

February 14, 2013

This Week A Valentine's Day Surprise!!! Program Host: Tom McCurry

Our Valentine Surprise is Alex Andrianopoulos, Vice President of Marketing, Guidance Software.

He is responsible for the Company's worldwide marketing strategy and execution of product marketing, content marketing, web marketing, demand generation and lead management, public and analyst relations, and events. Guidance Software is a local company that is recognized globally as the world leader in e-discovery and digital investigations.

Guidance Software trains more than 6,000 corporate, law enforcement and government professionals annually in the areas of computer forensics, enterprise forensics, e-discovery, and computer incident response. Courses and materials are offered in a variety of languages in Guidance Software facilities worldwide — through partners and online.

Their customers are corporations and government agencies in a wide variety of industries, such as financial and insurance, technology, defense, energy, pharmaceutical, manufacturing and retail. Come and listen to the fascinating story of a local company with worldwide impact.



by President Julius Johnson

ohnson is

Coming: A very busy Week ... are You Ready?

ashington, Lincoln and Johnson: all three of these Presidents have birthdays this month. Mine is today (February 10). Washington freed our nation form the tyranny of English rule. Lincoln freed us from slavery. I am trying to free some minds from racism, free some lives from poverty and free some folks from boredom.

The *Get In Gear Now* program and our involvement in promoting the program — mentoring the kids and the business start ups that will emerge from the program — will move toward accomplishing all three of my goals. We will be hearing more about the Master Mind Collective and our joint ventures in the areas of job creation and entrepreneurship.

This Tuesday is *FAT Tuesday*, and we will be co-hosting a Rotary fellowship event at the *Ale House* on Fair Oaks Ave,

just across the street from Mountain $\ensuremath{\overline{\text{View}}}$ Cemetery. This event starts at 6p

This Thursday is Valentine's Day, our regularRotary club meeting day, the weigh-in for our *Biggest Looser Contest* and *Our Private Tour* of the Huntington Library directly after the club's meeting. Big doings and plenty of opportunity to get involved and kill boredom.

Looking forward to seeing you at some — if not all — of these exciting events. Be there!





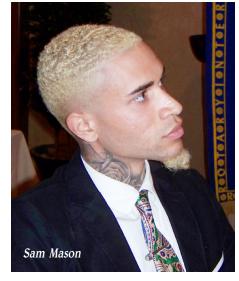
Program Review

Young Masterminds inspiring Today's Youth

This last Thursday, two young men with a challenging message spoke at the regular meeting of Altadena Rotary. Sam Mason and Mikal Pradia are part of *The Young Masterminds and the Mastermind Collective*. They appeared at an Altadena Rotary Club meeting back in October 2012. They have come a long way since that meeting. Through their organization, **Get in Gear Now**, Mason and Pradia are dedicated to the goal of helping today's young people achieve their

dreams and success. Their motto is "Inspire. Empower. Motivate. Millions."

The causes of *Get in Gear Now* are threefold. The first cause is Personal Achievement. The idea is to help their participants master proven success strategies, such as those promoted by Napoleon Hill. The idea is that, before a participant can pursue his/her financial or career goals, he/she must be equipped with certain personal and emotional skills. *Get in Gear Now* is able to train young people



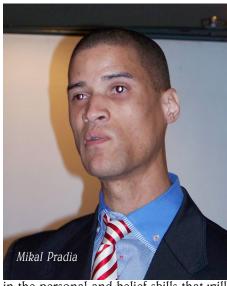
February Family Month

Program Chair, Tom McCurry Feb 14 - Valentine Surprise Feb 21 - 50 years of International Film/TV Production & Distribution Feb 28 - Dan Stover Competition

March

Family Month Program Chair, Craig Cox

Mar 07 - To be Announced Mar 14 - To be Announced Mar 21 - To be Announced Mar 28 - To be Announced



in the personal and belief skills that will allow them to pursue their dreams with confidence and assurance.

The second cause of *Get in Gear Now* is Financial Literacy. Mason and Pradia want young people to learn how to handle their finances properly. *Get in Gear Now* has programs and curriculum to give young people the practical advice and information to manage their finances. They

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Chairmen's by Craig Cox, Foundation Chair



I have asked the Sparks editor to attach a PDF that every Rotarian should read to your Sparks

in Brief email. If this turns out to be impossible, she will send it out under separate cover.

