

Notts News

Newsletter of the Nottinghamshire Chess Association

2006–07 No. 3 13 September 2006

<http://www.nottschess.org/> nottsnews@nottschess.org

Copyright © Nottinghamshire Chess Association 2006

Membership Scheme

This issue of *Notts News* deals with just one topic: the proposed NCA Membership Scheme to be discussed at the General Meeting on 19 September.

In the pages that follow, you will find a summary of the scheme as well as a more detailed description of the scheme, both prepared by the NCA Treasurer, Robert Richmond. If you wish to make your views about the scheme known, or if there are questions about the scheme that you wish to have clarified, you should attend the meeting.

The proposed scheme has significant implications for all NCA clubs. Please send a representative from your club if you possibly can – if you don't you may have to live with the consequences of other clubs' decisions!

General Meeting

The General Meeting of the NCA to discuss the Membership Scheme takes place on Tuesday 19 September at 7:30 p.m. at Gambit CC.

NOTTINGHAMSHIRE CHESS ASSOCIATION MEMBERSHIP SCHEME

SUMMARY

1. Club Fees would be unchanged - £57 for Div 1-4, £50 for Div 5. This would entitle a club to number of boards + 1 “free” ECF members. So a Div 1-4 team of 5 boards would be entitled to 6 ECF members.
2. An ECF member will be entitled to play in the British Championship and FIDE rated events (4NCL), is exempt from Game Fee and entitled to reduced entry fees for congresses and to receive ChessMoves (ECF bi-monthly newsletter) by e-mail
3. NCA will use its “Best Endeavours” to ensure a high a level of ECF membership as possible. ECF membership will be required to play 4NCL and the British championships. There will be reduced entry fees for NCA events and out-County congresses. Players in the County Championship and for the County teams will be expected to become ECF members.
4. There will be an application form to complete in year 1, but thereafter renewals should be a largely electronic process. The form will also include a separate application form to become a member of NCA, as a means of systematically collecting e-mail addresses. The deadline for the return of forms to ECF to claim the full prompt payment discount is 31st October, so forms need to be returned by Saturday 21st October or delivered by hand at the County Championship on Oct 21/22. The application form will be downloadable from the website and paper copies will be available for distribution at the SGM.
5. NCA will pay more to ECF, but this will be offset by reduced payments to ECF by Notts players. This can be afforded without increasing fees because NCA has a structural surplus. At 90% take up income to ECF is unchanged, so ECF may question the viability of the Scheme if this level is not achieved by year 2.
6. The alternative to a membership scheme would be to reduce league fees.

NCA MEMBERSHIP SCHEME

1. Introduction

The AGM on July 11th approved the calling of a SGM in September to consider the introduction of a membership scheme, with possible implementation in September 2006.

The general advantages are:

- (a) NCA systematically collects all e-mail addresses, and can communicate better with the members.
- (b) The NCCU report increased entries to congresses as a result of the lower entry fees available to ECF members.
- (c) This would be fully acceptable as ECF membership to play 4NCL. (ECF membership will be required to play 4NCL commencing this season)
- (d) NCA pays 2.5% of Game Fee nationally, but only has 2% of the graded players (ie Notts players on average play more games). A move towards membership rather than Game Fee reduces the relative NCA share of the cost of the federation.
- (e) Were ECF to achieve charitable status under the Bill going through Parliament then membership would be more tax efficient than Game Fee.

The scheme proposed by the Executive is a little simpler than that floated at the AGM. League fees would be unchanged and each club would be entitled to the “number of Board +1” free ECF memberships.

