



Committee for the Players

Rev 13 Jan 2015

This Committee

For the Players is a committee formed by concerned bridge players at OMBC. Its purpose is to align the OMBC with its Articles of Incorporation giving Players/Members the opportunity to vote to determine who sits on the Board.

Objective:

Transition OMBC to a member-based organization as called for by the Articles of Incorporation.

Bondholders Are Not Members

Some might consider bondholders to be members, but the certificates they own bear this statement:

This debenture note has been acquired by the registered holder strictly for investment.

Specifically, no membership is included in holding this debt, nor is any voting right. Repayment of this debt is an important corporate duty, but does not empower the holders to control the corporation

Game Proprietors Profits

Neighboring bridge clubs organized on a membership basis offer their players a better experience with lower fees. The business practices of neighboring clubs provide better financial results. OMBC provides game proprietors profits in excess of any payment to directors in our region.

The Club's operations are subsidized by the City with the goal of offering a great bridge experience to seniors. The Club's unusual compensation practices divert much of the game fees and the City's subsidies to the benefit of a few Game Proprietors. Game Proprietors sitting on the Board and voting on matters affecting their compensation is also a concern.

Proposal

Our Committee calls for the Board to expeditiously transition the Club to be "organized on a membership basis" as called for by the Articles of Incorporation.

If the Board fails to fulfill their responsibilities, the Committee calls for a Board election to give players the opportunity to elect all Board Members, who will be charged with the organization of a member-based Club.

The Committee further calls for a membership drive to be launched immediately, using membership requirements comparable to neighboring clubs, with a goal of holding an election of a member-elected Board in March, 2015.

OMBC Articles of Incorporation

ARTICLES OF INCORPORATION

OF

ORLANDO METROPOLITAN BRIDGE CENTER, INC.

ARTICLE I - NAME

The name of this corporation is ORLANDO METROPOLITAN BRIDGE CENTER, INC.

ARTICLE II - DURATION

This corporation shall exist perpetually, commencing on the date these Articles are filed with the Secretary of State.

ARTICLE III - PURPOSE

This corporation is organized under Chapter 617, Florida Statutes, as a corporation not-for-profit. This corporation has been organized for the specific purpose of promoting duplicate bridge in and around Orlando, Florida. To this end, the corporation shall have the power to own and lease any facilities at which duplicate bridge games or bridge instruction shall take place, to apply for and acquire a license from the American Contract Bridge League to operate as a licensed bridge club, and shall do all things incident to the carrying out of its aforesaid purposes.

Upon dissolution or liquidation of the corporation, all assets of the corporation shall be contributed to one or more organizations to further the purposes for which this corporation was formed.

ARTICLE IV - MEMBERSHIP

This corporation shall not be authorized to issue shares of capital stock, but it shall be organized on a membership basis. The qualification and manner of admission of members of the corporation shall be as set forth in the By-Laws of the corporation.

Article IV—Membership

“... but it shall be organized on a membership basis.”



Officers and Directors Liability

Florida Department of State

Division of Corporations - Florida Not for Profit Corporations Act

617.0834 Officers and directors of certain corporations and associations not for profit; immunity from civil liability.-

(1) An officer or director of a nonprofit organization recognized under s. 501(c)(3) or s. 501(c)(4) or s. 501(c)(6) of the Internal Revenue Code of 1986, as amended, or of an agricultural or a horticultural organization recognized under s. 501(c)(5), of the Internal Revenue Code of 1986, as amended, is not personally liable for monetary damages to any person for any statement, vote, decision, or failure to take an action, regarding organizational management or policy by an officer or director, unless:

(a) The officer or director breached or failed to perform his or her duties as an officer or director; and

(b) The officer's or director's breach of, or failure to perform, his or her duties constitutes:

1. A violation of the criminal law, unless the officer or director had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful. A judgment or other final adjudication against an officer or director in any criminal proceeding for violation of the criminal law estops that officer or director from contesting the fact that his or her breach, or failure to perform, constitutes a violation of the criminal law, but does not estop the officer or director from establishing that he or she had reasonable cause to believe that his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful;

2. A transaction from which the officer or director derived an improper personal benefit, directly or indirectly; or

3. Recklessness or an act or omission that was committed in bad faith or with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety, or property

(2) For the purposes of this section, the term:

(a) "Recklessness" means the acting, or omission to act, in conscious disregard of a risk:

1. Known, or so obvious that it should have been known, to the officer or director; and

2. Known to the officer or director, or so obvious that it should have been known, to be so great as to make it highly probable that harm would follow from such action or omission.

(b) "Director" means a person who serves as a director, trustee, or member of the governing board of an organization.

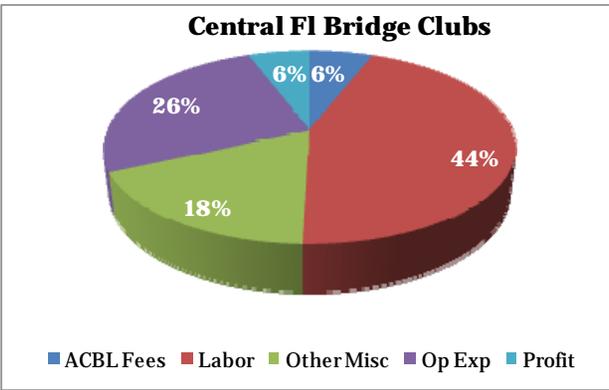
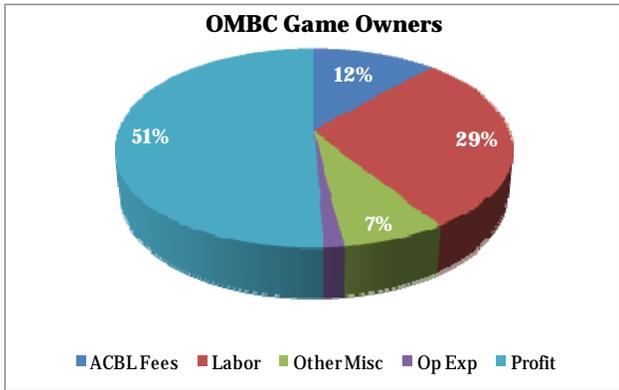
(c) "Officer" means a person who serves as an officer without compensation except reimbursement for actual expenses incurred or to be incurred.

