

CPDE COMPENDIUM

Officers and Board Members

2011

Past President
Kent Jayne

President
Thomas Roney

Vice President
Rick Gaskins

Secretary
Michael J. O'Hara

Treasurer
Kevin Kirkendall

2012

Past President
Thomas Roney

President
Rick Gaskins

Vice President
William Brandt

Secretary
Michael J. O'Hara

Treasurer
Kevin Kirkendall

CPDE Compendium

Editor
Bob Male

Editor
Michael J. O'Hara

Production Editor
Nancy Male

Announcement!

CPDE 2013 Conference and Business Meeting



March 22-23, 2013

**The Orleans Hotel and Casino
Las Vegas, Nevada**

In this issue

2012 Annual Conference Review

Business Meeting Minutes, March 17, 2012

Board Meeting Minutes, 2012

President's Column

Conference Information for 2013 - Topic List

By-Laws amended March 17, 2012

Review of CPDE's 2012 ANNUAL CONFERENCE

**The Orleans Hotel and Casino
Las Vegas, NV
March 16-17, 2012**

Thursday, March 15

Pre-Conference Social Gathering:

We have a tradition of gathering at Brendan's Irish Pub for a no host "warm-up" social at 6:30p with everyone that is in town and wishes to meet and greet others.

Friday, March 16

Session 1:

Valuing IP/patents
Presenter: Jeremiah Grant.

Methods Used to Gross-Up or Tax-Adjust Awards in Employment Cases
Presenters: Thomas Roney and Rick Gaskins.

Session 2:

Subject and content development for the Resources side of the "Pecuniary Damages" website
Presenters: Michael J. O'Hara and Bob Male.

Session 3:

Publishing in Professional Journals
Presenters: Cloie Johnson and Bob Male.

Progress report for TEA and the journal side of the "Pecuniary Damages" website
Presenters: Michael J. O'Hara and Bob Male.

Session 4:

What ATUS never told you
Presenters: William Landsea and Kent Jayne.

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Finding Simple Proxies for the Real Growth in Household Services Costs

Presenter: Thor Bruce.

Social Debriefing

Past President's Suite

Members met for snacks and drinks to discuss the events of the day, plans for the evening and the next day.

Saturday, March 17, 2012

Session 5:

Consideration of Inflation Risk and Market Risk in Deriving a Discount Rate for Income Loss and Life Care Claims

Presenter: William Brandt.

Bond Yield Curves in Discounting

Presenter: Rick Gaskins.

PV/Discounting in Strange Times: The Long Term Problem

Presenters: William Brandt and Rick Gaskins.

Annual Business Meeting: President Tom Roney presiding

This meeting was conducted in accordance with the CPDE Bylaws.

Session 6:

The Effect of Disability on Earning Capacity & Worklife Expectancy

Panel: George Barrett, Kent Jayne, William Landsea, Bob Male.

Session 7:

Practice Issues.

Presenters/Panel members: Gregson Parker, Kevin Kirkendall, Rick Gaskins, Thomas Roney.

1. Gregson Parker -- Reporting: Contents and Presentation.
2. Kevin Kirkendall -- Difficult Cases and How Handled.
3. Rick Gaskins -- Improving EXCEL Skills and Report.
4. Thomas Roney -- Practice Development Challenges and Opportunities.

Social Debriefing

Past President's Suite

Members met for snacks and drinks to discuss the events of the day, plans for the evening and the next Annual Conference.

Follow-up and Comments:

All of the feedback and comments related to the 2012 Conference were very positive and characterized the event as very rewarding and worthwhile. Everyone looks forward to the 2013 Conference being another "must attend" opportunity.

MINUTES

2012 Annual Business Meeting Collegium of Pecuniary Damages Experts (CPDE) Saturday, March 17, 2012 Orleans Hotel, Las Vegas, NV Draft (Subject to approval at 2013 Business Meeting)

At 11:11 AM CPDE President Tom Roney called the meeting to order as twenty Members were present and ready to conduct business in response the call. For the Annual Meeting a quorum is 25% and the then current membership was less than the Bylaws maximum of 40 Members.

1. REPORTS OF OFFICERS

Secretary Michael J. O'Hara reported the Minutes from the 2011 Business Meeting. Secretary O'Hara (elected during the 2011 Business Meeting) reminded all present that weeks previously he had distributed via CPDE-LIST the DRAFT Minutes authored by Secretary Graham Mitenko (three year term of office expired at the end of the 2011 Business Meeting). Request was made for corrections to the DRAFT 2011 Minutes. No need for correction was identified. MOTION: O'Hara moved and Nora Ostrofe seconded approval of the Minutes. Motion adopted on a unanimous vote.

Treasurer Kevin Kirkendall reported that CPDE's bank balance was over \$9,000 as over March 14, 2012. From that balance will be taken about \$700 of pre-conference expenses, about \$450 per day of hotel conference expenses, and about \$400 of social event expenses, leaving an expected post-conference balance of over \$7,000.

Treasurer Kirkendall reported that he was going to switch the bank that CPDE has been using to the bank that his business uses to make transactions easier.

Treasurer Kirkendall reported on the financial aspects of the progress of the joint project between CPDE and AREA (American Rehabilitation Economics Association) regarding AREA's journal The Earnings Analyst (TEA) and a proposed new web presence for TEA, CPDE, and AREA. The attorney expenses associated with drafting the joint project contract between AREA and CPDE are near complete, and currently the total bill is about \$800. CPDE and AREA will evenly split that legal expense.

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Treasurer Kirkendall suggested to the assembled Members that best practices recommend some oversight of his actions, and possibly an audit by a CPA.

