

Executive Director's Report January 2011

Membership

Fiscal Year starting April 1	January 2011	January 2010	YTD 2011	YTD 2010		
New Members	122	125	984	1,018		
Lapsed Members	(154)	(242)	(1,817)	(2,554)		
Net Gain (Loss)	(32)	(117)	(833)	(1,536)		
Twelve Month Comparison			1/31/2011	1/31/2010	Gain/(Loss) vs. prior yr.	
Regular Members			16,364	17,505	(1,141)	-6.5%
Family/Associate			1,092	1,153	(61)	-5.3%
Life			242	245	(3)	-0.1%
Contributory			140	125	15	12.0%
Business			202	154	48	31.2%
Total Members			18,040	19,182	(1,142)	-5.9%
Budget Dues FY	\$106,140		\$980,450			
Actual Dues FY	\$122,715		\$979,267	\$1,023,979	(\$44,712)	-4.3%
Difference	\$16,575		(\$1,183)		vs. budget >	-0.1%

Fiscal year-to-date membership is down 833 (4.4 percent) compared to down 1,536 (7.4 percent) last year and down 541 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	638,982	602,170	36,812	6,075	30,737
JAN 11	174,432	150,686	23,746	2,210	21,536
YTD ACTUAL	1,828,844	1,869,001	(40,157)	17,145	(57,302)
YTD BUDGET	1,837,265	1,889,172	(51,907)	19,600	(71,507)
YTD VARIANCE	(8,421)	20,171	11,750	2,455	14,205

Income for the current year is 0.5 percent below budget, while expenses are less than budget by 1.1 percent. The net actual shortfall is \$51,907 (2.7 percent) on the YTD expense budget of \$1,889,172 before capital.

Investments

FUND	COST	VALUE 1/31/2011	INSTRUMENTS
NAWCC Investment Fund	\$540,504	\$490,123	Corporate Bonds, CD & Cash
Life Membership Fund	128,329	76,497	Stocks, Bonds & Cash
Museum Endowment Fund	300,110	300,215	Mutual Funds, CD & Cash
Museum & Library Investment Fund	781,629	754,160	Bonds, Equities, CD & Cash
Library & Research Center Endowment	88,353	93,841	Bonds, Equities & Cash
School Endowment	173,395	177,848	CD & Cash
	<u>\$2,012,320</u>	<u>\$1,892,684</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 \$134,311 YTD versus \$126,965 the previous year. Grants total \$0 YTD versus \$23,923 last year. Endowment/investment fund donations total \$5,820 versus \$22,709 last year. Pledge payments YTD are \$8,692. In-kind donations total \$5,067 versus \$10,788 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 January had total donations of \$37,574 compared to \$47,396 last January. The average donation per donor is almost identical to last year, but the number of donors this year is 292 compared to 391 last year. Because overall regular donations are slightly ahead of last year, some who have given did so earlier in the year or not identified the gifts as associated with the annual fund.

Information Services

Information Services (IS) set up on the nawcc.org website a new page with a listing of all the new resources (and links) we have on the website for members and the public. There is a link on the homepage under Public and Member Resources in the “What’s New” at the NAWCC section.

The Find a Chapter page, which had been corrupted, was rebuilt. It is much easier to update and edit now and is up-to-date with current Chapter Officers. The Library Video Resources page was updated, and a link was added to the online videos. All the videos that can be viewed online are now marked in red on the Video listing page. At the top of the page are instructions on how to access the online videos.

Our tape backup programs were out-of-date, and the BackupExec2010 we purchased at a significant discount would not install. To purchase a version at full retail was very expensive. For not much more we were able to purchase a Backup Appliance, which backs up our data to hard drive with the option to transfer it to an offsite online storage. The appliance is installed and operating well. It functions by doing a preliminary full backup and then adds any daily changes to the backup file.

We are planning to begin the Microsoft Exchange 2010 install the second week in February on the donated server that will be dedicated to Microsoft Exchange, our mail program. IS reviewed all the IP addresses on the firewall that we block to cut down on Spam. We found a number of IP addresses that are from legitimate email servers such as Verizon, AOL, and Gmail. We unblocked these legitimate IP addresses and have experienced fewer difficulties with receiving email from members and the public.

