

Annual Business Meeting (National Board of Chiropractic Examiners)
May 05, 2017

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N B C E

ORIGINAL

IN RE:

NATIONAL BOARD OF CHIROPRACTIC EXAMINERS'
ANNUAL BUSINESS MEETING OF NBCE STATE DELEGATES

DATE: May 5, 2017

TIME: 1:45 p.m. - 2:20 p.m.

PLACE: Hyatt Regency Orlando
9801 International Drive
Orlando, FL 32819

Stenographically Reported by:
Julie A. Watkins
Court Reporter

U.S. LEGAL SUPPORT
(813) 876-4722

1 APPEARANCES:

2

3 DR. JOHN MCGINNIS

4 DR. MAGGIE COLUCCI

5 DR. LEROY OTTO

6 DR. DANIEL COTE

7 DR. NORMAN OUZTS, JR.

8 DR. PAUL MORIN

9 DR. SALVATORE LARUSSO

10 DR. STEVEN CONWAY

11 DR. FARRELL GROSSMAN

12 DR. JOHN NAB

13 DR. HANK HULTEEN

14 DR. RONALD TRIPP, JR.

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CERTIFICATE OF REPORTER

18

1 DR. MORIN: The National Board of
2 Chiropractic Examiners' annual business meeting
3 of NBCE State Delegates is now called to order.
4 First item of business is the report of the
5 credentials committee. Dr. John Nab is the
6 credentials committee chair and will make the
7 report.

8 DR. NAB: Thank you, President Morin. The
9 credentials committee, we have 55 total delegates
10 who are registered for 37 state delegate votes.
11 On behalf of the credentials committee, I move
12 the adoption of the report of the credentials
13 committee.

14 DR. MORIN: The question on the adoption of
15 the report of the credentials committee. All
16 those in favor, raise your yes paddles.

17 Those opposed, raise your no paddles.

18 Thank you very much. The ayes have it. The
19 report of the credentials committee is adopted.

20 The next time of business is the adoption of
21 the standing rules. The rules were uploaded to
22 the annual meeting section of the National Board
23 of Chiropractic Examiners' website for your
24 reference. For your information, those rules are
25 identical to the last year's rules, and for a

1 number of rule years prior to that. Is there any
2 objection to adopting the standing rules?

3 Hearing none, the standing rules are adopted.

4 The next item of business is on the adoption
5 of the agenda. The agenda, likewise, is -- has
6 been presented on the website. Is there any
7 objection to me adopting the proposed agenda?

8 Hearing none, the proposed agenda is
9 adopted.

10 The minutes of the 2016 annual business
11 meeting were uploaded to the annual meeting
12 section of the NBCE website, for your reference.
13 The 2016 minutes advisory committee has reviewed
14 the annual minutes and recommends the delegates
15 approve the minutes, as written.

16 Is there any objection to approving the
17 minutes as written?

18 Hearing none, the minutes are approved.

19 The 2017 minutes advisory committee members,
20 recommended by each district director and
21 appointed by the president are; from District I,
22 Dr. Matthew Waldron, from Washington. For
23 District II, Dr. Margaret Friegaut, from
24 Missouri. District III, Dr. George Khoury, from
25 Pennsylvania. District IV, Dr. James Badge, from

1 Arizona. And District V, Dr. Holly Harvey from
2 West Virginia.

3 The purpose of the committee is to review
4 the 2017 annual meeting minutes and make a
5 recommendation for approval at the 2018 NBCE
6 annual meeting of the state delegates. A
7 chairperson will be selected from the 500
8 delegates at a teleconference, to be scheduled
9 probably in June or July. The board secretary
10 serves on the committee as an ex officio member.

