



April 11, 2013

This Week

**Unknown Guest
 It's a Mystery
 Program Host:
 Dennis Mehringer**

It happens now and then that a scheduled program cancels. But seldom that it happens three times for one program date.

Until last week, Dennis Mehringer thought he had a program scheduled for this week, April 11. By Sunday, April 07, when I contacted him, as many as three people had said they would be happy to come and speak, and then cancelled, sighting an emergency of some kind.

Come and find out who will be his mystery guest. Clues may come between now and Thursday. -- J. Foreman



Johnson's Judgments

by President Julius Johnson

The Difference between Being Known and Unknown

My daughter Sarah just got back from a month-long tour through Russia. She was traveling with her band: *Igor and the Red Elvises*. We went to breakfast at a neighborhood restaurant called the [Little] Red Hen. Because Sarah spent four years away at college in Boston followed by another year and a half living on her own during graduate school and now touring the world with her band, father daughter moments like we had during Thursday's breakfast are few and far between.

I am no stranger to my community, and the waitress showed us special treatment. When a nicer table opened up, she moved us to it without my even asking. During our breakfast, four or five different people came over to our table to pay respect to me and to say how much she looked like her mother. This is a Black-owned restaurant in the Black community frequented by Black people, many of whom have know each other for many, many years. Never the less, I have to admit that it was very satisfying to be shown such respect and deference while spending quality time with my daughter.

Sarah was leaving to go on another tour across the United States and Canada, and she needed to borrow my car for a couple of days. So we left the Red Hen and went to Enterprise Rent a Car where I had called ahead to make a reservation. This was not a Black owned establishment and no one behind the counter knew me from Adam.

I was told that I had to show him a phone bill or a utility bill in order for them to rent a car to me, because they had been experiencing a lot of fraud and car thefts. I showed him my BAR card and asked him if they had any special discounts for members of the State Bar.

He gave me an affidavit to fill out and

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Greeters

April 11
Tony Hill
 April 18
Boyd Hudson
 April 25
Ed Jasnow



Program Review

It's called The Affordable Health Care Act

Tom McCurry presented a summary of the federal Patient Protection and Affordable Care Act and described some of the impact on individuals and small businesses. The Patient Protection and Affordable Care Act, commonly called Obamacare or the Affordable Care Act, is a United States federal statute signed into law by President Barack Obama on March 23, 2010. Together with the Health Care and Education Reconciliation Act, it represents the most significant government expansion and regulatory overhaul

of the US Health Care System since the passage of Medicare and Medicaid in 1965.

The act is aimed primarily at decreasing the number of uninsured Americans and reducing the overall costs of health care. It provides a number of mechanisms — including mandates, subsidies and tax credits — to employers and individuals to increase the coverage rate. Additional reforms are aimed at improving healthcare outcomes and streamlining the delivery of health care.

The act also requires insurance companies to cover all applicants and offer the same rates regardless of pre-existing conditions or sex.

Some of the provisions of the law include:

- Guaranteed issue will require policies to be issued regardless of any medical condition, and partial community rating will require insurers to offer the same premium to all applicants of the same age and geographical location without regard to gender or most pre-existing conditions.
- A shared responsibility requirement, commonly called an individual man-



date, requires that all individuals not covered by an employer sponsored health care plan, Medicaid, Medicare or other public insurance programs, secure an *approved* private-insurance policy or pay a penalty, unless the applicable individual is a member of a recognized religious sect exempted by the Internal Revenue Service, or waived in cases of financial hardship.

- Health insurance exchanges will commence operation in each state, offering a marketplace where individuals and small businesses can compare poli-

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Congratulations




Birthdays

04/13 - Alice Hudson
04/18 - John Frykenberg
04/29 - Mike Noll




Anniversaries

04/27 - Sterling & Olga Louviere

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Rotary Club of Altadena - #7185

Chartered: February 14, 1949
P.O. Box 414, Altadena, CA 91003
www.altadenarotary.com
Meets: Thursday, 12:10p
Altadena Town & Country Club
2290 Country Club Drive • Altadena, CA
626-794-7163

Rotary Int. Pres. Sakuji Tanaka
Dist 5300 Gov. Sylvia Veronica Whitlock

Officers

Julius Johnson, Pres. Bus. 626-797-1186
Dennis Mehringer, Pres. Elec. Bus. 626-577-9800
Tony Hill, VPres. Bus. 626-795-5363
Jim Gorton, Sec. Bus. 626-795-6215
Mike Noll, Treas. Bus. 626-683-0515

