

Reports and other Materials for Board Meeting of the MetroWest Chess Club To be held 09-19-02

Revised 7/1/2007

In the days leading up to the meeting, this file will most likely be updated with the latest information available.

Check back daily to see if any material has been added or modified.

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I. Incorporation Status – Mark Kaprielian

In late 2000 and early 2001 an effort was made to begin to get our incorporation status straightened out as it was realized that we were no longer in good standing with the state. Due to the fact that we changed the name of the club, it was decided that it would be much more straightforward to start from scratch rather than attempt to re-activate our former status and then go through the official change procedures to get our information up to date. John Chamberlain did the bulk of the initial investigation and created a draft Articles based on the then recently updated Charter. Harvey Reed then updated the draft and Mark Kaprielian then sent it for a preliminary review by his personal law firm, Sherin and Lodgen. After a free, preliminary examination, the lawyers made various comments on the draft and a new draft, with several still unresolved wording issues was returned for a formal evaluation. We are still awaiting their evaluation. Once the document is finalized with the lawyers it will be put before the board for adoption and signatures. The law firm will handle all the filing and processing of the applying for incorporation with the state and our subsequent filing for tax exemption with the federal government. Will a quoted price for these services has not been obtained; a figure of about \$500 of affordability by us was verbally transmitted to the lawyer at the start of the process.

II. Membership Status – Mark Kaprielian

The total number of paid members in the club drifts between 90 and 110, usually settling around 96. This has been the range for approximately the last two years as well. Just prior to that, in the 1998 and 1999 time frame when our average attendance was 55 players, the range was about 80 to 95, settling mostly at 86 players.

A casual observation of the average rating of the club shows that it has decreased about a hundred points from the 1550 or so in 1995 to the present 1440. This makes a great deal of sense for the following reasons:

1. Demographics of players in Massachusetts and New England show the following:
2. We have a steady stream of approximately 2 new to USCF players each month joining the club and playing their first rated games. Even if they prove to be strong players, which typically they don't, it takes typically 3 rating supplements before their ratings will show as close to the club average.
3. Our retention rate of players in the lower sections

The re-introduction of a regular Study Group appears to have a strong effect of retaining lower rated players attending the club. When the Study Group was first introduced several years ago, it attracted a faithful following and elicited many favorable responses. The Study Group then fell upon hard times in terms of available instructors and materials and stopped meeting for well over a year. During this time we had, as usual, many new to rated chess join the club. Many of those who joined the club during that period made inquiries as to where they could get lessons. Unfortunately we had few answers that would work for them. Many of these players left after about three months of play. Three months is the time period that our introductory membership rates program is designed to induce people to play. Since the reintroduction of the Study Group, the loss of new players is much less obvious. This combined with going over games with their opponents and stronger players offering advice has done much to foster the atmosphere of learning at the club. I strongly urge that the club take measures to ensure that the Study Group becomes a reliable program that can endure rises and falls in staffing.

III. Program Director's report – Neil Cousin

For a summary of our attendance, I refer you to the attendance graphs maintained by Mark K. on the web site and provided here as a handout. As of this meeting, our average attendance is 68 players. Last year our average was 61.

We entered this year with three sections being the norm and it seems to be working well. Attendance is generally well divided among the three sections.

Late last year we introduced a scheme of varying the section breaks from month to month and making the breaks not always on a 100 point multiple. This was to done so that people wouldn't get stuck in a section due to hitting their rating floor.

We've kept our tradition of keeping all but the Open sections prizes modest so as to encourage play for its own sake and not for prizes. We have not heard many opinions on the sections and prizes during registration. It is my opinion that 90+% of the people come to the club to play, not for the potential to win a lot of money and we provide them with a game and, since we have such a large pool of players that they won't be playing the same people month after month the experience remains fresh. In this regard I think we've struck the right balance.

We are now adjusting the two big events to allow the following event to start on the first of the month, thereby eliminating our "filler" events. This adds a regular event in May but doesn't do much for our November event, as Christmas and New Year's day tend to disallow us to run a four-night event. Our "filler" event or events in December are never well attended. Because of the holidays, people seem to want to take a few weeks off. G/10 seems to be popular since a number of games get played all in one night and lets the other Tuesdays remain free.

Barring any new considerations arising from this meeting, it is my intent to continue on the current course as it appears to be serving us well.

IV. Study Group program – John Chamberlain

A. Attendance

Currently attendees average about 10 a night. Usually 2 or three people show up at the beginning (6:30-6:45) and additional people slowly filter in until there are around 10 or more by 7:20.

B. Presenters

I, John Chamberlain, have been presenting consistently every Tuesday night.

This year we have had two guest presenters, Joe Kelly and Frank Sisto.

C. Topics and Materials

In the case of the guest presenters they prepared fixed subjects to lecture on. For example, Frank Sisto lectured on piece development and Joe Kelly on Bishops versus Knights.

