

Executive Director's Report May 2011

Membership

Fiscal Year starting May 1	May 2011	May 2010	YTD 2012	YTD 2011		
New Members	84	95	183	186		
Lapsed Members	(138)	(186)	(387)	(496)		
Net Gain (Loss)	(54)	(91)	(204)	(310)		
Twelve Month Comparison			5/31/2011	5/31/2010	Gain/(Loss) vs. prior yr.	
Regular Members			16,141	16,893	(752)	-4.5%
Family/Associate			1,082	1,133	(51)	-4.5%
Life			240	244	(4)	-1.6%
Contributory			142	130	12	9.2%
Business			226	163	63	38.6%
Total Members			17,831	18,563	(732)	-3.9%
Budget Dues FY	\$88,500		\$175,280			
Actual Dues FY	\$84,178		\$169,376	\$182,784	(\$13,408)	-7.3%
Difference	(\$4,322)		(\$5,904)		vs. budget >	-3.4%

Fiscal year-to-date membership is down 204 (1.1 percent) compared to down 310 (1.6 percent) last year and down 591 (2.9 percent) the preceding year.

Finances

FY 2011 OPERATIONS SUMMARY

	Income	Expenses	Net Inc/Exp	Transfer	Capital	Net
APR 2011	166,391	191,856	(25,465)	0	0	(25,465)
MAY 2011	148,726	163,010	(14,284)	0	0	(14,284)
YTD ACTUAL	315,117	354,866	(39,749)	0	0	(39,749)
YTD BUDGET	333,340	360,550	(27,210)	0	10,400	(37,610)
YTD VARIANCE	(18,223)	5,684	(12,539)	0	10,400	(2,139)

Income for the current year is 5.5 percent below budget, while expenses are less than budget by 1.6 percent. The net actual shortfall is \$12,539 (3.5 percent) on the YTD expenses of \$354,866 before capital and transfers.

Investments

Funds	VALUE		INSTRUMENTS
	COST	5/31/2011	
NAWCC Investment Fund	\$380,338	\$378,745	Corporate Bonds, CD & Cash
Life Membership Fund	116,045	77,639	Stocks, Bonds & Cash
Standard Investments	496,383	456,384	
Long-Term Investment Account *			Cash, Corporate Bonds, Mutual Funds
NAWCC Investment Fund	154,369	157,204	
Museum Endowment Fund	303,910	312,308	
Museum & Library Investment Fund	731,395	751,613	
Library & Research Center Endowment	88,453	96,177	
School Endowment	173,395	182,088	

Pritchard Fund	44,120	44,120
Subtotal Long-Term Investments	1,495,642	1,543,510
Total Investments	1,992,025	1,999,894

*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 \$22,212 YTD versus \$33,161 for the previous year. General giving is up because last year's amount included a \$21,000 restricted contribution. Pledge payments YTD are \$10,500. In-kind donations total \$264 versus \$285 last year. In-kind donations do not include items donated for which the value is not determined.

The donor reception at the National Convention for donors who gave \$100 or more in the 2011 fiscal year and members of our 1943 Heritage Society and John Harrison Endowment Society was attended by approximately 80 persons. I would like to thank the 2011 Convention Committee, which provided the food and refreshments for the donor reception. Three members gave me gifts at the reception, totaling \$600.

Recent contributions: \$2,000, Kentucky Thoroughbreds Chapter 140; \$1,000, Inland Counties Chapter 81; \$500, George E. Lee Michiana Chapter 26; and a commitment of \$500 from Lone Star Chapter 124, in addition to the previously given \$31,000 from Florida Gold Coast Chapter 60 and additional funds from others, is allowing us to proceed with the construction of two new classrooms in the lower level of our main building in Columbia. The total project cost for design, construction, and equipment is \$42,461. We still need \$4,200 to fully fund all components of this project. Florida Gold Coast Chapter 60 was awarded our Chapter Donor of the Year for the 2010-2011 fiscal year for their contributions to the classroom project and several other projects.

The museum security upgrade project is currently being implemented with funds provided by Buckeye Chapter 23 and private and corporate gifts.

Information Services – Kevin Osborne, IS Director

We experienced a “hack” into our website. The consequence of the intrusion was limited to rewriting one of the files to call a program that then affected our website associations in Google. Googling the NAWCC caused information under the NAWCC link to advertise the purchase of Microsoft products instead of describing the NAWCC website and Association. Clicking on the link resulted in the display of a blank page.

Our immediate solution was to rewrite the corrupted file, monitor it, and write a program to overwrite it every five minutes. The final solution was to implement greater restrictions in accessing our web server.

The NAWCC School of Horology website was updated with the course schedule and the new catalog for the 2011 school year.

Our IS Director wrote up an FAQ on how to login to the NAWCC website and placed it on the NAWCC homepage under the Resources Menu.