History.-s. 54, ch. 90-179; s. 92, ch. 97-102; s. 33, ch. 2009-205.

Ref: http://form.sunbiz.org/pdf/617_NP_Booklet.pdf

Opinion: Remedies available include action brought by players against board for breach of fiduciary duty and for accounting recoupment. In essence, the board is now being placed on notice that this is supposed to be a membership based club and they must act accordingly

Business Model Comparison: Member Based vs. OMBC

Business Model		Member Based	OMBC Game Owners																								
Organizational Structure		Non Profit	Non Profit Framework Housing Franchise-like For Profit Entities																								
Use of Revenue (See Addendum A for details)		<p>Central FI Bridge Clubs</p>  <table border="1" style="margin: 0 auto; font-size: small;"> <caption>Central FI Bridge Clubs Revenue Breakdown</caption> <tr><th>Category</th><th>Percentage</th></tr> <tr><td>Labor</td><td>44%</td></tr> <tr><td>Other Misc</td><td>18%</td></tr> <tr><td>Op Exp</td><td>26%</td></tr> <tr><td>Profit</td><td>6%</td></tr> <tr><td>ACBL Fees</td><td>6%</td></tr> </table>	Category	Percentage	Labor	44%	Other Misc	18%	Op Exp	26%	Profit	6%	ACBL Fees	6%	<p>OMBC Game Owners</p>  <table border="1" style="margin: 0 auto; font-size: small;"> <caption>OMBC Game Owners Revenue Breakdown</caption> <tr><th>Category</th><th>Percentage</th></tr> <tr><td>ACBL Fees</td><td>51%</td></tr> <tr><td>Labor</td><td>29%</td></tr> <tr><td>Other Misc</td><td>7%</td></tr> <tr><td>Profit</td><td>12%</td></tr> <tr><td>Op Exp</td><td>1%</td></tr> </table>	Category	Percentage	ACBL Fees	51%	Labor	29%	Other Misc	7%	Profit	12%	Op Exp	1%
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Key Tenets	Board of Directors	Elected by Members	Elected by Bond Holders & Appointed by Game Owners																								
	Revenue	Benefits the Club and the Members	Under Board of Directors' Business Model revenue is siphoned from Non-Profit entity to For Profit Game Owner Entities with <u>No Benefits</u> to players or OMBC.																								
	Directors' Compensation	On a Per Session Basis & 1 Director for Concurrent sessions	On Per Table Basis per Section																								
	Average Profitability	6%	50%																								

Impact of Paying Directors Per Table vs. Per Session & Paying Multiple Directors

Snapshot	OMBC		VBBC	
12/15 - 12/19	Table	Directors	Table	Directors
	Count	Comp. \$	Count	Comp. \$
12/15/2015AM			5	\$85
Open	17	\$334	30	
Limited	19	\$373	14	\$100
12/16/2015AM Open			10	
AM Lmt			8	\$100
Open	10	\$199	17	
Limited	7	\$142	10	\$100
Eve	15	\$296		
12/17/2015Open	14.5	\$286	23.5	
Limited	14	\$276	14.5	\$100
Eve	4.5	\$93		
12/18/2015Open	13.5	\$266	21	
Limited	4.5	\$93	8	\$100
Total	119	\$2,358	161	\$585
Comp \$/Table	\$19.82		\$3.63	

OMBC Pays Directors on a Per Table Basis & Pays Multiple Directors for Concurrent Sessions Resulting in Much Higher Directors' Compensation

A Snapshot of Dec. 15 –19,2014 shows that OMBC paid their directors over 5 times more than Vero Beach Bridge Club paid their directors on a per table basis

15-Jan-15

OMBC Pales in Comparison with Neighboring Clubs

	OMBC	Daytona Beach	DeLand Bridge	LCDBC	VBBC
Elect Board	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Transparency of Board's actions and publish minutes	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Transparency of club's finances	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Reduced game fees	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Reduced STaC fees	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Combined table count	<input type="radio"/>	<input checked="" type="radio"/>	N/A	N/A	<input checked="" type="radio"/>
Free classes	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Frequent free parties	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Participate in Common Game	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Participate in Unit STaC	<input checked="" type="radio"/>				
Participate in D9 STaC	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Support Local charities	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Disciplinary Committee	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
Appeals Process	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>

Addendum A

Central Florida Bridge Clubs Use of Revenue

	Lake County DBC	Deland Bridge Club	Daytona DBC	Total	%
ACBL Fees	5,199	2,699	5,435	13,334	6%
Labor	32,588	27,330	39,084	99,002	44%
Other Misc	6,549	5,897	27,355	39,801	69%
Op Exp	17,739	17,125	22,974	57,838	26%
Profit	5139	7173.56	564.94	12,878	6%

Please Note: Vero Beach BC was excluded from this comparison due to their extensive Sectional revenue which distorts the ratios.

OMBC Game Use of Revenue Per Table

		%
ACBL Fees*	\$.85	12%
OMBC Rent**	\$2.00	29%
Food & Supplies***	\$.60	8%
Profit	\$3.55	<u>51%</u>

* Based of a 12 table section

** Excludes first free table

*** Estimate