

Executive Director's Report July 2011

Membership

Fiscal Year starting July 1	July 2011	July 2010	YTD 2012	YTD 2011		
New Members	96	80	410	389		
Lapsed Members	(242)	(175)	(737)	(736)		
Net Gain (Loss)	(146)	(95)	(327)	(347)		
Twelve Month Comparison			7/31/2011	7/31/2010	Gain/(Loss) vs. prior yr.	
Regular Members			16,025	16,864	(839)	-5.0%
Family/Youth			1,061	1,124	(63)	-5.6%
Life			239	244	(5)	-2.0%
Contributory			149	125	24	19.2%
Business			234	169	65	38.5%
Total Members			17,708	18,526	(818)	-4.4%
Budget Dues FY	\$80,600		\$347,580			
Actual Dues FY	\$87,710		\$350,865	\$361,943	(\$11,078)	-3.1%
Difference	\$7,110		\$3,285		vs. budget >	0.1%

Fiscal year-to-date membership is down 327 (1.8 percent) compared to down 347 (1.8 percent) last year and down 1,006 (4.9 percent) the preceding year.

Finances - 2011 Operating Funds

	Income	Expenses	Net Inc/Exp	Transfer	Capital	Net
1ST QTR	525,917	579,158	(53,241)	0	0	(53,241)
JUL 2011	138,613	154,246	(15,633)	0	10,400	(26,033)
YTD ACTUAL	664,530	733,404	(68,874)	0	10,400	(79,274)
YTD BUDGET	721,590	743,095	(21,505)	0	10,400	(31,905)
YTD VARIANCE	(57,060)	9,691	(47,369)	0	0	(47,369)

Income for the current year is 7.9 percent below budget, while expenses are less than budget by 1.3 percent. The net actual shortfall is \$68,874 (9.4 percent) on the YTD expenses of \$733,404 before capital and transfers.

Investments

Funds	VALUE		INSTRUMENTS
	COST	7/31/2011	
NAWCC Investment Fund	\$380,338	\$383,615	Corporate Bonds, CD & Cash
Life Membership Fund	116,045	72,437	Stocks, Bonds & Cash
Standard Investments	496,383	456,052	
Long-Term Investment Account *			Cash, Corporate Bonds, Mutual Funds
NAWCC Investment Fund	154,369	153,385	
Museum Endowment Fund	303,910	304,696	
Museum & Library Investment Fund	731,395	733,348	
Library & Research Center Endowment	88,453	93,840	
School Endowment	173,395	177,664	

Pritchard Fund	44,120	42,051
Sub-total Long-Term Investments	1,495,642	1,504,984
 Total Investments	 1,992,025	 1,961,036

*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 \$50,149 YTD versus \$67,943 for the previous year. 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: \$2,000 from Palomar Chapter 136 for the Library, \$400 Los Angeles Chapter 56 for the symposium and also contributions from New York Chapter 2, Maryland Chapter 11, Florida Sunshine Chapter 19, and Alabama Chapter 54. A \$5,000 contribution was also received from the Gallet Watch Co. to fund a part-time Curator of Watches in 2012.

Information Services – Kevin Osborne, IS Director

The installation of additional drives in the Web server was rescheduled (actually, as of the writing of this report, the drives are being added to the server disk array and installation should be finished by Monday, 8-15). We replaced a malfunctioning computer in Publications with a more reliable one. We have finished the update to Microsoft Exchange 2010 from Exchange 2003. This keeps us current and adds smart phone capability to our email services.

We have replaced all the security cameras in the Museum, Archives, and Library, with the exception of one camera that will be replaced shortly. In addition to being all color images now, the focus is much clearer and the viewing angle is much wider. All the work was carried out by Noel Poirier and Kevin Osborne, thus saving a good deal of money over having a contractor do the installation.

We installed the new color copier and moved the black and white copier into the Library, replacing the failing old Konica copier from the School. Both copiers, as well as the copier at the School, are connected to the network and permit printing from any computer as well as scanning to the network. We ran new network connections for both the color copier and the copier that was relocated to the Library.