Directors

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Ed Jasnow Community
John Frykenberg International
Gordon Seyffert ... Youth Contests/Awards
Hal Yorke Vocational/Youth Projects
Ray Carlson New Generation
Gordon Seyffert Membership

Editor, Design & Typesetting Foreman Graphics
Photography Jacque Foreman

April

Magazine Month

Program Chair, Dennis Mehringer

Apr 11 - Unknown -- Still looking
Apr 18 - PCC Awards
Apr 25 - Pasadena American Legion

May

Month not designated

Program Chair, Craig Cox

May 02- To be Announced
May 09 - To be Announced
May 16 - To be Announced
May 23 - To be Announced
May 30 - To be Announced

Continent Leader?



I know that many of you haven't yet had the RYLA experience, so it occurred to me that some further explanation is probably needed. This annual Rotary Youth Leadership Awards camp is organized around a pyramid structure in which the selected youth are the base. Some of them are invited back the next year to play important staff roles in the camp operations, but these second-year youth don't interact with the new students in the same way as the Rotarian recruits.

These latter folks are the Rotary *Facilitators*. Each of these Rotarians guides up to eight students through the weekend's events by asking them open-ended questions that stimulate reflection on what it takes to be a good leader. The catalyst for this thinking is the series of *labs* and competitions that occur throughout the weekend. And, as I wrote before, Facilitators are in certain respects as much in the dark as the youths in their groups. That's so they don't assume a top-down *teacher* role; the RYLA experience is the real teacher!

Each of these groups is arbitrarily designated as a *city* on a continent. There are six cities named for each continent (other than Antarctica, which has no cities). Thus, there are six times six cities overall. Thirty-six Facilitators are needed each year to guide these groups of students. And who supervises these 36 *cities*? You guessed it! Six Continent Leaders. They are the next step up in the Rotarian's RYLA experience. Because they've usually just experienced the Facilitator's role at the prior year's camp, they're the perfect supervisors for the new RYLA Rotarians.

After a Rotarian has been both a Facilitator and a Continent Leader, the path is then open to run the aforementioned labs or to take on certain specialized tasks. Many of the latter will require a considerable time commitment in the year leading up to the camp date. The Rotarian leader of this year's whole operation began his RYLA participation only six years ago.

But let's return to the role of Continent Leader. These people "plan and conduct Facilitator training sessions in conjunction with the Facilitator Coordinator." So, when I was recruited by a Monrovia Rotarian (through appeals conveyed at our club meetings), it was that same Rotarian who brought those of us volunteering from the western San Gabriel Valley together for our Youth Protection class — taught by a Sierra Madre Rotarian. Only, at that time I had no idea why my contact had such a strange title as *Continent Leader*!!

Priority for Continent Leader selection goes to Club President-Elect-Elects, Club President-Elects, Club Presidents and Past Presidents. This is, I assume, so that they will be well-positioned to their task of recruitment of fellow Rotarians as Facilitators. Typically they know a lot of Rotarians in the area, and not just the Rotarians in their home club. But the side benefit of this preference is that it will tend to guarantee that leaders come from different areas of the district.

And what are Continent Leaders responsible for? The answer is that they "are directly responsible for everything that happens with the clubs of that continent." That means they have to stay with the six clubs of that continent as much as possible. They handle any disciplinary prob-

lems for the facilitators — although those aren't common. They would escort students needing medical or first aid to the medical team — also not common. And they assist the Rotarian sergeant at arms (Yes, the camp has one!) in providing chaparrone and security patrols during the late evenings. Now *that* is a necessary service, given a camp full of young people who are highly creative....

I've already volunteered for this next step. Maybe I'll be selected, or maybe it will be one of those president-types instead. But I think it's a worthy effort and I'm hopeful I'm chosen. Stay tuned. ☉

Judgment

Continued from p.1

waived the requirement that I produce a utility bill. I had my Rotary Shirt on at the time and I was tempted to ask if they had any discounts for local Rotary Presidents, but I felt that would be a little bit over the top. My Daughter Sarah got a first hand experience of what it means to be Black in America outside of the Black community even in 2013.

The God who dwells within allows me to love that teller. But it was a wake-up call reminding me that we still have a lot of work to do, and Rotary can help in a big way.