We purchased and installed a new digital video recorder (DVR) for the Museum. We are grateful to Buckeye Chapter 23 and a private donor for donating the funds to make this possible. It is a 32 channel DVR that integrated into our existing camera security system. It replaced a 4 channel system and the 2 multiplexers that were used to segregate out the 26 cameras we have in the Museum and Library. We also purchased and tested a color camera which works well with the system and we have purchased 25 more to replace all existing black and white cameras. We also purchased five cameras to place outside the building. All cameras will be controlled by the new DVR system.

Our license and support contracts for the Watchguard Firewall and our CA Antivirus program have been renewed and updated. We were able to save over \$300 this year on the CA Antivirus program.

School of Horology – Jim Michaels, School Director

Classes continued in May with C-1200 (Advanced Clock Repair) for the clock Program and W-1100 (Business and Repair Problems) for the watch program. Graduation was held May 19. In the Clock program one student graduated; the Watch program seven students graduated; and the Combined Watch & Clock program had four students graduate.

The students toured RGM Watch Co. on May 11. Instructor Sam Sherman delivered School of Horology promotional material to Fort Indiantown Gap and spoke at a career fair at Walter Reed. On May 31 Sam was laid off due to insufficient numbers in the incoming watch class to support a second watch instructor.

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. Customers often have the timepieces repaired prior to sale. The service center receives a commission off each sale.

Museum/Library – Noel Poirier, Museum Director

The Museum's admission revenue for May was \$4,853. Visitation for May was 1,117 visitors, including 50 NAWCC members (4.5%). NAWCC Store sales for May were \$9,990; this included a large tool order from Shurline Tools. The Museum Director spent much of the month, and continues, drafting an independent strategic plan using templates and examples provided by the American Association of Museums and David Dunn. A draft of this plan should be provided to the Museum Collections Committee in 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 2,320 searches via the database's website. The Museum presented material for deaccession to the Museum Collections Committee. These were objects that were made redundant by the recent accession of items from the Metsker estate. Laurence Bodenmann, a curator with the Musée international d'horlogerie, has offered to spend a month this summer working at the Museum. We are finalizing some details of her stay and hope to be able to accommodate her.

The Museum's 2011 exhibit, Clockworks, has been well received since opening in April. Comments in the guest register indicate it is being enjoyed. The exhibit continues to receive good regional press coverage. We are finalizing the schedule for the installation of Found Time, an exhibit of Randall Cleaver's art-clocks that will open to the public in August.

The Gallet Watch Group has agreed to fund a three-month guest curator position at the Museum. This guest curator will be tasked with research, photography, and exhibit development for the Museum wristwatch collection. The Museum will host a delegation from Hamilton Watch in June to discuss how we can assist them 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 to promote NAWCC membership with Museum visitors; this plan will highlight the local benefits of NAWCC membership.

The Library had 143 visitors for the month and loaned 212 items; 85 research and reference questions were answered, 430 items were donated, and three acquisitions were made.

Publications - Diana De Lucca, Editor

The June *W&C Bulletin* was mailed from Cadmus on Wednesday, June 1 (equipment failure in the bindery prevented the issue from a planned mailing of May 27). The August *W&C Bulletin* was planned in May and will feature part two of an extensively researched article by Bryan Vernimb and Snowden Taylor on the Hopkins Clockmakers of Litchfield and Harwinton, CT, a colorful article by Australian Vivian Kenney, and eight additional feature articles. The August issue will feature the first Mosaic section; three articles from *British Horology Times*, British Horology Chapter 159's newsletter. Future Mosaics will highlight newsletter content from other chapters and reprints about members and chapters from other media sources. Articles for future Bulletins continue to be received, peer reviewed, and processed.

The June *MART & Highlights* was delivered to the vendor on Tuesday, March 10. Custom emails, Constant Contact group emails, and letters continue to be sent to Regionals, auction houses, and members to encourage advertising. Tom McIntyre developed a method of exporting *MART & Highlights* advertiser data from all issues for our manipulation in Access and Excel. We used this data to extract email addresses for the past six issues in order to contact advertisers.

The June *MART & Highlights* income was steady compared to the preceding month.

Issue Number	Issue Date	Revenue per Issue
359	Apr-11	\$25,518.60
360	Jun-11	\$25,469.35

Advertising offers will change beginning with the August *MART & Highlights*. The 6for5 offer (buy five ads in advance and receive a sixth ad at no cost) will be offered to line advertisers only and will only be available for the calendar year (no more rolling deadlines).

Display advertisers will be offered the opportunity to pay for a year in advance to receive free advertising on the MART Marketplace, see: <http://nawcc.org/index.php/publications/1207>. Display advertisers who do not wish to pay for a year in advance may use this service for a \$25 fee each publication cycle.

