

Executive Director's Report June 2011

Membership

Fiscal Year starting June 1	June 2011	June 2010	YTD 2012	YTD 2011		
New Members	131	123	314	309		
Lapsed Members	(108)	(65)	(495)	(561)		
Net Gain (Loss)	23	58	(181)	(252)		
Twelve Month Comparison			6/30/2011	6/30/2010	Gain/(Loss) vs. prior yr.	
Regular Members			16,167	16,950	(783)	-4.6%
Family/Youth			1,068	1,130	(62)	-5.5%
Life			240	244	(4)	-1.6%
Contributory			146	129	17	13.2%
Business			233	166	67	40.3%
Total Members			17,854	18,621	(767)	-4.1%
Budget Dues FY	\$91,700		\$266,980			
Actual Dues FY	\$93,779		\$263,155	\$278,155	(\$15,000)	-5.4%
Difference	\$2,079		(\$3,825)		vs. budget >	-1.4%

Fiscal year-to-date membership is down 181 (1.0 percent) compared to down 252 (1.3 percent) last year and down 890 (4.3 percent) the preceding year.

Finances - 2011 Operating Funds

	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)
JUN 2011	210,793	224,291	(13,498)	0	0	(13,498)
YTD ACTUAL	525,910	579,157	(53,247)	0	0	(53,247)
YTD BUDGET	561,955	582,225	(20,270)	0	10,400	(30,670)
YTD VARIANCE	(36,045)	3,068	(32,977)	0	10,400	(22,577)

Income for the current year is 6.4 percent below budget, while expenses are less than budget by 0.5 percent. The net actual shortfall is \$53,247 (9.2 percent) on the YTD expenses of \$579,157 before capital and transfers.

Investments

Funds	VALUE		INSTRUMENTS
	COST	6/30/2011	
NAWCC Investment Fund	\$380,338	\$380,983	Corporate Bonds, CD & Cash
Life Membership Fund	116,045	75,806	Stocks, Bonds & Cash
Standard Investments	496,383	456,789	
Long-Term Investment Account *			Cash, Corporate Bonds, Mutual Funds
NAWCC Investment Fund	154,369	154,756	
Museum Endowment Fund	303,910	307,444	
Museum & Library Investment Fund	731,395	739,908	
Library & Research Center Endowment	88,453	94,679	
School Endowment	173,395	179,252	
Pritchard Fund	44,120	43,433	

Sub-total Long-Term Investments	1,495,642	1,519,472
---------------------------------	-----------	-----------

Total Investments	1,992,025	1,976,261
-------------------	-----------	-----------

*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 \$36,159 YTD versus \$48,247 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.

Recent chapter contributions: \$500 Lone Star Chapter 124 and \$231 Old Timers & Fellows Chapter 22, both contributions for the classroom project. A number of clocks, watches, tools, and parts have been donated to the School by members and the families of deceased members.

Information Services – Kevin Osborne, IS Director

We have transferred the registration of our WatchDig domain names (Watchdig.org, Watchdig.com, and Watchdig.net) over to Bulkregister where all our other domains are registered. We have also configured email to work for these domains.

Along with other NAWCC staff contributors we (I) have written articles for inclusion on the Watchdig site. One article was a review of six (circa 1999) Breitling watches we have here at the Museum. The other article tested and reported an iPhone app called Kello, which can determine the accuracy of a watch.

With the change of Board Members we took the opportunity to update the Current Board Members page with the new members and also changed to color photographs. We also modified Committee listings and email contacts and the Finance page.

Since we have changed the access to the Bulletin Index Search page and added options, we rewrote the instruction sheet that is sent out to anyone requesting a login. We worked on the videos that were taken at the NAWCC National Convention in preparation for posting them to Youtube.

