



**National Association of Watch and Clock Collectors, Inc.  
Board of Director's In-Person Meeting  
Florida Mid-Winter Regional, St. Augustine, Florida  
February 15, 2023 @ 9:00 am Eastern**

**OPEN MEETING – FINAL MINUTES**

**DIRECTORS PRESENT**

Leroy Baker, Director	Bob Burton, Director	Tom Compton, Director
Renee Coulson, Director	John Cote, Director	Jay Dutton, Treasurer
Cathy Gorton, Director	Sherry Kitts, Secretary	Rhett Lucke, Chair
Rich Newman, Vice Chair	Ralph Pokluda, Director	

**DIRECTORS ABSENT**

Philip Morris, Director
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**EX-OFFICIO MEMBERS PRESENT**

Rory McEvoy, Executive Director	Myron Mintz, Legal Counsel
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**GUESTS PRESENT**

Vivian Ello*	Jessica Hutchinson**	Tom McIntyre
Mario Taylor*	Eric Tibbetts*	

\*prior to meeting and lunch break.

\*\*via cell phone

<b>ITEM</b>	<b>SUBJECT</b>	<b>LEAD</b>
<b>1</b>	<b>Call to Order</b> Chair Lucke called the meeting to order at 9:25 am EST.	Chair Lucke
<b>2</b>	<b>Welcome, Introductions, Meeting Procedures &amp; Announcements</b> Roberts Rules of Order for Small Boards will be followed.	Chair Lucke
<b>3</b>	<b>Roll Call</b> All Directors were present with the exception of Director Morris. In addition, Ex-Officio Members Executive Director Rory McEvoy and Legal Counsel Myron Mintz were present.	Secretary Kitts

ITEM	SUBJECT	LEAD
4	<b>MOTION by Secretary Kitts:</b> to approve the January 12, 2023, Board of Directors Meeting Minutes.	Secretary Kitts

SECOND by Director Cote

**MOTION PASSED BY UNANIMOUS CONSENT**

5	<b>Treasurer Report</b>	Treasurer Dutton
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- January Financials were just received; preliminary highlights were briefly discussed.
- January was slightly over budget largely due to there being three salary payouts in the period.
- There was an increase in membership of 63 – very good news. There were several who joined at the Southern California Regional.
- NAWCC will get a refund of sales taxes which were charged in error on the energy bill, thanks to Jessica Hutchinson and Cathy Gorton.
- The audit will start April 6. The RKL contract is a 5-year contract. After the challenges of the first two years, RKL advised they would start billing based on actual hours. Last year (the third year) was much improved.
- Investment accounts have experienced an unrealized loss of \$123K due to market performance. We did not take any draws from the accounts so far in this FY.
- The Investment Policy Statement was last updated in 2003. PNC adheres to the policy, which is conservative.
- We have a requirement to maintain a net liquidity of \$400,000. That could be relaxed, possibly to \$300,000 given the smaller size of our organization now. Any change in the net liquidity requirement would need to be considered and recommended by the Finance Committee. Any reduction should be considered a reflection of the condition of NAWCC, Inc.
- It was reiterated how thrilled we all are to have Jessica Hutchinson on the team. She has been a quick study and produces timely reports and can answer questions quickly, completely, and concisely.

**ITEM****SUBJECT****LEAD****6 FY 2022-2023 Budget**

ED McEvoy

S-Town Exhibit and Publication

- The budget of \$18,300, authorized in 2019, is on target with current expenditures at \$17,500.
- Costs per paperback to print the book written by Philip Morris:
  - 100: \$22.00
  - 500: \$17.09
  - 750: \$16.40
  - 1000: \$15.97

Even though the cost of printing 500 is attractive, it was recommended that we print 100 (sell at \$25-30) to begin with so we aren't left with unsold books, and they can be printed on demand at Amazon. It is also recommended that an extension on rights to publish be extended for a year.

Museum and School of Horology

- Hire forklift (\$300) to move:
  - Bridgeport
  - Hamilton factory machines for cleaning
  - Quincy? (while have Forklift)
- Rewire and service lathe motor (\$300)
- Purchase set of 20 mm collets (\$250 – Bob Desrocher getting good price)
- Total \$850

The dilemma with the Quincy project, which has been stalled, was discussed. One recommendation was to move it outside if the desire is to stand it up, as that is where it has spent its life. Since the movement was located entirely in the building, there are options for displaying it. ED McEvoy stated that about \$7500 remained designated for Quincy restoration.