This summer The Rotary Foundation will launch its new grant model. Under the new model there will be only three (3) types of grants (currently there are 12) — District Grants, Global Grants, and Packaged Grants. Currently, the Foundation spends about 20 percent of its annual program budget on large-scale, high impact grants. Under the Future Vision Plan, the target percentage will be 80 percent. The Foundation believes that this change will promote Rotary as a leader in global development and humanitarian service.

Be Prepared for the Launch of the Rotary

Foundation's Future Vision Plan

The Foundation has adopted six areas of focus — Disease Prevention and Treatment, Economic and Community Development' Maternal and Child Health, Water and Sanitation, Basic Education and Literacy, and Peace and Conflict Resolution.

District Grants will emphasize relatively short-term activities (either local or inter-

Program

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want young people to learn about investments and the importance of investing at an early age.

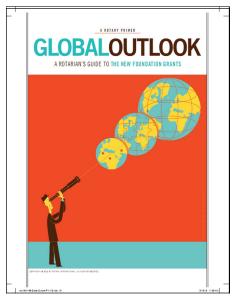
The third cause of *Get in Gear Now* is the one that is closer to the hearts of Pradia and Mason — The cause of Entrepreneurship. They believe that there are literally millions of young people who have the drive and the ambition to become entrepreneurs but need the tools, the information and the guidance to pursue that ambition. *Get in Gear Now* offers a proven and tested program for young people to pursue their goals either in the corporate world or in their own business.

Mason and Pradia are regularly speaking about their programs at junior high, high school and college classrooms. They are working with service clubs such as Rotary to inform key leaders in the community. Julius Johnson and Ray Carlson are active board members of **Get in Gear Now** and are providing counsel and advice to Mason, Pradia and their associates.



Their message is being heard throughout the greater San Gabriel Valley and the future is promising. We will look forward to another report from *Get in Gear Now* as they spread the word of entrepreneurship and business success.

Their colleague, Mikki Greene, recorded the program, as she had in the past.



national). Districts will be able to request up to 50 percent of their District Designated Fund in one annual block grant to distribute to club and district projects.

Global Grants have long-term impact. They will support large, international activities with sustainable outcomes.

Packaged Grants provide opportunities for Rotary clubs and districts to work with the Foundation's strategic partners on activities and projects funded entirely by the World Fund and strategic partners.

Your gifts to the Foundation make a significant, positive impact on the world. Thank you for your on-going support.

* * *

The graphic in the upper right-hand corner is the front of the 8-page PDF put out by Rotary International describing its new grant program. I have asked that the *Sparks* editor attach the PDF to the *Sparks in Brief* that goes out to the members of Altadena Rotary.

If you are not a member of Altadena Rotary, but would like a copy sent to you, please ask our webmaster to do so <webmaster@altadenarotary.com> by putting "RI Grant PDF" as the subject.



Economic Update In the News

Orders for durable goods — items expected to last three or more years — increased 4.6 percent to \$230.7 billion in December. This increase follows a 0.7 percent increase in November. Excluding volatile transportation-related goods, December orders posted a monthly increase of 1.3 percent.

Pending home sales, a forward-looking indicator based on signed contracts, fell 4.3 percent in December. On a yearover-year basis, pending home sales were up 6.9 percent compared with December 2011.

The Standard & Poor's/Case-Shiller 20city housing price index — on a non-seasonally adjusted basis — fell 0.1 percent in November, following a revised 0.2 percent decrease in October. On a year-overyear basis, prices rose 5.5 percent compared with November 2011.

The Mortgage Bankers Association said its seasonally adjusted composite index of mortgage applications for the week ending January 25 fell 8.1 percent. Purchase volume fell 2 percent. Refinancing applications decreased 10 percent.

The Commerce Department announced that gross domestic product the total output of goods and services produced in the US. — decreased at an annual rate of 0.1 percent in the fourth quarter of 2012. This follows a 3.1 percent pace of growth in the third quarter of 2012.

Manufacturing activity rose to 53.1 in January after a reading of 50.2 in December. A reading above 50 signals expansion.

Total construction spending rose 0.9 percent to \$885 billion in December, fol-

lowing a downwardly revised 0.1 percent increase in November. Compared to December 2011, construction spending has risen 7.8 percent.

