

Meeting Minutes of the OCA's BOD

April 18, 2024

Attendees: Michael Lell; Michael Arnot; Dan Bebe; Rob Richards; Amanda Stiller; Jan Ferrante; Mark Gabriel; Todd Turnbull; Vern Saboe; Dean Clark; John Helton

Housekeeping

- Called to order 7:15. Close 819
- Agenda Approved
- March's meeting minutes approved

Office Manager's Report

- See attached
- Current convention numbers is 176 / 200; we can usually count on 20 at the door
- Casino night is currently 50 which is on par for last year, our first year
- Annual membership meeting will not be occurring at convention this year because a notice was not sent out with enough time

Legislative Report

See Attached

- Has had a few meetings on our work comp effort and 10 scheduled on May 30th
- Met with Governor's staff last week regarding reimbursement and barriers within OHP
- The OBCE is reintroducing the idea that a 15 year old can consent to Chiropractic care; the OCA will be in support
- About \$4K in the P.A.C.

Treasurer's Report

See Attached

- Things are looking quite good though Convention still needs to be accounted for

OBCE

Todd & Vern

- Michael A sent the OBCE president a letter regarding their training language; their meeting will be next month

Bylaws & Review

John & Dean

- Jan sent the committee members Dennis's old work for review; the two committee members have done a precursory review and are accumulating recommendations, especially around voting rights of student members and the date of board elections
- District lines have not been reviewed as thoroughly

Insurance Relations

Arnot

- We are “on hold” with CAMBIA and RBCBS for contracting with Secure Care

Convention

Stiller

- Still wants a BOD members at the table at all times
- Membership Recruitment: the discount incentive will be the cost of a membership less what they paid for convention along with 30 raffle tickets

Membership

Lell

- 2 new members this month and 2 new student members
- Jan was at UWS today for the career fair & she was treated well this time

Social Media

Lell

- A video was recorded but could not be used b/c of inaccurate information
- Will do another SM push now that we're a week out

New Business

1. Erchonia by Dr. Bebe

- He wonders if the OCA should affiliate itself with a company whose claims may be suspect

Office Manager's Report / for February 18, 2024:

1) **FINANCIALS** --- These were emailed out to Dr. Robert Richards, Treasurer

Currently (as of 4/15) our checking account bal	=	\$ 42,668.36
Savings Account	=	\$ 88,196.80
JS fund	=	\$ 2,885.35

We have paid the additional deposit due Wild Bills for Casino Night = \$1020.00

2) **CONTINUING EDUCATION & E WEBINARS** –

We had 1 CE webinars on March 28th – Medicare updates by Dr Mario Fucinari
There were 33 people registered and we netted \$1230.

I have made another \$2500 payment (April) to the videographer for deposit on our videotaping of the sessions at convention that we have decided to record for the online library. This expense is classified as Continuing Education so that does not affect any transfers to or from Savings account. Total deposits now to Discovery Media for videotaping = \$5000 with should leave only a small balance after convention when we receive our videos.

3) **CONVENTION 2024:**

Currently we have 171 persons registered for convention.

83 members

38 CAs / Staff

35 Non-members

15 others ?? (Fri-Sat-Sunday ONLY= 1 day only rates) DCs or CAs – Memos or Non

All of our vendor booths have been taken – 33 booths total. All vendors have confirmed those spaces and all have paid that were being charged.

I met with Tiffany Jetson our Catering rep on Tuesday 4/9 at the Sheraton Hotel and went over the preliminary banquet orders. I have not yet received those BEO's back from her.

CASINO NIGHT NUMBERS = currently we have 50 persons

VIP DINNER NUMBERS = currently we have 64 persons

4) **YEAR END** :

After convention I will be getting the records together for the CPA to begin working on our 2023 Form 990 tax return. The business returns are due later than personal tax returns so they do not take in our records until after the 4/15 deadline has come and gone.

5) **UWS CAREER FAIR:**

The UWS Career Fair was held on 4/18 at UWS from 11am-3pm. We are having a table at that event and I just need to get clarification on what board members will be in attendance at that event?? Mark Gabriel?? And who else?

Is the office staff supposed to be there? We are just one week out from convention?