Let's continue to get involved in and know all the different people groups in our community. Even if you did not get signed up to see 42 before the reserved tickets sold out, go see the movie on your own. Better yet, take a few friends and family members with you when you go. It can help break down barriers that you may not have even known were up. ☉

This just In . . . Possible people to invite to our meetings

On Tuesday, April 2, my wife and I arrived at the Coffee Gallery on Lake at our usual morning hour. And, on the counter, I spied a leaflet I'd not seen there the day before. It was issued by the *savealtadena.com* group, it's a list of *locally or regionally owned* businesses (i.e., non-chain Altadena businesses). The list is organized by business type, but it was easy enough for me to re-organize it by business location. And so I offer this as a substitute for the very lengthy Yellowbook project I began earlier this year, but have yet to complete.

If you have a business relationship with *any* of these local entities through the owner or manager, PLEASE invite him/her to come to one of our meetings and see who we are and what we do. **Even** if you've done so in the past and have gotten something other than a positive response!

The purpose of the list I encountered was to "empower local economy, civic life, and employment — SHOP ALTADENA!" I know that, when our Rotary club was formed, we had several small business owners represented. It's a classification we're sorely missing today...

Maybe (in concert with this effort to promote the listed businesses) the owners and/or managers will now see a reason to form stronger ties with community organizations such as ours.

We offer a kind of support that they previously may have discounted or ignored. Let's see if the time is ripe to recruit local business people into the Altadena Rotary Club!

- **N. Allen Ave.** — Armen Market (1879), Patti Cakes (1900).

- **E. Altadena Dr.** — Bulgarini Gelato (749), Pastries By Nancy (761), Amy's (900).
- **N. Altadena Dr.** — Café Culture (1359).
- **N. Fair Oaks** — Sid's Auto Repair (2315), Baja Ranch (2515), Fair Oaks Burger (2560), Western Fence Co. (2652), The Little Red Hen (2697), Allen Zorthian (3300).
- **N. Lake Ave.** — B&D Tire Center (1942), The Coffee Gallery (2029), Altadena Florists (2255), Dutch Oven Bakery (2281), Happy Days Natural Foods (2283), Pizza Joe's (2287), Everest (2314),

Fox's (2352), Steve's Pet (2395), Webster's Fine Stationary (2450), Ace Smoke Shop (2507), El Patron (2555).

- **N. Lincoln Ave.** — Jim's Burger (2185), Super King (2260), Mat's Pharmacy (2264), Poncitlan Meat Market (2291), Spin Off Records (2363), Randy Jones Music (2417).
- **E. Mariposa** — Altadena Hardware (849), Steve's Bike (859), Ms. Dragon (873).
- **E. Washington Blvd.** — Dominico's (2411), Carmela Ice Cream (2495), Phoenix Pharmacy (2523). ☉

Program

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- ...cies and premiums, and buy insurance (with a government subsidy if eligible).
- Low-income individuals and families above 100 percent and up to 400 percent of the federal poverty level will receive federal subsidies on a sliding scale if they choose to purchase insurance via an exchange (those from 133% to 150% of the poverty level would be subsidized such that their premium cost would be 3% to 4% of income).
- The text of the law expands Medicaid eligibility to include all individuals and families with incomes up to 133 percent of the poverty level, effectively 138 percent, and simplifies the Child Health Insurance Program enrollment process. However, the Supreme Court effectively allowed states to opt out of the Medicaid expansion, and some states have stated their intention to do so. States that choose to reject the Medicaid expansion can set their own

Medicaid eligibility thresholds, which, in many states, are significantly below 133 percent of the poverty level; in addition, many states do not make Medicaid available to childless adults at any income level. Because subsidies on insurance plans purchased through exchanges are not available to those below 100 percent of the poverty level, this may create a coverage gap in those states.

- Minimum standards for health insurance policies are to be established and annual and lifetime coverage caps will be banned.
- Firms employing 50 or more people but not offering health insurance will also pay a shared responsibility requirement if the government has had to subsidize an employee's health care.
- Very small businesses will be able to get subsidies if they purchase insurance through an exchange. ☉



MONEY by Linda Wilkes MATTERS

Economic Update In the News

The Standard & Poor's/Case-Shiller 20-city housing price index — on a non-seasonally adjusted basis — rose 0.1 percent in January after a 0.2 percent increase in December. On a year-over-year basis, prices rose 8.1 percent compared with January 2012, the largest annual gain since the summer of 2006.