Initial claims for unemployment benefits for the week ending January 26 rose by 38,000 to 368,000. Continuing claims for the week ending January 19 rose by 22,000 to 3.197 million. The less volatile four-week average of claims for unemployment benefits was 352,000.

The unemployment rate increased to 7.9 percent in January from 7.8 percent in December. Employers added 157,000 jobs in January.

Upcoming on the economic calendar are reports on factory orders on February 4 and international trade on February 8.

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



Fellow Altadena Rotarians: As your current fellowship chair, I wanted to let you know about fellowship events that are set or in the planning stages for the rest of Julius' Presidential year.

Events with date already set

Feb. 12 (this coming Tuesday) - at the Altadena Ale House (or the Pub) two blocks north of Woodbury on the west side of Fair Oaks. This Fat Tuesday event arranged by Sterling will kick off his and Julius' Biggest Loser competition. All those who intend to participate as contestants should attend, along with any members who want to cheer on those contestants in their weight loss challenge. You can look forward to lots of good food before the hard work begins. Your cost for this event will depend on how much you choose to eat and drink.

Feb. 14 (this coming Thursday) - we will enjoy a *behind the scenes* tour of the research facilities of Huntington Library. This will be a wonderful opportunity to explore areas of the Huntington Library & Gardens that the public never gets to see. Our tour guide will be Kristy Peters, the Director of Foundation and Corporate Relations for the Huntington. She spoke to us earlier in this Rotary year. The tour will take place immediately after our meeting this Thursday — gathering at Huntington check-in area about 2:15 to 2:30. As that is Valentine's Day, feel free to invite your sweetheart(s). You do not want to miss this unique visit to the Huntington. There will be no charge for this fellowship event.

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

> Please turn to Fellowship, p.5 Sparks - Altadena Rotary Club Newsletter



Back in my undergraduate days at college, I joined a business fraternity. Being the service-oriented guy that I am, I took on some duties to promote our chapter. One of these was to place small announcements in the local newspaper over the course of the academic year, but the purpose of this wasn't immediately obvious.

No, it wasn't to get the attention either of the local populace or of the eligible undergraduates who hadn't joined. The principal purpose of this endeavor was merely to score points for our chapter as we qualified at year's end for special recognition from the national headquarters.

Most of the time we simply went about doing what fraternities do best, be they social or academic: We partied. Yet because of the diligence of myself and others, we always managed to look good at the end of the year.

I'm reminded of this personal history as we begin to follow the District's lead on the IGNITE program. Haven't heard of it yet? You will. The idea is that we'll track and score the various actions we take to *ignite* each member in our club during each Rotary year.

While Rotary is growing internationally, membership continues to slide within the US. How to slow, stop and reverse this trend? RI believes we have to pay more attention to membership: Both in finding new members and in engaging the ones we have — so as to promote retention. Thus the IGNITE program is an organized attempt to shine a light on the best practices that are thought to promote the health of individual clubs.

Over the next couple of columns, I'll

be mentioning the various ways our club can score the points on tasks for which we're supposed to be striving. And I'll also be asking a few questions about the mechanics of scoring actions within the club, as I don't think this is clear to me yet.

Let's IGNITE!

But here's the thing: I think we can do this. And I don't think it has to be tedious or painful. Further, I do believe there's a payoff at the end of it all. It should help us achieve our goal of (net) six or seven new members annually. We achieved this under the leadership of Craig Cox, and we then established this as our club's goal for the next few years under our **visioning** process of last May.

So far this year we're only up one. We have two new members (Yeah!!), but we lost one to relocation (Yeah! for him, but "Yikes!" for us...). We have some prospects,

Fellowship

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see the game from the Stadium Club. Again, feel free to invite family and friends. Ticket and meal will be provided at a charge of about \$35.00 per person.

- June 9 (a Sunday) Antique Car Show at Lacey Park in San Marino. This event has been a fund raiser for the San Marino Rotary Club for many years, but this year Julius has advised that our Club may also be able to get involved and use the event as a fund raiser for our Club as well. More details to follow.
- June 27 (a Thursday) The Demotion Party to celebrate the conclusion of Julius' year as Rotary President and the induction of the incoming President,

however, and I don't believe we're done yet for the year. But we do need to (yes, here it comes...) *IGNITE* if we're going to match the pace of last year.