MOTION: Secretary O'Hara moved and Treasurer Kirkendall seconded a motion to authorize the CPDE President to retain a CPA for an audit, to place the completed audit on CPDE_LIST, and deliver a copy to AREA. Discussion was decidedly against the motion, and the motion was withdrawn. The CPDE Members that are CPAs collectively expressed the consensus that an audit would not be necessary for CPDE at this stage of its growth, but all agreed that some oversight was warranted. MOTION: Gregson Parker, a CPA, moved and Rod Durgin the Treasurer Kirkendall provide to the CPDE Members via CPDE_LIST a report of transactions by category and that a CPDE Member CPA look at and consult with Treasurer Kirkendall on CPDE's books. Motion adopted on a unanimous vote. CPDE Member Nacho Garza, a CPA, volunteered to provide a review of the Kirkendall produced books and transaction controls, as well as consult with Kirkendall on the potential for improvement. The Members accepted Nacho's generous offer. MOTION: Rick Gaskins moved and Garza seconded that the Treasurer's report be accepted. Motion adopted on a unanimous vote.

Vice President Rick Gaskins report was short as it merely pointed out that the set of amendments to the Bylaws proposed for the Members' consideration later in today's meeting were the primary content of his report.

President Tom Roney reported that he has a new German Shepard puppy, and the puppy has just recently learned how to lift his leg so that he no longer pees on his own front feet. Tom expressed the hope that CPDE has, like his puppy, grown over

the last year.

President Roney expressed optimism for CPDE's future. He was especially pleased with the positive developments with respect to formation of and implementation of CPDE joint project with AREA regarding TEA and a website. He expressed his appreciation for all of the support he had received from the Members and the Board during his term of office. Lastly, he is looking forward to savoring two of the best words in the English language: Past President.

2. ELECTIONS

Per the Bylaws, CPDE uses a progression of officers through offices. Annually a Vice President is elected. The previous Vice President moves up to President (i.e., Gaskins), and the President moves up to Past President (i.e., Roney), and the former Past President (i.e., Jayne) departs from office (but not from volunteering to aid the organization). Also per the Bylaws, both the Secretary and the Treasurer are elected to terms of office of three years: that election was in 2011. Accordingly, the only office needing election in 2012 is the office of Vice President.

MOTION: Gregson Parker moved and Bob Male seconded that William Brandt be elected to the office of Vice President. Motion adopted on a unanimous vote.

3. REVIEW OF THE AREA and CPDE JOINT PROJECT

The CPDE Members engaged in a wide ranging discussion of the opportunities offered to both CPDE and AREA from the joint project. CPDE Member George Barrett also is AREA President and was present. Barrett listened carefully and provided substantial input on AREA's concerns and hopes. CPDE Member Bob Male is the AREA appointed Editor of The Earnings Analyst. Both Barrett and Male provided CPDE Members with an inventory of the concerns of interest to AREA. AREA's Board of Directors tends to meet monthly, thus AREA's slowness in responding to CPDE's swift offer is not for a lack of time on task. AREA's Board has devoted a considerable amount of time and effort exploring the risks and rewards that the joint project presents to AREA and/or presents to CPDE. The proposed contract has cleared the initial review by the AREA Board of Directors and now is on the desk of AREA's attorney. Barrett expressed hope that AREA's contracting process would be completed by early summer (e.g., around June 2012).

AREA has about 110 members and started in about 1988. CPDE has under (its self-imposed maximum of) 40 members and was founded in 2008. Given the relative size and relative age of the two organizations, AREA has pondered questions such as will CPDE exist at the end of the joint project; and, how that event might be handled by AREA.

The Members discussed the start-up costs of the web

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portal to support the electronic version of TEA and other services. It is hoped that those and other services on the web will be both cost reducing for TEA as well as revenue generating for both AREA and CPDE. Both the cost savings and the revenue enhancement are quite attractive to AREA's Board of Directors.

AREA is justifiably proud of its journal, The Earnings Analyst (TEA). But, AREA is concerned about TEA's future. The core of AREA's membership focuses on vocational rehabilitation. The voc rehab community, for the purposes of gaining and validating expert status, prizes greater clinical practice and experience over publication of research. CPDE core membership's focus on the practice of forensic economics is not vastly different. But, joining together those segments of AREA and those segments of CPDE that prize publication of research sufficiently to be active authors would benefit TEA greatly in terms of magnitude of manuscript flow, quality of manuscript flow, and cadre of reviewers of manuscripts.

AREA is concerned about financial risk associated with the joint project. AREA's Board was pleased that CPDE's initial offer to AREA addressed this concern. CPDE's offer allocated the risk of underestimated costs asymmetrically towards the joint project party that estimated those cost and that will manage implementation, and thus will manage expenses: CPDE. Specifically, AREA's contribution to start of the joint project web portal will be \$2k in the first year (i.e., 2012), as will be CPDE's contribution. In year 2 AREA's contribution will be \$2k and AREA's total contribution will be capped at \$4k. CPDE's expected year 2 contribution is to be \$2k, for a total of \$4k. However, if CPDE can bring the project in under budget, then that savings will reduce the funding needed from CPDE. Conversely, if CPDE exceeds the total budget of \$8k, then all costs in excess of the \$8k total fall solely on CPDE.

4. AMENDMENTS OF THE BYLAWS

Notice of Bylaws amendments were sent to all CPDE Members via a CPDE_LIST posting more than 30 days prior to this Business Meeting. Additionally, specific proposed Bylaws amendatory language was posted to CPDE_LIST the day prior to the Business Meeting.

