

Meeting Minutes - Yankee Chapter Model Club
 GoToWebinar, 11:00AM ET / 8:00AM PT
 April 8, 2023

In attendance (152 registered, 32 visitors)

Members: Stephen Roy, Brent Goll, Ira Haas, Liz Tobin and Sriram Madabhushi were present. Jack was absent.

Esteemed visitor: Joe Farrell.

Visitors: Jessica Glant attended to present today's stock to study. Also, see list at the end of the minutes.

Opening: Steve called the meeting to order at 11:01 AM ET and introduced the club and members to visitors and explained general information about the club.

Educational Segment: Sriram presented on "ETFs."

Minutes from last meeting – Sriram presented minutes from last month's meeting, on behalf of Jack, and they were accepted as presented. Uploaded the Final February 2023 minutes to the [Public folder](#) on Bivio.

Treasurer's Report – Ira presented the treasurer's report for March 2023, and they were accepted as presented.

Bivio positions:

Yankee Chapter Model Club

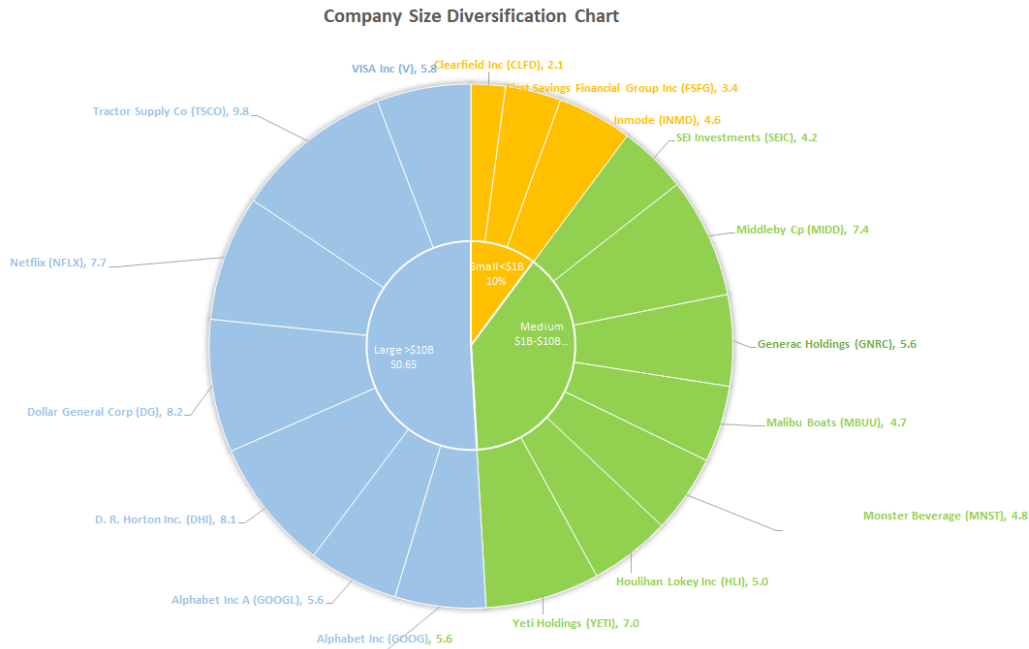
Valuation (NAV) for 04/08/2023

*(using prices from market close for 04/06/2023)

	Shares Held	Cost Basis per Share	Total Cost Basis	Price per Share	Market Value	Unrealized Gain/(Loss)	Percent of Total	
Alphabet Inc (GOOG)	120.0000	13.5518	1,626.22	108.9000	13,068.00	11,441.78	5.6%	
Alphabet Inc A (GOOGL)	120.0000	13.6303	1,635.64	108.4200	13,010.40	11,374.76	5.5%	
Clearfield Inc (CLFD)	109.0000	58.8725	6,417.10	45.2800	4,935.52	(1,481.58)	2.1%	
D. R. Horton Inc. (DHI)	199.2780	68.2862	13,607.94	95.6400	19,058.95	5,451.01	8.1%	
Dollar General Corp (DG)	90.0000	81.8512	7,366.61	212.4400	19,119.60	11,752.99	8.2%	
First Savings Financial Group Inc (FSFG)	516.0000	22.7335	11,730.50	15.5500	8,023.80	(3,706.70)	3.4%	
Generac Holdings Inc (GNRC)	131.0000	139.9779	18,337.10	99.8000	13,073.80	(5,263.30)	5.6%	
Houlihan Lokey Inc (HLI)	137.0000	78.7500	10,788.75	85.2900	11,684.73	895.98	5.0%	
Inmode Ltd (INMD)	326.0000	33.0166	10,763.42	33.0400	10,771.04	7.62	4.6%	
Malibu Boats Inc (MBUU)	211.0000	57.0109	12,029.30	51.9200	10,955.12	(1,074.18)	4.7%	
Middleby Cp (MIDD)	127.0000	87.6831	11,135.75	136.1300	17,288.51	6,152.76	7.4%	
Monster Bev Corp (MNST)	212.0000	43.4955	9,221.04	52.5600	11,142.72	1,921.68	4.8%	
Netflix Inc (NFLX)	53.0000	248.7500	13,183.75	339.3300	17,984.49	4,800.74	7.7%	
S E I Investments (SEIC)	174.0000	59.2845	10,315.50	56.7800	9,879.72	(435.78)	4.2%	
Tractor Supply Co (TSCO)	97.0000	53.3804	5,177.90	235.6300	22,856.11	17,678.21	9.8%	
VISA Inc (V)	60.0000	19.5807	1,174.84	225.9900	13,559.40	12,384.56	5.8%	
Yeti Holdings Inc (YETI)	440.0000	44.3662	19,521.14	37.3800	16,447.20	(3,073.94)	7.0%	
			164,032.50		232,859.11	68,826.61	99.3%	
Cash Account			Total Cost Basis		Market Value	Unrealized Gain/(Loss)	Percent of Total	
Fidelity Investments			1,561.08		1,561.08	0.00	0.7%	
			1,561.08		1,561.08	0.00	0.7%	
Total Securities and Cash Accounts					165,593.58	234,420.19	68,826.61	100.0%

