

**National Association of Watch and Clock Collectors, Inc.**  
**Board of Director's Meeting**  
**February 24, 2016 9:00 pm Eastern Time**  
**Webinar Meeting**

**Minutes for February 2016**

**Attendance:**

Phil Gregory – Chair  
Tom Bartels – Vice Chair  
Jay Holloway – Secretary  
Chet Ekstrand - Director  
David Lee - Director  
Richard Newman – Treasurer  
Tim Orr - Director  
Ruth Overton - Director  
Jerry Thornsberry - Director  
Gene Volk - Director  
Carroll Wolfe - Director (was on-line but not able to speak due to system issues for part of the meeting)

**Ex-Officio Board Members**

J. Steven Humphrey – Executive Director

**Members Absent:**

George Goolsby - Director

**NAWCC Members:**

John Bartos	Andrew Blinkiewicz
Jeff Campbell	Richard Clutter
John Connolly	Pete Cronos
Roger Davis	Mary Loose DeViney
Stephen Gold	Terry Jones
Robert McClelland	Art Miller
Mike Rosenberg	Edward Schmitt
Peter Whittle	James Cole
Ken Habeeb	Terry Hall
Eric Klopfenstein	Bruce Linde
Jerry Maltz	

A quorum was established.

Chair, Phil Gregory called the meeting to order at 9:04 pm Eastern time

**Announcements:**

Chair, Gregory welcomed all members listening in on the webinar and explained that they would have time to ask questions at the end of the meeting.

All voting will be by roll call  
Directors wishing to speak will receive permission from the Chair

**MOTION:** Secretary Holloway - That the Board approves the agenda as presented to include all expected business.

Motion by: Holloway, Second by: Bartels

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk

Nay: none

Absent: Goolsby, Wolfe

Motion Passed

**MOTION:** Secretary Holloway -That the Board approves the minutes of the January 2016 meeting.

Motion by: Holloway, Second by: Overton

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk

Nay: none

Absent: Goolsby, Wolfe

Motion Passed

**Motion:** Move that the Executive Director and the Controller have the Board of Director's approval to open bank accounts for the 2016 Symposium at Winterthur and the 2017 National Convention in Arlington TX to assist the Treasurer of each respective event to manage associated deposits and payments.

Motion by: Holloway, Second by: Lee

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk

Nay: none

Absent: Goolsby, Wolfe

Motion Passed

**Motion:** Move to amend symposium fund in Standing Rules Article X Section 6(I) to read as follows:

**(I) The Symposium Fund**

The Board herewith establishes the Symposium Fund to operate for the benefit of the Ward Francillon Time Symposium and other Symposia as may be approved from time to time. All expenditures from the Symposium Fund will be used solely to enhance, improve, or create any program or activity of the Ward Francillon Time Symposium and/or other Symposia in support of the purposes of the NAWCC.

The purposes of the Symposium Fund shall be:

To provide for initial funding of each Symposium event as needed based on its approved budget;

To provide for other funding in support of Symposium events as may be necessary and justified based on proposals from the NAWCC Symposium Committee and approved by the Board of Directors;

To receive income generated from each Symposium event;

To receive donations (except endowment donations) as further specified as follows:

Donations of cash, cash equivalents, or items intended to be converted into cash designated by the donor to support the Ward Francillon Time Symposium and/or other Symposia will be deposited into the Symposium Fund except for endowment donations designated to support Symposia, which shall be deposited in the Symposium Endowment Fund. Earnings from the Symposium Endowment Fund shall be transferred to the Symposium Fund as and when available, but no less often than annually. The amounts referred to herein are "Donated Funds."

All Symposium costs shall first be paid out of Donated Funds, if any, in the Symposium Fund. This is subject to any restrictions or conditions placed upon the Donated Funds by the applicable donor(s). All available earnings on such donations as well as earnings from the Symposium Endowment Fund are to be included in this calculation. To the extent there are available Donated Funds in excess of such need, they shall be retained in the Symposium Fund for future use.

Monies in the Symposium Fund are to be managed in accordance with the current approved investment policy. Except as provided in the next paragraph, all earnings from fund investments will be returned to and held in the fund for use in support of the fund's purposes.