MOTION: The CPDE Board of Directors proposed four items of amendment to the Bylaws:

- [i] define the duty of collegiality;
- [ii] clarify when and how dues were due (recall, failure to achieve timely payment of dues automatically results in forfeiture of status as a CPDE Member);
- [iii] clarify when and who may fill vacancies; and
- [iv] editorial corrections to harmonize with prior amendments to the Bylaws. The assembled Members divided those four items into four separate questions for debate and vote.

[i] DEFINE DUTY OF COLLEGIALITY

The Board proposed an amendment (i.e., underlined language) so that section [2c] would read as follows: “[2c] Membership in CPDE is limited to those persons that have demonstrated collegiality, active participation, and positive sharing of knowledge and experience throughout their interactions with fellow professionals. Members take up a duty of collegiality. That duty extends to all professional interactions. That duty of collegiality extends to professional interactions beyond those which are solely intramural to CPDE. Members are encouraged to attend and actively participate in each Annual Conference, as well as be responsive to communications from fellow Members.”.

Extensive discussion ensued. A clear consensus of the assembled Members formed on an array of principles; with those Members in consensus not being constant across all of these principles. To wit:

- [i] use of any revocation option ought to be rare;
- [ii] unless the term “collegiality” was to be defined in depth, revocation ought to be rarer still;
- [iii] the difficulty of justifying CPDE revocation for actions taken outside of CPDE itself (e.g., at trial or in journals rather than at CPDE's conference or on CPDE_LIST) was sufficient to counsel strongly in favor of reserving revocation for actions taken within CPDE;
- [iv] the primary existing definition of collegial is procedural in nature and is to be found in the existing quite stringent Bylaws procedures (i.e., 2/3rds of all CPDE Members had to vote yes on revocation; not merely a majority of a quorum as is the norm under Robert's Rules of Order);
- [v] it is better to screen a person for collegiality prior to admission as a Member of CPDE than it was to revoke that person's Member status;
- [vi] social pressure via collective expression of displeasure (e.g., ideally, face-to-face objection) is superior to legalistic pressure (e.g., revocation) for obtaining and maintaining collegiality, so much so social pressure nearly always ought to precede in time legalistic pressure; and
- [vii] it was better for the Bylaws to contain a revocation process than to remove from the Bylaws all provisions related to revocation of Member status.

MOTION to amend the divided first item was made by Bob Male and seconded by Bill Brandt, their Motion was to remove from the Bylaws all references to revocation processes. After a very brief discussion this motion was withdrawn.

Recess for lunch at 12:45 PM. Return to meeting scheduled for 1:45 PM. At 2:03 PM, President Roney ascertained that nearly everyone had returned from lunch and was ready to get to work, thus called the meeting back into session. Rather than return to divided item #1, President Roney asked the body to start work on other items until all Members had return for that, the most important item on the agenda.

5. VENUE and DATE of NEXT MEETING

There was nearly zero debate of the date. However, all who mentioned any date mentioned March 2013 in their discussion of venues.

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The Members discussed the advantages and disadvantages of remaining in Las Vegas and remaining at the Orleans. No less than a large and vocal minority, and quite possibly a majority, clearly desired to explore other cities. The cities mentioned were New Orleans, San Antonio, Reno, and any on the Gulf Coast. The difficulty of annually shifting the city for a conference was discussed, and a minimum of two years per city was strongly recommended. The need for CPDE to act swiftly was discussed: many venues book more than one year in advance. If CPDE desires to contract with a hotel in any city other than Vegas for a meeting in March of 2013, then CPDE needs to sign a contract in the next couple of months. The benefits of co-locating with another professional association's meeting was mentioned (e.g., NAFE's piggyback practice). The relative cost advantage of Vegas (i.e., airfare; hotel rooms; conference rooms) was discussed; but the existence of casinos in other cities with similar cost structures was noted. Easy air access is important and real handicap for venues such as Reno.

MOTION: O'Hara moved and Roney seconded that Treasurer Kirkendall be directed to promptly explore for a new Annual Conference venue; that exploration effort to include soliciting suggestions from all Members via CPDE_LIST; and, if necessary, that exploration effort may include contracting with a venue prior to obtaining additional formal approval from either the Board or the Members. Motion adopted upon a unanimous vote.

6. NEW BUSINESS

Members were asked for new business and there was none.

7. RETURN TO AGENDA ITEM #4: Amendments to the Bylaws

Over the lunch hour multiple Members, led by Bob Male, explored new wording options for amending section [2c] that reflected the consensus formed during the earlier discussion. Before most Members had returned to the Business Meeting room, Male had displayed on the projector screen a new proposed amendment for section [2c]. As Members entered the room, they were encouraged to read, think, and question the new language.

MOTION: Bob Male moved and Bill Brandt seconded to amend the Board's divided item #1 proposing an amendment of section [2c] by replacing the Board's proposal with the following. "[2c] Membership in CPDE is limited to those persons that demonstrate collegiality, active participation, and positive sharing of knowledge and experience throughout their interactions with fellow professionals. Members take up a duty of collegiality. For the purposes of revocation of Member status, that duty extends solely to professional interactions which are intramural to CPDE. Members are encouraged to attend and actively participate in each Annual Conference, as well as be responsive to communications from fellow Members."

FIRST, note that in the first sentence the phrase "have demonstrated" is changed to "demonstrate" so that both prospective applicant's for membership and current Members clearly are covered by the first sentence. **SECOND,** note the Board's proposed second sentence is unchanged: each Member

takes up a duty of collegiality. **THIRD,** note the revised new third sentence limits revocation for lack of collegiality to actions within CPDE.

The Male and Brandt **MOTION** to amend section [2c] was adopted upon a unanimous vote.