Richard Watkin's book on watch collecting is now back in-house with author alterations submitted. Philip Balcomb's *The Clock Book* is in process. Spittlers/Bailey *American Clockmaking and Watchmaking by Name and by Place* is still in process. Watchdig.org continues to consume staff time, with staff members filing reports and summaries leading to aggregated links, and all content requiring proofing and/or copyediting. An NAWCC sponsorship program was developed and combined with other promotional advertising material to form a "media kit" for distribution. A watch company database of contact names and locations is in process. A volunteer is working to create a topic database for Watchdig that will allow application of predefined tags to content.

Donor reception invitations were designed. Several business cards were updated. The membership application was updated. A Turkey Hill Experience joint ticket flyer and ad was designed. Donor award plaques were processed. A Museum Happenings ad was created. The School graduation was photographed.

Communications – Markus Harris, Communications Director

Communications continues to maintain the various NAWCC websites, monitoring and troubleshooting all NAWCC online resources, and providing technical advice and individual customer service via phone and email. Communications Director Markus Harris continued working with Higher Logic to coordinate the new upgrade of our Community site, which is almost complete. Constant Contact email blasts were sent for various National and Chapter-level events. Survey materials were monitored for our new watch exam test. Our new Business Member directory computer program was completed and implemented. Various chapter notices and newsletters (printed, mailed and invoiced newsletters for Chapters 11, 134, 1 and 141) were distributed and invoiced, Chapter websites were updated and upgraded, with chapter coordination, as necessary. Developed and sent press releases for Hops 'n' Clocks, the National Convention, June Calendar of Events, Blue Star Museums, the Civil War Workshop, and the School of Horology graduation to area media. Contributed several articles to WatchDig.org.

We contacted Hops 'n' Clocks participants to check on quantities of posters, flyers, and table tents needed, researched Kansas area restaurants for board meeting dining and ascertained BOD RSVP's for National Events, contacted 101 the Rose radio station to coordinate promotion of Hops 'n' Clocks, and handled registration and billing information for the SOH graduation dinner. The department also interacted with the Visitors Center in Kansas to promote the National Convention to the public, dealt with local businesses regarding contributions and door prizes for local Museum and Association events, printed and mailed posters and flyers for Hops 'n' Clocks to participating vendors.

Education/Volunteers – Katie Knaub, Education Director

We began initial testing of the webinar program to see how the program will coordinate with our iMIS software for registration. We will continue to test this software with the goal of offering webinars in late summer/early fall. The Turkey Hill Experience opens in June, and we are starting to see camp groups register for education programs here this summer while also planning a visit to Turkey Hill. A museum intern started this month and is working on creating QR links for artifacts in the museum; visitors with smart phone capabilities will be able to access information about objects on exhibit.

We continue to process financial awards for the 2011-12 school year as incoming students complete their FAFSA. We also attended a webinar session offered through Sallie Mae on the students' experience with loans to better understand the process students go through in applying for private loans. We completed exit counseling for student loans with all students who graduated this month. We also assisted with planning the graduation dinner.

We placed our new AARP enrollee in the library and archives. He will be supervised by the library director. We met with two possible new volunteers for WatchDig.org who will be working with Hugh Dougherty on this new project. One of the new volunteers will be writing material for the site, while the other, who has a background in computer coding, will be assisting with behind-the-scenes tasks through our virtual volunteer program. The Publications Departments also accepted a summer student intern, who is majoring in writing, for the Watch Dig project.

We held the Teddy Bear Tea program on May 7. We supervised our graphic arts intern in designing the material for the 2011 Hops N Clocks and Steampunk events. We began to promote the Hops N Clocks event and started ticket sales. We continue to receive registrations for the Civil War Workshop.

Total Volunteer Hours for May: 402.75

Facilities – Chuck Auman, Controller

We had one day when the temperature was 99 outside and our air conditioning stop working. The HVAC company we use was able to send a technician out by noon, so the system was up and working by 1:30. A roof drain separated from the building; this was found after one of the torrential downpours. The drain was repaired, but the ceiling tiles have not yet been replaced. Using part-time help, we have starting trimming the major shrubs around the Museum; this will take several months to complete.

Maintenance Supervisor Ken Wolpert's cancer continues to worsen, and he is now on oxygen. Our Controller continues to complete as many of the maintenance tasks as he can with assistance from part-time help.

Admin/Other

A Short-Term Investments Policy was approved by the Board in May. This will allow the consolidation of a number of restricted and operations accounts to improve the return and management of these investments.

I attended the North Coast Regional in May and a number of local community meetings. The 4Sale\$NAWCC classified/auction website registered its 1,200 user in mid-May. We are still working to encourage persons to place listings on the site.

J. Steven Humphrey, Exec. Dir. 6/15/11