

CINCINNATI MODEL INVESTMENT CLUB (CINMIC)

Greenhills Municipal Building

MINUTES for August 20, 2005

Attendance:

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

Don Bunnell opened the meeting at 9:30 am. There were two 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.

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 \$925.91 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. The secretary will write him a note to remind him of the By-laws.

Education Segment: Jim Hurt continued his education segment on "Forward Looking Earnings on the PERT". Two rows of pink means take action. One bad quarter – stay alert and watch it, two bad quarters, investigate and make a decision. When Relative Value is below 80% must investigate. The PERT report quickly brings up problems in the portfolio. Do not make buy/sell decisions based on the PERT. Revise your SSG and then make decisions.

Club members: As you change judgment on the SSG of companies you are tracking, please send the updated SSG to Jim. He'll maintain the PERT and send out the Club's PERT. Only change the SSG judgment when something changes at the company.

Stock Presentation: Don Bunnell looked at Value Line's screens – Timely Stocks in Timely Industries. He looks for the Estimated 3-4 year price appreciation to be 50-100%. He settled on Computer Software and Services. He does a visual assessment of Value Line, looking for companies “below the value line”. Debt less than 35%. Financial strength B++ or better, Earnings predictability above 65. He looks at price charts to determine when to buy – after he does an SSG to determine if to buy. Stock comparison guide selected ACS and MVSN. He looked at FISV. Mary used lower projections than Don. He got a buy. Joyce says she uses 1.5 times her earnings projection for High P/E and 60% of that for the low. You could choose a rate of growth by averaging the last 2 years of row 2B.

QUICK REVIEW OF PORTFOLIO

Name	Ticker	Tracker	Range	Comments
Affil Com-puter Srv	ACS	Marty	Buy	Hold- Update SSG next month
Doral	DRL	Mike G	Hold	Chief Executive Officer resigned, fired Financial officer, will not file June reports until September
Home Depot	HD	Joyce	Buy	Hold – we have enough
Teva	TEVA	Denise	Buy	HOLD All indicators look good
UT Starcom	UTSI	Virginia	Buy	Hold or Sell
Johnson & Johnson	JNJ	Dene	Buy	Hold –sinking
L-3 COM	LLL	Gerry	Buy	Hold –
Worthington	WOR	Mary	Buy	Challenge next month – Mary called Value Line. They said inventory was the problem.
Macrovision	MVSN	Mary Beth	Buy	Macrovisin has had 2 bad quarters. Sales are terrific, earnings and PTP have gone negative. Management is not doing a great job of turning sales into profits.

Watch List:

Name	Ticker	Tracker	Range	Comments
Gentex	GNTX	Don	Hold	

Kohls	KSS	Don	Hold	Remove from watch list
Pfizer	PFE	Don	Buy	
Walmart	WMT	Don	Buy	
Ed Mgt	EDMC	Don	Buy	We removed APOL from our watch list.
Sysco	SYX	Don	Hold	

Investment Decisions:

First we voted on stocks to sell. Jim moved we sell Doral. Sell = 9, Hold = 4 (One proxy was not voted). Joyce moved we sell UTSI. Sell = 12, Hold = 2.

Future Presentations:

<u>Date</u>	<u>Presenter</u>	<u>Industry</u>	<u>Companies</u>
9/17/05	Joyce Shinn	Most Active Stocks in BI	
10/15/05	Dene Alden		
11/19/05	Bernadette Raney		

Other: Marge asked to change the By-laws to allow Mike Clore to extend his membership. **Since this would mean a By-Law change, it will be discussed at the next meeting.**

Mary asked everyone to refer to their newsletter from OKI chapter to sign up for classes.

Next Meeting: Will be the third Saturday in September at 9:30 A.M. Saturday September 17, 2005 on second floor of the Greenhills Administration Building at 11000 Winton Road.

Respectfully Submitted by,

Marge Daniels, Recording Partner

513-825-3756

mhdan@infionline.net