**Southeastern Michigan BetterInvesting Model Club**

**Meeting Minutes**

**Date:** Saturday October 21, 2017

**Start Time:** 10:00 AM

**Completion Time:** 12:00 PM

**Location:** Teleconference via GoTo Meeting

[https://www2.gotomeeting.com/join/145688913](https://www2.gotomeeting.com/join/145688913" \t "_blank)

Meeting ID #145688913

Proxy: Curt to Ram

**Next Meeting:** Saturday, November 18, 2017

**Agenda Items**

**1. Call to Order and Presiding Partner’s Opening Remarks [10:00 am]**

* Minutes **[03:00]** – September minutes were revised & approved (see motion table below)
* Buy / Sell Recommendations **[12:00]–** We have 6 with ~ 3% total that should be considered to add more or sell. AMZN, CVS, DY, ORLY, SBNY, ULTA deep dive or consolidate (Team B).
* Team Structures/ Realignment: Gillian Todd – Makes contributions (except June 17), but does not attend meetings. Chris Rolls – Consider sabbatical (6 – 12 months possibly) or consider withdrawing from the club. Ram & Joe will contact Chris & Gillian to find out their intentions as to participate with the club.
* GTM Licensing – One person must start every meeting using GTM. Are we expecting too much from Len?
* Study Ideas:

FAAMG (aceon, Appl, Microsoft,-Google).

Netflix dropped from FANG (Facebook, Amazon, Netflix, Goo

* Stock Watcher: LKQ (Joe), ORLY, CVS – Will wait till Team B addresses the consolidation in November.

**Members in Attendance:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Name** | **In Person** | **GTM** | **Name** | **In Person** | **GTM** |
| **Officers:** |  |  | **Members:** |  |  |
| Ram Ganapathi | X |  | Bill Gordon | X |  |
| Joe Bowen | X |  | Pat Deak | - | - |
| Len Douglass |  | X | Curt Cormier | - | - |
| Jane Bellaver | X |  | Deb Brown | - | - |
| Teresa Barr |  | X | Alex Bodea | - | - |
| Cliff Trent | X |  | Jim Barrett |  | X |
|  |  |  | Chris Rolls | - | - |
|  |  |  | Gillian Todd | - | - |
|  |  |  | Sudip Suvedi |  | X |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**2. Treasurer’s Report (Len Douglass) [46:00]**

Financials Update (as of 10/19/17) From BIVIO

|  |  |
| --- | --- |
| * Securities Total * Cash on Hand * Portfolio Value * Unit Value | $ 183,952.18  $ 725.16  $ 184,677.34  $ 28.738042 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Company** | **Watcher** | **Last Review Date** | **Recommendation** | **Comments** |
| AAPL | Sudip | 09/2017 | BUY / Hold | New products look promising – wireless charging, face recognition. Analysts recommend buy.  \*\* Will update SSG & send to club. |
| AMZN | Ram | 06/2017 | BUY | Initial Position |
| AL | Bill | 05/2017 | Hold | 1Q EPS $0.78 – UD 2.9:1 |
| BIIB | Cliff | 03/2017 | Hold | Alzheimer drug is in final stages of approval – may produce more revenue.  Of their 3 MS drugs, one is growing two are declining.  Settled lawsuit w/ Forward Pharma $1.25b to protect its best-selling Tecfidera's patent. Q EPS (-20.2%) due to this lawsuit.  3/18/17 - Change SSG sales & EPS to 8 & 8. Change PEs to 24.9 & 14.5. Change high / low prices to $619.50 & $223.20. UD 6.1 |
| CTSH | Teresa | 05/2017 | Hold | Price is at a 52 week high. Declared $0.15 dividend payable May 31, 2017. 1Q EPS $0.84 beat by $0.01. Rev 10.7% (10.9 %YoY). Non-GAAP operating margin was 18.9% (GAAP 16.1%) Full-year guidance revenue is $14.56 b, which represents 8% - 10% growth over 2016. Increased EPS to $3.64 from 3.53. |
| CVS | Chris | 03/17 | Hold | VL - losing prescription share to Walgreen’s & management softening EPS guidance. SSG changes for sales & EPS 8 & 8. High & low PEs 20 & 12. High & low prices $143.20 & $59.00. UD 3.1 |
| DY | Jane | 07/17 | HOLD | 4/2017 Q3 – EPS up 22%, Sales up 18.3%, YoY debt increased – No changes to SSG – UD 5.5 – Will check guidance, and whether they utilize landlines. |
| FAST | Jim | 10/21/2017 | HOLD | Recent Q Sales & EPS 11.0% & 13.6% respectively.  SSG changes: Sales 4.9% -- EPS 5.4%.  High & Low PEs 28.1 & 19.9 respectively.  High & Low Prices 68.8 & 37.4 respectively. Avg. dividend yield 59.6. UD 1.8. |
| FB | Sudip | 10/21/2017 | BUY | Initial Position |
| LKQ | Joe | 03/2017 | Hold / Buy | Divested OEM portion of Pittsburg Glass this will impact our SSG as a big drop in sales & EPS for the next few quarters.. (VL $750m less revenue). Growth in European acquisions. SSG 12 & 12 for sales & EPS. Change High & low PEs to 22 & 14 (slowing growth). High & low prices to $65.60 & $22.40. UD 4.7 |
| ORLY |  | 09/2017 | BUY | Initial Purchase |
| PCLN | Deb | 06/2017 | Hold | SSG Updates: Sales 15% EPS 15%, Forecast low price at 80% $1447.40, U/D 7:1 |
| SBNY | Bill | 10/21/2017 | Buy/Hold | Recent Q Sales & EPS 25.6% & 62.4% respectively. SSG sales & EPS 15 & 13.7 respectively. Medallions are still an ongoing concern. |
| SWKS | Alex | 07/2017 | Hold | Annual fiscal report due out 7/20/17.  Q2 beat street expectations. Sales & EPS for the Q2 were 10% & 11% respectively. UD 2.1 |
| ULTA | Pat | 09/2017 | Buy / HOLD | No changes - SSG Sales & EPS 22 & 23, PEs 39 & 23.1, High & low prices at $825.60 & $164.50 UD 9.7 |
| V | Curt | 06/2017 | Hold | SSG Updates: Sales - 15% EPS – 14.7%, Tax Rate 30%, High / Low PEs 30.2 & 18.9 respectively, Forecast High Price 165.8, Forecast Low Price $65.5, U/D 2.5, Compound Return 12.6%, Projected Return 8.2% |
|  |  |  |  |  |
|  |  |  |  |  |