In my lectures I vary the subject but typically cover at least two or three different strategic concepts in each one. Sometimes I give examples from games that I have played. Recently I have been forcing people to fork over their score books and going over games from therein as part of the lecture.

As an example of my style a typical recent session has included:

- move by move discussion of an audience member's game, and from this the following:
- when kicking a pinning bishop is a mistake and why
- using pawn levers and avoiding locking a game up with static pawn blocks
- theme: maintaining tension (do not automatically make exchanges)

We have solicited game submissions at the club level but so far this year only one game has been submitted. People generally do not submit their game scores unless forced.

D. Future Plans

Mark has suggested preparing a curriculum that could be used either by me or by someone else. I have been doing this by writing a book based in part on my lectures. The book will have portions that are organized in such a way that they could be presented directly in a lecture.

Hopefully we can get an LCD projector to use in presenting the lectures (see next agenda item). This would improve the lectures a lot.

V. TD Status – Mark Kaprielian

The clubs practice of involving all TDs present any night during the event in the opening and closing of the club has proven to be very effective. In earlier years, specific responsibilities and ownership of the event as chief TD had suffered from the inevitable scheduling difficulties and the common happenstance of those on duty needing to take byes or arrive late / leave early. The system in use has been very effective and the more TDs present, the less the strain on each. With this system, the critical factor to ensure continued smooth operation is having a sufficient number of TDs who are playing in the event. Of course, if TDs show up but don't play, that is effective too but not very common.

Our experience shows that four active TDs sharing duties during the course of an event is a very workable number. For events where there are only three TDs playing, the workload and stress can increase significantly. Two TDs are necessary to assure the round gets started on time and two TDs are necessary at the end of the evening to efficiently get the club closed, backups and print outs made for event safety and to ensure that there is always a TD present to arbitrate should a TD who is still playing find themselves in a dispute. Having only three TDs present requires a firm commitment by those TDs to ensure coverage and generally result in at least two of them being present both at the start and end of the evening. The club's history up to the point where we had a pool sharing duties around 1997 was that time after time, having two TDs bearing the majority of responsibility led to the loss of those TDs from club play and in most cases from chess altogether. Three TDs has much of the feel of two TDs and should be avoided if at all possible.

We have also found that five TDs is the recommended minimum number for the first round of each event. It is possible to have non-TDs assist to a great degree on round 1 nights and from time to time we have had to enlist such assistance due to the shortage of TD staff on round 1.

During the recent summer months, the pool of Active TDs dipped below our established safety number of four active and playing TDs. Fortunately, two new players stepped up to become club TDs, John Bottini and Joe Kelly. Both have completed training in the club's TD processes and are now serving as fully capable TDs for the club. We are losing the valuable services of Alan Hodge who is moving out of state.

Our current roster of TDs who can serve in any TD roles at the club are:

1. Gatumba Abu
2. John Bottini
3. Neil Cousin
4. Mark Kaprielian
5. Joe Kelly
6. Severine Wamala

The club should continue to encourage players to become TDs. Having a large active pool of TDs raises the probabilities of having the requisite number present on any given night. It should be noted for those reading this report who are not currently TDs, that to become a club level TD is not particularly difficult. It requires that you read and understand the rules and are willing to attest that you have done so. The club will train you in the process we use to run events. The club will also give you free entry for events where you make yourself fully available to TD. Becoming an MCC TD helps ensure that you and all your fellow members will have a night of rated chess every week.

VI. LCD Projector proposal – John Chamberlain

I propose that the club buy an LCD Projector. This would have a lot of utility for the study group and for other activities.

A. Study Group Improvements

- faster presentation time
- more variations and possibilities can be shown
- immediate Fritz calculation of tactics
- ability to pre-load annotated games, allowing lectures to be automated and include graphical notations like arrows

B. Other Uses

- Can be used for slide shows such as photos from recent events
- Can be used for presentations to potential donors or at publicity events
- Bolsters our claim to be an educational organization

C. Model Options

I recommend buying a projector from eBay rather than a new one since a good new one will cost at least \$3-4,000. I have brought along several examples of current pricing. Summary:

Infocus LP730	400 lumens	currently at \$355 with one day to go
Infocus LP570	300 lumens	currently at \$125 with one day to go (this is a heavy, old projector)
Infocus LP290	1100 lumens	sold for \$1350
Infocus LP420	500 lumens	sold for \$700

In general I would suggest something like the LP420 listed above. This was a standard business class projector a couple of years ago and has the power and functionality we need without being too clunky.

If the proposal is accepted my recommendation is that I be authorized to buy a model up to a certain price limit and I will then coordinate with Mark or the treasurer to send an MCC check to the seller.