11 Dr. Salvatore LaRusso, could you come up and
12 present the treasury report?

13 DR. LARUSSO: Thank you, Dr. Morin.

14 Good afternoon, delegates, alternate
15 delegates and guests. Before we get into the
16 financial report, I would just like to make some
17 recognition of our current president, outgoing
18 board member, as president, who has done a
19 fantastic job and has the best appreciation of
20 this Board of Directors, for working with us in a
21 such a tumultuous year. I know with the change
22 of BBPs and the head interim, and we had some HR
23 challenges this year, and I'm very appreciative
24 and honored to work with such a steady hand and
25 humble servant as Paul Morin. He gave us an

1 opportunity during his call for us to recognize
2 him. I would like to recognize Dr. Paul Morin.

3 As treasurer of the National Board of
4 Chiropractic Examiners, it is my duty to report
5 the results of the National Board of Chiropractic
6 Examiners' 2016 financial report. The 2016
7 independent certified public accountant audit was
8 posted on the NBCE website. The CPA's audit
9 report was presented to, and approved by the
10 directors of the board of the National Board of
11 Chiropractic Examiners at our semiannual meeting.

12 The NBCE 2016 financial audit was conducted
13 the first week in February of 2017 by the
14 independent accounting firm of Anton Collins
15 Mitchell, LPP. The independent auditor's letter
16 of opinion affirms the NBCE statements of
17 financial position, will present fairly, and all
18 material respects as of December 31st, 2016. The
19 total revenue and gains for 2016 is \$12,755,000.
20 There was an \$800,000 with a 7 percent increase
21 in exam revenue in 2016 over '15. In this
22 re-coverage, we have five percent new student
23 enrollment, an increase that occurred back
24 between 2012 to '13.

25 It also had a 2015 decline in exam revenues.

1 The written exam fees were increased by \$25.00,
2 with the written exams, and by \$50.00 in part IV
3 in CR chart exams and our revenue.

4 As you can see in the chart, part IV, it was
5 our most expensive exam to deliver, but it also
6 brings in our most revenue. Part I, II and III
7 have relatively similar revenues, with just a
8 slight reduction in part I, II and III, due to
9 some student attrition.

10 The remaining revenue comes from invested
11 income, post-licensure exam, other products and
12 services. Total expenses for 2016 were
13 \$11,816,000. The computer test and delivery
14 system has been an expensive endeavor with
15 increasing both the IT staff and hardware, by
16 purchasing new equipment and servers. You can
17 see our total expenses that are mostly on this
18 chart in 2015, as compared to 2016.

19 The next chart shows our major expense
20 categories. Exam prep and delivery of our exam,
21 being the highest expense category, the second
22 highest category being our employee wages,
23 benefits and taxes. And the third remaining is
24 for over values, along with assistance to other
25 organizations, invested fees, board fees, project

1 development and (audience interference.) The
2 total revenue, less all expenses produced,
3 bottom-line, increase in the net assets of
4 \$939,000 in 2016. We experienced a \$580,000
5 increase in this year's increase in net assets
6 over '15, which was mostly due to the increased
7 cost of our computerization initiative.

8 Now, looking at the organization balance
9 sheet, the NBCE total assets as of December 31st,
10 2016, are \$31,539,000. This is a \$1,791,000
11 increase from the previous year. Our various
12 asset categories are represented in this pie
13 chart here. The board has estimated assets, if
14 you want to set aside the catastrophic events,
15 exam development and economic stability (audience
16 interference) were at \$18,842,000, which
17 represents 60 percent of all our assets. The
18 goal is now at twice our operating expenses in
19 this panel, which would be around \$21 million.
20 It is conceivable this chart will be reached
21 possibly in this next three or four years.

22 The NCIB, which is the National Charities
23 Information Bureau, recommends that non-profit
24 organizations such as ours maintain temporary
25 restricted assets similar to what will be

1 referred to as board designated assets, available
2 for the following fiscal year of twice the
3 current year's expenses. The national board has
4 accepted this recommendation and make it board
5 policy when the directors developed and approved
6 the NBCE Board of Designated Fund Policy back in
7 2002. Two years and \$22 million is what it would
8 take to get all the current students through part
9 IV before were (audience interference) if
10 necessary, we needed to shut the organization
11 down due to economic or other organizational
12 catastrophe.