2. NCA Scheme

The Proposed NCA Scheme is summarised as follows
:

1. Team fees to play in the league would be unchanged - £57 for Divisions 1-4 and £50 for Division 5.
2. Each club would be entitled a minimum number of “Free” ECF memberships on the basis of “Number of Boards + 1” players for each team in the league. So for a 5 board team the minimum requirement would be 6 members. Based on last years league size this formula would produce 243 ECF members, compared to 269 players with 1 or more graded game the previous season.
3. Additional ECF memberships could be purchased at £10 adults and £5 juniors.
4. NCA will pay ECF £9 for every adult and £4.50 for every Junior member (subject to meeting the October deadline). ECF members will not pay game in NCA or any other events
5. A residual amount of Game Fee will be payable by NCA for games played in the league by non-ECF members. (It is expected that all competitors in the County Championship and for the County teams will become ECF members, so no Game Fee will be payable on these events)

6. An application form giving address and e-mail address would need to be completed for the initial application, but not for subsequent renewals.

7. All bona fide members of clubs playing in the Notts league would be entitled to become individual members of NCA “free”, provided the club had paid its affiliation and league fees, on completion of the application form. Individual membership of NCA would not be required to play in the league.

3. Club Membership Policy

Clubs are of course free to determine their own arrangements with regard to ECF membership. There are at least three possibilities:

- (a) Pay the league fees from general club funds, and sign up as ECF members the most regular players in the league as ECF members. So Newark (the example raised at the AGM) with 2 teams and 19 members would sign up to the maximum permitted free of 12. This is the most likely arrangement for year 1.
- (b) Separately charge for ECF membership, as an add on to the club subscription. There would be a consequent reduction in the basic club subscription.
- (c) Require all members to become ECF members

4. ECF Membership

The benefits of membership are:

1. Exempt from Game Fee
2. Entitled to discounts at congresses offering reduced fee.
3. Eligible to play in the British Championship
4. Eligible to play in FIDE rated events, such as 4NCL
5. Entitled to receive ChessMoves by e-mail.

4.2 Who Should Become an ECF Member ?

Under the terms of the standard membership agreement NCA will use its “Best Endeavours” to ensure total ECF Membership. “Best Endeavours” means using all methods short of coercion.

1. 4NCL players must become ECF members
2. NCA members playing in the Notts Congress or Rapidplay, or similar events elsewhere will get a reduced entry fees
3. Players in the County Championship will get a reduced entry fee.
4. Clubs playing in neighbouring leagues will be able to recover Game Fee paid on such leagues. (Or rather NCA will recover it, and refund it those clubs by deducting it from next years fees)
5. Players expecting to play in the British Championship will need to become ECF members
6. Players representing the County will be “expected” to become ECF members, since this is an ECF event (for which MCCU runs the regional qualifying stages).
7. Regular players in the league are “very strongly encouraged” to become ECF members.

4.3 Existing ECF Direct Members

Such members can remain as direct members or transfer to the NCA scheme as they so wish.

They will be asked to identify themselves as ECF members on the application form, and indicate whether they wish to transfer to the NCA scheme. NCA will pay the membership fee to ECF for renewals due on or before 31st March 2007. For renewals due from April 1st 2007 NCA will not pay a fee to ECF. In either case ECF membership will transfer to the NCA Scheme from the renewal date.

Where the renewal date is on or before March 31st 2007 such transfers will count towards the “Number of Boards + 1” total for each club. Where the renewal date on or after April 1st 2007 or they intend to remain as ECF Direct members they will not count towards that total.

This is subject to confirmation by ECF, and will require the passing of a resolution at the ECF AGM in October.

5. Out County Clubs - Long Eaton / Grantham

Game Fee on games played outside the County can be recovered by NCA. So for 2006/07 NCA can recover and refund Games Fee played by Long Eaton and Grantham in Derbys / Lincs leagues by ECF members. Similarly Game Fee can be recovered for any individual ECF members playing in Out-County leagues.

It is not expected that Derbyshire, Lincolnshire or the MCCU will set up a Scheme for September 2006. However they may do so in future years and Long Eaton or Grantham may naturally prefer to go with their home county. Alternatively, and perhaps more likely for 2007, the MCCU will set up a scheme, and NCA may consider joining such a scheme.

However were such scheme(s) to be set up Long Eaton and Grantham would be entitled to reduced fees from NCA equivalent to the ECF membership element in their league fees. I would expect the residual NCA fee to be no more than £2 per board, but lets cross that bridge when we get there.