Total Number of Valuation Units to Date 4,633.225033
 Value of One Unit \$ 50.595468

SSG size diversification report as of market close 4/8/2023:



Stock Study Presentation – Jessica presented the SSG analysis for Darling Ingredients Inc. (DAR) and recommended buying the stock. Club members discussed and presented their input on the discussion.

Review of Stock Portfolio: Members presented their updates for stocks they were watching. Jack presented the Bivio Valuation Report during the individual presentations. After individual presentations, club members discussed status of all the holdings.

Watchlist update: Two BUY recommendations from the updated watch list discussions: IBP (2/12/2022) and MPWR (9/10/2022). ASML (7/9/2022) and INMD (11/12/2022) are both HOLDs.

Backburner List: DLHC (added 4/8/2023)

Buy/Sell decisions – After discussion the club decided the following:

Add DLHC to new Back Burner List. Revisit FSFG next month

SELL: FSFG (~ \$8,000)

BUY: DAR with the FSFG proceeds and CLFD with all available cash (~\$1500).

General club business:

Old:

- OLC Portfolio challenge: YMIC has fallen to tenth and is just a few hundred dollars above water. MCFT is now our best stock. The best performing stock in the entire contest is NVDA (Nvidia) up just over 50% since August.
- GoToWebinar max meeting limit – Joe has thinned the registration list to 145 names who have attended within the last year. This will make it easier to manually transfer the registration list to start a new set of 50 monthly meeting invitations, as we are reaching the limit (47 through December).

New:

- At the end of the meeting, Jessica Glant was invited to the club after presenting DAR and has accepted.

Questions from visitors – Mostly answered by Joe in the back room.

- Can you give the address for Dr Altman's presentation?
 - The lecture is titled "50 Years of Altman-Z Score" and here is the link:
<https://youtu.be/iV6yaDMPMKM>
- That ETF you cannot do Auto Monthly Investing, such as if you wanted to invest \$100 per month, you need to invest in Index Mutual Funds, they have the capability to buy \$100 even if the price is say \$62, you can more easily buy fractional shares and because it is bought at the end of the day, and you can set it and forget it. If you wanted to buy ETF you would have to go in every month and buy \$100.00 worth and depositing in the price at the time you would have to maybe buy 2 shares etc... so if you want to setup Auto invest it must be Index Mutual Funds, and you can still find low-cost expense ratio index Mutual funds. As they talk about, in the 4th qtr of '21 and the 1st qtr of '22 their normal ~\$0.20 per share earnings jumped up to 0.55 and 0.50 respectively in those quarters due to the FEMA contract. It looks like it has now returned to approximately normal growth.
 - You are correct. I have only used stock and index funds personally and I do not do automatic investing. However, I have friends that do dividend reinvesting and use a few of these funds and receive fractional shares.
 - Some brokerages (e.g. Fidelity) let you buy fractional shares. (Jack)
- Best time I've spent learning since your last meeting.
- DAR: cash flow statement: operating cash is higher than net income growth my acquisition strategy means we have to track goodwill/assets ratio: this ratio has averaged to 24.4% in the last 10 years ... if this average goes above 35% and if the company's growth strategy does not work in the future, then the company may have goodwill write offs in the future.
 - I agree, however, they have a large number of prior acquisitions that have not forced goodwill write-offs in the past. I suspect that as long as they stay within the area of expertise, they will not have that problem. It appears they pay reasonable prices.
- Also, with a highly leveraged balance sheet it is a good idea to track return on invested capital (ROIC) ... this info is available via Morningstar.
 - I again agree, but it appears they are not afraid of debt and tend to pay it down on a timely basis.
- Another great learning opportunity. Great discussions and presentations. Could you put your YouTube address in your closing slide?

YouTube Channel: Yankee Model Investment Club.

Link: <https://www.youtube.com/channel/UC8qHPmYMPky4sWKMIldWgckA>

Closing: Meeting was adjourned at 12:50 PM EDT.

Next Model Club Meeting on **Saturday, 5/13/2022 at 11AM ET** online using GoToWebinar. All attendees should already be registered and will receive a reminder email from GoToWebinar (one week, one day and one hour) before the meeting.

Visitors: Russ Bailey, Thomas Brooks, Ciprian Cosmo, James Davis, Ken Eaton, Mary Margaret Foradora, Evelyn Fray, Bruce Fuelling, Reddy Ganta, Yuval Goldberg, Stephen Gorton, John Hangen, Bo Horton, Frieda Joyce, Brian Koenig, Bakul Lalla, Tom Loftus, Leslie Maddison, Anthony Maggio, Atul Manocha, Victor Olivas-Cruz, Kirpal Parmar, Daniel Perrier, Christian Posada, Nick Prabhu, Lois Selman, Lucile Sorrells, Kristi Stewart, Susan T, Margot Taub, Ruth Thomas, and Markus Weinland.