At the end of each fiscal year an accounting shall be made of all monies in the Symposium Fund. If, after making the end-of-year adjustments as provided for in this Section 6(l), the amount remaining in the Symposium Fund (not including Donated Funds) is (A) less than \$10,000, NAWCC will replenish the fund to a minimum of \$10,000 or (B) greater than \$20,000 in a year in which one or more Symposia are held, then the amount of the excess above \$20,000, up to a maximum of \$5,000, shall be transferred from the Symposium Fund to the NAWCC General Operating Fund to defray the organizational costs relating to support staff attendance, advertising, program support, videotaping and overhead expenses of NAWCC for the Symposia in the fiscal year. The NAWCC reserves the right to make additional transfers from the Symposium Fund if the fund balance (not including Donated Funds) ever exceeds \$50,000.

History: (current reading) Operating surpluses will be retained in the fund for future use; to the extent total fund value does not exceed \$20,000. Should the fund value exceed \$20,000, the portion of operating surplus funds that contribute to such

overage (but not any restricted funds or earnings as defined above) will be transferred to the NAWCC General Operating Fund.

Presented: Holloway, Second by Overton

Yes: Ekstrand, Gregory, Holloway, Newman, Orr, Overton, Thornsberry, Wolfe

Nay: Lee

Abstain: Bartels, Volk

Absent: Goolsby

Motion Passed

**Motion:** That the Board approve the appointment of Director Jerry Thornsberry to fill a Board appointee vacancy on the Nomination and Elections Committee, term to expire June 2017.

Motion by: Holloway, Second by: Overton

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk, Wolfe

Nay: none

Absent: Goolsby

Motion Passed

Reason for Motion: The Nomination and Elections Committee recommends the appointment of Director Jerry Thornsberry to fill the vacancy on the NEC resulting from the resignation of Fred Tischler due to health reasons. Fred was a Board appointee voting member of NEC, term 2013-2017. Fred will remain as an advisory non-voting member of the committee as long as his health permits.

Jerry has been serving as an advisory non-voting member of the NEC and is, therefore, well informed on all matters in progress. He will be a valuable asset to the committee as we move forward in proposing some changes and in obtaining qualified candidates for election and appointment to the board.

The committee highly recommends the Board appointment of Director Jerry Thornsberry to the NEC Committee.

**Motion:** I move that the Finance Committee develop a 5 and 10 year financial projection and financial plan to be presented to the Board at the Board Meeting in Louisville, KY, July 2016. The basis for the projection and plan to be that the membership, expenses, donations, endowment, investments and interest rates as well as other income and expenditures to be projected for the next 5 and 10 year periods be based on actual values of the identified items for the past 5 years. Capital expenditures should be included as appropriate. All assumptions are to be enumerated.

History: This projection and plan are needed as the membership continues to decline, the expenditures continue to increase and the limited reserves are not sufficient to sustain the organization in its current mode of operation.

It is incumbent upon the Board to initiate this study so that they are aware of the

possible future significant financial problems and can initiate action before critical situations arise.

Motion by: Volk, Second by: Lee

The discussion was about the 5 and 10 projection for the study and it was noted that in common use today, businesses feel 3 year projections are as far as they are able to research and retain viable information due to the world economic factors that influence all countries.

Based on the discussion Volk requested to amend the motion to 3 years. The following is vote is below.

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk, Wolfe

Nay: none

Absent: Goolsby

Motion Passed

**Motion:** Move that the Finance Committee develop a 3 year financial projection and financial plan to be presented to the Board at the Board Meeting in Louisville, KY, July 2016. The basis for the projection and plan to be that the membership, expenses, donations, endowment, investments and interest rates as well as other income and expenditures to be projected for the next 3 year periods be based on actual values of the identified items for the past 5 years. Capital expenditures should be included as appropriate. All assumptions are to be enumerated.

History: This projection and plan are needed as the membership continues to decline, the expenditures continue to increase and the limited reserves are not sufficient to sustain the organization in its current mode of operation.

It is incumbent upon the Board to initiate this study so that they are aware of the possible future significant financial problems and can initiate action before critical situations arise.

Motion by: Volk, Second by: Ekstrand

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk

Nay: Wolfe

Absent: Goolsby

Motion Passed

**Motion:** move that in the Board's interest in keeping the membership informed of the Financial situations that the following notice be included in the next issue of the Mart.