Doing so will give us additional human resources for accomplishing our various projects. And we all know that we as individuals can feel a bit tapped out at times. But we also said as a part of our **visioning** that we wanted to see more and different projects on offer.

Well, the *Get in Gear Now!* pilot project we carried out as a new means of outreach on job creation and entrepreneurship is one effort we recently began. There have to be others. Perhaps one of our newer members has an idea; Ray Carlson got started in just that way many years ago! Next week I'll begin reviewing the tasks that *IGNITE* has as its focus.

whose name will be announced to the Club in the next few weeks. This is an event President Julius is very likely looking forward to with great anticipation at this stage of his Presidential year.

Events still in the planning stage:

Visit to **Disney Hall -** to enjoy a yet-to-bedetermined concert. Details and estimated cost to follow.

Hike in El Prieto Canyon - ending with a picnic on the lawn of Theo's mountaintop home. Date, time and cost to follow (any cost should be minimal). 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.



It's 2013: Do You know Where All Your Retirement Savings are?

The case for consolidating your retirement accounts only grows more compelling over time.

A Traditional IRA here, a rollover IRA there, four job changes (so far!) and three retirement plan account balances left in the plans of former employers...

If this describes your situation, you are not alone. Over the years, people accumulate a significant sum in retirement savings, often spread across various accounts. As accounts multiply and companies change ownership, it can become difficult to keep track of exactly how much you have saved toward retirement and how those funds are invested. You may also find it challenging to determine your distribution requirements on various accounts once you turn 70 ¹/₂.

Consolidating accounts can help you make sure your savings are invested appropriately for your overall goals, track the performance of your holdings and, in many cases, discover more investment choices and incur lower fees. With retirement savings in just a few accounts, it becomes far simpler to execute your strategy and to measure your progress.

Why Consolidate?

Streamlining the account structure of your retirement savings has many potential benefits.

• Comprehensive investment strategy. Over time, your investment objectives and risk tolerance may have changed. Thus, it can be difficult to maintain an effective retirement investment strategy—one that accurately reflects your current goals, timing and risk tolerance—when your savings are spread over multiple accounts. Once you begin the consolidation process, you can strategize investments to match your current goals and objectives.

- Greater investment flexibility. Often, 401(k) plans, other employer-sponsored retirement programs and even many IRAs have limited investment menus. A Morgan Stanley self-directed IRA can offer you the ability to choose from a wide range of investments including stocks, bonds, mutual funds, managed accounts and more.
- **Simplified tracking**. It is easier to monitor your progress and investment results when all your retirement savings are in one place.
- Less paper. By consolidating your accounts, you will receive one statement instead of several. That simplifies your life while protecting the environment.
- Lower costs. Reducing the number of accounts may result in fewer account fees and other investment charges.
- Clear required minimum distributions (RMDs). Once you reach age 70½, having fewer retirement accounts to manage can mean having fewer RMD requirements to follow.
- Comprehensive knowledge of your assets. If your employer-sponsored retirement plan is terminated or abandoned (an "orphan plan") or is merged with or transferred to a retirement plan of another corporation after you leave, it may be difficult to locate the plan administrator to request a distribution of your benefits or to change investments. By contrast, assets in an IRA are always accessible if you want to change your investment strategy or need to take a distribution.

What Can Be Consolidated?

Listed below are types of retirement accounts eligible for consolidation.

• IRAs held at financial institutions (banks, credit unions, mutual fund companies, etc.).

- Retirement plan assets held at former employers including:
 - 401(k) plans
 - profit-sharing plans
 - money purchase plans
 - defined benefit plans
 - Keogh plans
 - ESOPs
 - government 457(b) plans
 - 403(b) plans

How it works

There are several ways to combine retirement assets into a single account.

• IRA-to-IRA transfers: Ask the IRA custodian where you will be establishing your account to help you complete their IRA transfer paperwork. Once you've set up your IRA, the custodian will do the rest, including contacting your previous IRA custodian(s) to get your assets moved over. There's no limit on the number of IRA-to-IRA transfers that you can complete in any given year. (However, please note that a Roth IRA can be consolidated only with another Roth IRA.)

Knowing how rollovers work can help you make a decision about whether or not to consolidate.