Museum – Public Time Gallery

Upgrades to improve gallery understanding and experience:

- New concept for display plinth for Seth Thomas clock and acrylic dial
- Plinths for Aaron Dodd Crane and Stevens clocks
- Rehang marine chronometer
- Four projectors to show action films of tower clocks et al.
- Total quote is \$29,000, with \$15,000 designated in FY 2022-2023, and \$14,000 in FY 2023-2024.

**ITEM****SUBJECT****LEAD****6 FY 2022-2023 Budget (continued)**

ED McEvoy

Symposium

- The Symposium is a two-day event (Sunday, July 16 pm & Monday, July 17)
- Theme is “Celebration and Exploration of Watch and Clockmaking in Lancaster County)
- Afternoon of Sunday, July 16 includes lectures and dinner at Hamilton Club (deposit of \$1000 has been paid)
- Monday, July 17 will include visits to local sites with horological and historical interest, followed by afternoon of hands-on workshops, the James Arthur lecture, and the AHS lecture.
- Needed is to move the remaining ~\$2,000 from Santander to PNC bank. The Banks require that this fund transfer be approved by the NAWCC Board of Directors.

**MOTION by Vice Chair Newman:** The Symposium account currently located at Santander Bank be closed. Subsequently, open an account at PNC Bank for the Symposium funds.

**SECOND by Director Compton**

**MOTION PASSED BY UNANIMOUS CONSENT**

**ITEM****SUBJECT****LEAD****7 Development**Directors  
Cote/NewmanFY 2022-2023 Development Committee Activities

- The Development Committee has held several meetings.
- Appeals for financial support have been made by the members to major donors.
- The Committee needs to be expanded to 3-4 times its current size.
- One problem being addressed is members who join for only one year.
- Corporate relationships are being courted. Breitling will be our primary 2023 National corporate sponsor, contributing \$10,000.

FY 2023-2024 Development Plan

Executive Director McEvoy distributed by email “NAWCC Development Plan 2023-24” prior to the meeting. The content included:

ED McEvoy

- Fundraising Plan
  - The Annual Appeal was sent at the end of January. A portion of proceeds will support a scholarship fund in honor of Jim Price for students to enroll in the School of Horology.
  - The “For All Time Campaign” will be revived. Legacy gifts are crucial to the long-term survival of the Association and the museum.
  - Kari Huck, who recently started as Development Manager, will create some goals for future planning. Authentic relationships with members, seeking their feedback, and keeping them informed will encourage their engagement and philanthropic efforts.
- Grant Applications
  - A Redevelopment Assistance Capital Program (RACP) grant for \$2.5M is being sought from the State of Pennsylvania for improvements to the NAWCC Museum.
  - A Local Share Account (LSA) grant, a new grant from the Commonwealth of Pennsylvania is being pursued with an amount of \$1M being sought.
  - The COVID-19 American Rescue Plan Act (ARPA) PA Arts and Culture Recovery Program (PACR) was created to ensure the stability and recovery of the Commonwealth’s arts and culture sector. We are applying for approximately \$168,000 of revenue lost due to the pandemic.
  - Other grant options are being explored, including the Pennsylvania Historical and Museum Commission (PHMC) Cultural and Historical Support Grant Program, enhanced by renewal of our System Award Management (SAM) subscription and registration with the Pennsylvania Bureau of Corporations and Charitable Organizations.
- Better Communication – improved communication with members and the local community, taking full advantage of social media.
- Corporate Involvement – Cultivate corporate, government, and tourism relationships, and further develop the School of Horology.
- Gala and Events Planning – Use these events to encourage investment in the Museum and increased demand for rental of museum spaces. The gala at the 2023 National will be by invitation only and intended to secure donations.

It was also pointed out that Columbia and Lancaster County has invested a lot into community development which benefits museum visitation.

It is worth considering hiring GMS at \$5,000/month - \$60,000 for one year, to pursue the RACP and LSA grants – they are very good at what they do. (This is further discussed under the FY 2023-2024 Budget.)