13 At the end of 2016, the NCBE's total
14 liability and assets were \$31,539,000. This is
15 the same figure as to the last that you see in
16 the chart. The total, current long-term
17 liabilities at the end of 2016 were \$1,756,000.
18 The net assets are what -- undesignated funds and
19 board designated funds, the total is \$29,783,000.

20 In conclusion, it is my honor, and I am
21 pleased to report to the NBCE board, the Board of
22 Finance Committee, the NBCE staff, and everyone
23 at NBCE have worked hard together this year to
24 ensure the NBCE's strong financial stability of
25 the national board.

1 Mr. President, this concludes my financial
2 report. On behalf half of the board, I move to
3 accept the financial report.

4 DR. MORIN: It has been moved to accept the
5 auditor's report. Is there any discussion? All
6 in favor, raise your paddles.

7 Those opposed, raise your paddles.

8 Thank you very much. The annual report is
9 adopted.

10 The president recognizes Dr. Ron Tripp,
11 District IV director and bylaws committee chair.

12 DR. TRIPP, JR.: Thank you, President Morin,
13 thank you for the opportunity on behalf of
14 (audience interference) and the committee members
15 to serve on behalf of this committee this year.
16 We got nothing. There are no proposed changes to
17 the bylaws for 2017 for the National Board of
18 Chiropractic Examiners, and that is my submission
19 as chair. Thank you very much.

20 DR. MORIN: No bylaws changes are
21 recommended, so the NBCE bylaws ratified on April
22 29th, 2016, continue to stand. Thank you,
23 Dr. Tripp.

24 We do have a couple of elections to conduct
25 this year. District V will be caucusing for the

1 special election for a one-year term to complete
2 the District V term that has been vacated by
3 Dr. Ouzts, who was the previous District V
4 director. We will also be caucusing with
5 District IV to nominate a district director from
6 that district. We are going to do one district
7 at a time. I will ask the remaining delegates to
8 stand at ease and stay in the room. It won't
9 take us too long. We're going to do one election
10 at a time.

11 I've appointed Kay Leff and Mr. Stephen
12 Tracy to be the tellers, and I will conduct the
13 elections.

14 So we're going to take the District V caucus
15 first. I would like all the District V delegates
16 and alternates to form a circle, and we will
17 conduct that first. The remainder of you can
18 stand at ease and feel free to talk quietly among
19 yourselves.

20 (Thereupon there was a discussion off the
21 record).

22 DR. MORIN: Okay. District V is John
23 McGinnis. Is there a spokesperson from District
24 V?

25 If we could get District IV delegates on the

1 other side.

2 Is there a spokesperson from District V?

3 UNKNOWN SPEAKER: Yes, sir.

4 DR. MORIN: Come told the podium. Has
5 District V nominated a new district director?

6 UNKNOWN SPEAKER: Yes, sir. District V is
7 pleased to announce that John McGinnis has won
8 the nomination.

9 DR. MORIN: So there's a recommended nominee
10 from District V, we need to vote on that nominee.
11 So all those in fair of the nominee, raise your
12 paddle high. Dr. John McGinnis from District V.
13 Okay. Paddles down.

14 Are there any opposed to Dr. McGinnis's
15 nomination?

16 Congratulations, Dr. McGinnis, your are
17 district V -- (all applauding.)

18 Direct IV, do you have a spokesperson from
19 your caucus?

20 Chair recognizes Dr. Badge.

21 DR. BADGE: It's my pleasure to nominate
22 Dr. Ron Tripp.

23 DR. MORIN: All right. Dr. Ron Tripp from
24 District IV has been renominated. All those in
25 favor of electing Dr. Ron Tripp, raise your

1 paddles. Paddles down.

