

CPDE COMPENDIUM

Officers and Board Members

2014

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2015

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CPDE Compendium

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Announcement!

CPDE 2016 Conference and Business Meeting



March 18-19, 2016

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

In this issue

2015 Annual Conference Review

Business Meeting Minutes, March 21, 2015

President's Column

Conference Information for 2016 - Topic List

By-Laws amended March 21, 2015

Review of CPDE's 2015 ANNUAL CONFERENCE

**The Orleans Hotel and Casino
Las Vegas, NV
March 20-21, 2015**

Thursday, March 19

Pre-Conference Social Gathering:

Anyone that is in town and wanting to gather with others for a no host "warm-up", plan on meeting at the Mardi Gras Bar next to the Race & Sports Book 8:30 - 10:00 pm.

Friday, March 20

Session 1:

Practice Issues A (skills, sources, methods, & business)

Moderator: Male.

Motions in Limine, Daubert Hearings, and the Science of Validity and Reliability (Presenter: Male); **What Other Damages Experts Should know about Vocational Expert Methodology and Reports** (Presenter: Clapp); **Damages Expert's Codes of Ethics - Benefits and Detriments** (Presenters: O'Hara & Male).

Session 2:

The Earnings Analyst and Pecuniary Damages Resources

Presenters: O'Hara & Male.

Session 3:

The Calculation of Present Value - Issues and Practice 2015

Presenters: Needham, Rosenberg, & Schlegel.

Session 4:

Fed Interest Rate Policy

Presenter: McLaughlin.

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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 21, 2015

Session 5:

Projecting Medical Price Growth

Presenter: Sean Keehan, Center for Medicare and Medicaid Services, Social Security Administration.

Annual Business Meeting: President Bob Male presiding

This meeting was conducted in accordance with the CPDE Bylaws.

Session 6:

Using Data Found in Personal Tax Returns, Corporate Tax Returns, W-2s, 1099s, Schedule Cs, etc.

Presenter: Garza.

Whose Loss is it - The Individual's or the Closely-held Business?

Presenters: Gaskins & Parker.

Session 7:

Practice Issues B (skills, sources, methods, & business).

Moderator: Male.

Using the Healthy Life Expectancy Data (Presenter: McLaughlin); **The Use and Application of Worklife Expectancy Tables** (Presenter: Rosenberg); **Personal Consumption Rate - Sources and Acceptable Use** (Presenter: Roney).

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 2015 Conference were very positive and characterized the event as very rewarding and worthwhile. Attendance verification forms were sent to all those that requested one.

MINUTES

2015 Annual Business Meeting
Collegium of Pecuniary Damages Experts (CPDE)
Saturday, March 21, 2015
Orleans Hotel, Las Vegas, NV
Draft (Subject to approval at 2016 Business Meeting)

Prior Meeting and Board Minutes:

Rick Gaskins moved that the minutes from last year's meeting be approved. The motion was seconded and accepted by verbal Aye vote in the affirmative.

A motion to approve the Board minutes was also moved, seconded and approved by verbal Aye vote.

Treasurer Report: Kevin called in sick and indicated that his report would be provided next week on the list serve.

Nomination of New VP and Treasurer:

Discussion as then held regarding the two open positions on the CPDE Board (President/Vice President and Treasurer), including nominations and voting. The Nominating Committee of the CPDE Board nominated Allyn Needham for the position of Vice President and Barry Duman for the position of Treasurer for a three year term. No other members were nominated in the alternative.

Both positions were approved by verbal Aye vote in the affirmative.

Discussion of Potential Changes to the Bylaws:

Bob Male then asked if any members had any issue with any of the Bylaws as they are currently written. See, www.cpde.info/bylaws. The one issue that comes up frequently is the cap on number of members. Currently the cap is 50. Current membership stands at 46. We have 3 emeritus members, but emeritus members do not count against the cap. Bob expressed that his personal opinion is that we do not need to raise the cap at this point in time.

Gregson Parker raised an issue or question with regards to those members who never attend the convention. He asked if we should invite them to drop their membership. Discussion among members then ensued. Nora shared that in AREA they changed the Bylaws to require that certified members attend at least one full conference in any three year period.

Gregson Parker moved that the Bylaws be amended to require that members attend no fewer than one full conference in any three year period with exceptions to be considered by the Membership Committee.

Gregson withdrew his motion after Michael O'Hara read the language of the existing Bylaws.