VII. Financial Status – Mark Kaprielian

Our “donations” to the Natick Senior Center, which is in effect our rent, continues to be a mutually beneficial arrangement. Our agreement has been that we would contribute approximately \$1,000 a year to the center provided that the club was “healthy”. To make management of the agreement simpler, we have been allocating \$100 a month, which the center greatly appreciates. To date, we have made the following donations to the center.

06-19-05	\$ 150.00	150.00	VCR
12-02-98	\$ 2,166.71	2,316.71	13 Mity-Lite tables
03-08-01	\$ 1,789.75	4,106.46	12 Mity-Lite tables
07-11-01	\$ 707.94	4,814.40	Closet creation

As of this date, the center has approximately \$1,200 of unused funds from the club. In addition, the MCC has accumulated funds from Maca over several years totaling about \$500. This makes the total amount of dollars in reserve from the MCC \$1,700.

By virtue of our Bylaws, the club is obligated to return between 50 and 60% of entry fees as prizes. For the last several years we have been meeting this requirement not by a tournament-by-tournament basis but by a yearly aggregate. This has allowed us to run some events as “loss-leaders”, namely the two big money events we hold each year. The table below shows what we have been returning as prizes for the last several years.

1997	63%
1998	59%
1999	75%
2000	69%
2001	73%
2002	58%

As the club was growing over this period of time, the number of sections and the prizes in each, most notably the Open section was also increased. Given the favorable rent conditions, an aggressive growth strategy was adopted and the percentage of entry fees returned was kept higher than required. With yet another increase in attendance from 2000 being sustained through 2001 and 2002, and a modest reduction and redistribution of the prizes in our two big events, the percentage returned number has dropped back into the target range.

I have mentioned several times that we have a favorable rental situation. When the club left its original location after 15 years in 1995, the rent was \$75 a night with an announced increase to \$100 to occur soon. The club treasury had typically been at a level of \$2,000 for a number of years but was drained by the \$75 a night fee and drop off in attendance. At the April 9th board meeting of 1995, the treasurer reported we had approximately \$400 remaining in the treasury. In 1995 a rental fee of \$45 an hour was found for a location that would be able to support 40 players. If we assume only 5 hours needed for rental then the weekly rent would have been \$225.

The budgeting strategy that I have had in place since late 1996 when the club started to experience growth in our new and current location of the Natick Senior Center has been to create a steady increase in our cash reserves to provide for the possible scenario that we may have to one day move from our location and have to pay rent on a less favorable set of terms than what we had at the original site of the club. The target goal was to afford the rent of \$1,200 a year while at the same time saving approximately \$2,000 a year. As membership increase, it could be considered that more of the rent is supported by memberships allowing for increase in tournament expenses. This approach has been working fairly well for some time and the club has been saving approximately the amount targeted. Occasional unplanned expenses such as new computers would set back the figure some but not significantly.

From 1997 through 2000, the average amount of nightly rent we could afford to pay, to have a **balanced budget**, if we were not located at the Natick Senior Center **was about \$50**. It is only this last year, 2002 that the amount of rent we could afford has moved significantly. We could now afford \$104 in a balanced budget scenario, if we **maintained attendance, and had the capacity for the same attendance** at a new location.

If a move to a new location caused us to not have the same attendance, our Open section prize structure and entire income flow would need to be significantly reduced.

Below is a table showing how much money would be needed for various nightly rental fees that might be charged:

Rent	Yearly Total	
\$ 100	\$ 5,200	
\$ 200	\$ 10,400	This is close to the 1995 rental rate found.
\$ 300	\$ 15,600	
\$ 400	\$ 20,800	
\$ 500	\$ 26,000	
\$ 600	\$ 31,200	

I highlight the \$200 in the table above because it represents the last known rental information available. It shows that we would spend approximately \$10,400 in rent. This is how much the club would have to earn after all other expenses in order to pay the rent. As mentioned earlier, with our programs designed as they are and with our current attendance, our budget shows that we can only support a rent of \$104 a night if we maintain a balanced budget. If we could indeed find a facility that could accommodate us and only had to pay \$200 a night, we would need to use \$5,000 a year from savings to maintain the club in its current mode of operation.

Here is our current financial situation:

As of September 18, 2002		Committed Funds
Bank Balance	\$ 13,737	
September Prizes		\$ 490
Monies "owed" to Senior Center		\$ 1,700
Usable Funds	11,547	

Conclusions:

In the six years that the budgetary plan/approach has been in place, we are essentially on target with saving \$2,000 a year. It should be noted that it has not been a steady rate. We accumulated less at first and made up for it in the last few years.

While it appears that the club is flush with money, two important factors must be considered.

- None of these numbers includes Insurance, which up till now we have not been required to have. All projected numbers on sustainability of the club will need to be adjusted by this new recurring cost.
- If we had to relocate and could manage to find a facility that could accommodate us and only charge us \$200 a night, we would burn up all our cash in just under two years. **If rent were closer to \$400 we would have only one year of life left in the club.**