**Southeastern Michigan BetterInvesting Model Club**

**Meeting Minutes**

**Date:** Saturday September 15, 2018

**Start Time:** 10:00 AM

**Completion Time:** 12:00 PM

**Location:** Teleconference via GoTo Meeting

<https://.gotomeeting.com/join/145688913>

Meeting ID #145688913

**Next Meeting:** Saturday, October 20, 2018

**Agenda Items**

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

* Minutes **[9:00]** – August minutes were reviewed

Sell:

Buy:

Study Ideas:

FAAMG 6-ceazon, Appl, Microsoft, Google).

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

* Stock Watcher:
* Joe proxy 🡪 Cliff

**Members in Attendance:**

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

**Guests in Attendance:**

1. Tony Profota [YNOT.8201@gmail.com](mailto:YNOT.8201@gmail.com)
2. Aaron Thomas [Aaronthomasd@yahoo.com](mailto:Aaronthomasd@yahoo.com)

**Guests in Attendance: GTM:**

**2. Treasurer’s Report (Len Douglass) [12:00]**

Financials Update (as of 9/13/18) From BIVIO

|  |  |
| --- | --- |
| * Securities Total * Folio * Portfolio Value * Unit Value | $ 191,235.38  $ 1,924.85 (after Manifest check clears ~ $832.00)  $ 193,160.24 (in Folio not including checks that just came in.)  $ 32.735720 |

* Write checks to FOLIOfn Investments, Inc. Also write Account #MB0773900K on the check.

**Purchases August 2018**

**TICKER SHARES**

**NONE**

**Sales**

**TICKER SHARES**

**NONE**

**3. Team Presentation (Team A) [20:00] - Software Applications –** (CRM, STMP, ADBE, NIC, RHT) Team A recommends CRM (salesforce.com) when we have funds available.

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

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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].

otiontoapprov**4.** Partnership Agreement Updates: Paragraph 23 (TOD Beneficiary form)

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

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Company** | **Watcher** | **Last**  **SSG** | **Last Review Date** | **Recommendation** | **Comments** |
| AAPL | Sudip | 09/2018 | 09/2018 | Hold | Q3 6/30/18  S & EPS 17.3% & 40.2%  SSG Updates: Sales 9% - EPS 11%  PE Est: High 16.1 Low 10.5  Forcast Price: High $299.30 Low $115.80 U/S 0.7:1 |
| AMZN | Ram | 09/2017 | 09/2018 | Hold | Q2 6/30/18 – S & EPS 39.3% & 1,167.5%  12/31 - Q4 Sales & EPS 38.2% & 144.2%. Entering healthcare. Prime is being rolled out internationally. |
| AL | Bill | 09/2018 | 09/2018 | Hold | Q2 6/30/18 S & EPS 4.4% & 13%  SSG Updates: Sales 15%-EPS 6.5%  PE Est: High 9.0 Low 5.8  Forcast Price: High $88.40 Low $36.00 U/S 4.8:1  Q4 – Sales 7.6%, EPS 375.3% (due to tax reform act). |
| BKNG | Deb | 09/2018 | 09/2018 | Hold | Q2 6/30 – S & EPS 16.9% & 39.9%  SSG Sales 14% EPS 14%, Forecast low price $1447.40, U/D 3.2 -- PAR 10% |
| BIIB | Cliff | 11/2017 | 02/2018 | Hold | 12/31 Q4 - Sales & EPS – 15.1% & -145.8%, mostly due to tax repatriation. |
| CTSH | Teresa | 02/2018 | 02/2018 | Hold | 12/31 Q4 - Sales & EPS – 10.6% & -104.4%, mostly due to tax repatriation.  Dividend increase to $0.20. Price is at an all time high.  SSG Updates to Sales EPS – 9.8% & 9.8. |
| FAST | Jim | 04/2018 | 07/2018 | BUY | 6/30/16 Q2 - S & EPS 13.1% & 42.3%  9/30/17 Q3 Sales 11.8% EPS 13.6%  Q2) Sales & EPS 10.6% & 15.6% |
| FB | Sudip 🡪Jane | 10/2017 | 10/21/2017  **(Reports 7/25/18)** | BUY | 10/2017 - Initial Position |
| LKQ | Joe | 11/2016 | 01/2018  (Reports 2/22/18) | Hold / Buy | 9/30/17 Q3 Sales 3.3% EPS **-2.5%**  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 |
| MCK | Curt | 07/18 | 07/2018 | SELL | 07-24-2018 SELL  **EPS -134%** Proj RV: 2668 Direct competition w/AMZN (PillPack)  05/2018 Initial Purchase – S&E 6.6% & 8.5% - Pes 27.0 & 5.0 |
| ORLY | Brittany | 06/2018 | 06/2018 | BUY | Q1 End 3/31/18 – S & E 5.9% & 27.6% |
| SWKS | Alex | 11/2016 | 02/2018 | Hold | EPS took a hit mostly due to income tax & tax repatriation.  From 7/2017 - 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 | 07/2017 | 09/2018 | Buy / HOLD | 7/31/18 Q2 – S & EPS 15.4% & 34.4%  4/30/18 Q1 – S & EPS -17.4% & 31.7%  3/17/18 Q4 Rev 22.6%, EPS 22.8%; |
| V | Curt |  | 07/18 | Hold | 07/2018 SSG Updates – S & EPS – 15% & 18.8%  03/31/18 Q2 S & EPS – 13.3% & 516.7%  4Q Sales & EPS – 13.9% & 13.9% respectively.  SSG Updates: None |