Since the color copier is located on the second floor, we have moved the HP Color Laserjet to the Library, so the librarians now have the option to print color without the need to go upstairs to retrieve color printouts. Any color printing that is composed of more than a dozen or so pages is to be sent to the color copier since the cost per page is much less than that of the HP color printer. The quality of color printing on the color copier is impressive, and it has come in very handy when we need to print a large volume of chapter newsletters (not in color), because we can now split the job, sending half to the copier upstairs and half to the copier in the Library.

We added a video for online viewing to the website: Number 777 *The Lititz Watchmaking Program* by Hermann Myer.

School of Horology – Jim Michaels, School Director

Classes continued through the month of July. The watch program continued with W-100 Micro Mechanics, followed by W-200 Intro. to Watch Repair. The clock program continued with C-100 Intro. to Clock Repairs, followed by C-200 Clock Repair Skills and C-300 Basic Clock Repairs. The School was closed from July 4 to 8 in observance of Independence Day.

The SOH service center has 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 from sales. Gross repair income for July was \$5,778 compared to \$1,804 last year. The YTD total is \$28,035 compared to \$8,024 the previous year.

Museum/Library – Noel Poirier, Museum Director

The Museum's admission revenue for July was \$9,307. Visitation for July was 2,309 visitors, including 65 NAWCC members (2.8 percent). NAWCC Store sales for July were \$8,468. July 2011's visitation is the highest July visitation since 2000. There are a number of factors that may have contributed to this month's high visitation: the beginning of a joint ticket with the new Turkey Hill Experience, a glowing review in the *Washington Post's Weekend* insert, and two promotions run through Web-based GroupOn and LivingSocial. The Museum's accreditation review was scheduled for July 18-20, 2011. The AAM's decision regarding provisional accreditation should be completed by the middle of August 2011. The Museum hosted the *New York Times'* Cultural Critic-at-Large in July, and we expect his review to appear in that paper in August.

The Museum's online searchable collection database recorded 2,845 searches via the database's website. Laurence Bodenmann, a curator with the Musée international d'horlogerie, arrived July 18 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 crafted a press release 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'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. The Found Time exhibit of Randall Cleaver's art-clocks will be installed the first week of August with a small, artist-opening sometime in the middle of August.

The Museum continues to negotiate with Hamilton Watch for ways 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 hosted its annual Hops 'N' Clocks Fundraiser in July. The event again sold out in advance this year and raised approximately \$4,900 for the Museum and Library. Gallet has committed to serving as a sponsor for the 2012 exhibit season, and we expect their donation shortly. The Museum Director is finalizing designs for a brochure promoting NAWCC Membership with Museum visitors that highlights the local benefits of NAWCC Membership.

The Library had 194 visitors for the month and loaned 364 items; 78 research and reference questions were answered, seven items were donated, and two acquisitions were made.

Education/Volunteers – Katie Knaub, Education Director

We continue to work with the instructor on the valuation courses and are distributing pre-course materials to participants. Our exhibits/museum intern is researching objects in our collection for the military timepiece exhibit scheduled for next year. We held make-a-clock workshops for several area day camps and day care centers during this month, with the help of Museum volunteers. We continue to transition the gallery attendant staff into their new responsibilities. We also continue to process workshop enrollees. We held both July workshops at the School; one workshop was held in the student break room because the classrooms in the basement of the Museum building were not finished yet. We also began ordering equipment and supplies that will be needed to have the workshops in the new classrooms this fall.

We continue to review material received from the Department of Education, PHEAA, and other sources on the latest regulations for federal student aid. We worked with the controller to distribute the first disbursements of aid to eligible School of Horology students.

Three new volunteers were placed during the month in the Library, Museum, and Membership Department, respectively. We are also hosting Laurence Bodenmann, from the MIH Museum in Switzerland, who is volunteering for six weeks in our exhibits area.

Total Volunteer Hours for July: 596.5

In the public program area, we continue to offer the make-and-take sessions on Mondays and had several families participate in the program. We continue to work with our graphic arts intern in designing material for the 2011 exhibit year, the Found Time exhibit, general museum signage, and the fall Wine & Chimes event. We continue to prepare for the upcoming events, including Steampunk and the children's clockwork toy workshop.

