

Executive Director's Report September 2013

MEMBERSHIP

| Fiscal Year starting April 1, 2013 | September 2013 | September 2012 | FYTD 2014 | FYTD 2013 | | |
|---------------------------------------|-------------------|-------------------|--------------|--------------|---------------------------|--------|
| New Members | 57 | 75 | 435 | 560 | | |
| Lapsed Members | (169) | (156) | (1,137) | (990) | | |
| Net Gain (Loss) | (112) | (81) | (704) | (430) | | |
| Twelve Month Comparison | | | 9/30/2013 | 9/30/2012 | Gain/(Loss) vs. prior yr. | |
| Regular Members | | | 14,044 | 15,189 | (1,145) | -7.5% |
| Family/Youth | | | 840 | 973 | (133) | -13.7% |
| Life | | | 235 | 236 | (1) | -0.4% |
| Contributory | | | 149 | 151 | (2) | -1.3% |
| Business | | | 238 | 262 | (24) | -9.2% |
| Total Members | | | 15,506 | 16,811 | (1,305) | -7.8% |
| Budget Dues FY | \$75,346 | | \$541,340 | | | |
| Actual Dues FY | \$76,270 | | \$524,273 | \$483,561 | \$40,712 | 8.4% |
| Difference | \$924 | | (\$17,067) | | vs. budget > | -3.1% |

Fiscal year-to-date membership is down 704 (4.3 percent) compared to down 430 (2.5 percent) last year and down 411 (2.3 percent) the preceding year.

FINANCES - 2014 Operating Funds

| | Income | Expenses | Net Inc/Exp |
|------------------|----------|----------|-------------|
| 1st Quarter FY14 | 422,936 | 421,593 | 1,343 |
| July 13 | 159,795 | 170,919 | (11,124) |
| August 13 | 148,158 | 136,400 | 11,758 |
| September 13 | 145,570 | 163,558 | (17,988) |
| YTD ACTUAL | 876,459 | 892,470 | (16,011) |
| YTD BUDGET | 888,379 | 912,378 | (23,999) |
| YTD VARIANCE | (11,920) | 19,908 | 7,988 |

Income for the current year is 1.3 percent below budget, while expenses are less than budget by 2.2 percent. The actual net income is -\$16,011 (-1.8 percent) on the YTD expenses of \$892,470 before capital and transfers.

INVESTMENTS

| | VALUE 9/30/2013 | VALUE 9/30/2012 | Increase (Decrease) |
|------------------------------------|--------------------|--------------------|------------------------|
| Short-Term Investment Funds | | | |
| NAWCC Investment Fund | 479,237 | 437,275 | 41,962 |
| Life Membership Fund | 0 | 52,178 | (52,178) |
| Library Acquisitions | 5,292 | 8,462 | (3,170) |
| Museum Acquisitions | 58,267 | 58,786 | (519) |
| Symposium Fund | 16,678 | 15,385 | 1,293 |
| Sub-total Short-Term Funds | 559,474 | 572,086 | (12,612) |

Long-Term Investment Funds

| | | | |
|-------------------------------------|------------------|------------------|----------------|
| Heritage Fund | 153,010 | 140,730 | 12,280 |
| Museum Endowment Fund | 377,264 | 349,909 | 27,355 |
| Museum & Library Institutional Fund | 765,311 | 722,391 | 42,920 |
| Library & Research Center Endowment | 110,484 | 101,259 | 9,225 |
| School Endowment | 194,587 | 183,407 | 11,180 |
| NAWCC Endowment | 2,714 | 0 | 2,714 |
| Midwest Scholarship Fund | 40,701 | 36,765 | 3,936 |
| Pritchard Fund | 49,572 | 45,703 | 3,869 |
| Sub-total Long-Term Funds | <u>1,693,643</u> | <u>1,580,164</u> | <u>113,479</u> |
| Total Investment Funds | <u>2,253,117</u> | <u>2,152,250</u> | <u>100,867</u> |

*Consolidated Long-Term funds balance-Individual named account balances calculated.

The current values on investments reflect paper gains and losses due to market fluctuations. Because 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. The Life Membership Fund was merged into the NAWCC Investment Fund.

MUSEUM – Noel Poirier, Museum Director

The Museum's admission revenue for the quarter was \$19,195. Visitation for the quarter was 4,737, including 130 NAWCC members (3.0 percent). NAWCC Store sales for the quarter were \$17,065. With the exception of September, visitation for most of the quarter was better than last year and continues to show growth. The Museum redeemed 559 Turkey Hill Experience Joint Tickets this quarter. Joint Tickets represented an average of 12 percent of visitation for the quarter.