6. Administration

6.1 Membership Form

A draft membership form is attached as appendix 1. This will be in two parts - the NCA application and separate ECF application, both parts requiring individual signature. The NCA part will ask for e-mail address and whether individuals wish to receive NottsNews.

6.2 Deadlines

The standard rate of ECF membership is £10 adult, with a 10% discount for the return of payment and completed membership forms by 31st October, and a 5% discount thereafter. The financial section below assumes we meet the 31st October deadline.

This is tight. **Completed forms will need to returned by post by Saturday October 21st or delivered by hand at the County Championship on October 21/22.**

However in future years is only new application forms that will be required by this date, so the rush will be less.

6.3 4NCL Team

The first 4NCL weekend is Sept 23/24, and ECF membership will be required. Players for that weekend and not already ECF members should do nothing. The County Association will deposit an amount with the federation to cover the cost of Direct Membership - Standard (£16) or Junior (£13). This is the worst cost case. If the NCA membership scheme is rejected this amount will be recovered at the weekend, and the appropriate ECF forms filled in. If the NCA membership scheme is approved the new NCA form will be provided and filled in at the 4NCL weekend. Payment will be through the club fees, and the excess paid to the federation will be treated as an advance on the main NCA payment due by October 31st.

6.4 Membership Cards and Numbers

Guidance is awaited from ECF. It is expected that membership cards will be distributed and that NCA will determine the membership number, within a range set by ECF.

6.5 Year 2 and beyond

For year 1 this will be a paper process. For year 2 and beyond it is expected that it will become a largely electronic process. Clubs will be provided with a spreadsheet of last years members and their details to update. Membership forms will only need to be filled in for new members and any omissions from the previous year.

7. Financial Implications

7.1 Impact on NCA Accounts

NCA will pay more to ECF. For an individual playing the full 14 games in a season for a Div1-4 team the Game Fee payable is $14 \times 45p = £6.30$. The ECF membership for that individual would be £9. This would be offset by reduced payments of Game Fee by NCA for County matches and the County Championship.

The Table below re-works the 2005/6 accounts as if a membership scheme had been in place. The result for 2005/6 was a surplus of £500. Two scenarios are shown – 100% membership based on the “number of Boards + 1” formula (243) and 80% of the above. At 100% NCA all but breaks-even. At 80% there is a comfortable surplus.

The 80% example is perhaps the more realistic for the following reasons:

- (a) There will be some players who will not want to be ECF members under any circumstances.
- (b) For some players it will be marginal, and if there is not a convenient opportunity at the start of the season they may well not bother.
- (c) There are 20+ existing ECF Direct Members. A proportion may wish to remain as Direct Members and not transfer to the NCA scheme.

	100% (243)	80% (194)
Income		
League and Affiliation fees	2,487	2,487
League Fines	80	80
Interest	100	100
Donation	<u>35</u>	<u>35</u>
	2,702	2,702
Expenditure		
ECF membership		
Adults 218 x £10 x 90%	1,962	174 x £10 x 90% 1,566
Junior 25 x £5 x 90%	112	20 x £5 x 90% 90
Residual League Game Fee	<u>23</u>	<u>155</u>
	2,107	1,811
MCCU	120	120
Congresses	85	85
County Matches	148	148
Blitz, C.Champ, Corr, H'Cap	54	54
League Sec	57	57
Website	62	62
Engraving, Yearbook, Best Game	<u>85</u>	<u>85</u>
	611	611
Total Expenditure	2,718	2,422
Surplus (deficit)	(16)	280

Notes:

MCCU reduced by £100 - No Game Fee

County Championship reduced by £50 – No game fee

Nothing assumed for 4NCL

No Junior Refund

No one-off purchase of clocks - £200

Residual League Game Fee Estimate

(a) 100% 26 players x 2 games x 45p

(b) 80% 26 players x 2 games x 45p = £23 Plus
49 players x 6 games x 45p = £132

7.2 How Typical are the 2005/6 Figures ?

The financial result for 2005/6 was a £500 surplus. The reasonableness of using this as a basis for comparison was discussed at the AGM. The following are reasons for expecting a better result in 2006/7:

- (a) Surplus money was transferred from the bank to building society late on in the financial year, and is not reflected in the interest earned. There should be more interest..
- (b) County Matches – The County did well, with three teams reaching the national stages. The balance of probability is that the previous year, with expenditure nearly £30 lower, is more typical.
- (c) Fines – Probably cautious. This includes league defaults and non-return of trophies in time for engraving before the AGM.