* Remember, checks now need to be made out to FOLIOfn Investments, Inc. Also write Account #MB0773900K on the check.
* Purchases in September 2017 – Dividend reinvestments for AL, CTSH, & V

**TICKER SHARES**

FAST 26.07716 $ 1,150.00

**3. General Topics [54:00]**

* Library Reservation: BI HQ Small Conference Room for November – confirmed.

1. 01:14BetterInvestingClubMembershipRenewal[Motiontoapprove] $48.00

2. MemberswhohavetheirBetterInvestingMembershipthrutheModelClubRenewal:Forwardacheckmade

outtoBetterInvestingforyourindividualrenewalamounttotheTreasurerbeforeJune1

st

2017.Theyinclude

LeonardDouglass,SudipSuvedi,BillGordon,CurtisCormier,ChristopherRolls,RobWasilevich,TeresaBarr,&

PatriciaDeak

3. ManifestInvestingAnnualSubscriptionRenewal.$400.00[Motiontoapprove]

1. BetterInvestingClubMembershipRenewal[Motiontoapprove] $48.00

2. MemberswhohavetheirBetterInvestingMembershipthrutheModelClubRenewal:Forwardacheckmade

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PatriciaDeakthat need to be addressed at saturday's meeting:  
1. BetterInvesting Club Membership Renewal [Motion to  
approve]  $48.00  
2. Members who have their BetterInvesting Membership thru  
the Model Club Renewal:  Forward a check made out to   
BetterInvesting  for your individual renewal amount to the  
Treasurer before June 1st 2017.  They include Leonard  
Douglass, Sudip Suvedi, Bill Gordon, Curtis Cormier,  
Christopher Rolls, Rob Wasilevich, Teresa Barr, & Patricia  
Deak  
3. Manifest Investing Annual Subscription Renewal. $400.00  
[Motion to approve].

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**4. Stock Watcher Reports (All) – updates**

**5. Team Presentation (Team A) [1:24]** Internet Content & Information – Recommend to BUY FB

**6. Education/Discussion –**

**7. Buy / Sell –**

* See motion table.

**8. New / Old Business**

* Team B up in November - AMZN, CVS, DY, ORLY, SBNY, ULTA deep dive or consolidate. Also look at our capital gains & losses.

**9. Roundtable Discussion and Questions from Visitors**

1. Brittany Johnson

**Motion Summary Table**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Motioned**  **by** | **Seconded**  **by** | **Vote Result (Total = 12)**  **YES NO ABSTAIN** | | |
| September 2017 minutes approve | Jane | Ram | All |  |  |
| BUY $725 FB | Joe | Jane | 10 | 0 |  |
| Nominate current slate for 2018 | Joe |  |  |  |  |

**Action / Follow Up Items**

|  |  |  |
| --- | --- | --- |
| **Description** | **Responsible Person** | **Status ETA** |
| Team Structures/ Realignment: Gillian Todd – Makes contributions (except June 2017), but does not attend meetings. Chris Rolls – Consider sabbatical (6 – 12 months possibly) or consider withdrawing from the club & rejoin at a later date. | Ram & Joe will contact Chris & Gillian to find out their intentions as to participate with the club. |  |
| November election for 2018 |  |  |
| Brittany Johnson – Potential New Member |  |  |
|  |  |  |
|  |  |  |

**REFERENCE INFO**

**Model Club Dashboard**

<https://www.manifestinvesting.com/dashboards/public/SEMIModClub>

**Team Member Breakdown**

|  |  |  |
| --- | --- | --- |
| **Team A** | **Team B** | **Team C** |
| Joe Bowen | Pat Deak | Jim Barrett |
| Deb Brown | Len Douglass | Jane Bellaver |
| Cliff Trent | Sudip Suvedi | Curt Cormier |
| Teresa Barr | Gillian Todd | Bill Gordon |
|  | Chris Rolls | Alex Bodea |
|  | Ram Ganapathi |  |
| **Industry Screener** |  |  |
| Cliff Trent |  |  |

**Note: All Model Club members are encouraged to volunteer and participate in all Model Club activities / studies.**

**Upcoming Meeting and Event Dates**

|  |  |  |
| --- | --- | --- |
| **Meeting / Event Name** | **Date** | **Location** |
| Southeast Michigan Model Club Meeting | 11/18/2017 | BI HQ Small Conference Room |
|  |  |  |