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## Web Feature

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*13 Steps To Running A Successful Club Meeting*

### Investment Club Meeting Agenda

by [Avi Horwitz](#)



Many investment clubs form as a result of friendships, and the social aspects seem to take the front seat. Many clubs end up having a difficult time moving on to the business at hand. Our club, MICA, has informally adopted a meeting agenda to help stay on track with the business at hand. It is based on information from a panel discussion (*Is Your Club Staying on Course? -- Panel: Bill Kapranos, moderator; Beth Hamm, Joyce Clawson, Edward Fritz and Joseph Smith*) that took place at the NAIC Investors Congress in Cleveland in August, 1997. This agenda is presented as a sample agenda and should be adjusted to meet the needs of your particular investment club.

#### The Meeting Agenda

- 1. Take roll call and call the meeting to order.** This establishes that a quorum is present to conduct a business meeting.
- 2. Approve prior month's minutes.** This allows everyone to make sure that what was reported as happening at the last meeting is reported properly. This isn't the time to debate whether a decision was appropriate, the minutes just report what happened.
- 3. Treasurer's report.** At this point the collection of the current month's contributions should take place. The treasurer should report on and confirm any buys or sells that have occurred since the last meeting, stating the price and total dollar amount. The treasurer should state the portfolio value as of the valuation date, as well as available money in the bank or brokerage account. Monthly valuation reports should be distributed.
- 4. Economic report.** A brief economic report is given covering any major economic news, including the short term economic outlook. For example, consumer confidence levels increasing or decreasing can be brought up. Much of this information can be obtained from sources such as Business Week.
- 5. Old business.** This is the opportunity to discuss and resolve unfinished items. For example, our club had approved some amendments which had not yet been formally distributed to the members. This is where the issue was raised at subsequent meetings, reminding us of the need to finish putting the amendments in writing for distribution to the members.
- 6. New business.** This is the opportunity to bring up issues that need to be addressed related to club operations and procedures.
- 7. Stock committee reports.** Our club reports on one industry and at least three companies within the industry. The best of the three is reported on in depth, together with an explanation of why the committee felt it was the best. There are many explanations of which factors to present. One method is to use the NAIC Stock Comparison Guide.
- 8. Portfolio update.** At this point a review of the stocks presently held by the club should take place, refreshing the club on the zones (Buy, Sell, Hold) that were calculated for the stock, as well as the current price, current P/E ratio, and any other recent company news. As club members become more experienced, portfolio evaluation tools should be introduced. These include Portfolio Evaluation Review

Technique (PERT), Portfolio Management Guide (PMG) and the Challenge Tree.

**9. Discussion of buy/sell decisions.** Once the new companies are presented and the current holdings are reviewed, the club should discuss any portfolio moves that the club is going to make. It makes sense to discuss sells first (if there are any), so that you know what dollars are available for purchasing stocks.

**10. Assign an industry and economic report.** In our club we have three stock study groups of 4 or 5 people. Each group makes a presentation every three months on a rotating basis. The group that presented their stock during the meeting should make a recommendation as to which industry they would like to present at their next turn. Someone should be assigned to present the economic report at the next meeting.

**11. Education.** Need I say more? The educational aspect of the club should never be forgotten. For newer clubs, the education partly arises out of the presentation and discussion of stocks. The assistant presiding (or junior) partner, who is responsible for education, should constantly be looking for issues to cover. Possible sources for discussion materials include the NAIC I-Club-List (and its archives), Better Investing and BITS articles. (The NAIC Web Site has reprints of articles from both publications available, and more reprints are constantly being added. There is a library of Better Investing reprints, as well as a library of BITS reprints.)

This is one area that tends to be overlooked in an effort to speed up meetings, and yet one must remember that education is important. It is one of the Beardstown Ladies three Es: Education, Enjoyment, and Enrichment.

**12. Next month meeting.** Confirm date, time, and place.

**13. Adjourn.**

### **Some Things To Remember**

Besides being educational, the club is a business. You may have fun, but remember that it is a business.

It helps if all members are prepared. Each member should have a binder which includes the Stock Selection Guide (SSG) for all stocks currently in the portfolio and all stocks that are being watched by the club. In addition, for each stock being presented in the current month, copies of the SSG should be prepared. The binder should also include previous minutes, the Partnership Agreement, Bylaws, and any Amendments.

And one last thought... Not everyone will always agree on everything. In some situations (especially if a unanimous vote is required), it may make sense to vote by secret ballot. This reduces the risk of bad feelings and also of calling favors to change a person's vote.

*Avi Horwitz is a director on the National Investor Association Advisory Board and a director on the New York Chapter. Avi is a respected educator and frequent contributor in NAIC online forums.*