The biggest variable is, as always, the financial outcome of the congress. Plus points for a better result next year are we have fixed the dates earlier and entry forms will be out earlier. A membership scheme will make entry cheaper to ECF members – NCCU experience is that there is a measurable effect (I have my doubts). The congress lost money on catering and it should be possible to do better. Minus points are the addition of an insurance cost and there is a hidden donation from Tony in the figures.

7.3 Payments to ECF by NCA and Notts players

The table below compares like payments to ECF based on last years figures with payments under a membership scheme. NCA will pay more to ECF, but this is offset by reduced payments to ECF from Notts players from congress entries and transfers of existing ECF membership.

At about 80% take up (perhaps the most likely outcome for year 1) the total payments from NCA and Notts players reduces by nearly 8%. NCA itself pays more but there are more than offsetting savings to Notts players in Game Fee and ECF Direct Membership elsewhere.

At 100% take up ECF raises at extra 7%. The break-even point is around 90%. At this point income to ECF is unchanged and ECF membership from Notts has increased from 20 to around 220. If NCA fails to reach this level by year 2 ECF may question the viability of the scheme. .

	Game Fee £	Membership @ 100% (243) £	Membership @ 80% (194) £
NCA Membership Scheme	-	2,074	1,656
League Game Fee *	1,170	23	155
MCCU Game Fee	100	-	-
County Championship Game Fee	50	-	-
4NCL Game Fee	60	-	-
Notts Congress **	160	-	-
Notts Rapidplay **	100	-	-
ECF Direct Members transferring ***	320	-	-
	1,960	2,097	1,811

* After 2.5% prompt payment discount and refund for defaults

** Probably too low. The proper figure should be Game Fee paid by Notts players in congresses, not the Game Fee paid by the Notts congress given above.

*** Assumes 10 of the current 20 odd ECF Direct Members transfer and a further 10 who would need ECF membership to play 4NCL @£16.

8. The Alternative to a Membership Scheme

The alternative to adopting a membership scheme is to reduce league fees. It is my judgement that NCA is running a structural surplus, with the congress deficit now under control. It would be safe to approve a modest reduction in fees, particularly as NCA has a comfortable £6K in the bank.

ROBERT RICHMOND, NCA Treasurer , 31/8/2006

NOTTINGHAMSHIRE CHESS ASSOCIATION

I wish to become a member of Nottinghamshire Chess Association.

Name.....

Address.....

.....
.....

E-mail Address.....

I wish to receive NottsNews, the e-mail bulletin of the association Yes / No

Are you an existing ECF Direct Member ? Yes / No

If Yes to you wish to transfer your membership to the Notts CA scheme Yes / No

Please give: ECF Membership Number.....Date of Renewal.....

Signed.....Date.....

ENGLISH CHESS FEDERATION

APPLICATION FORM FOR MEMBERSHIP

To the Board of ENGLISH CHESS FEDERATION, The Watch Oak, Chain Lane,
Battle, East Sussex, TN 33 0YD

I [Full surname and forenames].....

Of [Address and Post Code].....

.....
.....

Email Address.....

Date of Birth (If under 18).....

Grading Reference Number (If known).....

I wish to become a member of English Chess Federation subject to the provisions of the Memorandum and Articles of Association of the Company and to the Bye Laws and Regulations. I agree to pay to the Company an amount of up to £1 if the Company is wound up while I am a member or for up to 12 months after I have left the company. I agree to pay the membership fee levied each year in accordance with the Company's Rules

Signed.....Date.....