**5. Buy / Sell – []**

See motion table.

**SEMI Watch List Dashboard –** [**https://www.manifestinvesting.com/dashboards/public/RNTA7N6**](https://www.manifestinvesting.com/dashboards/public/RNTA7N6)

**6. General Topics [1:40:00]**

* **SEMI October & November 2018 meetings** will be at BI HQ conference room in Madison Hts. Propose March-Nov 2019 at Bloomfield Township Library Meeting Room – Curt will check the library availability & reserve.
* **Member Withdrawal –** Gillian Wilson request full withdrawal. Sudip Suvedi requests a partial withdrawal ($26,000).
* **IRS Club Audit Rules**: Opt Out Details: Updates to Partnership Agreement & Operating Procedures. Document will be available on BIVIO for members to peruse. Club will vote on proposed changes in November.

**Proposed for Partnership Agreement**

1. ***Additional Partners:*** *Additional partners may be admitted at any time, upon a vote of the partners in writing or at a meeting, in accordance with the Operating Procedures.* 
   1. *Transfers to a Trust. A partner* ***may not*** *transfer their interest in the partnership to any form of trust.*

**Proposed for Operating Procedures**

***4. Financial Partner****: Duty is to keep a record of and be responsible for the partnership receipts, disbursements, and members' interests in the partnership, be responsible for placing the buy and sell orders authorized by the partners with the partnership's broker(s), prepare the partnership's monthly valuation statement, and prepare the annual partnership account. The financial partner shall email the financial report to club members before or shortly after each club meeting.*

* + - 1. *prepares the US Return of Partnership Income and submits it to the Internal Revenue Service each year. Includes a statement signed by the Partnership Representative each year (from 2018 forward) that the club is making a Section 6221 election, all partners are qualified partners (no partner is a Trust), all partners have been informed of the election, and listing all partners names and their Tax ID Numbers.*
      2. *May* *serve as the Partnership Representative, (PR)*

***5. Assistant Financial Partner:*** *Duty is to assist the Financial Partner as required, and to be authorized to conduct club banking and/or brokerage transactions when the Financial Partner is not available.*

1. ***Partnership Representative (PR):*** 
   * + 1. *serves as the Partnership Representative, (PR) whose sole function is to represent the partnership in the event of an IRS audit.*
       2. *informs the partnership of any audit proceedings & updates the partnership throughout the audit process*
       3. *is not authorized to accept any settlement agreement with the IRS without a prior vote of the membership*

**7. New / Old Business**

Team B up in November – Portfolio review to fund withdrawals.

**Roundtable Discussion and Questions from Visitors –** Nominations needed for 2019 officers

**Motion Summary Table**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Description** | **Motioned**  **by** | **Seconded**  **by** | **Vote Result**  **YES NO ABSTAIN** | | |
| August 2018 minutes amended & approved | Jane | Ram |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**Action / Follow Up Items**

|  |  |  |
| --- | --- | --- |
| **Description** | **Responsible Person** | **Status ETA** |
| Regarding IRS Audit Opt Out - All members review proposed changes to the Partnership Agreement & Operating Procedures to vote in November | ALL | November |
|  |  |  |
|  |  |  |
|  |  |  |

**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 Wilson~~ | Bill Gordon |
| Brittany Johnson |  | 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 | 10/20/2018 | BI HQ conference room in Madison Hts. |
| Southeast Michigan Model Club Meeting | 11/17/2018 | BI HQ conference room in Madison Hts. |