

We purchased and installed a gigabit switch for the NAWCC and WatchDig servers. Both servers are connected to the firewall through the switch. We also installed two 1-terabyte external USB hard drives and connected them to the new WatchDig server. We plan to back up the NAWCC web server through the gigabit switch to the WatchDig server and then to the USB drives where the backups will be stored. This will free space on our NAWCC web server and facilitate faster backup transfers.

We ordered and installed 3 new hard drives for the NAWCC web server. The next step is to add them to the drive raid array configuration of the server so we can take advantage of the additional space. We hope to gain between 300 and 400 additional gigabytes of disk space.

Information Services has been assisting Sam Sherman from the School in his outreach to the Veterans Administration to attract students to the NAWCC School of Horology. We worked up a PowerPoint presentation and set up a laptop for him to use when presenting to the veterans. We have also created CDs with the School Catalog to hand out at PA and NJ military installations.

School of Horology

Classes continued for the month of April with C-1100 (Misc. Clock Movements) and C-1200 (Advanced Clock Repair) for the Clock Program and W-1100 (Business and Repair Problems) for the Watch Program. The School held one tour for a prospective student and enrolled one student in the School.

Sam Sherman attended a college fair and spoke at Fort Indiantown Gap and Walter Reed Army Medical Center to promote the School. The School of Horology has been chosen as one of eight schools to be promoted by the Veterans Affairs Administration through Fort Indiantown Gap.

The SOH service center has had a steady stream of watch and clock repair work. The service center continues to repair and sell timepieces for customers. The customers pay for repairs plus the service center receives a commission off each sale. The School continues to list School items as time allows and when items are available. The items are sold on the 4Sale\$NAWCC site and the School's eBay store.

Museum/Library

The Museum's admission revenue for April was \$4,514. Visitation for April was 1,008 visitors including 42 NAWCC members (4%). NAWCC Store sales for April were \$4,110. The Museum has begun the work of drafting an independent strategic plan using templates and examples provided by the American Association of Museums and David Dunn. A draft of this plan will be provided to the Museum Collections Committee in

early June for comment and then presented to the American Association of Museums Accreditation Commission in July as part of the Museum's Self-Study.

The Museum's online searchable collection database recorded 2,321 searches via the database's website. The Museum presented the material from the estate of the late Ursula Metsker to the Museum Collections Committee for accession to the collection. The Museum's HVAC System is now being constantly monitored and adjusted manually to maintain acceptable humidity and temperature levels in the Museum. The Museum Director now monitors the system both from his workstation at the Museum and from his home on the weekends. The automated system controls cannot be trusted to do this effectively.

The Museum opened 2011's exhibit, *Clockworks*, in April. The exhibit received great regional press coverage, including full-page treatments in both the Lancaster and York Newspapers (circulation of over 100,000 print). The James Bond exhibit closed at the end of April. This exhibit received a great deal of coverage in print and online. Ian Fleming's Rolex wristwatch will continue to be exhibited throughout 2011 through arrangements with the Fleming family.

The Gallet Watch Group has taken several down payments on their Museum Edition Flying Officer watch. The Museum was approached by Hamilton Watch to take part in the 120th anniversary of the brand in 2012. This may involve Hamilton's sponsorship of exhibits and events at the Museum and promotion of the Museum and its collection at a special exhibit being planned for New York City in 2012. The Museum Director is finalizing a plan for promoting NAWCC Membership with Museum visitors that highlights the local benefits of NAWCC Membership.

The Library had 162 visitors for the month and loaned 223 items; 100 research and reference questions were answered, 50 items were donated, and 8 acquisitions were purchased.

Publications

The June *Watch & Clock Bulletin* was sent to the press the last week of April. The June issue, although reduced to 112 pages from 128, features 11 articles. Additional content was possible with the removal of Chapter Highlights to the *MART*, now renamed the *Mart & Highlights*. Planning for the August issue was underway in late April. New articles continue to be received and reviewed.

The June *Mart & Highlights* was delivered to the print vendor on Tuesday, May 10. The *Mart & Highlights* is 80 pages; 28 pages of the issue are Chapter Highlights. Seven pages were devoted to content specific to the 2011 Convention, including a mart floor plan and a full-page listing of mart tableholders. Additional emails and letters were sent to Convention tableholders to encourage advertising, resulting in five additional ads for the Convention section. Regional, custom advertisers, and auction house reminder letters and emails were also sent. Compared to mid-2010 issues, our advertising income for the June issue was good, approximately \$23K (compared to \$25.5K for the April 2011 issue but better than the preceding four issues).

Corrections are underway on Tom Spittler's *Clockmakers and Watchmakers in America by Name and by Place*—an end is in sight. Peer review comments were returned for Richard Watkin's *Watch Collecting* book, and Richard is now working on corrections and changes. Philip Balcomb's *The Clock Book* is on hold pending communication with the copyright holders.

Updates were made to the Education and Library areas of nawcc.org website. The right-side menu module was standardized across nawcc.org. Work on WatchDig, our new watch website initiative, continues to be a major focus of the Department. WatchDig editorial policy was developed in April, and staff continues to post content and review all posts.

