



ROTARY CLUB OF WHITTIER No. 859 Founded 1922

|           |        |                  |                   |
|-----------|--------|------------------|-------------------|
| Volume 86 | No. 30 | EDITOR: Mike Ely | February 27, 2009 |
|-----------|--------|------------------|-------------------|

## The Rotary Club of Whittier Presents

Today's Program  
***Jeff Ball, Friendly Hills Bank***  
***"The State of the Economy"***

February 27, 2009  
***Bob Ihler,***  
***"Whittier Police Department – Chaplain's Program"***

*Meetings are Fridays at 12:10 pm*  
*Radisson Hotel, 7320 South Greenleaf in Whittier, California*

|   |   |  |
|---|---|--|
| 2007-2008 OFFICERS: R. D. McDonnell, President; Jeff Nickell, Vice President; Rob Settlage, Past President; Ted Zwemer, Secretary; Jim Howard, Secretary-Computer Records; Gary Pirnat, Treasurer |   |  |
| DIRECTORS:  | <u>2008/2010</u><br>Joe Baima<br>Mike Ely<br>Owen Newcomer<br>Mark Villalobos<br>Mike Blackmore | <u>2007/2009</u><br>Humera Dadabhoy<br>Gary Pirnat<br>Dave Pickard, Sr.<br>Ted Knoll<br>Ted Zwemer |
|   | GOVERNOR, DISTRICT 5320<br>Roger McGonegal  | INTERNATIONAL PRESIDENT<br>Dong Kurn Lee   |



**Rotary Club Meeting #30**  
**February 27, 2009**  
Whittier, California, USA

**Opening:** **President RD** rang the bell at 12:20 and the weekly meeting of the Whittier Rotary club was called to order.

**Pledge:** **Herb Sussman**, long-time club member led the members in the pledge to our flag and our country.

**Invocation:** **Mike Blackmore** shared some words of encouragement and opened the meeting in prayer.

**Song:**

**Four Way Test:** Our newest club member, **Cesar Chatel** led us in reciting the 4-Way Test as we seek to remember this vital commitment we make as Rotarians. Let us continue to reach to this goal: not only memorize it, but apply in “all that we think, say and do...”

**Introductions of Guests and Visiting Rotarians:**

**Visiting Rotarians:** *Vic Williams, from the Dove Mountain, AZ club and former Whittier club member was with us today*

**Guests:** In support of our speaker several members of the Lions club was with us today: Chris George, Dean Hanako, Rich Casford and Bill Thackery. Also with us were Loring Davies from WUSHD; and Vickie Cuevas and Alex Flores from Pioneer High School.

**Rotarian Milestones**

**Birthdays:** *None*

**Anniversaries:** *None*

**Rotary Anniversaries:** *Greg Nordbak, 03/04/94; Jeff Nickell, 02/25/05*

**Announcements**

Annual Rotary **YMCA Easter Camp Arbolado**, April 6<sup>th</sup> through April 9<sup>th</sup>, 2009. Bob Haendiges is coordinating this event. Last year the club contributed over 50 camp sponsorships of \$200 each.

**District 5320 Annual Conference** is scheduled for March 26<sup>th</sup> through March 29<sup>th</sup>. We will be co-hosting a hospitality suite with the Buena Park club on Friday night. Any member who attends Saturday's events can get meeting make-up.

**YMCA's Annual Fund Campaign** is now in progress. Many Rotarians have given to this campaign and the **YMCA** is counting our support once again. These funds help offset scholarships and memberships for those members who are in financial need. **Mike Ely** and his team will be looking for you.

**Whittier Sunrise Fundraiser – “Battle of the Bands”**. Area high school jazz bands will be competing on March 3<sup>rd</sup> at Whittier High School. The cost is \$10 per person. Come hear some great music, support the Sunrise Club and their fundraising for local high schools.

## Recognitions

**Owen Newcomer and Rob Settlege** acknowledged that they would be attending the Rotary Peace conference on March 21<sup>st</sup> at the Nixon Library. Because of Owen's love of race cars, he has offered to drive the carpool. **Jeff Nickell** acknowledged his attendance at the **PETS** (President-Elect Training Seminar) at the Marriott at LAX. He enjoyed hearing from Rotary Int'l President-Elect John Kinney. He also heard from many former RI presidents such as Rick King and Cliff Dochterman. **Bob Haendiges** confessed to traveling in “high places” recently. It seems that he was given a birthday dinner at DaVinci's restaurant near the Long Beach Airport. Partway through the meal he was told that his flight was ready. Bob and his companions were treated to a helicopter tour over LA.



### Whittier Union High School District – “Teacher of the Month”

Today we recognize WUSD's Teacher of the Month, Vickie Cuevas. Vickie is a counselor at Pioneer High School and Director of the “Expanding Horizons” program for helping kids focus on going to college. To many on the campus she is referred to as the “College Lady”. Vickie has been on staff at Pioneer since 1985.

**Program for Today**  
**Jeff Ball, Friendly Hills Bank**  
**“The State of the Economy”**



Our Financial Market:  
What Happened and What Now?