The Museum Director is continuing the work on a draft of a formal security policy for the Museum and Library & Archives. The Library Supervisor has presented a draft of a collection plan for the Library & Archives that is being reviewed. Adam Harris arrived as the Gallet Guest Curator of Wristwatches at the beginning of September. He has already made great progress in the development of a new, permanent wristwatch display. We anticipate his work to be completed by the end of November. The Museum finalized an extensive and time-consuming deaccession this quarter and presented the list of deaccessioned material to the Museum Collections Committee for review and approval. The committee-approved list will be presented to the Board of Directors for their approval.

The Museum Director has been working with organizers of the 2013 Symposium to ensure that the Tompion timepiece collection of Dr. John Taylor will be able to be exhibited and that all customs and importation documentation is finalized. The collection will then also be exhibited at the Museum for the months of December and January. The text for the 2014 Mystery Clock exhibit has been drafted, and objects from the Museum collection have been identified. The Museum is currently working with other museums and private collectors to identify other potential objects to include and to seek financial support for the exhibit.

The Museum, with the assistance of volunteer and clock instructor Al Dodson, has been working on the Museum's participation in the Google Cultural Project. This project allows the Museum to upload select items from the collection as well as develop online exhibitions using the Google Arts Project exhibit module. There have been some setbacks to this project (mainly the quality of images available), and we anticipate that we will be moving forward with new photography of some of the objects in the coming weeks. The Museum will once again take part in the Lancaster County Community Foundation's Extraordinary Give Event on November 22. Last year, this event raised over \$20,000, and we hope for a repeat performance this year with enough advance marketing and notice.

LIBRARY AND RESEARCH CENTER - Sara Butler Dockery, Library & Archives Supervisor

Thanks to a generous donation from the Old Timers and Fellows Chapter, we have asked Lynn Schuessler, one of our volunteers to take on processing the Christopher Daniel sundial archival collection, which was recently donated to the Library. Lynn is currently working to process the collection and will soon begin numbering the pages in preparation for creating a finding aid. The Daniel Collection is an exciting addition to the collection and we are grateful to Mr. Daniel for his donation.

This quarter we received DVDs of the six programs presented at the 2013 National Convention that were recorded by the Program Committee and are available to members and chapters on DVD and will soon be available to stream on the website. Thanks to the hard work of the Education Department, we have also been adding a number of slide program videos to our collection in the past few months. The videos, which are converted from programs that used to be lent as a collection of slides with a cassette tape recording of the information, are being scanned and then converted into videos. The programs look and sound great and will hopefully be of interest to our members. We have already received enthusiastic feedback from members who have seen the videos.

Recently, we discussed the possibility of no longer providing the videos on VHS and had initially decided that we still get enough requests for VHS copies to continue carrying one copy of each video in that format. After continued discussion, which occurred when the equipment previously used to make VHS copies for the Program Committee videos failed, we decided to continue to offer VHS copies on demand. A portion of the membership continues to prefer VHS, so we will continue to make them available, but the high cost and difficulties in obtaining blank VHS tapes led us to decide to only make VHS copies when they are requested. This will allow us to continue to gauge interest in that format versus DVD.

July-September 2013 by the Numbers

Lending Library Activity

| | |
|-------------------------------------|-------|
| Total materials checked out - | 480 |
| Loans through mail - | 237 |
| Loans in house - | 243 |
| Programs borrowed for Chapter use - | 13 |
| OPAC searches | 2,736 |

Material Types

| | |
|------------------------------|-----|
| VCR, DVD & Microfilm Loans - | 115 |
| Books and NAWCC Bulletins - | 365 |

Total Number of Visitors -

| | |
|-------------|-----|
| Students - | 24 |
| Non-members | 141 |
| Members - | 112 |

Fulfilled Research Questions –

| | |
|--------------------|---|
| Paid Non-members - | 9 |
|--------------------|---|

Library Processing Statistics

| | |
|------------------|-----|
| Acquisitions: | 66 |
| Donations: | 223 |
| Cataloged Items: | 262 |

EDUCATION/VOLUNTEERS – Katie Knaub, Education Director

Museum Education Programs and Exhibits

Our exhibit intern worked on the development and outline for an exhibit next year on mystery clocks. She was able to use the Library resources and Museum collections information to complete an exhibit plan and draft text. We are coordinating the pieces for the next special exhibit, A Matter of Time, which will feature 23 unique artists from around the world and their concept of timekeeping. This exhibit opens October 19,

2013, to the public. The exhibit team met and selected these artists from over 90 submissions. We held several outreach programs during the summer to various summer camps with the great assistance of our education intern.