We replaced a malfunctioning computer in Publications with a more reliable one. The update to Exchange is nearing completion since we isolated a major installation problem. We freed up some additional space on the Web server hard drives to accommodate our growing files. Unfortunately, the process created a log file that grew to a size that locked up the website for about 3 hours until we were able to delete the file. Once we did so, access was restored. We have 3 new hard drives in place on the server and plan to add them to the drive array soon. This should increase our available hard drive space significantly.

We have been checking the log files daily to determine if there have been any intrusions into our nawcc.org website server. So far there have been none since we have blocked access at the firewall.

We have installed 20 of the 25 new cameras with funds donated to the Museum. These color cameras replace the black and white cameras and provide a much clearer picture covering a wider area.

Last year we replaced our old office copier with a new Toshiba. We also leased a Toshiba copier to replace the older Konica copier at the School. The Konica copier was then moved to the Library to replace a copier that no longer functioned. We kept this Konica copier because it had been placed on a maintenance program. The Konica has since had numerous problems and wasn't even being used since it would break down repeatedly, despite the maintenance it received. In addition, the maintenance program was due to expire and would need to be renewed at a prohibitive cost. After researching options we found that we could purchase a new (color) Toshiba copier for our offices and move the Toshiba we bought last year, down to the Library to replace the Konica copier. We had considered a color copier last year but the lease cost outweighed the benefits. This year, however, the cost has dropped to the level of a black and white copier and included a

rebate. With the rebate, money given us to take the old copier off our hands, various improvements to the existing lease agreements (and lower usage of our more costly color printer) we were able to actually save almost \$2,000.00 this year and about \$750.00 per year for the remainder of the lease. Our maintenance costs are lower and our cost per page has dropped. And in the end it turns out the proposed maintenance agreement for the old Konica copier was sent to us in error as they weren't going to renew it since parts are so hard to find. So the NAWCC now has three new reliable Toshiba copiers, one of which can print color (including banners), a lower maintenance cost and a very competitive lease agreement.

School of Horology – Jim Michaels, School Director

The 2011-2012 school year began June 20 with W-100 Micro Mechanics and C-100 Intro to Clock Repairs. The watch program has 4 new students plus 1 new combined program student and the clock program has 4 students. A final total of 9 students are enrolled in the SOH. 4 students withdrew from the School in June prior to the start of the term for lack of adequate finances.

Jennifer Adams attended a Veterans Affairs conference in Cleveland, OH, June 6-10. At this conference she received more information on the Post 9/11 GI Bill for education and the new VAONCE website for schools. On June 20, Katie Knaub and Charles Auman attended a VA workshop in Harrisburg where they were also updated on the Post 9/11 GI Bill.

The SOH service center has had a steady stream of watch and clock repair work. The service center continues to both repair and sell timepieces for customers. Customers often have the timepieces repaired prior to sale. The service center receives a commission off sales. Gross repair income for June was \$7,607 compared to \$3,365 last year. The YTD total is \$22,257 compared to \$6,220 the previous year.

Museum/Library – Noel Poirier, Museum Director

The Museum's admission revenue for June was \$5,434. Visitation for June was 1,178 visitors including 52 NAWCC members (4.4 percent). NAWCC Store sales for June were \$6,611; down from previous years due to the decision to no longer serve as the primary provider of tools to NAWCC School of Horology students.

The Museum Director submitted a Museum-specific strategic plan to the American Association of Museums accreditation commission. This plan was accepted and will be included in the Museum's accreditation review scheduled for July 18-20, 2011. The AAM's decision regarding provisional accreditation should be completed by the middle of August 2011.

The Museum's online searchable collection database recorded 2,290 searches via the database's website. Laurence Bodenmann, a curator with the Musée international d'horlogerie, will arrive in the middle of July to spend a month working at the Museum. She will be working on an evaluation of, and a plan for, the exhibition of the Museum's extensive Hamilton Watch Company material. The Museum will begin to promote the Gallet Guest Curator of Wristwatches position this summer with the hopes of having someone onsite in the spring of 2012 at the latest. The Museum installed QR coding on certain objects that will allow visitors to explore further those objects using online resources via smart phones.