Somebody then moved (with no second being heard) that the Bylaws section regarding duties of the membership committee be amended to include the following language:

"Membership committee shall contact each member that has not attended the past two conferences."

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Rick Gaskins then suggested that Michael be tasked with developing the proposed language for distribution to the body. Rob Schlegel suggested that no change was really required because we could just agree to do it. Rick Gaskins responded that if we do not write the proposed direction to the membership committee into the Bylaws then it will be forgotten and new members of that committee will not know what to do.

Discussion of the 2016 Conference Dates

March 18/19 vs. 25/26

Lots of back and forth on whether we should align with AAEFE or not, which weekend, another weekend in September?

Rob Schlegel moved that the Board executive committee consider all of the variables with regards to the date of the 2016 and then make a decision as a Board and communicate the decision to the membership. Motion was moved, seconded and called. Voice vote taken. Ayes have it.

2017 Date – do we want to stay with March or consider something later in the year (e.g., September)?

(NOTE: CPDE Secretary Jeremiah Grant needed to depart for a flight to Cincinnati for a trial. Former Secretary and current Vice President Michael J. O'Hara took over the taking of the Minutes for the CPDE Annual Business Meeting at 12:30 PM Saturday, March 21, 2015.)

The Members engaged in an extended discussion of both the alternative locations and the alternative meeting times to be considered for CPDE's 2017 Annual Meeting.

A recurring topic of discussion was the interest of multiple CPDE Members that CPDE coordinate its Friday and Saturday meeting times with the Wednesday, Thursday, and

Friday meeting times of the American Academy of Economic and Financial Experts (www.AAEFE.org). Like CPDE, AAEFE historically has met in Las Vegas in March. The CPDE Members instructed to-be President O'Hara to reach out to Larry Havard the President of AAEFE for a discussion of the potential for coordination. Some currently know obstacles to that coordination include: [1] CPDE is a Members only meeting whereas AAEFE is a visitors welcome meeting; [2] far more than CPDE Members, AAEFE's Members strongly prefer to incur the expense of a hotel on The Strip; [3] hotels on The Strip refuse to schedule well in advance small groups like AAEFE.

The CPDE Members decided to meet at the Orleans in 2016 in March. CPDE's current 2016 contract dates at the Orleans (i.e., March 25-26) will not provide the attractive room CPDE has had, but would require a move to the bowling alley floor. The Orleans has offered earlier dates in March 2016. That might or might not permit coordination with AAEFE. The Members directed the CPDE Board to work with the Orleans to adjust the meeting 2016 dates, and the Members' preferred dates were March 18 - 19.

The CPDE Members decided to meet at the Orleans in 2017 in March, in coordination with AAEFE's earlier in the week dates if attractive to both parties. CPDE has Members who have tax practices and wish to avoid meetings immediately prior to March 15.

Next, the CPDE Members returned to their discussion of the question of nonattendance. The CPDE Bylaws require collegiality from Members, which includes a duty of active participation. It was noted that non-payment of dues triggered automatic termination of CPDE membership. The Members discussed whether recurrent nonattendance similarly ought to trigger automatic termination. Also discussed were various metrics of inadequate attendance (e.g., miss one, miss two in a row, miss two of three, miss without "excuse") as well as various organizational reactions (e.g., from automatic termination to mere advise to attend). Ultimately, Gaskins moved and Rooney seconded delay on any change to the Bylaws on when nonattendance would trigger revocation of membership: unanimously approved.

MOTION TO AMEND BYLAWS: Moved by Male seconded by Needham, amend Bylaws **section [4b]** by adding a new sentence to the end of section [4b]. To wit: **"The Membership Committee following each Annual Business Meeting shall review the participation of Members that have not been in attendance for the last two Annual Conferences and contact those Members for explanation."** Approved unanimously.

Whereupon the CPDE Annual Business Meeting

Disclaimer



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having no further business, adjourned at 12:45 PM; with the conference adjourned until 1:45 PM

CPDE President's Message

With a team like ours it's not surprising that CPDE continues to get better and better. All of the efforts of our active and collegial Members are appreciated. Our center piece is an annual meeting with content that is dynamic and wide ranging. Daily needs for continuous professional growth are as close as your keyboard and CPDE-LIST. A listserv community that provides swift and sure feedback and guidance.