Orders for durable goods — items expected to last three or more years — increased \$12.4 billion, or 5.7 percent, to \$232.1 billion in February. This follows a 3.8 percent decrease in January. Excluding volatile transportation-related goods, February orders posted a monthly decrease of 0.5 percent.

New home sales fell 4.6 percent in February to a seasonally adjusted annual rate of 411,000 units from a rate of 431,000 units in January. On a year-over-year basis, new home sales were 12.3 percent higher than February 2012. At the current sales pace, there is a 4.4-month supply of new homes on the market.

The Mortgage Bankers Association said its seasonally adjusted composite index of mortgage applications for the week ending March 22 rose 7.7 percent. Purchase volume rose 7 percent. Refinancing applications increased 8 percent.

Pending home sales, a forward-looking indicator based on signed contracts, fell 0.4 percent in February after a revised 3.8 percent increase in January. On a year-over-year basis, pending home sales were 8.4 percent higher than February 2012.

The Commerce Department announced that gross domestic product — the total output of goods and services produced in the US — increased at an

annual rate of 0.4 percent in the fourth quarter of 2012. This follows a 3.1 percent pace of growth in the third quarter of 2012.

Initial claims for unemployment benefits for the week ending March 23 rose by 16,000 to 357,000. Continuing claims for the week ending March 16 fell by 27,000 to 3.05 million. The less volatile four-week

average of claims for unemployment benefits was 343,000.

Upcoming on the economic calendar are reports on construction spending on April 1, factory orders on April 2 and the employment situation on April 5. ☉

Find Linda Wilkes on line: <http://www.myprospectmortgage.com/lwilkes>



From Tony Hill, Fellowship Chair

FELLOWSHIP... ***The Core of Altadena Rotary***

Fellow Altadena Rotarians: As your current fellowship chair, I wanted to let you know about fellowship events that have been scheduled for the rest of Julius' Presidential year.

April 13 (a Saturday) - Invitation to attend a **movie premier of "42" the Jackie Robinson story**. This event is sponsored by Julius' fraternity Gamma Zeta Boule Foundation as a benefit to raise money for college scholarships for local foster children. The movie will start at 5p at the Arclight Theater at the Paseo Shopping Plaza in Pasadena. The cost is \$20 per ticket. As part of the same fundraiser, the movie will be followed by a dinner at the El Cholo Restaurant, also located at the Paseo Shopping Plaza. The cost of the dinner is \$25 per person. You can attend one event or both.

May 25 (a Saturday) at 4:15p, we will be attending the **Dodgers vs the Cardinals baseball game** at Dodger stadium. Our incoming President, Dennis Mehringer, will be making arrangements for us to see the game from the Stadium Club.

Again, feel free to invite family and friends. Ticket and a meal will be provided at a charge of about \$35 per person.

June 1 (a Saturday) **Hike in El Prieto Canyon** ending with a barbecue lunch on the lawn of Theo's mountaintop home with panoramic view of the valley. Details such as meeting place, time and cost to follow (any cost should be minimal).

June 2 (a Sunday) **Lamp Program Luncheon** - This is the main annual fund raising event by Julius' fraternity Gamma Zeta Boule Foundation. It is a luncheon that will take place at the Pasadena Hilton Hotel on So. Los Robles Ave. The money raised will again be used to pay for college scholarships for local foster children. Our goal is to fill a table of 10 to support this very worthwhile project of our President. The cost is \$100.00 per attendee. The program will include good food and interesting speakers.

June 9 (a Sunday) - **Antique Car Show at Lacey Park in San Marino**. Although it

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Key Tax Changes for 2012 . . . and Beyond

Descriptor - *Although no major tax changes are scheduled to take effect until 2013, when many of the tax breaks enacted since 2001 will expire, there are several changes for 2012 you'll want to be aware of as you plan your tax strategies for the coming year.*

• • •

This is shaping up to be a pivotal year for American taxpayers, as many key tax breaks enacted over the past decade are scheduled to come off the books at the end of 2012. You may want to start planning ahead now to focus on the changes planned for 2013—and what you can do to take advantage of current tax breaks before they expire.