[ii] DUES; [iii] VACANCIES; [iv] EDITORIAL CORRECTIONS

MOTION: Cloie Johnson moved and Anthony Choppa seconded reversing the division of all four items proposed by the Board and instead taking up in one vote the remaining three divided items. Motion was adopted upon a unanimous vote.

The question was called on the Board's three items (i.e., clarification of dues paying process; clarification of process for filling vacancies; and editorial changes to harmonize provisions). Those three amendments were adopted upon a unanimous vote.

Per item #2 DUES, Bylaws section [2d] was amended as follows:

[2e] Membership in CPDE is contingent upon the timely payment received by the CPDE Treasurer of that Member's annual dues of \$100. CPDE may shall use the calendar year as its fiscal year. The term of membership runs from January 1 of each year through December 31 of that calendar year. Annual dues are due in the Treasurer's possession before January 1. A, and annual dues are considered not timely paid if unpaid by the later of the start of the Annual Business Meeting Conference or February 15. The Annual Business Meeting, typically, is on the second day of the Annual Conference. The amount of and/or the due date for future annual dues payments may be changed by a majority vote of Members at an Annual Business Meeting. The Members may approve retroactive due date changes to accommodate a Force Majeure. Membership is lost automatically if dues are not paid in a timely manner. If membership is lost through the non-payment of dues, then the former Member must reapply for membership and cannot merely regain membership by paying past and current dues.

Per item #3 VACANCIES, Bylaws section [3d] was amended as follows:

[3d] All officers and all directors of CPDE must be Members of CPDE. Loss of CPDE membership automatically creates a vacancy in the office held by that officer or director. To fill a vacancy in either an elected, a voting ex officio, a non-voting ex officio, or an appointed office or director seat the President, with a second, shall place before the CPDE Board the nomination of a CPDE Member to fill the vacancy. The Board shall fill such vacancies either by accepting the President's nominee or by amending the President's nomination. No person is qualified to fill a vacancy in a the voting ex officio Past President seat unless that person is one of the a Past Presidents of CPDE.

Per item #4, EDITORIAL CHANGES, Bylaws sections [4b], [5d][v], and the end of Bylaws list of dates of amendment also were amended.

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There being no further business, President Roney thanked all for their contributions and called for a vote to adjourn. Adjourned at 2:17 PM.

1st DRAFT Minutes submitted by CPDE Secretary Michael J. O'Hara on March 18, 2012 to the CPDE Board of Directors for initial review for suggested corrections; post-initial review 3rd DRAFT Minutes submitted to the Members via placement in the Members Only section of www.cpde.info and notice of that placement via a posting on CPDE_LIST on June 1, 2012. These Minute are in "draft" form until the CPDE Members approve the 2012 Minutes during the 2013 Annual Conference's Business Meeting.

CPDE President's Column

As I write this we are about eleven months through the CPDE meeting year. I am very pleased to report that our organization has been growing and prospering, with upcoming developments soon to be revealed that will enhance the reputation of CPDE and of its members. We have had a very hard working group contributing to our organization's progress this past year. That group includes every officer, the Conference Chair, committee members, meeting presenters and our webmaster.

Our 2012 meeting was packed with valuable, relevant content thanks to member planning of the meeting under the management of Conference Chair, Bob Male, and thanks to the work of all the members who presented and shared their experience and knowledge. As has been our experience every year from our first meeting, the program content and ensuing member discussion pushed against the constraints of the program schedule. The 2013 program in this issue of the Compendium promises another solid array of topics we can use in our practices, some of which may again seriously test our thinking and how we approach this work.

Since the actions of the members at the Annual Business Meeting 2012, the Board has worked and acted on a number of significant issues. Among these are dues lapsed members, a new class of membership being "Emeritus" status, and of course the CPDE/AREA joint project to publish "The Earnings Analyst" and for CPDE to create a web reference resource for damages professionals.

The CPDE/AREA joint project! Approved at our 2012 meeting, this is probably just a wisp of a concept to most members today. I am confident by the time we meet March 22nd it will be reality. In advance of our meeting I am planning to send members the URLs that will take the wraps off so members can see how the concept has become a reality. To refresh, the project was

approved at our 2012 meeting. The formal Strategic Alliance Agreement between CPDE and AREA was signed effective June 1st, with CPDE responsible for the development of the web project and with costs to be shared. With this agreement CPDE became co-sponsor of The Earnings Analyst (TEA) journal. Bob Male is the Editor and Michael O'Hara is the new Co-Editor of TEA. CPDE was responsible for developing a web portal that will include a site for TEA, making it an electronic journal with eCommerce purchase availability. The web portal was also to have a site developed by CPDE as a robust, dynamic information resource for pecuniary damages professionals. The Damages-Resources.com site will be edited by Michael O'Hara with Bob Male serving as Co-Editor.

For the web development the Board used a competitive procurement based on specifications and requests for proposal. A bid evaluation team of myself, V.P. Bill Brandt and our webmaster Eric O'Connor evaluated the bids, interviewed the prospective contractors and made a recommendation to the Board. On October 5th we contracted with a developer and the web sites have been in active development. I anticipate posting to the cpde-e list URLs so members can tour our new multi-site web presences before our 2013 Annual Meeting. Both of these initiatives should bring much attention and recognition to CPDE, AREA, and to the members of the organizations. Damages-Resources presents a particular opportunity for members who would like to be topic editors for the site.

Membership, Dues and Lapsed Dues Members. The CPDE fiscal year and membership year are the calendar year. The Board acted to clarify and decide a number of issues regarding dues. The Board decided that the Membership Committee may set the initial period dues of a member joining after the Annual Business Meeting at one-half the full year dues. It is expected the Membership Committee will apply this uniformly. Per our Bylaws membership lapses if dues are

CPDE 2013 Conference and Business Meeting

Friday and Saturday
March 22-23, 2013

The Orleans Hotel and Casino
Las Vegas, Nevada

The 2013 conference is a
"DO NOT MISS" event.