CPDE's Annual Meeting is to be Friday and Saturday, March 18 and 19, 2016 meeting, at the Orleans, and this year is sure to build on our past pattern of excellence. Conference organizer Bob Male has year-round kept open the dialog on potential conference topics and the recruitment of presenters. CPDE's conference agenda surely is the most responsive to the wants and needs of the hosting association.

Per the 2015 instructions of the CPDE Members your President reached out to the President of AAEFE Larry Havard. As always an exchange with Larry is a positive experience. I was to explore yet again the potential of collaboration by CPDE and AAEFE as to meeting dates since both organizations prefer Las Vegas in March. However, the preferences of the AAEFE members for swanky digs, ideally on The Strip (in 2016 they are at the New York, New York Hotel and Casio Thursday and Friday, March 17 and 18. The average Orleans rack rate is under \$100 per night while NYNY's is more like \$250 per night. Another recurring barrier to closer collaboration springs from AAEFE's hotel preference. To wit: while CPDE plans two years out AAEFE has great difficulty getting hotels to be the least bit specific about rooms one year out. This year, 2016, AAEFE was able to abut CPDE's dates; but, often that is not an option. Also, given the sizes of our individual organizations, hotels on The Strip will not change that attitude even if we were to collaborate, meeting back-to-back in the same hotel. It would appear the meeting date selection works as well with CPDE unilaterally picking two years ahead of time as would close collaboration by CPDE and AAEFE on dates. That said, both organizations might benefit from moving away from the high airfares associated with the NCAA March Madness, which every years starts about March 15 and concludes about April 5th.

CPDE continues to collaborate with AREA on The Earnings Analyst, co-edited by Bob Male and yours truly; with Nancy Male serving as Production Editor. Relative to NAFE's Journal of Forensic Economics and relative to AAEFE's Journal of Legal Economics any honest appraisal

would be that TEA is gaining stature. This only is possible because CPDE Members actively author as well as actively serve as anonymous reviewers. As a result, the flow of manuscripts to TEA is relatively great and of high quality. Thank you, one and all.

It's easy to make it look easy when you have a lot of help. And I have benefited greatly from the Board's assistance. This year we transitioned from our long-time Treasurer Kevin Kirkendall to our new Treasurer Barry Duman. Our no longer brand-spanking-new Secretary Jeremiah Grant has fostered excellence in record keeping, no small tasks when all meeting other than the Annual Meeting are email meetings. Allyn Needham, our Vice President and soon to be President along with the every active Past President Bob Male made sure our most active committee, the Membership Committee quickly and fully processed recruits into new Members.

Our membership is dynamic across multiple vectors. While the Members recently amended our Bylaws to permit as many as 50 (raising it from 40, and currently 45) Members, we still are a close knit group. Our newest Members add vigor and new perspectives just as our retiring Members provide the wisdom of years. At our March meeting be sure to get to know personally as many Members as you can. The three social hours of Thursday night at the Gator Bar next to the Orleans Sports Book (advantage of quiet and smoke free), Friday and Saturday evening in your Past President's suite are great times to trade tales and grow friendships. See you there!

Michael O'Hara

CPDE 2016 Conference and Business Meeting

Friday and Saturday
March 18-19, 2016

The Orleans Hotel and Casino
Las Vegas, Nevada

The 2016 conference is a
"DO NOT MISS" event.

Program Topics CPDE 2016 Conference

Following is a listing of topics for CPDE's 2016 Conference Program.

- Household Services - Active vs. Passive Damages
- Calculating the Effect of Taxes
- Calculating Lost Profits: including appropriate discount rates
- Self-employed Earning Capacity
- Incorporating the Effects of Disability in Earning Capacity Loss Analyses
- Damages Resources - CPDE 2015
- Financial Exploitation of Elders and Others
- Joint Life Expectancy
- Fed. Policy & Secular Stagnation - a look ahead
- Practice Issues: Retainer Agreements/Fee Schedules, Document Production, E&O Insurance & Expert Liability, etc.; Dealing with the Invalid Use of the NAFE Member Survey



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BYLAWS

Collegium of Pecuniary Damages Experts (CPDE) as amended March 21, 2015

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.

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

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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 50.

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 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. The Membership Committee following each Annual Business Meeting shall review the participation of Members that have not been in attendance for the last two Annual Conferences and contact those Members for explanation.

[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

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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 deliv-

ering 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; 3/12/2011; 3/17/2012; 3/23/2013; 3/21/2015.