2 Those opposed, raise your paddles.

3 All right. So Dr. Ron Tripp,
4 congratulations, you are the District IV
5 director.

6 I have a couple of announcements to make.
7 We'll wrap up the fourth annual national board
8 day with two afternoon workshops, they -- both of
9 the workshops qualify for two CEUs. They would
10 be held across the hall in Florida B-C and
11 Florida A. The first will be on risk management
12 and critical Medicare and documentation
13 requirements. And the second will be on spine
14 care in everyday practice, and evidence-based
15 classification and care pathways for solo and
16 integrated practices.

17 We also would invite you to join us at the
18 Epcot Center Odyssey Pavilion for dinner this
19 evening at six p.m. Each of you should have a
20 ticket, and your ticket is that lovely white and
21 red paper band, so please be sure you have that.
22 We will have bus transportation over there at --
23 heading over there at 5:15, Mears buses will be
24 transporting us. And we'll be coming back after
25 the fireworks this evening.

1 In the meantime, please be aware that the
2 buses will leave from the entrance under Tower
3 One. So my understanding is that that's not the
4 lobby entrance, it's a little bit further down to
5 Tower One. So find us there at 5:15, and look
6 forward to an evening of entertainment and
7 camaraderie.

8 Is there any other business to come before
9 the annual meeting of the NBCE delegates? If so,
10 please rise and come to the podium.

11 The chair recognizes Dr. Badge from Arizona.

12 DR. BADGE: For the record, I'm Jim Badge,
13 Chair of the Arizona Board of Chiropractic
14 Examiners, and past president of the National
15 Board of the NBCE Examiners. I'm going to read
16 this statement so that --

17 DR. MORIN: Your mic is not on.

**NOTE: This was inaudible and the following
text was taken from his document.**

18 DR. BADGE: I'll start over.

19 For the record, my name is Jim Badge, Chair
20 of the Board of Chiropractic Examiners, and past
21 president of the Nation Chiropractic Examiners.

22 I'm going to read this statement so that
23 later there can be no misinterpretation as to
24 what I say here today. A colleague once told me
25 there are no secrets -- that's an important

1 statement; there are no secrets. I have also
2 been asked by a number of my colleagues to make
3 this statement to you. We know recently there
4 have been some less than popular decisions made
5 by the national NBCE. You, on the NBCE, know
6 exactly what I'm referring to. We heard Dr.
7 Chris Waddell of Oklahoma City in his discussion
8 before us yesterday; transparency is what it's
9 all about.

10 It is suggested by me and others, that you
11 have the opportunity to get your house in order
12 so that we, as the delegate body representing the
13 state regulatory boards, do not have to step in
14 and take action.

15 Thank you for allowing me to make this
16 statement.

17 DR. MORIN: Thank you very much, Dr. Badge.

18 Is there any further business to come
19 before the annual meeting?

20 For the good of the order, does anybody have
21 anything to offer?

22 All right, thank you very much. With no
23 further business to come before the delegates,
24 without objection, the chair will adjourn its
25 2017 annual delegate meeting of the National

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Board of Chiropractic Examiners.

Seeing no objection, we will adjourn.

(THEREUPON the testimony was concluded at 2:20 p.m.)

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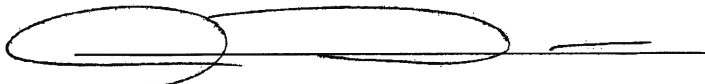
CERTIFICATE OF REPORTER

STATE OF FLORIDA

COUNTY OF ORANGE

I, Julie Watkins, Court Reporter, do hereby
certify that I was authorized to and did report the
foregoing proceedings; and that the transcript, pages 1
through 17, is a true record of my stenographic notes.

DATED this 5th day of May, 2017.



Julie A. Watkins, Court Reporter
U.S. Legal Support