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not timely paid. The Board further acted to provide that lapsed members may regain membership by applying for reinstatement to the Membership Committee. If approved for reinstatement the Membership Committee would determine if the readmission would be for continuous member status, with all prior dues owing, or non-continuous member status, with only current dues owing.

New Membership Class: Emeritus. Recognizing that some of our members were nearing retirement, or already retired, but would want to maintain some level of contact and participation in CPDE, and cognizant of the resource these members are and have been, the Board voted to bring the following motion to the membership at the Annual Business Meeting to amend our Bylaws and create an Emeritus member class:

A motion to amend CPDE Bylaws by adding a new subsection [2j] to read as follows:

“[2j] In addition the classes of Members mentioned in sections [2a] through [2i], there shall be a class of Members known as Emeritus Member. CPDE Members by majority vote may grant Emeritus Member status to a worthy Member in good standing. Near or after a nominee’s material retirement from the practice of forensic economics the Membership Committee may nominate that Member for Emeritus Member status. The CPDE Member whose Member status is as Emeritus Member shall be deemed to have paid dues and shall be deemed to have paid conference registration fees. Emeritus Members only shall be counted as voting Members when actually voting; and shall not count towards the maximum number of Members specified in subsection [2i]. Emeritus Members may not be elected to, but may accept appointment to, CPDE offices and/or positions on the Board of Directors.”

2013 Business Meeting. I will have an agenda of necessary business we need to address at the meeting, and I invite every member to suggest additional agenda items they would like to assure are on that agenda. In addition, at the meeting I would like the membership to explore and refine our organization’s goals for new member additions, and the criteria for acceptance and for rejection of membership requests.

I will close with a personal note. I have participated in forensic economic professional organizations since the first were formed over two decades ago. CPDE is special for me because it brings together a diverse group of professionals, many I did not know, or did not know well enough over those decades, who are committed to participating and sharing in a collegial spirit. It works so very well. I have learned much in CPDE, and in the past year I have sought and received, and been asked for and gave, assistance in work, have engaged another member to assist in one of my assignments, and have made referrals to colleagues just as I have received referrals from CPDE colleagues.

We have room for more members who would enrich our organization. By its nature and mission, CPDE is open to practitioners that some members may methodologically disagree with or who are viewed as a “competitor”. I hope that when you know of a damages professional who would value a collegial organization of participating and sharing with other professionals,

even if you have methodological or competitor differences, that you will consider discussing CPDE with them.

My thanks for the honor of serving as President this past year. I look forward to slipping into the past-president role soon and passing the chair to our very capable VP, Bill Brandt, and to the other officers who I am sure will continue to support CPDE as they have worked so hard with me.

Rick Gaskins



Program Topics CPDE 2013 Conference

Following is a listing of topics for CPDE’s 2013 Conference Program.

- Chapter 11 Bankruptcy and the Role of the Economic Expert
- Report on Prosthetic Device Costs
- CPDE Resources Damages Website and TEA Website
- Valuing a Small Business or Sole Proprietorship and the Difference between the Value of the Business and Earning Capacity
- Excel and Statistical Analyses (trend lines and regression)
- Age-Earnings Profiles of Physicians by Specialty
- Financial Exploitation of Elders and Others
- Credit Damage & Lending Irregularities
- Discounting Streams of Income and Costs to Present Value (risk, return and attempting to make “whole”)
- Practice Issues: Retainer Agreements, Work Product, Billing & Collections, Structured Settlements, Data Sources, Problematic Issues, Difficult/Interesting/Unique Cases, etc.

CPDE COMPENDIUM MINUTES

2012 Board of Directors

Collegium of Pecuniary Damages Experts (CPDE)
Email meeting started July 2012 and running
into November 2012

On July 10, 2012 President Rick Gaskins sent an email to Vice President Bill Brant, Past President Tom Roney, Treasurer Kevin Kirkendall, and Secretary Michael J. O'Hara; and the Treasurer's office assistant Chantelle Cox calling to order an email meeting of the Board of Directors (BoD). President Gaskins identified four items needing attention, and welcomed identification of more by the attendees.

The four Gaskins agenda items were:

- "1. I think the updated bylaws should be put up on our website. If there is no disagreement with this in 48 hours I will ask Eric to do this.
2. What do you think of putting the draft minutes of the 2012 meeting on the website in the members only area? I'm in favor.
3. Bill, I thought I had given you the opportunity to chair a membership drive committee. Have you formed the committee? If so, or when you do, please let me know who is on it so I can announced to the membership. I'd like to have membership increase efforts start by September, so if possible I'd like to have your committee report to the board in mid- to late August.
4. FYI, I privately spoke to Kevin about invoicing AREA for their payment under the TEA agreement."

Free form discussion ensued.

ITEM #1: By July 15th the CPDE.info website's public access section had been updated to include the Bylaws as amended at the March 2012 Annual Meeting.

ITEM #2: By July 15th the CPDE.info website Members Only section had been updated to include the DRAFT 3rd Minutes of the March 2012 Annual Meeting.

ITEM #3: Questions were asked by multiple participants about multiple aspects of CPDE records concerning Member status so that the answers might guide our efforts to recruit new Members.