IBC, our association software consultant, has deployed a program to update members’ Web access expiration date to match their paid-through date. When a user pays his or her dues and the paid-through date is updated, the expiration date will be updated shortly thereafter. IBC has also created a new stored procedure and scheduled it to resolve the “unknown provider error” that was preventing us from creating login credentials for some of our members. The issue is one where the user name existed in both the iMIS and asp-net tables but was not linked by the provider key. This procedure runs every few minutes and will resolve the “unknown provider error” message and allow us to create credentials for our users.

School of Horology

Classes resumed January 10, 2011, after the holiday break. The School received three new applications for admission.

The School entered a Watch Repair Program student’s chronograph in the International Chronograph Timing Competition. This competition is organized in collaboration with the Swiss Chronometer Control official (COSC), the Observatoire de Besançon (France), Haute Ecole Arc Engineering in Le Locle (Switzerland), and the Swiss Society of SSC chronometry. This will be the first time in decades that an American school has entered the competition. The student was responsible for assembling and adjusting the complete watch.

The SOH service center has had a steady stream of watch and clock repair work. The service center continues to repair and sell timepieces on eBay for customers. The customers frequently have the watches repaired, and the service center also receives a commission for the sales. The School eBay store and 4Sale\$NAWCC site continue to list School items as time allows.

Museum/Library

The Museum's admission revenue for January was \$1,718. Visitation for January was 357 visitors, including 17 NAWCC members (4.8 percent). NAWCC Store sales for January were \$2,498. January visitation was below average for the month's visitation for the last three years, though there was an unusually high amount of inclement weather this month. The Museum staff is finalizing material from the checklist provided by the American Association of Museums regarding further information or clarification for our self-study, and this will be submitted by the end of February.

The Museum's online searchable collection database recorded 2,849 searches via the database's website. The Museum staff has been working with the estate of the late Ursula Metsker, arranging for the selection and shipping of objects deemed desirable to add to the Museum collection. The Museum Curator also worked on a list of recent donations to be presented to the Museum Collection Committee for approval for accession in February. 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 staff has finalized loan requests and preparation for 2011's exhibits and is beginning the process of fundraising and object selection for 2012. Pickup dates have been arranged for the items for the Clockworks exhibit opening in April. Objects that were loaned to the Museum for the Grand Complications exhibit were returned in January; only a handful of locally loaned objects remain for return. The Museum staff is preparing a proposal for exclusive sponsorship of 2012's Time Out! exhibit for a major watch company.

The Museum Director began work on the Museum's paperwork for the IMLS's National Medal for Museum and Library Service. The Museum was nominated for this award by United States Congressman Joseph Pitts, our district representative. The Museum staff submitted the final report to the PA Historical Museum Commission for last year's General Operating Support Grant.

The Library had 131 visitors for the month and loaned 306 items; 126 research and reference questions were answered, 67 items were donated, and 6 acquisitions were purchased.

Publications

The February *Watch & Clock Bulletin* was mailed from Cadmus on Tuesday, January 25. The April *Watch & Clock Bulletin* was planned in January and will feature Farrell Gaye's collection of Illinois ladies' wristwatches, an article by Alan Bloore on Standard Electric time school clocks, and three other longer feature articles. The 2010 individual and chapter awards listing and 2010 Fellow recognition will be in the April issue. The February *Watch & Clock Bulletin* did not feature an annual 2010 Index but one was prepared in case it was requested; no requests have been made. The entire Index is now available online in browsable format; instead of searching for one item, users can open linked PDF files of the Index. Researching on-demand printing of the Index led to the conclusion that printing the Index is not feasible. On-demand services do not publish books over 600 pages (the Index is over 700), and a published Index quickly becomes obsolete.

Articles for future *Watch & Clock Bulletins* continue to be received, peer reviewed, and processed.

The February *MART* was delivered to the vendor on Tuesday, January 11. Custom emails, Constant Contact group emails, and letters continue to be sent to Regionals, auction houses, and members to encourage advertising. Mart revenue for fiscal year 2011 is at \$136,708, with the February issue at \$21.1K being the most income for an issue since June.

Richard Watkin's book on watch collecting was reviewed by the editor, changes and corrections were made, and pages were sent to a peer reviewer. Philip Balcomb's *The Clock Book* is in process. The revised Spittlers/Bailey *American Clockmaking and Watchmaking by Name and by Place* is being proofread. Watchdig.org, the new website for modern watch collectors, is being developed.