- 6) **JOURNAL**: The next Journal will be after convention – in May with recaps of the event and more.
- 7) **NEW CA PROGRAM** – I have not had a chance to get this program figured out yet with Dr Ty Talcott – so this will be a program that I will bring back around after convention weekend, once I have the chance to get more of the details about how this will work from Dr Ty.
- 8) **ANNUAL MEMBERSHIP MEETING**: This year’s convention will not have an annual membership meeting because that was never decided and put forward to the members. We will need to schedule this sometime later in the year either in person or via zoom to meet that annual requirement as a non-profit.
- 9) **AWARDS**: The awards have been ordered and will be presented during convention weekend as follows:
 - Friday at 1:30pm-2pm – 50 year awards to Dr Steve DeShaw & Dr Dan Beeson will be presented
 - Saturday at 1:15-1:45pm – Other awards will be presented and intro of our BOD members

That is my report.

JAN

ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – MARCH 2024)

There are three critical figures to understand in evaluating the performance and profitability of an organization.

A) Gross Profit Margin

B) Overhead Percentage

C) Net Profit Margin

Ideally, cost of goods sold (COGS) should not exceed **40%**, which leaves a gross profit margin of **60%**. Of that 60%, overhead should not exceed **35%**. This will result in a genuine net profit margin of **25%**, which is considered ideal for any business or organization.

GROSS PROFIT: Total Income – Cost of Goods Sold (COGS) = Gross Profit

**For this computation COGS = Program (Convention) costs + Merch Fees + Marketing & Promotion*

OCA COGS = \$6,699.65 + \$5,344.61 + \$3,961.47 = \$16,005.73

$\$16,005.73 \div \$146,292.50 = \underline{11\%}$

The OCA's COGS is only 11% of total income, which is well below the ideal standard of 40%.

\$146,292.50 - \$16,005.73 = \$130,286.77 OCA GROSS PROFIT

A) OCA GROSS PROFIT MARGIN: Gross Profit ÷ Total Income = Gross Profit Margin

$\$130,286.77 \div \$146,292.50 = \underline{89\%}$ (Ideal is 60%, our desired is only 74%)

The OCA continues to enjoy a well above average Gross Profit Margin

**This is based on our unusually low COGS of 11% as compared to industry standard of 40%.*

B) OCA OVERHEAD PERCENTAGE: Total Expenses ÷ Total Income = Overhead Percentage

**For this computation Total Expenses is adjusted/reduced by Merch Fees + Marketing & Promotion included in COGS*

$\$58,311.62 \div \$146,292.50 = \underline{39.8\%}$ (Ideal is 35%, desired is as high as **64% - 67%**)

Overhead for January – February 2024: **36.9%**

Overhead for January 2024: **33.5%**

Overhead from January – December 2023 was: **68.5%**

Overhead from January – November 2023 was: **67%**

Overhead from January – October 2023 was: **65.5%**

Overhead from January – September 2023 was: **67.7%**

Overhead from January – August 2023 was: **66%**

Overhead from January – July 2023 was: **65%**

The OCA currently has an Overhead percentage that is well below our target of 64% - 67%

ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – MARCH 2024)

OCA NET OPERATING INCOME: Gross Profit – Total Expenses = Net Operating Income

Current Net Operating Income \$130,286.77 - \$58,311.62 = **\$71,975.15**

Net Operating Income January – February 2024: **\$60,558.58**

Net Operating Income January 2024: **\$34,214.05**

Net Operating Income January – December 2023: **\$39,378.85**

Net Operating Income January -November 2023: **\$33,908.77**

Net Operating Income January – October 2023: **\$36,021.29**

Net Operating Income January – September 2023: **\$12,793.13**

OCA NET PROFIT: Net Operating Income (+ other income) – Other Expenses = Net Profit

\$71,975.15 (+\$28.71) = \$72,003.86 - **\$0.00** = **\$72,003.86 Net Profit/Income**

Net Profit January – February 2024: **\$60,559.85**

Net Profit January 2024: \$34,214.49

Net Profit January – December 2023: \$23,390.69

Net Profit January – November 2023: \$19,767.84

Net Profit January – October 2023: \$24,810.18

Net Profit January – September 2023: \$1,240.91

Net Profit January – August 2023: \$4,881.29

Net Profit January – July 2023: \$2,687.65

Net Profit January – May 2023: **-\$12,369.27**

Net Profit for 2022 = **-\$31,008.77**

C) NET PROFIT/INCOME MARGIN: Net Income ÷ Total Income = Net Profit Margin

\$72,003.86 ÷ \$146,292.50 = 49.2% Net Profit Margin 1st Quarter 2024

(Ideal is 25%, desired is only 7% - 10%)