The Bylaws specify a maximum membership of 40. The most recent listing of Members showed three categories of individuals: [i] Members, [ii] dues in arrears, and [iii] inactive. Treasurer Kirkendall and his assistant Chantelle Cox answered these questions as follows. Since per Bylaws provision loss of Member status is automatic upon non-payment of dues the difference between dues in arrears and inactive is the

suspected likelihood that one might seek to rejoin is greater for the former than for the latter. However, both dues in arrears and inactive solely are bookkeeping entries for the purpose of retaining information on prior Members. Accordingly, including the most recent new Member DeLangis, there are 36 active Members.

With respect to recruitment discussion was had on how best to involve the entire membership. Via CPDE-LIST all existing Members will be asked to forward to the Membership Committee (hopefully multiple) suggestions for new members so that the Membership Committee might identify the best few individuals to encourage for a few empty Member slots.

Discussion was had on whether a new Member status of Emeritus Member ought to be created, in part to deal with the natural drift of some previously very active Members into retirement and inactive.

MOTION: CREATE EMERITUS STATUS

Amend CPDE Bylaws by adding a new subsection [2j] to read as follows:

"[2j] In addition the classes of Members mentioned in sections [2a] through [2i], there shall be a class of Members known as Emeritus Member. CPDE Members by majority vote may grant Emeritus Member status to a worthy Member in good standing. Near or after a nominee's material retirement from the practice of forensic economics the Membership Committee may nominate that Member for Emeritus Member status. The CPDE Member whose Member status is as Emeritus Member shall be deemed to have paid dues and shall be deemed to have paid conference registration fees. Emeritus Members only shall be counted as voting Members when actually voting; and shall not count towards the maximum number of Members specified in subsection [2i]. Emeritus Members may not be elected to, but may accept appointment to, CPDE offices and/or positions on the Board of Directors."

For discussion O'Hara note the following: "Issues that I have attempted to address include: [i] partial retirement (let's ignore in-out-in-out-in-out Jerry); [ii] limit number of nominations by requiring Membership Committee support; [iii] minimal criteria in the form of "worthy" (no where defined) and "good standing" (part of Bylaws); [iv] voting rights if vote, but not if do not vote (think RoO10); [v] serve in offices, but not eligible for election (think Past President vacancy); [vi] require decision by all of Members; [vii] encourage continued active involvement by waiving all dues and fees. Another approach to Emeritus Status, that I am not particularly fond of, is automatic based upon very narrowly defined criteria. For example, two years after leaving the Board of Directors if served as President; or, upon reach age 75."

O'Hara moved on August 4 and Brandt seconded on August 7. During discussion ranging over August 7 through 12th, Roney expressed a preference for a non-voting Emeritus Member status; and, O'Hara provided multiple reasons for using a voting Emeritus Member status.

The CPDE Board APPROVED the MOTION to recommend the voting Emeritus Member Bylaws amendment to the CPDE Members on a vote of YES and NO (YES = Brandt, Gaskins, O'Hara; NO = Roney).

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On August 12th, Gaskins made the MOTION and O'Hara seconded that pursuant to Bylaws section 4.2 Bob MALE be APPOINTED CHAIR CONFERENCE COMMITTEE and that Male be INVITED to appoint KIRKENDALL to the Conference Committee. MOTION approved on vote of YES and NO (YES = Brandt, Gaskins, O'Hara Roney; NO =).

On August 12th, Secretary O'Hara submitted to the CPDE Board for its consideration the file "1st DRAFT BoD March - April 2012 email meeting MINUTES.pdf". On August 13th Brandt noted one spelling error and moved the Minutes as corrected. The March - April 2012 email Board Meeting Minutes were approved on a vote of YES and NO (YES = Brandt, Gaskins, O'Hara, Roney; NO =).

Independent of the Board's email meeting, early in August TEA Editor Male, TEA Co-Editor O'Hara, and CPDE Webmaster Eric O'Connor were working on the design phase of the AREA/CPDE Strategic Alliance executed in June 2012. This strategic alliance is for a web platform for ecommerce of AREA, CPDE, TEA, and a clearinghouse. During the efforts of Male, O'Hara, and O'Connor it became obvious that it would be most appropriate, given a material change in family duties, for CPDE to shift implementation efforts away from its Webmaster and to an independent contractor. O'Hara contacted UNO CBA's NBDC, the designer of the 2007 AAEFE and JLE ecommerce platform, was informed NBDC had withdrawn from that market in favor of the firms of its students. O'Hara contacted the best student (i.e., www.LaMarSOFT.com) and engaged in detailed discussions about implementing a full web presence at a price point of \$8,000. When this was reported to the Board, the clear consensus of the Board was to select an independent contractor using the process of a Request for Proposal (RFP). After rounds of drafting, the RFP was jointly authored by multiple persons. The RFP was sent out Friday, August 31st; and bids are due at noon on Sunday, September 9th. The initial round was not entirely successful, but President Gaskins lead a team that brought to a final contract having recruited multiple interested contractors from oDesk. By October 5th Gaskins had signed a contract with Ronny Padernal, his email is jrpfalcon2@gmail.com. That contract anticipated two phases of development on a more narrowly conceived web presence, that first phase price point is \$1,300 the second phase price point is \$700. O'Hara's style of project management was not well suited to Mr. Pedernal's work style, and Gaskins took over project management on October 23rd.

In September and October the Board had a wide ranging discussion of recruiting new members. Topics included how many to recruit, criteria for recruitment, the Bylaws limit on membership at 40, the interaction of that limit with a potentially new category of Member (i.e., emeritus). Also discussed were a variety of suggested individuals. The Membership Committee will follow up on all of those suggestions.