NAWCC Workshops/Webinars

We held ten workshops during this quarter. We met with our instructors to schedule additional/new topics workshops for the next year. We coordinated the handout materials for students, supply purchasing, room setups, and building opening and closing for the instructors. We held our second meet-the-author webinar with Stephen Nelson with 26 in attendance live and 68 viewing the recording later. We are continuing to explore other technologies to host/offer online learning for both members and non-members with the assistance of ScholarLab technologies. We have met with several potential online instructors to discuss the development of this program and will be working on the development of these new online courses during the next quarter.

Education Attendance

| | | | | |
|----------------------|----------------------------|-----|---------------------|-----|
| July-September 2013: | Museum Education programs: | 286 | 2014 FY total: | 378 |
| | Library Pass Participants: | 187 | Museum Guides Sold: | 52 |
| | NAWCC Workshops: | 54 | 2014 FY total: | 124 |

Volunteer Program

We have four new volunteers; one in education, one in membership (youth), one in collections, and one in the Library. We had a new AARP Senior worker who started with us in August and left at the end of September for full-time employment. AARP will be placing another worker with us as soon as an available match is determined. Our college student interns finished up their various projects with us at the beginning of August and helped accomplish a great deal of necessary projects this summer. We thank them all for their efforts and hard work. Total Volunteer Hours for Quarter: 1,606

Public Programs

We held the Hops N Clocks Event (sold out). We also held our annual make and take workshops on Mondays throughout the summer for the public. We had our education intern and a youth volunteer run those programs for the Museum. We also participated in Columbia’s annual Community Night Out event with the assistance of our interns and volunteers. We gave a program on the development of Timekeeping at the Elizabeth Hughes Society in Elizabethtown, PA. Public Program/Events Quarter Attendance: 400

PUBLICATIONS - Diana DeLuca, Editor

Periodicals – *Watch & Clock Bulletin*

The September issue, described in the last quarterly report, was mailed the week of August 22. The November issue was sent to the press September 23 with a 10/21 mail date. The November issue includes the 2013 Crafts Competition results, the annual USPS Statement of Ownership, six lengthy articles, and the usual features. New articles continue to be received, peer reviewed, and processed.

Periodicals – *Mart & Highlights*

Revenue for the May, July, and September 2013 *Mart & Highlights* is shown below.

| Issue Number | Issue Date | Revenue per Issue |
|--------------|------------|-------------------|
| 371 | May-13 | \$19,882.80 |
| 372 | Jul-13 | \$23,087.65 |
| 373 | Sep-13 | \$23,893.40 |

Promotional emails, via Constant Contact and personalized emails, continue with each *Mart & Highlights* cycle. We contact non-member auction houses and dealers on a two-month cycle. A postcard presenting the 2014 ad due date schedule and promoting our “6 for 5” offer was mailed out to likely participant advertisers prior to the November issue due date.

Special Publications

Phil Samponaro’s Bristol clockmakers book index was created, and the book is being prepared for submission to Lightingsource.com

Shelley’s American tower clocks book is currently in the layout stage.

E-media

Watchdig.org is being updated now on a regular schedule. Stephanie Potter and Adam Harris continue as contributors, and content is regularly updated from internal sources.

Publications staff was heavily involved in reformatting the upgraded nawcc.org, across several departments.

Publications staff continues to monitor the NAWCC Facebook page and encourage others to create posts.

Constant Contact email “blasts” were redesigned and standards for various needs continue to be created.

Web team meetings are usually held every other week to help with progress on the nawcc.org upgrade and redesign, social meeting integration, watchdig.org, and other online projects.

Other Activities and Support Materials

Copyediting and proofing continue on all marketing material. A new FSW brochure was designed. Annual Appeal stationery was created. A Homeschool Days ad was created. Artwork was designed for the A Matter of Time exhibit.

Publication staff worked on the Capital Campaign booklet extended into September.

INFORMATION SERVICES – Kevin Osborne, IS Director

iMIS Association Management Software

The Join process we were working on for iMIS 15 wasn’t working as desired and we found it necessary to abandon it. iMIS 20 uses a content management system that would allow us to develop a Join process that doesn’t require as much customization. So we have decided to update to iMIS 20 and take advantage of WCM and RISE, two iMIS 20 applications that will make it easier when we need to make changes or update iMIS. This Join process design should be completed in October.