Copyediting and proofing continue on all marketing material: primarily eHappenings and press releases. The School catalog was redesigned, a School pennant was designed and ordered, and new School brochures were ordered. A new NAWCC years-of-service button was designed. New NAWCC Student and Museum membership application brochures were designed. The Publications Department annual report was prepared.

The department continues to adjust staff hours within a fixed budget. Amy Klinedinst works two days a week. Hugh Dougherty and Freda Conner gained hours and now both work 39 hours per week. Hugh was promoted to salary status and has assumed primary editorial responsibility for Watchdig.org and *Mart & Highlights*. Diana is now working three days per week in the office and working at home two mornings per week, logging in to the office via a virtual private network, with primary focus on the *W&C Bulletin* and Department management.

Communications

Communications maintained the various NAWCC websites, monitoring and troubleshooting all NAWCC online resources, and provided technical advice and individual customer service via phone and email. Completed and sent the April/May edition of our bimonthly eHappenings member newszine. Continued working with Higher Logic to coordinate the new upgrade of our Community site. Sent Constant Contact email blast to advertise Metsker auction, sent special survey materials to volunteers of our new Watch exam test program, and sent another targeted Appraisal class Constant Contact mailing to membership. Various other Constant Contact epress releases and notifications were sent. We are still developing our new Business Member directory computer program. Invoiced and emailed various chapter notices and newsletters (Chapter 3, Chapter 1), coordinated with Chapters to update and upgrade Chapter websites. Helped advertise and market new Museum exhibit opening Clockworks. Developed and sent press releases for Teddy Bear Tea and May Calendar of Events to area media. Rendered special computer services to IT server team as required.

Communications contacted and planned menu with SEI Catering for annual picnic, planned farewell reception for departing volunteers, followed up on developing vendors for Hops 'N' Clocks 2011, aided in the setup, hosting, and teardown of Clockworks exhibit opening. Coordinated the 2011 Fiscal Celebration Luncheon for staff and volunteers, researched location for SOH graduation program/dinner (on-site visit required), and organized all details for menu and graduation RSVPs. Facilitated visit of York and Lancaster Newspapers to do feature stories on Clockworks opening, organized and facilitated Fox 43's taping of segments promoting Teddy Bear Tea and Clockworks exhibit sequences. Special Events team finalized plans for exhibit opening, including food, entertainment, decorations, etc. The special events manager researched various restaurants in Kansas area for the BOD meeting for the annual convention, notified area media regarding Ian Fleming's watch and its continued display, interview with Lancaster Newspapers regarding our inclusion in "etiquette" feature.

Education/Volunteers

We purchased a webinar program—ReadyTalk from TechSoup—that should meet our requirements to begin offering webinars in the late summer/early fall after initial testing with the program by staff. We spent much time this month on the installation of the Clockwork exhibit and held the opening of the exhibit on Thursday, April 21.

We continue to process financial awards for the 2011-12 school year as School of Horology incoming students complete their FAFSA. We are also completing exit counseling for students who have borrowed loans for this current school year and who will be graduating. These exit counseling sessions are required by federal regulations.

We met with three new volunteers. One volunteer will be working in the archives, while the other volunteer, who is currently enrolled at Penn State in the physics program, will be working on developing an educational program on physics in horology. Our third volunteer has experience with computer programming and will be working on the WatchDig program. We also said our goodbye to one of our AARP enrollees who has been with us for over two years. AARP will be placing another senior worker at our facility in the coming month. Total Volunteer Hours for April: 436.5

We are preparing materials for the Teddy Bear Tea, Civil War Watch Workshop, and beginning to promote the Annual Hops 'N' Clocks event. We conducted a TV interview on the Teddy Bear Tea for Fox 43 news.

Facilities

The Controller is working with several vendors to price the maintenance supplies to maintain the best quality for the best price in our ongoing efforts to reduce cost.

Maintenance Supervisor Ken Wolpert has not been able to return to work. 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

The budget for the 2012 fiscal year was presented to the Board. The recommended operating expenses were \$2,190,820, which is 4 percent less than the 2011 FY budget and 1.25 percent below the unaudited yearend actual. The Board did adopt the budget during their April meeting. A Short-Term Investments Policy was also formulated and reviewed by the Finance Committee and placed on the Board agenda for May. This will allow the consolidation of a number of restricted and operations accounts to improve the return and management of these investments.

Due to an additional \$10,000 contribution from Florida Gold Coast Chapter 60 on top of \$21,000 donated last year, we are proceeding with the construction of two classrooms in the lower level of the Museum building. The classrooms will be used for clock and watch workshops we host here in Columbia, Field Suitcase Workshops, children and youth programs, community meetings, as rentals for business meetings, and additional uses. Other donors also contributed to the project and additional donors are needed for the outfitting and equipment for the classrooms.

I attended meetings of the PA Association of Non-Profit Organizations annual meeting, a local Chamber consortium meeting, and I attended our Clockworks exhibit opening. A number of hours were also spent on coordinating the production of a 30-second video ad to promote the School of Horology on two local media outlets, on the History Channel, and Speed Network. The ads were targeted to persons within about 60 miles of the School to highlight the start of the next program year on June 20.

J. Steven Humphrey, Exec. Dir. 5/16/11