On October 19th a surprise topic requiring prompt action came to the Board during its email meeting. Treasurer Kirkendall reported to President Gaskins that the contract with the Las Vegas Orleans hotel contained an error unnoticed by either CPDE or the Orleans. We both had agreed to Friday

and Saturday meeting dates of March 15th and 16th for the 2013 Annual Meeting. However, when reduced to writing an error was made and the dates 16th and 17th were entered into the Orleans database; whereupon months later the Orleans sold the "available" meeting rooms on Friday the 15th. The Orleans proposed multiple solutions, the CPDE Board submitted two of those to the CPDE Members for a pool via CPDE-LIST. The Members expressed a slight preference for a Friday/Saturday meeting one week later versus a Saturday/Sunday meeting one day later. Accordingly, on October 26th President Gaskins announced on CPDE-LIST that CPDE's 2013 Annual Meeting will be held Friday and Saturday March 22nd and 23rd.

On October 23rd TEA Editor Male reported to the Board the Table of Contents for the 2012, volume 11 issue of The Earnings Analyst.

The DRAFT-2 of the July - November Minutes were submitted to the CPDE Board for its review and consideration on November 1. O'Hara moved the adoption of these Minutes. O'Hara specifically asks each Board member to comment on any missing votes by that Board member at those locations shown in red text in this DRAFT-2.

Further, O'Hara suggests that a motion to adjourn this email meeting of the CPDE Board of Directors that started in July 2012 be made as soon as these DRAFT-2 Minutes are corrected and adopted. On Nov. 24th Roney identified a correction and seconded that motion. Voting YES were Brandt, Gaskins, Kirkendall, O'Hara, and Roney; voting NO were none.

The email meeting that started on July 10, 2012 closed, upon the adoption of its Minutes, on November 25, 2012.

In January 2013, after the email meeting having been close, the Board's email discussion circled back to the question of the creation of the Emeritus Member status, until it was recalled that had been addressed in the meeting and that the meeting had closed.



BYLAWS

Collegium of Pecuniary Damages Experts (CPDE)

Section 1: MISSION

[1a] The Collegium of Pecuniary Damages Experts (CPDE) is a limited membership organization dedicated to collegial discourse that strives to advance knowledge and understanding relevant to providing expert assessment and testimony on pecuniary damages in litigation, and helpful sharing and networking among colleagues.

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Section 2: MEMBERSHIP

[2a] Membership in CPDE is limited to natural persons with knowledge and experience as an expert providing assessment and testimony on pecuniary damages in litigation, and/or with applicable preparatory background and a desire to learn how to work successfully in this professional field.

[2b] Membership in CPDE is limited to persons that secure the support of a current CPDE Member to act as sponsor, request membership in writing to the CPDE Membership Committee through the sponsor, and receive an affirmative 2/3 vote from the CPDE Membership Committee.

[2c] Membership in CPDE is limited to those persons that demonstrate collegiality, active participation, and positive sharing of knowledge and experience throughout their interactions with fellow professionals. Members take up a duty of collegiality. For the purposes of revocation of Member status, that duty extends solely to professional interactions which are intramural to CPDE. Members are encouraged to attend and actively participate in each Annual Conference, as well as be responsive to communications from fellow Members.

[2d] Membership in CPDE may be revoked if a Member does not adhere to the standard of conduct expressed in CPDE's Mission and membership requirements. Revocation of CPDE membership requires an affirmative 2/3 vote of both the CPDE Membership Committee and CPDE's Members.

[2e] Membership in CPDE is contingent upon the timely payment received by the CPDE Treasurer of Member's annual dues of \$100. CPDE shall use the calendar year as its fiscal year. The term of membership runs from January 1 of each year through December 31 of that calendar year. Annual dues are due in the Treasurer's possession before January 1. Annual dues are considered not timely paid if unpaid by the later of the start of the Annual Conference or February 15. The Annual Business Meeting, typically, is on the second day of the Annual Conference. The amount of and/or the due date for future annual dues payments may be changed by a majority vote of Members at an Annual Business Meeting. The Members may approve retroactive due date changes to accommodate a Force Majeure. Membership is lost automatically if dues are not paid in a timely manner. If membership is lost through the non-payment of dues, then the former Member must reapply for membership and cannot merely regain membership by paying past and current dues.

[2f] CPDE Members may attend all CPDE Conferences, vote on CPDE business, and may be elected or appointed as a CPDE officer, director, or committee member. Conferences, especially conferences of other professional associations that have CPDE joint sponsorship, might require a payment of a registration fee.

[2g] Founding Members of CPDE are current Members as of July 1, 2008.

[2h] Charter Members of CPDE are those that became Members prior to the 2009 Annual Business Meeting.

[2i] The number of CPDE Members shall not exceed 40.
Section 3: BOARD OF DIRECTORS AND OFFICERS

[3a] The CPDE Board of Directors shall consist of a Vice President (to become the next President), President, Past President, Secretary, and Treasurer. The Members shall elect the Vice President, Secretary and Treasurer as officers of CPDE and as members of the Board of Directors. The Board may appoint other Officers who shall serve as ex officio non-voting members of the Board of Directors. The term of the Vice President, President, and Past President is one year in each position, and serving consecutive terms in these offices is not allowed. The term of the Secretary and the term of the Treasurer each is three years and each may serve consecutive terms. Upon good cause shown, any officeholder's term of office may be terminated by a 2/3 vote of CPDE Members. The nomination and election of Officers to positions open due to an end of term of office shall take place during the Annual Business Meeting.

[3b] The Board shall conduct CPDE business as needed between Annual Business Meetings.

[3c] The President shall serve as the presiding officer of all Meetings of the Board and of the Members. The Vice President shall serve in lieu of the President when the President is absent. The Secretary shall record minutes of all Meetings of the Board and of the Members and manage all necessary communications for the organization. The Treasurer shall set up and manage a bank account for CPDE and oversee and manage all organization financial requirements.