We have installed iMIS 20 on our test server and have had numerous staff members work with it to make certain that it properly processes inputted information and provides needed output and reports from our Membership Database. We are also working to ensure the Single Sign On for member login will work when we go live with iMIS 20.

Websites

The new webserver installed at the co-location site currently hosts the new NAWCC website, Watchdig.org, and horology.edu. We will be moving the NAWCC 4Sale site to the new server as well and updating it to the newest version of GeoCore.

We will move the NAWCC Message Board over to its own server so that it can take full advantage of all the resources of that server.

This will leave only the current live NAWCC.ORG website running on the old webserver along with Horology the Index. We plan to go live with the new NAWCC Website in the middle of October and will move Horology the Index over to the new server then. That will leave the old webserver with the old version

of Joomla running on it. Eventually, that will be turned off and the server will be put into use locally in Columbia.

When all is finished, the new server will be running the new updated NAWCC website, the 4Sale site, the Horology.edu site, and Horology the Index. The Message Board will be hosted on its own server.

Local Network

We have installed 2 WiFi devices in the Museum so that visitors can use their smart phones to read the QR codes we have affixed to many of our exhibit items. This allows them to access additional information about the objects. They can also take pictures with their smartphones and post them to Facebook or other social networking sites, raising the visibility of the NAWCC.

Our antivirus program has migrated from a local install to a cloud based program. This required configuring our online account with Total Defense, uninstalling the current program from all the PCs in house, and installing the new version. We took advantage of the opportunity to update and expand our excel inventory of current computers. All in all, 43 PCs were updated to the new antivirus program.

In July we met with Chris Yerger from Berkshire Systems, the company that installed our existing security system. This system was installed in 1999 and is archaic and no longer supported by the manufacturer. We had previously received a \$10,000 quote to replace it. Chris and I did a survey of the current install and wiring and have determined we may be able to replace it with a minimum of wiring disruption and a possible 40 percent reduction in cost.

PC and Print equipment

We installed a computer for the part-time facilities person so he can communicate on our email system. We reinstalled the operating system and all the updates on one of our PCs that was not running correctly. We configured a laptop with connection via VPN to our network for an employee to take home to work from home on certain days.

COMMUNICATIONS – Markus Harris, Communications Director

The Communications Department continues to update and maintain NAWCC websites and online resources. Our website upgrade is nearing completion and should be ready for full implementation by the second week in October. Communications Director Markus Harris continued to coordinate multiple email newsletters and targeted Constant Contact mailings on numerous topics, including event notices and support for chapter meetings, BOD announcements, and local and regional events. Our Facebook communications have now been brought together under a master schedule. Our entire eNewsletter structure has been overhauled and new format templates have been implemented. We are also creating a multidepartmental Communications calendar to facilitate scheduling of assorted NAWCC outgoing messaging, intended to bring all external communication under a single scheduling umbrella. Communications also mailed promotional materials to chapters in support of chapter events, writing and distributing press releases for our August Calendar of Events, Final Salute to Enlisting Time, Pritchard Prize, Symposium, Collections, Gifted to Museum, the October Calendar of Events, Homeschool Day, Night at the Museum Sleepover, Smithsonian Day, A Matter of Time, and Holiday Museum events. Meanwhile, the Web team has implemented the new design for the primary website at nawcc.org, which was set up by the Communications Director and is being populated by our various departments. Communications Director Harris continues to work with chapters to develop and maintain their website presence via the Community software system, which was recently updated and has new mobile device functionality. The August and October editions of the online e-zine *eHappenings* were compiled and distributed. Customer service advice was provided to members via Web and telephone.

Communications arranged for BOD services at various meetings, coordinated and helped oversee the Hops 'n' Clocks event (after printing and distributing flyers and planning the site map for the event). Kim Craven updated our press information packets and formatted the new press contact list. Communications formatted, printed, mailed, and invoiced newsletters for Chapters 1, 11, 141, and 3 (12,127 copies). She also worked

with the Special Events Team to discuss our schedule of events planned for 2014. We are now working on plans for the upcoming 2014 event “Time Traveler’s 20’s Dance” in March of next year. As part of event support, Communications contacted area library systems for distribution and press release dispersal to our local and regional locale. We contacted area Scouts and afterschool programs, distributing Museum event flyers and promotional materials, and mailing promotional packets to chapters upon their request; the packets included Chapter meeting reminder cards, posters, membership applications, and “Time to Join” flyers. She supported and advertised the upcoming exhibit A Matter of Time, targeted specifically to the regional art community. Kim also contacted the PA Dutch Country Visitors Bureau regarding our list of 2014 events and arranged Museum Director Noel Poirier’s appearance on ABC’s *Good Day America*.