**ITEM****SUBJECT****LEAD****8 FY 2022-2023 Education Plan**

ED McEvoy

Executive Director McEvoy distributed the “NAWCC Education Plan 2023-24 by email prior to the meeting. Some of the highlights are:

- Introduction by Ken DeLucca
  - Years of neglect are being overcome by many hours of volunteer clean-up and refurbishment.
  - The efforts spent on housekeeping detract from focus on curriculum and workshop development.
  - Both clockmaking and watchmaking workshops are being held and others are in near-future plans.
  - Further investment in shop materials is needed to support the watchmaking classes.
- Mid-Range Goals 2025-2028
  - Acquire expertise to guide use of heavy lathes and free-standing milling machines to create clock movements from raw stock.
  - Develop a succession plan for leading the School of Horology. A full-time employee should be considered essential.
  - Look beyond our own membership for students by advertising in markets with a high potential for interest.
  - Correction and upgrade of the physical facility.
  - Create distance learning through online presence.

Executive Director McEvoy praised the work of Ken DeLucca, who has built a great group of instructors and the facility is much improved. The potential to support repair of museum artifacts as learning tool for the class was suggested.

**ITEM****SUBJECT****LEAD****9 FY 2023-2024 Budget Proposal**

ED McEvoy

For this presentation, Controller Jessica Hutchinson was brought into the meeting via cell phone. The primary budget elements to be considered and agreed by the Board of Directors are:

- The amount of 401K employee match (3% is in the proposed budget)
- The proposed 8% draw from investment accounts (4% over standard allowance) to balance a budget that includes improvements to the museum for the 2023 National Convention.
- Whether to absorb the 7.7% increase in health care premiums (the budget includes absorbing these costs and not passing on to the employees).

The factors supporting a draw of greater than 4% (4% = \$92,567) are:

- Expected revenue decrease: \$40,000
- Museum exhibit for National Convention: \$43,500
- Increase in Blue Cross Blue Shield medical premium: \$6,302
- Print costs for museum souvenir book: \$5,000
- Landscaping for National Convention: \$2,000
- Seven other miscellaneous expenses: \$4,913
- TOTAL: 101,894.99

The budget as presented *does not* include a line item for engaging GMS in grant application activities.

Discussion – 401K plan for FY 2023-2024

Three employees are participating in the 401K plan, of which two are eligible for the 3% match. The cost would be \$2500 for FY 2023-2024. Unless the Board disagrees with this number, the 401K match can be approved as a part of the entire budget.

Discussion – 7.7% Blue Cross Blue Shield medical insurance increase

The Board was in general agreement that this increase should be absorbed in the coming FY.

**ITEM****SUBJECT****LEAD****9 FY 2023-2024 Budget Proposal (continued)**

ED McEvoy

Discussion – 8% Draw from investment accounts

## Considerations:

- This is a warning sign and is not sustainable.
- Can less than 8% be taken and trim the budget elsewhere?
- The \$60,000 we may possibly generate from museum non-accessioned assets would not be enough to offset the deficit resulting with just a 4% draw in the current budget; but perhaps we could hold the draw to less than 8%.
- The amount of allowable draw while maintaining investment principal may be more than 4%.
- We did not take a draw from investment accounts in FY 2021-2022 or FY 2022-2023.
- We did not take any of the 8% draw we allowed for FY 2022-2023.
- The \$43,500 museum upgrade for the 2023 National Convention does create value for the future as the museum presentation is currently dysfunctional.

Discussion – Engaging GMS in grant applications

## Considerations:

- The price to engage GMS is \$5,000 per month, \$60,000 for one year, and the process could require an extension of the contract beyond a year.
- GMS is the best in the business for lobbying and for grant writing for both the RACP and the LSA grant and could pursue others. There is a higher probability of success with engagement of GMS.
- We could consider the sale of \$60,000 worth of non-accessioned museum assets plus an 8% draw to implement all budget line items plus engaging GMS.
- NuWave is another agency we could consider – they have grant writing experience but not specific experience with RACP as GMS does. However, their quoted fee is only \$10,000.
- The LSA grant applications start in March, which is what pushes us to make a decision with this FY 2023-2024 budget.