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

The Museum hosted a delegation from Hamilton Watch in June to discuss how we can assist them in the 120th Anniversary of the brand in 2012. This partnership tentatively will 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. 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 149 visitors for the month and loaned 199 items; 89 research and reference questions were answered, 12 items were donated, and eight acquisitions were made.

Education/Volunteers – Katie Knaub, Education Director

We continue to work on promoting the clock and watch valuation courses, with an interest from the National Association of Jewelry Appraisers on a special member only offering of the course. Our exhibits/museum intern completed the installation of QR labels in the Museum and visitors are now beginning to use these labels with very positive comments about the program. We have taken over the responsibility of the gallery attendant staff (previously security staff) and are transitioning staff into their new responsibilities. We have also added a new part-time gallery attendant: Zachary Moan. We also continue to process on-site workshop enrollees and both workshops scheduled for July are full.

In June we continued to process financial awards for the School of Horology 2011-12 school year and updated information as students enroll or did not show for the 2011-12 school year and who had processed awards already in the system. We worked together with the registrar to get the net price calculator on the School's website by July 1, 2011, per new federal regulations aimed at assisting students with determining the affordability of their education. We also attended a Veteran's Administration training workshop on the latest federal updates for VA students attending the School.

We updated various volunteer sites with a new volunteer opportunity in the Membership Services Department as a longtime volunteer in that department, Isobel Rambo, had passed away. We also held our annual Volunteer and Staff picnic at the Conestoga House and Gardens and recognized our local volunteers for their service to our organization. Our 2011 volunteer of the year, Jules Cesaro, was recognized at a special ceremony at the Museum the following week because he could not be present at the picnic. We also placed a new intern in the Library and Archives for the summer.

Total Volunteer Hours for June: 535.65

We held the Watches for Civil War reenactors workshop, which was taught by Jim Michaels, with seven participants. We also held four sessions of the Make-and-Take Mondays at the Museum; with several articles about the program in the paper recently, we have seen an increase in attendance in this program. We continue to work with our graphic arts intern in designing the Steampunk event, fall advertisements for special events, and exhibit material for the Found Time exhibit.

Publications - Diana De Lucca, Editor

The August *Watch & Clock Bulletin* was sent to the press Thursday, June 30. The August issue continues with 112 pages, from 128 pages, and the move of Chapter Highlights to the *Mart & Highlights*. These changes result in more pages for member-submitted articles; 12 articles are featured in this issue. This issue promotes the 2011 Ward Francillon Time Symposium with an assortment of small announcements throughout the issue. Hamilton Pulsar watches from the Museum collection are featured on the cover to illustrate Bruce Shawkey's wristwatch article. Judy Draucker's report on the 2010 Symposium is in this issue. New articles continue to be received and reviewed.

The August *Mart & Highlights* was delivered to the print vendor on Tuesday, July 12. The August *Mart & Highlights* is 72 pages, including 22 pages of Chapter Highlights and eight pages of Association-related editorial content. Advertising income for the issue is not known at this time; however, ad income was less than June *Mart & Highlights* income.

The new *Mart & Highlights* website feature, Mart Marketplace, was well received by August *Mart & Highlights* advertisers, with most choosing to pay an additional fee in order to be included on the Mart Marketplace page. A *Mart & Highlights* survey was developed and included in the July *eHappenings*.

Tom Spittler's *Clockmakers and Watchmakers in America by Name and by Place* is still in process, with completions expected by the end of August. Richard Watkins returned author alterations on *Watch Collecting* and revisions to the layout are now underway. Image scanning is in process on Philip Balcomb's *The Clock Book*; approval to publish from the copyright holders was received.

Work on the WatchDig blog site continues to be a major focus of the Department. Staff continues to post content and review all posts. A volunteer is making progress on the relational database to be used to tag and sort content throughout the site.