Publications - Diana DeLucca, Editor

The August *W&C Bulletin* was mailed from Cadmus on Thursday, July 28. The October *W&C Bulletin* was planned in July and will feature the annual State of the Association, five articles in color (including one partially in color), eight articles total, and the usual features. We will continue to promote the upcoming Symposium in this issue. Articles for future *Bulletins* continue to be received, reviewed and peer-reviewed, and processed.

The August *MART & Highlights* revenue is shown below. Custom emails, Constant Contact group emails, and letters continue to be sent to Regionals, auction houses, and members to encourage advertising. The August *MART & Highlights* income dipped compared to the preceding month (although by comparison not as severely as the preceding two Augusts).

Issue Number	Issue Date	Revenue per Issue
359	Apr-11	\$25,518.60
360	Jun-11	\$25,469.35
361	Aug-11	\$22,961.65

We are trying to heavily promote these changes 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>. To date, eight advertisers are featured on the MART Marketplace; some have paid an additional fee of \$25 for this. We plan to promote advertisers who opt for the MARTMarketplace in other areas of the website and in the eHappenings newsletter.

Richard Watkin's book corrections are still being reviewed; Freda Conner is making great progress on checking the text of Philip Balcomb's *The Clock Book*; Spittlers/Bailey *American Clockmaking and Watchmaking by Name and by Place* is under review for author/copyeditor corrections.

Online posting of both periodicals, including PDFs and flipbooks, and checking to ensure that links are correct throughout the site require several days immediately prior to making content live.

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. The volunteer working to create a topic database for Watchdig that will allow application of predefined tags to content has made significant progress. This feature will soon be available to allow data entry of watch companies and their products.

Backup DVDs were created for Publications Department archives. An ad trade was arranged with the *Horological Journal* of the BHI. Photos were taken of the new classrooms. Press releases and *eHappenings* were proofed and copyedited as received.

Communications – Markus Harris, Communications Director

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. Sent

Constant Contact email blasts for various National and Chapter level events, continued to monitor survey materials for our new Watch exam test, sent targeted Constant Contact mailings to membership on various topics. Submitted upcoming events to SVCC newsletter, Kids Clockwork Toy Workshop info sent to area websites, held Special Events Team meeting to discuss upcoming events. Communications sent recruitment email to vendors for Wine & Chimes, mailed Steampunk posters to Lancaster and York Library systems in support of 40 area libraries, and made calls and sent sponsorship emails in support of September Steampunk Festival. Sent additional member recruitment materials to several chapters, including posters and chapter meeting cards, coordinated with Chapters to update and upgrade Chapter websites as necessary. Developed and sent press releases for Volunteer of the Year Award, August Calendar of Events, James Bond Still on Time, Found Time, Steampunk Festival, Gallet Guest Curator of Watches. Interviewed Volunteer of the Year, Jules Cesaro, for press release and sent out to area media.

Communications completed coordination of all details for sold-out event Hops 'N' Clocks including placement of vendors, door prizes, final arrangements with the radio station 101 the Rose and Smooth Jazz, Fire in the Glen, etc... and finished setup of tables, coordinated needs of vendors upon arrival, teardown after event, and follow-up email for thank you and feedback.

Facilities – Chuck Auman, Controller

In the month of July, we continued to have roof leaks repaired, we replaced damaged sewer pipes, and we continued with the ground maintenance work. We installed the boiler water cooling station this month. This system will lower the water temperature to the proper temperature for the sewer system and will prevent any additional damage to the sewer pipes in the building.

The controller continues to handle the maintenance items, such as changing light bulbs, calling contractors for repairs, and ordering maintenance supplies.

Admin/Other

The first several days of the month I was on vacation with extended family and was also on vacation July 18-28 in Scotland. Much of the time I was not on vacation was spent catching up on email and business. Time was also spent on arrangements for regionals to be attended later and the planned giving conference.

We changed our investment advisor from the Lancaster office of Merrill Lynch to their York office. We are continuing work on the implementation of our Long-Term and Short-Term Investment Policies with changes being made to consolidate management and reduce fees.

I continue to work with the three task groups set up by the Board to look at development, membership, and education. I am continuing the oversight of the construction of the two classrooms in our lower level, which should be completed in September.

J. Steven Humphrey, Exec. Dir. 8/12/11