At the November 2015 Board meeting the Board approved an expense budget for FY17 (April 1, 2016 to March 31, 2017) in the amount of \$1,918,458. This expense will be paid for by a dues increase of \$8 and a deficit in the FY17 budget of \$56,948. So that you as members are aware of the reason for these expenditures, the Major Budget Items of revenue and expense are provided below:

NAWCC	
FY'17	
Major Budget Items	
Revenue	Revenue
1. Members Services-Dues revenue increase	184,000
2. Publishing services-Add BULLETIN advertising revenue based on ads under contract	21,000
3. Increased Workshop fee an average of 10%	2,000
4. Increased Museum admissions revenue for additional buses	10,000
5. Reduced National Convention revenue from actual this year of \$59K to \$30K for FY'17	(29,000)
6. Information Services-Increase Google ad revenue	3,000
	191,000
Expenses	Expenses
1. Payroll increase of 3% effective April 1. Last increase December 2013, annual increase 1.3%	23,000
2. Development Department-Transfer part-time Development person to Operations	21,000
3. Library-Change part-time position to full-time	13,000
4. Health care increase 10%, plus additional payroll taxes	26,000
5. Members Services-Increased Member Marketing Expense	15,000
6. Publishing services-Increase BULLETIN printing cost by adding a color signature (16 pages)	12,000

7. Information Services-Increase Professional Services	4,000
8. Facilities-Reduced Electricity cost	(2,000)
9. Museum-Increase dues expenses for Bus Association	1,000
10. Education-this year education outreach fee	2,500
11. Education- Increase On-line Program Expenses	3,000
12. Education-Increase Advertising Expense	2,700
13. Education-Increase Travel expenses to attend National Convention	1,500
14. Education-increase Instructor Fees based on smaller classes	14,000
15. Board/Committees-Increase Regional Rep expense	2,000
16. Board/Committees-Nomination/Election Committee expense \$6K, every other year expense	6,000
	144,700

At that same November 2015 Board Meeting a motion was made to approve a FY17 budget with a Dues increase of \$6 included in a balanced budget. This alternative motion was tabled and never voted on.

Motion by: Volk, Second by: Lee

Yes: Bartels, Ekstrand, Gregory, Lee, Newman, Orr, Thornsberry, Volk

Nay: Holloway, Overton, Wolfe

Absent: Goolsby

Motion Passed

The motion had several discussion points. First was the fact it did not reference the November 2015 budget motion that stated the Executive Director would seek new areas of revenue and continue to reduce expenses where possible for the 2017 budget year.

The second area was the fact that the Directors spent 3 days reviewing the organizations operations and hearing each department's goals and needs which drove the budget requirements.

The third area was that the numbers noted above were initial and the final budget was based with different numbers. These numbers did not have explanations which the directors had when voting.

The last area of discussion was the final paragraph noting a \$6 dues increase was tabled which meant it did not have board support but our members may not recognize what the term meant.

At this time Chair Gregory announced that we needed to move to an Executive Session and he opened the floor up to any of our attendees who wished to speak.

Pete K – He asked who determines who the National Rep is for Regionals, who pays for their expenses and what is the BOD doing to reduce this cost.

Chair Gregory – The Chair of the BOD selects the National Rep for regionals based on the standing rules guidelines which consists of the National Rep not attending two years in a row, the distance they travel and their desire to travel to the Regional. The Regional should provide the National Rep a hotel room and any admission cost. Also they provide a table along with a forum for the Rep to speak to the members and respond to their questions. The standing rules state the NAWCC will pay for the National Rep's traveling expenses not picked up by the Regional but most National Reps pay their own way so there is no cost to the organization.

Bruce L – He asked what the BOD is doing to stop the decline in membership?

Chair Gregory – The Chair stated that the BOD has several initiatives in place to encourage new membership in the NAWCC. History shows that many people join to obtain certain information and when they have gained that knowledge they drop out and pursue new areas of interest. The average age of our members has remained steady for several years which indicates new members are coming in but we need all members to bring people into the organization.

Steve G – He wanted to thank Randy Jay for leading a great Regional in FL. The attendance was good and the attendees felt they received good results of their efforts.

Director Newman – He stated that he had attended the Regional and agreed that Randy Jay lead a strong regional and we appreciated his efforts.

Bruce L – He stated that he felt it was important to preserve the mechanical clocks for future generation.

**Motion:** Move that we move into Executive Session to discuss personnel issues.

Presented by: Holloway, Second by: Bartels

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry, Volk, Wolfe

Nay: none

Absent: Goolsby

Motion passed

Chair – Gregory announced no action taken



**MOTION:** Move that the the meeting be adjourned at 10:20 pm Eastern Time

Presented by Bartels, Second by Orr

Yes: Bartels, Ekstrand, Gregory, Holloway, Lee, Newman, Orr, Overton, Thornsberry,  
Volk, Wolfe

Nay: None

Absent: Goolsby

Motion passed

Please send all comments and questions on items being considered to NAWCC  
Secretary at [jay@hollowaytrading.com](mailto:jay@hollowaytrading.com)

NAWCC Secretary

Jay Holloway