FACILITIES – Chuck Auman, Controller

In August we repaired the Museum roof’s wind-damaged sections and several areas that had leaks. The insurance proceeds covered the wind damages except for the insurance deductible of \$2,000 for both claims. This quarter we spent \$13,334 for air-conditioning unit repairs and \$1,347 on boiler repairs.

We had both elevators inspected and the semiannual automatic sprinkler system test was completed.

I attended an electric consumption seminar on retrofitting our fluorescent bulbs. One company has a program where they will retrofit our fixtures at no upfront costs to us. They add a monthly charge to our electric bill to pay for the new lights, but the new lights will provide a saving to our electric usage.

We continue to paint sections of the walls in the Museum.

We started to buy more of our lavatory paper products from Sam’s Club for better quality with some saving from the distributor price.

DEVELOPMENT – Steve Humphrey, Executive Director

| | FY2014 | FY2013 | FY2012 |
|----------------------------|------------------|------------------|-----------------|
| Unrestricted Contributions | \$34,661 | \$36,738 | \$30,932 |
| Restricted Contributions | \$24,324 | \$155,586 | \$38,256 |
| Endowment Contributions | \$173,500 | \$51 | \$101 |
| Total Contributions | \$232,485 | \$192,375 | \$69,289 |

Unrestricted contributions were 5.7 percent less for the first six months when compared to the previous fiscal year.

July to September chapter contributions:

| | | |
|---------------------------|----------|-----------------------------------|
| Carolina Chap 17 | 500.00 | Internet Online Education Fund |
| Lone Star Chap 124 | 1,000.00 | Internet Online Education Fund |
| Palmetto State Chap 144 | 100.00 | Internet Online Education Fund |
| San Diego County Chap 59 | 35.00 | Library - In Memory |
| San Diego County Chap 59 | 35.00 | Library - In Memory |
| Sooner Time Collectors 74 | 50.00 | Area of Greatest Need - In Memory |
| Sooner Time Collectors 74 | 50.00 | Area of Greatest Need - In Memory |
| Tennessee Valley Chap 42 | 100.00 | Area of Greatest Need |
| Toronto Chap 33 | 150.00 | Area of Greatest Need |
| Western Carolinas #126 | 1,000.00 | Internet Online Education Fund |

Other gifts of note include gifts from Russ Oechsle and Nancy Ankrum to assist with digitizing Library collections, a gift from George Orr for Field Suitcase Workshops, a gift from Kellogg’s for education plus several gifts for the areas of greatest need and a gift to the Heritage Fund from Mary Ann Wahlner.

We continue to work on the Time for All, 75th Anniversary Endowment and Capital Campaign. Board members have been solicited and research is ongoing to identify lead gift prospects. Peggy Davidson has

been employed part-time as campaign coordinator. Peggy has experience as the Director of Development for two York area nonprofits. Printing of the case statements to be used with lead gift prospects has been completed.

ADMIN/OTHER

New memberships and member retention has been below our long-term averages for the period of June through September. The number of lapsed members responding positively to the marketing calls to renew at the end of the quarter is 30 percent, which is higher than usual and resulted in 59 reinstates.

We are still working with U.S. Senator Robert Casey's office in addressing the matter of some of our chapters having their tax exempt status revoked after having it granted as part of our group exemption last December. I have successfully filed several 990-N returns for some of our chapters that have not been affected by the revocations.

The updating of the nawcc.org website has required weekly or biweekly meetings for input and oversight. The updated nawcc.org website is scheduled to go live in October after about a year of work involving a number of our staff.

Contracts have been signed with ScholarLab to move ahead with online education courses. Director of Education Katie Knaub and Education Committee Chair Mike Dempsey have been reviewing matters related to online education, and \$22,600 has been raised to support the effort. Three instructors are lined up to develop and tape the initial courses.

The staff has been assisting the Symposium Committee and the 2013 symposium committee with logistics and promotion of Time for Everyone Symposium scheduled for Pasadena, CA, in November.

An agreement has been signed with the North American Collectibles Association (NACA) to offer collections insurance to our members. They also offer reduced shipping and insurance rates for large-volume shippers. We are also negotiating with WatchFacts to provide services to our watch dealers at discounted rates.

J. Steven Humphrey, Exec. Dir. 10/10/13