



## **BOARD OF DIRECTORS WINTER MEETING**

**514 Poplar Street, Columbia PA**

**Host hotel: Heritage Hotel, 500 Centerville Road, Lancaster, PA**

### **MINUTES**

**December 1, 2017**

#### **BOARD MEMBERS PRESENT**

Richard Newman, Chair  
Jay Holloway, Vice Chair  
Leroy Baker, Secretary  
Chris Miller, Treasurer (until 3:45 p.m.)  
Tom Bartels, Director  
John Cote, Director

Robert Gary, Director  
Phil Gregory, Director  
David Lee, Director  
Philip Morris, Director  
Tim Orr, Director  
Carroll Wolfe, Director

#### **EX-OFFICIO BOARD MEMBERS**

Tom Wilcox, Esq., Executive Director

Myron Mintz, Esq., Legal Counsel

#### **OTHERS PRESENT FOR ALL OR PART OF THE MEETING**

Chuck Auman  
Frank Del Greco  
Judy Draucker  
Susan Gary  
Markus Harris  
Rebecca Hickey  
Kim Jovinelli  
Marion Krajewski

Fortunat Mueller-Maerki  
Christiane Odyniec  
Kevin Osborne  
Gillian Radel  
Lu Sadowski  
Steve Sadowski  
Clayton Tongate

1. Call to Order – Chair Rich Newman called the meeting of the Board of Directors to order at 9:02 EST.
2. Welcome, Introductions & Meeting Procedures – Chair Newman welcomed all members in attendance.
3. Roll Call: A Roll Call was taken to establish a quorum. All Board members were in attendance.
4. Announcements: Chair Newman reviewed several agenda items that would be moved on the schedule to accommodate guests' schedules.

5. **MOTION:** Made by Secretary Baker, seconded by Treasurer Miller. Move approval of the agenda as presented to include all expected business.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: Lee; Absent: None.
6. **MOTION:** Made by Secretary Baker, seconded by Director Cote. Move approval of the minutes of the September 27, 2017 meeting as written.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: None.
7. **MOTION:** Made by Secretary Baker, seconded by Director Wolfe. Upon recommendation of the B&P Committee: Move to strike ARTICLE IV, section 3, (b) of the Bylaws and replace it with: Section 3, (b) Ensure there are at least two more candidates than open elected Director positions and two candidates for the elected NEC position to complete the slate of candidates.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: None
8. Chair Newman thanked all of those involved in planning and executing the celebration of the Fortieth Anniversary of the Museum. There were approximately 160 attendees, and the event was fully funded by sponsors and donors.
9. Item: The next BOD meeting will be a webinar to be held January 17, 2018 at 7:00 p.m. EST.
10. Governance Discussion/Role of Board: Executive Director Wilcox reviewed a presentation made during the Board Orientation day on the roles and responsibilities of non-profit Boards.
11. Current Year Financial Review & Observations: Treasurer Miller and Controller Auman reviewed our current fiscal year results through October 31 as well as projections for the remaining months of the fiscal year.  
**MOTION:** Made by Treasurer Miller, seconded by Director Bartels. Approve Ross Buehler Falk & company LLP for the FY'18 audit and tax filing for \$18,000. This compares to \$17,500 for FY'17 audit and tax filing.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: None  
**MOTION:** Made by Treasurer Miller, seconded by Director Gregory. Approve a bonus compensation pool of \$15,000 to be allocated to staff by the Executive Director and paid in December 2017.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: None
12. Investment Performance Review & Observations: Treasurer Miller and Controller Auman reviewed our investment account balances and performance through October 31. The NAWCC Investment and Special Funds accounts have grown by \$131,374 this fiscal year. The October 31, 2017 balance is \$2,710,009.

13. 2018-2019 Preliminary Budget Proposal & 3 Year Forecast: Treasurer Miller and Controller Auman reviewed the FY19 preliminary budget and the forecasts for FY20, FY21, and FY22. The Board provided guidance to Treasurer Miller, Controller Auman, and Executive Director Wilcox on the development of the final FY19 budget.

14. Capital Budget List Review & Expenditure Recommendations and/or Alternatives: Treasurer Miller and Controller Auman reviewed the list of proposed capital projects. The list included requests for the current fiscal year, as well as requests for future years.

**MOTION:** Made by Director Bartels, seconded by Director Lee. Approve up to \$10,000 from the Short Term Investment account for FY18 Capital projects to include: the elevator pit ladder, replacement of the storage shed, and review and possible remediation of the school earthquake damage and the damaged floor in the Ben Franklin Exhibit.

**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Miller, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: None

15. The meeting broke for Lunch 12:10 p.m. – 12:52 p.m.

16. Ansonia Street Clock Presentation: Chair Newman presented notes from Jim Coulson, who presented to those assembled for the Board orientation day. Frank Del Greco prepared a full size mock-up of the clock and movement which was available for viewing in the rotunda of the building. The Board discussed possible display locations and concurred that Executive Director Wilcox should move forward to locate the clock within the Museum. The Board also discussed the authority of the Executive Director to modify the flooring as necessary to locate and operate the clock, and that the associated cost be included in the fundraising activities already in progress. There were no motions resulting from the discussion.