Chair Lucke summarized the choice before us: either (1) approve the FY 2023-2024 budget as is with the 8% draw and not engaging GMS, or (2) delaying the budget approval until the March Board meeting giving headquarters and the Board members time to further consider their options and best path forward. The Board determined to delay the budget until the March Board meeting. ED McEvoy and the Finance Committee were asked to revise the budget to include the additional artifact sale (\$60,000), add funding for GMS, and reduce draw to the maximum necessary to balance the budget.

**10a LUNCH**

Chair Lucke adjourned the morning portion of the meeting at 11:55 am. Meeting will reconvene after lunch.



ITEM	SUBJECT	LEAD
10b	<b>Reconvene</b> Chair Lucke reconvened the meeting at 12:55 pm EST.	Chair Lucke
11	<b>Lancaster National Convention Update</b> The following metrics were reported to date: <ul style="list-style-type: none"> <li>• 254 Registrations/18 Early Birds</li> <li>• 251 Tables</li> <li>• 49 Banquets</li> <li>• Total revenue is just under \$40,000; approved budget expense is \$84,000.</li> <li>• 63% of Room Block is filled.</li> <li>• Great lectures ae planned, as well as workshops and a roadshow.</li> <li>• We lack an onsite Registration Chair. Director Dutton offered to work on putting a team together. Russ Youngs, Otto Argadine, and Tina Manley and Marlo Davis from headquarters can help.</li> <li>• As noted previously in Item 7, Breitling will be our primary corporate sponsor.</li> </ul>	Director Baker ED McEvoy
12	<b>2023 Symposium Update</b> <ul style="list-style-type: none"> <li>• Schedule of Events – As previously reported, Sunday afternoon, July 16, will be at the Hamilton Club with speakers and dinner. On Monday, July 17, Bob Frishman will speak about the James Arthur collection and Tower Clocks will be addressed by Scobie Youngs. There will be workshops on a James Arthur clock and early Lancaster carriage clocks.</li> <li>• Speakers / Presenters – Four speakers for Sunday: Carlene Stephens, Michael Schwartz, Jim Zimmerman, and Bruce Forman-Rittenhouse.</li> <li>• Sponsorships – None are secured yet, but we are working with Hamilton, Bonhams, and Discover Lancaster.</li> <li>• Collections: Hamilton Electrics and Breitling</li> <li>• Price - \$195 at which we will break even with 60 attendees.</li> </ul>	ED McEvoy Director Gorton

ITEM	SUBJECT	LEAD
13	<p><b>Executive Director Updates</b> App-Tech progress:</p> <ul style="list-style-type: none"> <li>• Completed mapping of network and identifying the access details for all but one unit.</li> <li>• Next will be migration of data from the School of Horology to the Main Server rack.</li> <li>• Closing two internet accounts (we have 2 copper accounts and one fiber account with Comcast. We can close the two copper accounts).</li> <li>• Reducing the number of rented telephone lines.</li> <li>• Decommissioning School Server (will free up a classroom).</li> <li>• Installing new back-up drive (cut links with Barracuda which will save \$5000/yr).</li> <li>• Connecting backup to the cloud storage with appropriate security (will free us from Knownhost which costs \$115 per month).</li> <li>• Alex Simpkins is working with App-Tech; this is as much about his education as about upgrading the system.</li> </ul>	ED McEvoy
14	<b>Next Meeting (by ZOOM): March 28</b>	Chair Lucke
15	<p><b>Call for any other Business</b></p> <p><b>MOTION by Treasurer Dutton:</b> That the Board support the 7.7% increase in health insurance cost for FY 2023-2024.</p> <p><b>SECOND by Vice Chair Newman</b></p> <p><b>MOTION PASSED BY UNANIMOUS CONSENT</b></p>	Chair Lucke
16	<p><b>Adjournment of the Regular Meeting</b> The Regular Meeting was adjourned by Chair Lucke at 1:35 pm EST.</p>	Chair Lucke
17	<b>Solicit feedback from the audience.</b>	Chair Lucke
18	<p><b>ANNOUNCEMENT by Chair Lucke:</b> The Board will move to Executive Session after a short break.</p>	Chair Lucke

Please send all comments and questions to NAWCC BOD Secretary Sherry Kitts at [sacutts@comcast.net](mailto:sacutts@comcast.net)