**Cincinnati Model Investment Club Minutes**

**January 17, 2015**

**West Chester Library**

**Call to Order:** Dene called the meeting to order at 9:50M. Guests in person: Joel Cohen, Bill Gillings, Steven Brown; guests on webinar: Dan Kuhl, Jocelyn Dixon, Vincent Wiley, Monica Haywood, Vincent Wiley

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| --- | --- | --- | --- | --- | --- |
| **Name** | **Here** | **Proxy** | **Name** | **Here** | **Proxy** |
| Jackie Koski | Yes |  | Harrison Baumbaugh | No |  Cliff |
| Ian Barnes | Web | Marty | Mary Thomas | Yes |  |
| Betsy Eller, Financial Partner | Yes |  | Cliff Turrell | Yes |  |
| Craig Jacobsen, Presiding Partner | Web |  | Larry Averbeck  | Web |   |
| Marty Eckerle | Web |  | Mike Griffin | Yes |  |
| Gerry Geverdt  | No | Marty | Kugi Chauhan  | Yes |  |
| Dene Alden | Yes |  | Michele Grinoch  | Yes |  |
| Frank Bicknell | Yes |  | Ed Mishlove | Web |  |
| Scott Wallick | No | Jackie | Richard Alden | Yes |  |

**Recording Partner’s Report:** Minutes for December were approved as posted.

**Financial Partner’s Report:** Gross funds available: $9,552.37, less limit order for 25sh of MWIV @$165.00 ($4,125.00); net available: $5,427.37. Motion by Mike/Jackie to move to audit, approved.

**Announcements:**

Investor Education Day scheduled for April 18 at La Quinta Inn in Sharonville. Sponsors are Duke Energy and Conservative Financial Solutions

**Old Business:**

Rearrangement of the diversification table was discussed but the table will remain as is for now.

**New Business:**

An Audit Committee was formed consisting of Betsy, Mike, Cliff and Mary.

Due to personnel, event, and room schedule conflicts, the next three meetings were proposed to be:

* Feb 21, Board Room, Cliff presiding in Dene’s absence
* Mar 28, room C reserved
* Apr 25, room not yet reserved

Motion by Kugi/Mike, passed 18/0/0. We will revert to the third Sat schedule on May 16.

Earnings reports for companies will be coming out soon. Craig requested that if earnings reports occur before the next meeting, the stock follower should prepare a new SSG and submit it to the group before Sun, Feb 15.

**Education:**

Ian presented Catamaran (CTRX). In addition to their Pharmacy Benefits Management unit, they also have provide Healthcare Information Technology Services. Although they are 4th largest in their industry, they are gaining market share and expect to grow organically and through acquisitions. The overall market is expected to grow due to the ACA, Medicaid, Medicare and an aging boomer population. Opinions varied on the SSG judgements and no consensus SSG emerged.

**Industry Presentation:**

Mary selected the Chemicals (Diversified) industry with the intent of finding a candidate to fill the Material section of the diversification table. Her presentation was based on a method recently presented by Ken Kavula. The industry is cyclical, influenced largely by the general economy with a beta greater than 1.0. Mary mentioned six companies in the field and selected to do a Stock Comparison Study on four: Cabot (CBT), Celanese (CE), Eastman Chemical (EMN), and Hexcel (HXL). Of these, Hexcel looked the best but there was no agreement on the growth projections from various sources and growth rates fell short of club objectives. The exhaustive study was well received but the industry may not be of interest to CinMIC as it constitutes only 3.5% of the S&P 500. Use of the Stock Comparison Guide as a screening tool will be the subject of an Education segment to be presented by Marty and Mary at a future date.

**Portfolio Review:**

|  |  |  |  |
| --- | --- | --- | --- |
| **Stock FYE** | **Watcher** | **B/H/S** | **Comments** |
| BBBY 2/28 | Ed | Hold |  |
| CHRW 12/31 | Larry | Hold |  |
| CTSH | Mike | Hold |  |
| DHR 12/31 | Kugi | Hold |  |
| FAST | Richard | Hold |  |
| ITC | Michele | Hold |  |
| LKQ | Marty | Buy |  |
| NVO 12/31 | Ian | Hold |  |
| OLED | Gerry | Sell | Need a replacement |
| ORCL 5/31 | Jackie | Hold |  |
| QCOM 3/31 | Cliff | Hold |  |
| SLB 12/31 | Marty | Hold |  |
| SRCL | Harrison | Hold |  |
| SWI 12/31 | Dene | Hold |  |
| TROW | Craig | Hold |  |
| VAR 9/27 | Scott | Hold |  |
| SRCL | Harrison | Hold |  |
|  |  |  |  |

**Buy/Sell:**

Remove the MWIV limit order for 25sh @$165, freeing $4,125.00 for other investment, Rich/Mike, passed 18/0/0

Buy 100sh LKQ @window, Marty/Craig, passed 17/1/0

**Future Education Schedule:**

|  |  |  |
| --- | --- | --- |
| Feb | none |  |
| Mar | Marty, Mary - Stock Comparison Guide |  |

**Future Stock Presentation Schedule:**

|  |  |  |
| --- | --- | --- |
| Feb | Kugi, Larry - stock study |  |
| Mar | TBD |  |

**Next Meeting:** West Chester Library , Sat, Feb 21, 9:45a, Board Room

**Adjourned:** 11:54a

Respectfully submitted by: Rich Alden, Acting Recording Partner