17. Action Plan Updates:

17.1. Increase Membership from anywhere in the World: Rebecca Hickey presented the progress made to date by the Expansion Team.

17.2. Increase Chapter Support, Engagement & Partnering: Gillian Radel presented the progress made to date by the Engagement Team.

17.3. Improve Quality & Consistency of Touchpoints: Kim Jovinelli presented the progress made to date by the Excellence Team.

17.4. Establish Positive & Inclusive Brand: Christiane Odyniec presented the progress made to date by the Evolution Team.

17.5. Financial Discipline, Stability & Sustainability: Chuck Auman presented the progress made to date by the Excel Team.

18. Director Orr presented a proposal from the Membership Committee to extend the special first time member rate designated for individual members recruited by members to all first time members, regardless of source. Executive Director Wilcox requested it to be marketed also as a “gift membership” for first time recruited members. Director Orr presented a draft of the recruiting brochure to the Board.  
**MOTION:** Made by Director Orr, seconded by Director Lee. Approve the extension of the special first time member rate of \$52 to all first time members.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: Miller
19. Message Board Downtime Issues & Remediation Recommendations. Executive Director Wilcox, Markus Harris and Kevin Osborne presented a timetable of the Message Board upgrade and difficulties encountered. They outline the lessons learned and the steps to mitigate any similar occurrences during future system upgrades.
20. Review Day’s Action Items & Tomorrow’s Agenda. Chair Newman reviewed the action items resulting from today’s motions and reviewed the agenda for tomorrow’s portion of the meeting.
21. Solicit Feedback from Audience. Chair Newman solicited feedback from those in attendance.
22. **MOTION:** Made by Secretary Baker, seconded by Director Wolfe: That the Board go into Executive Session to discuss personnel and legal matters.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe, Voting Nay: None, Absent: Miller.
23. No action was taken in Executive Session
24. **MOTION:** Made by Director Lee, seconded by Director Wolfe. Move to authorize the Executive Director to take the steps necessary to protect our intellectual property rights including but not limited to copyright and trademark.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: Miller
25. **MOTION:** Made at 5:04 p.m. by Director Gary, seconded by Director Lee: Move that the meeting be recessed until 9:00 am EST December 2, 2017.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe, Voting Nay: None, Absent: Miller.

### **Call to Order, December 2, 2017**

26. Chair Newman reconvened the meeting of the Board of Directors to order at 9:02 am.
27. Chair Newman welcomed the members in attendance.
28. A Roll Call was taken to establish a quorum. Treasurer Miller was absent; all other Board members were in attendance.

29. Announcements: Director Lee announced the transfer of the Midwest Scholarship Fund to the Executive Director's discretionary fund to be used for educational purposes. The Midwest Scholarship fund has not received any applications for scholarships for several years, and wanted the monies to be used for their intended purpose (education). The fund total is just under \$25,000.

30. Review Agenda and Amend as Needed: Chair Newman reminded members of the items that were moved to yesterday's session; otherwise the agenda remains as distributed.

31. Symposium Updates – 2017 and future

2017: Fortunat Mueller-Maerki reported for Bob Frishman who was unable to attend. The 2017 Symposium in Boston was well attended. The majority of the speakers and the attendees had not previously been involved with NAWCC. The Symposium generated a modest surplus, which has been added to the reserve fund for future symposia.

2019: Fortunat Mueller-Maerki reported on the 2019 Symposium scheduled for the third week in September in Nuremburg, Germany. The topic is "the contributions to horology from the German speaking parts of Europe." There are sixteen speakers scheduled for the Symposium. There will also be additional tours of private collections and museums offered both before and after the Symposium.

2018: Chair Newman reported on the plans for the 2018 Symposium scheduled to be held at the Henry Ford Museum in Dearborn, Michigan. Topics will include the Henry Ford horology collection, the industrialization movement from Eli Terry to Henry Ford, automotive clocks, and the history of automobile race timing.

32. Standing Rules Update: Vice Chair Holloway reviewed the Board of Directors section of the standing rules document previously provided to the Directors. The appropriate portions of the Bylaws are copied into the document and the Code of Ethics has been incorporated. The remaining standing rules involving the Board have been reviewed and modified as necessary. The Board discussed the changes and provided feedback to Vice Chair Holloway. The next steps include reviewing the proposed changes with the Bylaws and Procedures Committee and bringing the final document to a future Board meeting for approval.

33. National Convention Updates – 2018, 2019, 2020

2018: Leroy Baker reported that there are 298 people registered and 454 of the 778 tables are sold. He also presented the Treasurer's report provided by Lee Davis.

Steve Sadowski reported on the security arrangements and costs. He has been able to contract for security services for a fraction of the original budget estimate.