Press releases continue to be copyedited, a banner was created for the Museum Clockwork exhibit, a poster was created for the Year of the Rabbit program, the membership application, volunteer and membership brochures were redesigned, and a new "Time to Discover" poster was designed. Nawcc.org updates continued for the Publications Department, the 2011 Symposium, and elsewhere as needed.

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. A special Gallet Museum Edition Chronograph issue of our online members e-zine Happenings was researched, designed, and sent, plus various Constant Contact e-press releases and scheduled membership notifications (including advertisement for our Appraisal Courses and the Florida Mid-Winter Regional). New media was edited and developed for our various Web applications. The newsletter for Chapter 1 was designed and formatted along with the printing and mailing of newsletters for Chapter 134 and Chapter 3, and the coordination of printing for Chapter 83's Peacepipe Mart Flyer. Communications also helped edit and update Chapter websites for Chapter 53 and Chapter 1 and created (and sent) press releases for Night at the Museum: Family Sleepover, Museum Cure for Cabin Fever, February Calendar of Events, and Teddy Bear Tea events.

Communications submitted new ads and image press pack for the Adventure Guide, coordinated plans for WGAL-TV live early morning report, sent mass email in support of Hops 'N' Clocks 2011 event—obtaining the involvement of three new brewery vendors. We sent promotional DVD and a PowerPoint presentation to the Florida Mid-Winter Regional for use in promoting NAWCC. We joined PBS 39's Great Online Auction in exchange for promotional support. Special Events negotiated new site for 2011 Christmas Party, and planned and executed birthday luncheon for our Curator, Carter's 65th birthday.

Education/Volunteers

We attended the Cabin Fever Expo in York, PA, for two days to promote the NAWCC, Museum, and School. We continued to prepare materials for the new watch valuation course as well as add additional beginner clock weekend workshops. We have participated in several demos of webinar companies as we continue to investigate how to best offer webinars to our membership. We disassembled the Grand Complications exhibit area in preparation for the Clockwork exhibit. We are also continuing to write text for the Clockwork exhibit and creating educational components for the exhibit.

We continue to meet with School of Horology prospective students in person and over the phone to answer questions regarding student aid available. We are also keeping up-to-date on the latest regulations and processes regarding financial aid for the 2011-2012 academic year.

We interviewed and offered one summer internship to an area graphic arts major who will be assisting this summer with exhibit design development for 2012 exhibits.

Total Volunteer Hours for January: 382

Facilities

January was a very busy month with five different snow days. The contractor's cost to plow and salt the parking lots was \$1,330 for the month. We spent over 30 hours removing the snow and ice from the sidewalks. We replaced the gas pump on the boiler.

Our Maintenance Supervisor, Ken Wolpert, continues to struggle with his cancer. He was transferred to long-term disability. Our controller continues to handle many of the maintenance items.

A non-renewal letter was mailed for the waste removal contract that was set to renew in May for another five years. The current bill is \$270 per month; the new provider's one-year contract is for \$145 per month.

Admin/Other

I have been making arrangements to attend the Lone Star Regional on March 4 and 5 with a trip to Kansas in the days immediately before the Regional. In Kansas, I will meet with the executor for the Ursula Metsker estate. The NAWCC is one of four charities that the Metsker estate is to be divided among.

We still have heard nothing further from the IRS concerning the NAWCC group exemption. Based on our previous conversations, if they have reviewed the application, no news is probably good news in that they are not seeking additional materials.

I continue to work with the controller and department heads on meeting this year's budget and preparing for next year's budget. The fact that dues are on budget through the first ten months is encouraging. The shortages in *MART* revenue, contributions, and the School present challenges that are partially offset by the better-than-expected returns for the York National.

New application forms have been developed and are being distributed to Regionals. These include the new four-month introductory membership and youth membership. The two-part NCR form provides a copy to the member with the Member Code of Conduct on the reverse. These forms may also be used by chapters in signing up new members at chapter meetings. If your chapter needs a supply of forms, call Member Services to have a packet mailed.

The 4Sale\$NAWCC auction/classified site registered its 800th registered user on January 8 and its 900th on February 1. The site has had over 5,075 visits from 3,987 unique visitors in the last 30 days. Listings continue on the light side, with currently about 50 listings versus a high of 80 listings.

J. Steven Humphrey, Exec. Dir. 2/14/11