- **Ordinary Income** - Existing tax rates on ordinary income, which range from 10% to a maximum of 35%, are unchanged in 2012. Next year, however, rate brackets will revert to those in place before 2001, which ran as high as 39.6%, unless Congress elects to extend current rates.
- **Capital Gains** - The top tax rate on long-term capital gains (profits on investments held more than one year) is set to rise after December 31, from 15 to 20 percent. The capital gains tax is zero (subject to income limitations) in 2012 for investors in the 10 and 15 percent ordinary income marginal tax brackets, but it is slated to resume in 2013 for those individuals. • • • **Planning tip:** It may make sense to lock in capital gains in 2012 at the lower rates, or to postpone capital losses until 2013, when they will be worth more if used to offset gains.
- **Dividends** - The top tax rate on qualified dividends remains at 15% in 2012. However, this special rate is scheduled to go away in 2013, and dividends will

again be taxed as ordinary income—at a top rate of 39.6%.

- **AMT Exemption** - The federal alternative minimum tax (AMT) rules permit an exemption from the AMT, which has been raised annually in recent years. But as the law currently stands, all previous adjustments to that AMT exemption were eliminated. Thus, for income earned in 2012, the applicable AMT exemption will drop from \$74,450 to \$45,000 for joint filers and from \$48,450 to \$33,750 for single filers unless Congress raises them.

That said, Congress has raised the AMT exemption retroactively in past years and has the power to do so again for 2012. Those exemptions have typically been increased during the tax year they were effective, and Congress has waited until as late as December to pass the increase.

- **Retirement Accounts** - The maximum allowable pre-tax contribution to employer-sponsored retirement plans, including 401(k) and 403(b) plans, increased to \$17,000 in 2012 from \$16,500 in 2011.

Contribution limits for IRAs, on the other hand, are unchanged this year. But the Roth IRA income phase-out range increased, meaning more high-income filers may be eligible to use these accounts. For married couples filing jointly, the contribution phase-out range increased to between \$173,000 and \$183,000. For single filers, the range is now between \$110,000 and \$125,000.

- **Estate Tax** - The estate tax exemption for 2012 rose to \$5.12 million (\$10.24 million for couples), from \$5 million in 2011. But that exemption is scheduled to drop to \$1 million in 2013 and the estate tax rate is set to jump from 35 to

55 percent. • • • **Planning tip:** Now may be an ideal time to begin looking for ways to reduce the value of your taxable estate, such as by placing assets in trusts or by gifting them to individuals.

• • •

There's no telling if Congress will elect to extend all, some or none of the expiring breaks before year-end. So it's wise to plan ahead. Let me help you identify the right tax strategies for your needs in 2012 and beyond.

You may communicate with Joshua Miller, Financial Advisor, Morgan Stanley Pasadena by phone: 626-405-9336 or email: Joshua.Miller@morganstanley.com

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Fellowship

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will not be a project of our club, this event has been a fund raiser for the San Marino Rotary Club for many years, and is just an interesting program taking place in our area, and, by attending, you will know that the money will be going to support Rotary projects.

June 27 (a Thursday) - **The Demotion Party** to celebrate the conclusion of Julius' year as Rotary President and the induction of the incoming President, Dennis Mehringer. This is an event you can be sure President Julius is looking forward to with great anticipation at this stage of his Presidential year.

Hope we will have lots of participation in these upcoming events. Remember, friends, family and potential members are **always** welcome at any of our Rotary Fellowship Events.

Cleanup Day at Eliot Middle School

April 05, 2013

I pulled up to the north side of Eliot Middle School not long after David Smith. My guess is that Tony Hill was the first Rotarian there. Tony and David unloaded David's truck. He brought a trash barrel, a hand truck, various yard tools and a power washer. Tony went back to get a push broom from his car.

As we walked into the garden area, Susan Schwartz of the Eliot PTA met us

with a couple handfuls of more tools -- mostly rakes and push brooms.

Soon Ed Jasnow and Quick Cunningham swelled our ranks, followed closely by Sammy Kayali and Alan Kindrick. A bit later Tom McCurry and Mike Zoeller joined us and then Craig Cox and Theo Clarke finished out the crew. My job was to help where I could and work to get a picture of each of the crew. Let's

see how well I did.

As we raked leaves, swept dirt and picked up pieces of trash, one thing became very obvious. Gum was everywhere, creating dirty, dark spots on concrete walkways and patio areas. We didn't come close to obliterating all those dark polka-dots and squiggly lines that were ubiquitous, but it was not for lack of working at it. *Jacque Foreman, Editor* ○



Please turn to Eliot Cleanup, p. 8 for more photos

Eliot Cleanup

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