**FRIENDLY HILLS  
BANK**  
“Do business locally”

**What is Missing**

- Failure to address
  - CRA standards
- Uncontrolled government
  - Federal
  - State
- Government involvement leads to socialist-style strategies
- The Need to Administer Responsibility and Accountability
- **The markets are like nature**
  - Leave Them Alone – They Will Prevail



Jeff Ball spoke to the club on the events leading to the current economic crisis, particularly as they relate to the housing market meltdown. Jeff explained that in the 1990’s legislation was enacted and enforce mandating that banks make loans to entire communities not just the more economically viable areas. This became known as the “Community Redevelopment Act” (CRA) Then as mortgages began to be packaged and sold as “mortgage-backed securities” Fanny Mae and Freddie Mac had a whole new way to infuse money into the mortgage market by selling them as securities with a perception of security and minimal risk. Over time the pressure for loans, the huge amounts of money available to loan fueled a hot housing market increasing prices, and creating sub-prime loans where nearly anyone could afford to buy a home...at least initially. Twice, in 2003 and 2005 President Bush and the Senate tried to bring some reforms and controls to this overheated housing market, but to no avail. Soon the housing market burned out, many homeowners were caught with loans that had adjusted beyond their means, loans were in default, prices dropped and banks could no longer value their securities, and the

markets collapsed. This collapse spread nationally and globally and has caused job losses and crises in commercial, retail and other markets.

Jeff told us what we need now is reform to the CRA, to control government spending and to let the capital markets take care of themselves. Jeff concluded with an number of “saving graces” that should encourage us:

- US Interest Rates are still very low historically
- Mortgage markets are still strong
- Many local banks avoided the crisis and are doing well.
- The US still has the strongest economy in the world
- US has proven to be reliable and resilient in the past and will be again unless the government moves away from capitalism toward more socialistic strategies.

**Thank You:** Jeff was honored with a certificate in recognition of our custom to donate a book in his honor to one of our local public school libraries. Thanks to everyone who served to make this meeting successful.

**A Closing Thought for the Week:** “You should always live within your income, even if you have to borrow to do so.”

-- Josh Billings

**Next Week’s Program:** Pastor Bob Ihler will be with us to speak on the Whittier PD Chaplain’s program.


**Closing Bell:** The meeting was adjourned at 1:30. Have a good weekend everyone!

# The Secretary's Corner

## UPCOMING PROGRAMS

### March

- 6 Bob Ihler - Whittier PD Chaplains Program
- 13 Brend Wiewel – Whittier Area Recovery Network
- 20 Vanessa Ivic - Presbyterian Intercommunity Hospital
- 27 Club Assembly - All Star Baseball work

| <b>MAKEUP LOCATIONS</b>  |  |  |  |
|--|--|--|--|
| <b>MONDAY:</b>   | <b>Anaheim</b> – 12 noon<br>Diamond Club, Edison Field<br>2000 Gene Autry Way<br>714-940-2000    | <b>Cerritos</b> – 12 noon<br>Hometown Buffet<br>11471 South Street<br>562-402-8307   | <b>Norwalk</b> – 12 noon<br>Norwalk Marriott Hotel<br>1311 Sycamore Drive<br>562-863-5555              |
| <b>TUESDAY:</b>  | <b>East Los Angeles</b> – 12:10 PM<br>Tamayo Restaurant<br>5300 E. Olympic Blvd.<br>323-260-4700 | <b>Whittier Sunrise</b> - 7:15AM<br>Friendly Hills Country Club<br>8500 S. Villa Verde<br>562-698-0331   | <b>Santa Fe Springs</b> – 12 noon<br>Candlewood Country Club<br>14000 E. Telegraph Rd.<br>562-941-1228 |
| <b>WEDNESDAY:</b>  | <b>La Mirada</b> - 12:10 PM<br>Candlewood Country Club<br>14000 E. Telegraph Rd.<br>562-941-1228 | <b>Fullerton</b> – 12 noon<br>Terrace Room, Hope Intn'l<br>Univ. 2555 E. Chapman<br>714-879-3901   | <b>Montebello</b> - 12:10 PM<br>Montebello Country Club<br>901 Via Clemente<br>323-724-4500            |
| <b>THURSDAY:</b>   | <b>La Habra</b> – 12:10 PM<br>Hacienda Golf Club<br>East Rd., La Habra<br>562-694-1081           | <b>Pico Rivera</b> -12:10 PM<br>Dal Rae Restaurant<br>9023 E. Washington Blvd.<br>562-949-2444   | <b>South El Monte</b> – 12 Noon<br>Pepe's<br>11740 Valley Blvd<br>626-401-1599                         |
| <b>RECENT MAKE-UPS BY MEMBERS</b>  |  |  |  |
| <p>ROTARY CLUB OF WHITTIER<br/>BOX 753, WHITTIER, CA 90608</p>  <p>Meets Friday – 12:10 p.m.<br/>Radisson Hotel<br/>7320 So. Greenleaf<br/>Whittier, CA</p> |  |  |  |
| <b>Rotary's Four-Way Test:</b>   |  | <p>Is it the truth?<br/>Is it fair to all concerned?<br/>Will it build good will and better friendships?<br/>Will it be beneficial to all concerned?</p> |  |