Copyediting and proofing continue on all marketing material: primarily *eHappenings* and press releases. The Convention consumed significant staff time and effort: videos were made at the Convention, advertisers were contacted, and the Publications Advisory Committee annual meeting was held.

A new Chapter Highlights report form was created and is now accessible on nawcc.org for chapter reporters.

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. We sent the July issue of bimonthly newsletter *eHappenings*. Sent Constant Contact email blasts for various National and Chapter events, continued to monitor survey materials for our new Watch exam test, and sent targeted Constant Contact mailings to membership on various topics. We mailed posters for upcoming programs, including Clockworks Toy Workshop and Make-it Take-it to Lancaster and York libraries. Invoiced and emailed various chapter notices and newsletters (printed, mailed, and invoiced newsletters for Chapter 141), coordinated with Chapters to update and upgrade Chapter websites as necessary. Developed and sent press releases for Make and Take Kids Clockwork Toy Workshop, Upcoming Exhibits (request for donated items), Ruth Overton As New Chair, and Bond Still Has Time at Clock Museum. Comm Director Markus Harris contributed an article to Watchdig.org. We also sold additional Web advertising.

The Communications Department organized arrangements for Board of Directors events during the National Convention (meal selections, costs, directions, and final count); arranged lodging for visiting curator; gathered Hops 'N' Clocks promotional materials including tickets, flyers, and posters for 101 the Rose and Smooth Jazz; organized presentation of service awards at picnic; confirmed arrangements with SEI caterer for picnic including menu, cost, and final count; collected door prizes for annual picnic; researched current information on advertising with antique publications; finalized plans for picnic including arrangements with Conestoga House; arranged Merchandiser's press visit promoting Make and Take and Kid's Clockwork Toy Workshop; set display for Hops 'N' Clocks on local business; sent thank you letters to business donators; and confirmed arrangements for Hops 'N' Clocks event on July 8.

Facilities – Chuck Auman, Controller

June was a very busy month with facilities work. We had the four pillars in front of the Museum scraped and painted. One of the facilities staff has been working on trimming the bushes, spraying weed killer, and pulling weeds to help the Museum grounds look better.

We painted the clock room concrete floor with epoxy to make it easier to clean and find dropped parts. We had a roof leak in the clock room that caused damage to the ceiling. We had the roof repaired and now need to find a contractor to fix the ceiling.

The roof drain above the theatre was repaired, but we now we have a leak in the roof. The contractor was in yesterday and could not find the leak even after pouring water in the drain.

John Hughes, one of our security staff and maintenance employees, has resigned for health reasons. We hired a college student to fill this vacancy. We have changed and added additional duties for the security staff with the addition of the new security system. They will be more active with visitors, instead of sitting in the security office.

The time spent on maintenance items can consume up to 50 percent of my day. I continue to handle the maintenance items, such as changing light bulbs, calling contractors for repairs, and ordering maintenance supplies.

Admin/Other

The early part of the month was spent preparing for and attending the National Convention in Overland Park, KS. I also attended a two-day workshop later in the month in Alexandria, VA, on updates to our planned giving software, website, and other planned giving resources. I attended a planning session and board meeting of the PA Federation of Museums and Historical Organizations plus the VIP Opening for the Turkey Hill Experience in Columbia. I also attended a meeting of Philadelphia Chapter 1 and the NAWCC staff and volunteer picnic.

I was interviewed for an article in the *Business 2 Business Magazine*, which will be published in their August issue. I invited one of our 20-year members from Delaware, who sits on several foundation boards, to visit our facilities and have lunch. During his visit he invited us to apply for a \$50,000 grant to address some of our capital/major maintenance needs. We will submit a proposal in August for several roof projects.

I continue to work with the Finance Committee on the implementation of our Long-Term and Short-Term Investment Policies including reviewing proposals for investment strategies.

I am working with the three task groups set up by the Board to look at development, membership, and education. I am also overseeing the construction of the two classrooms in our lower level that started near the end of the month.

J. Steven Humphrey, Exec. Dir. 7/15/11