• IRA-to-IRA rollovers: You can ask your current IRA custodian to send you a check for the amount held in your IRA. You will then have 60 days to deposit the funds into another IRA without incurring any current tax liability. Note that your former IRA custodian will report the amount as a distribution on IRS Tax Form 1099-R; your new IRA custodian will report the rollover contribution on IRS Tax Form 5498. If you miss the 60-day time period, taxes and penalties may apply. IRA-to- IRA rollovers are restricted to one every

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365 days per IRA.

- Direct rollover from qualified plan to an IRA: Ask your previous employer(s) about the paperwork needed to complete a direct rollover of your qualified retirement plan assets to your IRA. The assets will be transferred once you complete the paperwork. Note that your former employer's plan will report the amount as a distribution on IRS Tax Form 1099-R; the IRA custodian will report the rollover contribution on IRS Tax Form 5498. There are special rules involved in transferring a "pre-tax" retirement plan balance to a Roth IRA-talk with your tax advisor about the impact this may have on you.
- Indirect rollover from qualified plan to an IRA: Like the IRA-to-IRA rollover, you can ask your previous employer(s) to send you a check for your vested plan balance and then redeposit those funds into an IRA or other qualified retirement plan within 60 days. However, the plan trustee will be required to withhold 20% of the taxable portion of the distribution as mandatory federal withholding. You will need to make up that 20% when you redeposit the funds into an IRA or the amount withheld will be subject to taxes and possibly penalties if you are under age 59½.

Speak with your tax advisor about these and other rules that may apply when consolidating retirement plan assets.

When You Might Not Want to Consolidate

Notwithstanding the many benefits to consolidating your retirement accounts, there are some caveats to keep in mind. For example, while many qualified plans allow for loans, you cannot take a loan from an IRA. Thus, once you roll over a qualified plan into an IRA, the ability to take a loan is no longer available. However, once you leave the company you may not be able to take a loan out anyway, since few qualified plans allow loans to be taken out by former employees.

Another consideration is RMDs. Upon reaching age 70½, owners of a Traditional IRA must begin taking required minimum distributions or face stiff IRS penalties. If the plan permits, qualified plan participants can delay taking required minimum distributions after attaining age 70½ if they are still working.

A final consideration may be employer stock. Employer (and former) employer stock held in a qualified retirement plan may be eligible for special tax treatment on distributions (known as "net unrealized appreciation" or "NUA") that you lose if you roll over the stock to an IRA. Check with your plan administrator and your tax advisor on whether or not the NUA rules may apply to you.

Generally speaking, simplifying your retirement account structure can help you take control of your financial future. Your tax and financial advisors will be able to assist you in determining if consolidation makes sense given your specific circumstances and goals.

Don't wait. Your actions now can greatly affect your quality of life in retirement, whether it is years away or just around the corner. You may communicate with Joshua Miller, Financial Advisor, Morgan Stanley Pasadena by phone: 626-405-9336 or email: Joshua.Miller@morganstanley.com Toksarcmtearledictorage.MrgnStateStateBarricegreedictorericagenetic humdBearceGecondensies/wingestatescripticatedensicegreedictorericagenetic humdBearceGecondensies/wingestatescripticatedensicegreedictorericagenetics



I have an orange tree that usually gives lots of oranges. This year we have 10. Yes, 10. Last year the tree was pruned. It hadn't been pruned in several years, so I'm willing to say that a lot of the flowering wood was cut off.

Three or four months ago I came home at night, and, when my headlights caught the leaves on the north side of the tree, I was surprised by how yellow the leaves looked. I had some iron and some cottonseed meal, so I knew what to do -- or thought I did. I have given the tree a fair amount of iron and cotton-seed meal, and

nothing outstanding is happening.

A week or so ago a friend of mine stopped by to thank me for a business referral I had given him. He looked at the tree and said he had



some fertilizer that he would share, and that I should give it two months to work. He agreed that the pruning could have taken a lot of the flowering wood. He also mentioned that every now and then fruiting trees take a *year off to rest*. But that



oranges on it. If they ripen in the summer, there is a problem, if they wait until Christmas, all is well. I exchanged tangerines for ferdoesn't explain why it is flowering now — at least two months early, and it already has a lot of immature



tilizer, and we'll see. I'll let you know. 🔘

Sparks - Altadena Rotary Club Newsletter

