

**Report of the Executive Director
National Chimney Sweep Guild
Board of Directors Meeting – July 2007**

Much of our upcoming board meeting will focus on the proposed budget and its implications. As previously reported, this budget represents a positive cash flow budget, but an accounting shortfall (meaning, after depreciation and other non-cash adjustments). The finance committee would obviously prefer to have a surplus budget regardless of the methodology, but unique challenges to NCSG make that impractical for the coming year.

The most significant challenge to the proposed budget is the lower revenues anticipated from a western convention. The proposed budget reflects roughly \$55,000 less in revenue than we realized from this year's convention. The Finance Committee is discussing changes in future budgets and recommended policies to better accommodate these types of fluctuations from conventions in various geographies. Specifically, we would recommend that in future “flush” convention years, NCSG ought to budget a surplus for the convention that can carry over into future years to offset shortfalls associated with the Guild moving the convention around the country.

In a related discussion, the Convention Site Selection Committee is recommending that the board not renew its formal convention rotation once the current cycle ends in 2010. While the committee recognizes that it will need to be sensitive to not bringing the convention into the same regions year after year, they would like the flexibility to consider a national search each year in order to better react to financial and other meeting related climates across the country from year to year without being tied down to a specific area of the country merely because of an established rotation.

Staff would like to hear from the board regarding ideas for strong programming at next year's convention in Reno. Directors are encouraged to seek input from members of your regions relative to potential content that would entice them to make the trip next Spring. That programming will need to be pulled together in August.

The proposed budget is not allowing us the opportunity to hire an additional staff person to assist the Technical Advisory Council. However, there are other changes being made relative to those procedures and programs to help us make some headway this next year in the area of that member benefit. To that end, following is an initial analysis that Royal and I have completed:

Current Challenges:

- Technical inquiry phone/email volume is higher than a single point of contact is able to process in a timely manner;
- Calls forwarded/directed to members of TAC (Technical Advisory Council) are not processed in a timely manner, primarily due to TAC member unavailability;
- Roughly 40% of Royal's inquiries are still coming from homeowners;
- The majority of technical content for *Sweeping* is falling on Royal's shoulders, and he is routinely doing this work in the evenings and on weekends;

- While well-intentioned, members of TAC are not currently incented to assist in efficiently providing this member benefit;

Assumptions:

- Technical assistance continues to be among the top benefits of membership according to NCSG's annual surveys;
- Our #1 priority in terms of technical assistance must be NCSG member sweeps (Royal is already effectively filtering out inquiries from non-NCSG member sweeps);
- While Royal does not provide specific technical advise to homeowners, there is PR value to NCSG and CSIA, as well as direct member value (estimated at \$250k+ this past year), relative to assisting homeowners. Some of our members do refer homeowners to Royal as an unbiased 3rd party to add credibility to their own recommendations. This effort should be continued on some level;
- Generally speaking, members of TAC do respond to email requests;

Initial Recommended Solutions:

- Royal's name and contact information has been removed from csia.org;
- Royal's contact information on ncs.org is now only available via the members-only section of the website;
- Royal and Melissa will work together to aggressively update and maintain the Q&A section on the csia.org site (for homeowners) and ncs.org site (for sweeps). The sooner this is done, the sooner the staff and others will have a reliable and effective place to refer people to instead of contacting Royal;
- Staff will begin forwarding all homeowner and sweep technical inquiry emails to the appropriate "specialist" on TAC instead of forwarding everything to Royal (Melissa will recreate an "Ask the Experts" type of section on the websites to facilitate this); TAC members will "bc" Royal on all responses (which can go toward continuing to build a full Q&A site);
- Offer a discount on NCSG membership to members of TAC provided that those individuals maintain a set of minimum expectations to include:
 - >> Respond to email inquiries within 48 hours;
 - >> Actively participate in reviewing technical articles submitted for *Sweeping*;
 - >> Submit a minimum number of technical articles per year for *Sweeping*;
- Offer a \$50 discount on NCSG membership for technical articles that end up being published in *Sweeping* (this would be announced to the entire membership to encourage more submissions ... which will create workload for TAC in terms of their responsibility for reviewing all submissions for technical accuracy);
- Royal will need to assess each of the current members of TAC to ensure they are able and willing to meet the new minimum expectations;

Since our last board meeting, the new NCSG website has launched. We are receiving very positive comments about the new look and functionality. Web traffic to the site is still moving in a positive direction. With well over 150,000 visits to date in 2007, ncs.org is 22% ahead of last year's record-setting pace. A priority for this next fiscal

year is to further explore opportunities to get NCSG members more engaged with the members-only site. There are still far too many members we talk to who are unaware that the members-only section of the website exists, let alone how to get to it and take advantage of the multitude of benefits that reside within the site.

I have shared the following in my report to the CSIA Board of Directors, but it is appropriate to express it with you as well. I would like the board to consider further opportunities to separate the governance/oversight between NCSG and CSIA. In light of the work the CSIA Governance Task Force will be undertaking this next year, I believe there can be value in identifying additional areas where separation ought to occur, not the least of which could include attracting future members of the board. The recent budget process caused me to think about the amount of information that is shared between boards. Is there a reason that the CSIA board reviews and comments on the NCSG proposed budget and monthly financial statements; or that NCSG directors are expected to wade through comments about CSIA proposed budget items and programs before they are able to focus on their NCSG fiduciary responsibilities? Similar comments could probably be made about the board lists and other modes of information sharing. An NCSG director should have the ability to discuss NCSG without the immediate and ongoing distraction of another organization's activities. I realize to a large extent that this is history and habit, but as we work through the priority of improving our governance structure, this is an example of an opportunity to consider what is best for the organization moving forward.

Seeking continuous improvement is the responsibility of any organization, so I hope you will take my comments above in the spirit they are intended...to promote healthy discussion about the future direction of NCSG governance. I look forward to seeing you in the coming days. Safe travels.

Respectfully submitted,

Mark McSweeney
Executive Director