

CINCINNATI MODEL INVESTMENT CLUB (CINMIC)

Greenhills Municipal Building

MINUTES for July 16, 2005

Attendance:

Name	Here	Proxy		Here	Proxy
Don Bunnell, Presiding Partner	yes		Lois Hatch	yes	
Marge Daniels, Recording Partner	yes				
Marty Eckerle, Fin. Partner 10/18/03	yes		Harvey Pickrum	no	x
Jim Hurt, Education Partner	yes		Virginia Purdy	no	Dene
Dene Alden	yes		Joyce Shinn 08/21/04	no	Marty
Mike Clore, 08/16/03	yes		Mary Thomas	yes	
Bernie Franks 08/21/04	resigned		Marybeth Long-Wolff, Ass't Sec 10/15/04	yes	
Jerry Gerverdt 07/17/04	yes		Denise Sivitz 5/21/05	yes	
Mike Griffin 09/17/04	yes		Gretchen Hurt serves as Receptionist	yes	

Don Bunnell opened the meeting at 9:30 am. There were five guests. The secretary's report, was not readable as E-mailed, so Marge read the minutes and they were accepted as read. Marge will send out to club members in MS Word and the minutes will not be uploaded to BIVIO webspace. The treasurer's report, also previously e-mailed, was approved and accepted for audit. Lois asked if we are reinvesting dividends. We are not reinvesting in the same company. Dividends go to our account and we invest in other companies.

Old Business: None

New Business: Bernie Franks has resigned. Bernie's evaluation will be based on the 8/12/05 Valuation Statement. He will be paid from our cash. At that time current members are allowed to contribute more than the \$100 limit, if they wish. Don has not received a response from Harvey Pickrum about continuing his membership.

Toolkit software is now available at a club rate. See Better Investing magazine for details.

Education Segment: Jim Hurt presented education segment on “Forward Looking Earnings on the PERT”. His presentation can be seen on the website: bivio.com/CINMIC He explained what the software does automatically. There is also a website where you can find out what the analysts expect a company to do online.barrons.com

Stock Presentation: Mike Clore analyzed Educational Services. ACS, Cosnos, Fiserv, Total Systems. Legal and regulatory investigations caused prices to drop. They are now in the buy range. He shared one judgment call: “Buy when the streets are running with blood”. Must not be risk averse! Mike suggested APOL. Mary asked why there was a dip in their earnings for 2004. It was an accounting adjustment to absorb University of Phoenix – a one-time, non repeatable event. Dene suggested that the PEG ratio was 212. That is too high, we desire between 90-115. If you select a lower growth rate on the front page of the SSG, you need to lower the P/E’s in section 3 because people will not pay as much. Usually use a high P/E not over 2 times the projection. EDMC, Educational Management is smaller. Mike feels they are a buy-out candidate. Row 2B (ROE) is declining.

Mary reminded our guests of the SSG class. Later she mentioned that we also offer judgment Class.

QUICK REVIEW OF PORTFOLIO

Name	Ticker	Tracker	Range	Comments
Affil Computer Srv	ACS	Marty	Buy	Hold- next report out 8/5/05
Doral	DRL	Mike G	Hold	New Chairman of the Board
Home Depot	HD	Joyce	Buy	Hold – we have enough
Teva	TEVA	Denise	Buy	All indicators look good
UT Starcom	UTSI	Virginia	Buy	Rebounding –got a new contract
Helen of Troy	HELE	Mary Beth	Sell	Sales 19% this qtr. Earnings -27% increased costs, inventory
Johnson & Johnson	JNJ	Dene	Buy	Hold –we have enough
L-3 COM	LLL	Gerry	Buy	Hold – 13% of our portfolio
Worthington	WOR	Mary	Buy	Hold 4 th qtr down 45%
Macrovision	MVSN	Mary Beth	Buy	Hold

Watch List:

Name	Ticker	Tracker	Range	Comments
Gentex	GNTX	Harvey	Hold	

Kohls	KSS	Harvey	Hold	
Pfizer	PFE	Harvey	Buy	
Walmart	WMT	Harvey	Buy	
Sysco	SYX	Harvey	Hold	

Investment Decisions:

First we voted on stocks to sell. Dene moved we sell Helen of Troy at market. Yes=13, n=1. This allows us to invest \$700. Don asked for all buy motions. Teva, UTSI, WMT, APOL and EDMC were moved. Don gave 2 points to first on each ballot and 1 point to second choice. Teva 15, Walmart 9, Apollo 14, UTSI 2, EDMC 2. Jim moved to buy 20 shares of Teva at market. Yes = 11, no = 3.

Future Presentations:

<u>Date</u>	<u>Presenter</u>	<u>Industry</u>	<u>Companies</u>
8/20/05	Bernie Raney		
9/17/05	Marty Eckerle	Challenge ACS	

Other:

Next Meeting: Will be the third Saturday in August at 9:30 A.M. Saturday August 19, 2005 on second floor of the Greenhills Administration Building at 11000 Winton Road.

Respectfully Submitted by,

Marge Daniels, Recording Partner

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