[3d] All officers and all directors of CPDE must be Members of CPDE. Loss of CPDE membership automatically creates a vacancy in the office held by that officer or director. To fill a vacancy in either an elected, a voting ex officio, a non-voting ex officio, or an appointed office or director seat the President, with a second, shall place before the CPDE Board the nomination of a CPDE Member to fill the vacancy. The Board shall fill such vacancies either by accepting the President's nominee or by amending the President's nomination. No person is qualified to fill a vacancy in the voting ex officio Past President seat unless that person is one of the Past Presidents of CPDE.

[3e] The Members may authorize CPDE to publish one or more publications. If the Members authorize one or more publications, then the Board shall appoint one or more Editors. Each appointed Editor shall serve as an Officer at the pleasure of, and under the direction of, the Board.

[3f] All officers and directors shall be indemnified for actions taken that were reasonably believed to be within their scope of authority.

Section 4: COMMITTEES

[4a] CPDE shall have the following standing committees:

[i] Membership Committee; and [ii] Conference Committee. As the need arises, the Board may create and may appoint willing members to ad hoc committees.

[4b] The Membership Committee shall be chaired by the Past President and shall include the President and Vice President. If desired, up to two additional (non-Board) Members

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may be added to this committee by unanimous vote of all prescribed committee members. The CPDE Membership Committee shall notify (by email) the entire CPDE Membership of a person's desire to join CPDE. The CPDE Members shall have 10 working days in which to make any comment. Comments are to be made in private to members of the Membership Committee and are not to be placed on the list serve. Comments will be investigated by the Membership Committee and will weigh in their acceptance decision. The Membership Committee's decision to accept or to reject the applicant shall be made within 20 working days of the notification to the entire CPDE Membership of the application.

[4c] The Chair of the Conference Committee shall be appointed by the Board. The Chair may add additional Members to the Conference Committee with the prior approval of the Board. The Conference Committee shall facilitate the organization and implementation of all plans, contracts, and arrangements for all CPDE Conferences and Meetings.

Section 5: MEETINGS

[5a] CPDE shall have an Annual Conference and Annual Business Meeting at a time and place determined by vote of the Members. In the absence of a vote of the members, the Annual Business Meeting shall be at 10:00 AM on the last Thursday in March at the offices of the Nevada Secretary of State.

[5b] The Annual Business Meeting is open only to current CPDE Members. The Annual Conference is open only to current Members of CPDE and speakers or guests invited by the Conference Committee. The Annual Conference and Annual Business Meeting will be organized and moderated in a manner consistent with collegial discourse. Conference participation is intended to enhance knowledge and understanding rather than to emphasize lines of difference. When disagreements occur, participants are expected to disagree collegially by focusing their discussion on differences in perspective and approach, rather than demeaning any person, type of training, or methodology. CPDE Members attending should attend prepared to actively participate. The Annual Conference and Annual Business Meeting will take place over a period of two days at a site and time to be determined by Members during the preceding Annual Business Meeting. A record of topics and presenters will be kept, memorialized, and possibly distributed in a form to be agreed upon by the Members.

[5c] Conference sessions will be organized and moderated by chairpersons appointed by the Conference Committee. In addition to the Annual Conference, the Conference Committee is encouraged to seek out professional educational opportunities for CPDE Members that are offered by other professional associations, and the committee may authorize CPDE joint sponsorship of those educational opportunities when the goals and practices are consistent with CPDE's goals and practices. The Conference Committee shall report to the Board and to the entire CPDE membership all such jointly sponsored educational opportunities well prior to the occurrence of the event; but the Board may revoke the committee's authorization of CPDE's joint sponsorship prior to the occurrence of the event.

[5d] The agenda of the Annual Business Meeting shall include, but not be limited to:

- [i] reports from each officer of CPDE;
- [ii] elections;

- [iii] annual review and possible amendment of these Bylaws;
- [iv] selection of date and place of next Annual Conference and Annual Business Meeting;
- [v] membership revocations if needed; and
- [vi] new business.

[5e] All Meetings shall be conducted in accordance with the most recent edition of Robert's Rules of Order. Proxy voting is not allowed. Every decision of every CPDE body requires a majority affirmative vote of the body's members who are attending, unless these Bylaws or Robert's Rules of Order require a greater vote. Decisions by the Board of Directors require a majority vote of all voting Board Members. An amendment to these Bylaws requires a 2/3 affirmative vote of Members present at the Annual Business Meeting. The quorum of every CPDE body is a majority of that body, except for the Annual Business Meeting of the CPDE Members, which shall use a quorum of 25% of the Members. Any CPDE body may conduct a meeting by voice telephony or by video telephony or in-person. A CPDE body may meet other than in-person and may conduct a vote other than in-person or by surface mail ballot, but when [A] meeting other than in-person or when [B] voting other than in-person or by surface mail ballot, then that meeting and that voting must at all times maintain unanimous consent for the conducting of that meeting or that vote.

Section 6: DISSOLUTION

[6a] The CPDE shall continue as an organization of members until such time as the then current Members vote during an Annual Business Meeting that CPDE ought to dissolve.

[6b] Any Member may make a motion of dissolution by delivering 30 days written notice to the Board of Directors.

[6c] A unanimous Board of Directors may make a motion of dissolution upon less than 30 days notice to the Members; otherwise, the Board must provide the Members with at least 30 days written notice of the Board's intent to make a dissolution motion at the Annual Business Meeting.

Initial approval 07/01/2008

Amended 04/02/2009

Amended March 12, 2011

Amended March 17, 2012

