

# Rotary



# Club of Chico Sunrise

## Crazy Hat Day

By Debra Larson on Thursday, January 21, 2021

**President Geralyn** opened up our second meeting of 2021, on Zoom, at 7:02 am and called on Kaytlynne Deardorf for the invocation and pledge. For today's invocation, Kaytlynne reflected upon the Hunger Games and yesterday's inauguration.

## Announcements and updates

Inauguration Day Yesterday!

Crazy Hat Day Contest: Inspirations were taken from a wig, floral, oranges, four leaf clover, children, and fishing. Twenty-three votes were tallied via chat for the best balloon hats (or others). **Susie Sorenson** was today's winner. Geralyn provided a number of gifts ♦ treats and goodies - for Susie.

Election for the Board of Directors was conducted during the meeting. The new board members are **Joe Schultz, Dan Bay, and Debra Larson**. Their service begins in July of 2021.

**Susie Sorenson** updated the club on the Rotary International Foundation. The total donated by the club was \$6,520.

Paul Harris Fellow Awards: **Heidi Houlihan** was recognized for donating six times, and she received a pin with a ruby. Heidi likes the Foundation because it gives funds to local club projects, while also helping international. She also appreciates that the Foundation's overhead is low.

Geralyn announced Rota-versaries: **Sean Isom** for 15 years at Chico Sunrise, plus 1. He spoke about the arc of networking, service and social interactions. **Nancy Hass-Depa** 3 years and **Phil Wilke** 2 years.

**Randy Korte** reported on getting ready to put in the tiles on the floor at Forest Ranch elementary school. He will be looking for volunteers when the weather accommodates installation.

**Nancy Haas-Depa** reported on the project to build free little libraries. Six to be built by the shop students and six by us. Geralyn reported on Rotary 100 and a groundbreaking on March 4 for the park project.

Geralyn and Sean reported that we completed the transfer of foundation funds from the NVCF to our own foundation.

Gala on March 13 with more information next week.

## Happy Hamilton Recognitions

- Phil Wilke took a recognition for receiving his first COVID shot yesterday. One bell.
- One bell for Dave Warner.

## Program

**Carl Ochsner** introduced our two panelists **Peter Bell** and **Randy Korte** to speak about the current financial markets. He prompted the conversation with some prepared questions.

Question: Many low-income people think that the health of the stock market is of no interest to them?

Answer: We are a capitalist society and the stock market is a big driver of growth and wealth. If your adjusted gross income is \$152,000 you are in the top 10%, and own 82% of the stock market. Only 30% of low-income earners invest in the market primarily through employer provided plans. 56% of the corporations that benefited from the previous tax cut,

## Events/Speakers

January 28th  
[Chico Sunrise Weekly Club Meeting](#)

February 4th  
[Chico Sunrise Weekly Club Meeting](#)

February 11th  
[Chico Sunrise Weekly Club Meeting](#)

February 18th  
[Chico Sunrise Weekly Club Meeting](#)

February 18th  
[Chico Sunrise Board of Directors Meeting](#)

## Birthdays



[John Carlon](#)  
January 25th

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## Club Anniversaries



[Leo A Weiss](#)  
04-01-2001  
20 Years

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[Bob Linscheid](#)  
04-01-2002  
19 Years

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[Ron R. Piret](#)  
04-01-2002  
19 Years

??



[David W Warner](#)  
04-01-2002  
19 Years

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[Dan L. Bay](#)  
01-19-2006  
15 Years

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[Sean Isom](#)  
01-19-2006  
15 Years

used those savings for shareholder buybacks. Only a very small percentage of workers received a wage increase through this corporation tax cut.

Question: Why should the 90% care about the stock market?

Answer: The rule of 72 was used. Take the projected earnings and divide into 72. This is the number of years to double your money. Mandatory employer 401k funds are very helpful to encourage lower income earners to invest.

Question: What can be done to help the average Joe?

Answer: California has a new program called Cal Savers that requires employers to participate in an investment-savings plan. The first \$1000 of contribution into a money market, which is a very low yield plan.

Question: Many of us are involved in a public pension plan. Why should we care about the stock market?

Answer: For example, CalPers is underfunded at about 2/3 of the funds needed for distributions. These types of funds are invested in the stock market. Their performance, however, is low. Our panelists predicted serious problems for these types of funds in about 20 years. A viable solution is to increase contributions from employers.

Question: One hears from time to time about an interest by pension funds to de-invest in certain market segments?

Answer: This limits diversification and impacts possible growth.

Answer: How you make money in the market is through catalysts that cause markets to ebb and flow. It is important to recognize these catalysts and rearrange portfolios in anticipation of the impacts of catalysts.

Question: How much should the portfolio include international markets?

Answer: The US stock market valued at \$41 trillion that is only 39% of the world's capitalization. Moderate diversification into foreign owned corporations is good. You may already be investing in foreign owned companies, without knowing this, due to the many changes in corporate ownership with many well-known US companies that are now foreign located.

Question: Will the City's pension ever recover?

Answer: City's pensions are often limited by low returns due to a cautionary approach to taking on too much risk.

Question: Now that the market is back up and with interest rates are low, do you see the catalysts?

Answer: The catalyst is the changes in the Presidency with the potential reopening of the economy due to the vaccines. Our panelist is seeing a rotation to a lowering of prices in large cap; conversely bank stocks are going up. Predicting a sell-off soon perhaps around the time that taxes are raised. Our panelist also suggested investing in dividend paying stocks that historically more stable. Eight out of the last nine first year presidencies were positive for the stock market.



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[Aaron Souza](#)  
03-24-2011  
10 Years



[Peter Bell](#)  
01-01-2013  
8 Years



[Jill E Hendry](#)  
02-06-2014  
7 Years



[Richard W. Powell](#)  
02-26-2015  
6 Years



[Nancy Haas-Depa](#)  
01-18-2018  
3 Years



[Kevin Baker](#)  
01-25-2018  
3 Years



[Phil Wilke](#)  
01-17-2019  
2 Years

## In Closing

Geralyn thanked Peter and Randy for their presentation, and conveyed our club's thanks through a book donation to McMannis Elementary School in their names. The board met immediately after today's meeting.

### Thanks To:

Greeters: Carl Ochsner  
Invocation: Kaytlynne Deardorf  
Check in: Larry Guanzon  
Bulletin: Deb Larson  
Zoom Facilitator: John Touchette

Next meeting is on January 28, and duties are assigned to:

Greeters: Paul Peck  
Invocation: Teresa Frediani  
Check in: Nancy Haas-Depa  
Bulletin: Carol Linscheid  
Zoom Facilitator: John Touchette

## Club Meeting

Chico Sunrise  
Meets at Canyon Oaks Country Club  
999 Yosemite Drive  
Chico, CA 95928  
Time: Thursday at 06:45 AM