Profit Margin January – February 2024: **53.5%**

Profit Margin January 2024 = **57.9%**

Profit Margin January – December 2023 = 5.9%

Profit Margin January – November 2023 = 5.3%

Profit Margin January – October 2023 = 6.9%

Profit Margin January – September 2023 = .39%

Profit Margin January – August 2023 = 1.65%

Profit Margin January – July = 0.96%

ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – MARCH 2024)

Profit Margin for 2022 = **-8.0%**

Net Profit is the amount of income/money remaining after all spending and is the most critical factor in evaluating the performance of any organization. A Net Profit Margin of **25%** is generally considered desirable. In June of 2023, however, the OCA BOD voted to adopt a much lower and easily attainable **Net Profit Margin of only 7%-10%**. We are currently exceeding that at **49.2%**.

SUMMARY:

The three critical figures in evaluating the performance and profitability of any organization are:

- A) **Gross Profit Margin (Ideal) = 60% (where COGS is 40%)**
- B) **Overhead Percentage (Ideal) = 35%**
- C) **Net Profit Margin (Ideal) = 25%**

In June of 2023, the OCA BOD adopted the following organizational financial goals:

- A) **OCA Desired/Goal Gross Profit Margin = 74% (with COGS of 26%)**
- B) **OCA Desired/Goal Overhead Percent = 64% - 67%**
- C) **OCA Desired/Goal Net Profit Margin = 7% - 10%**

The OCA's current financial figures are as follows:

- A) **Current OCA Gross Profit Margin = 89% (COGS only 11%)**
- B) **Current OCA Overhead Percentage = 39.8% (can be as high as 64%-67%)**
- C) **Current OCA Net Profit Margin = 49.2% (target is only 7-10%)**

OCA financials for the 1st Quarter of 2024 appear *excellent*.

This is the result of:

- 1. Reductions in Overhead already implemented.**
- 2. An unusually low COGS for our industry (currently 11% vs industry standard of 40%).**

Net Profit January – March: dropped to 49%
Net Profit January – February: dropped to 53.5%
Net Profit January: 57.9%

**ANALYSIS OF OCA PROFIT & LOSS STATEMENT
(JANUARY – MARCH 2024)**

Currently, no further reductions in overhead are recommended pending analysis of 2nd quarter Profit & Loss and Convention 2024 Profit & Loss.

Legislative Report for April 18, 2024

By Vern Saboe, DC., DACAN, FICC., DABFP., DIANM

WORKERS' COMPENSATION

- Parity, return of attending physician status to Oregon chiropractic physicians.
- Appointments, during legislative days.
- Rep. Shelly Broshart Davis to help with the Republican members.
- Not-a committee bill, 40+ cosponsors e.g, HB-2588 in 2005.
- Goal to have it heard in the House Health Committee.
- Steering of injured workers to Occ Med Clinic resulting in substandard care.

CCO ACCESS AND REIMBURSEMENT

- Improve reimbursement levels to something between current Oregon Health Plan fees and commercial health insurers.
- This concept discussed by the **Universal Health Care Task Force** discussion with Chairman Bruce Goldberg, MD.
- Remove access barriers of Pre-authorization and mandatory PCP referrals.

GOVERNOR KOTEK'S NETWORK ADEQUACY LEGISLATION, LARGE EMPLOYERS

- Contact with Jesse O'Brien in the Department of Consumer and Business Services (DCBS). No legislation for public release as of yet but will keep me in the loop.
- Section 2706a, the provider non-discrimination provisions would apply.
- Reimbursement piece, we are pushing to have this fixed, varying reimbursement rates based on quality and performance measures and not type of provider.

OBCE BILL TO ALLOW 15-YEAR-OLDS TO CONSENT TO CHIROPRACTIC CARE

- OCA supported during the long 2023 legislative session.
- Has already been re-introduced for the 2025 long session.
- Brings us up to speed with all other professions, sports young adults, it's needed.

CHIROPAC

- Current balance \$4,024.32

MEDICAL FEDERAL BILL, AMERICAN CHIROPRACTIC ASSOCIATION

- 174 members of congress sponsoring.
- 161 House members, 84 republicans, 77 democrats.

- 13 Senate members, 6 republicans, 7 democrats.
- We expect our bill to be strategically inserted into a larger bill which is a much more effective way of getting our Medicare bill passed.