Rich Newman reported that the traditional exhibit will be replaced with special exhibits at the Museum in Columbia and an area of Specialty Chapter exhibits centrally located in the Mart room.

Lu Sadowski and Marion Krawjewski provided an update on the convention location, hotels, auctions, area attractions, and activities at the convention.

2019: Lu Sadowski reported that the contracts for the convention center and some of the hotels in Springfield are completed. She is continuing to negotiate with additional hotels. The theme for the 75<sup>th</sup> Convention will be "New England Clocks and Watches, and their Makers."

2020: The proposed site for the 2020 National Convention is Dayton, Ohio. Chapter 23 is meeting this month to determine their interest in being the sponsoring chapter.

34. Lunch: The Board took a brief break to retrieve lunch, and continued with the agenda while completing lunch.

35. Social Media Presence; Rules & Governance: Director Cote discussed social media and showed the Board an example of a successful horological social media site. Executive Director Wilcox provided copies of the existing Message Board rules and the NAWCC web site advertising guide.

36. Member Complaint Process: Director Morris discussed a recent specific incident related to our official Facebook page, as well as our social media rules and enforcement techniques in general. The Board discussed both the specific situation and our policies in general and provided guidance to the Executive Director for further consideration. Executive Director Wilcox stressed that any member complaints brought to Board members should be immediately brought to his attention.

37. Non-Horological Items at Marts: The Convention Committee, at the direction of the Board, developed new language for the Regional Handbook regarding non-horological items in mart rooms. The Board discussed the language presented by the Convention Committee and chose to recommend a slight alteration.

**MOTION:** Made by Director Morris, seconded by Director Cote. Move that the Convention Committee adopt the following language for Section 1, Page 7 of the Regional Meeting Guide: "Table holders will offer to sell items primarily of horological interest and ensure that non-horological items in the mart are appropriate for NAWCC events and of interest to the members, as determined by the respective event Regional Mart Chair or Regional Meeting Chair."

**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Morris, Newman, Orr, Wolfe, Voting Nay: Lee, Absent: Miller.

38. Tax: Legal Counsel Myron Mintz provided a primer on the NAWCC, Inc. tax exempt status. NAWCC, Inc. is a "non-profit" organization described in Section 501(c)(3) of the Internal Revenue Code and therefore is not subject to federal income tax on the receipt of its dues from members. NAWCC, Inc. is subject to the federal unrelated income tax and all State and local taxes not otherwise exempt. For example, anything sold by NAWCC (like in the Museum store) is subject to State and local sales tax. Our members' buying and selling activities are not exempt from taxation as a result of the NAWCC's recognition as a "non-profit" organization described in Section 501(c)(3) of the Internal Revenue Code, thus NAWCC, Inc.'s tax status has no effect on a members' income or sales tax obligations.

This is not new, although the rumor persists that since NAWCC, Inc. is tax exempt, members don't need to consider the sales tax implications of their Mart activities. Sales tax is strictly a State and local jurisdiction requirement, so every place has its own rules. Some jurisdictions may treat hobbyists just like the homeowner who has the occasional garage sale, and ignores the sales tax laws. But that is strictly up to the local jurisdiction and how they enforce their tax laws.

39. Committee Structure for the Future Discussion: Chair Newman and Executive Director Wilcox continue to evaluate the functionality and structure of our committees. They will bring any proposed actions to a future Board meeting.
40. Development Update and Training: Director Gary discussed the need to get all Board members involved in fundraising. Assigning one person or even a few people to the task will not result in the level of fundraising we strive to achieve. Director Gary presented a brief training video on talking to potential donors.
41. Solicit Feedback from Audience. Chair Newman solicited feedback from those in attendance.
42. **MOTION:** Made by Director Lee, seconded by Vice Chair Holloway: That the Board go into Executive Session to discuss personnel and legal matters.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe, Voting Nay: None, Absent: Miller.
43. No action was taken in Executive Session
44. **MOTION:** Made by Director Cote, seconded by Director Wolfe. Move that it shall be the policy of the Board of NAWCC, Inc., its Officers and Directors that no contracts, agreements, or covenants (including but not limited to Conventions, Regionals, or Symposiums) that could obligate the NAWCC, Inc., financially or otherwise, shall be executed by any member, Officer, or Director of the NAWCC, Inc. unless such contract, agreement, or covenant has been reviewed and approved by the Executive Director of the NAWCC, Inc. and if required by Legal Counsel of the NAWCC, Inc.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe; Voting Nay: None; Absent: Miller
45. **MOTION:** Made by Vice Chair Holloway, seconded by Director Lee: That the meeting be adjourned.  
**Motion carried.** Voting Yea: Bartels, Baker, Cote, Gregory, Gary, Holloway, Lee, Morris, Newman, Orr, Wolfe, Voting Nay: None, Absent: Miller.

Meeting adjourned at 3:08 p.m. EST.