



SOW THE SEEDS OF LOVE

November 26, 2002

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Luncheons: Tuesdays, 12:15 – 1:30 p.m.

The Princeton Club – 15 W. 43rd Street

FOUNDATION DAY

BOARD OF TRUSTEES



Top left: Chairman of the Foundation Mort Eydenberg, Joseph Groveman, Bernie Wytko, David Wankoff, Richard Sainburg, Barbara Burns and Sylvan Barnett. Arcadio Casillas and Edward Gray were not present for the picture.

MARK YOUR CALENDAR



November 26th
Foundation Day

December 3rd
TURKISH DAY

December 10th
**Lionel Barber
Financial Times**

December 17th
Holiday Party

December 24th
NO MEETING

NY RF

The Trustees of the New York Rotary Foundation thank all the members of the Rotary Club of New York for their continuous support, which enables the realization of so many wonderful projects: Gift of Life, Taller Boricua Electronic Center, Metropolitan Museum of Art, Rudolph Steiner School, Boy Scouts, Salvation Army, Avoidable Blindness, American Lung Association, Covenant House, Ivory Coast Polio Plus, YMCA, Momentum For Aids, Opportunity to Learn, Children's Hope Foundation, Ukraine Medical Supplies, Fraternite Notre Dame, Columbia Reading/Writing and World Trade Center Disaster Relief Fund.

Members Column



Mort Eydenberg has arranged for a tennis outing at his club for December 15, 2002, starting at 3 p.m. with a dinner to follow. The cost is \$100 per person. Tennis from 3-5 p.m., from 5:30 p.m. on Italian buffet dinner. Please make out the checks to the New York Rotary Foundation. For questions regarding this outing call Mort at (212) 986-6410

MEET OUR NEW MEMBER

Dorothy Kolev is an Associate at Cushman & Wakefield, Inc. She was born and raised in Okinawa, Japan. She moved to Philadelphia in 1972. She joined Japan Airlines in 1973, as an assistant to the Sales Manager. In 1990, she took a challenging position in New York Sales office at Japan Airlines Headquarters to expand Corporate Sales.

Ms. Kolev joined Cushman & Wakefield, Inc., in July 2001 after working for five years as Director of Corporate Sales at Mikimoto America.

After joining Cushman & Wakefield, Inc., as a broker, Ms. Kolev has assisted on the real estate transactions to lease office space for major Japanese companies including Takashimaya, Kanematsu USA, Asahiya Bookstore, Kuraray America, Nippon Travel, HIS Travel and Sekisui USA. Ms. Kolev recently moved to Manhattan and is looking forward to enjoy New York City.

MEMBERSHIP PROPOSALS

The Board of Directors has approved the following applicant. Any written objections must be received at the Club office by November 26, 2002.

Dorothy Kolev Associate
Company: Cushman & Wakefield, Inc.
Classification: Commercial Real Estate - Office Relocation
Sponsors: Takako Johnson
Lou DiPaolo

**PLEASE NOTE THAT
THERE WILL BE NO
LUNCHEON MEETINGS
ON DECEMBER 24TH AND
DECEMBER 31ST.**

**A MESSAGE FROM –
FRATERNITE NOTRE DAME
GIFTS FOR UNDER-
PRIVILEGED CHILDREN**



**PLEASE GIFT-WRAP AND LABEL WITH
AGE AND GENDER. IT WILL BE
APPRECIATED IF THE GIFTS ARE FOR
AGES 10 – 14. PLEASE BRING TO OUR
HOLIDAY PARTY ON DECEMBER 17TH.**

**THESE GIFTS WILL BE DISTRIBUTED
BY FELLOW ROTARIANS AT THE
FRATERNITE NOTRE DAME'S SOUP
KITCHEN CHRISTMAS PARTY FOR
CHILDREN AND AT THE HARLEM
CHRISTMAS TREE.**



HAPPY BIRTHDAY
Peter Brizard – November 26th

Meeting Minutes

Rotary Club of New York

Tuesday, November 19, 2002

12:30pm, Princeton Club of New York

12:30pm – President Silvio Amori opened the meeting

Allison Alessi sang “The Star spangled banner” with David Dingle at the piano.

Invocation delivered by PDG Paul Caruso.

Introduction of visiting Rotarians by Jim Thompson, welcomed by our members with the traditional greeting song

President Amori inducted new member Maria Teresa Angulo and welcomed her to the Club.

President Amori announced the results of the election for the nominating committee for the Board 2003-2004. The elected committee members, in addition to Greg Lynch who, as President Elect, is automatically part of this committee, are:

Bill Hall

Ed Gray

Paul Schneiderman

Werner Kobelt

David Dingle

Anne Creo

REMINDER: Allison Alessi

There is a breakfast meeting at the German Permanent Mission to the UN on Wednesday, November 20th. The topic of the meeting is *The international flow of narcotics*.

ANNOUNCEMENT by Lillian Coury:

There is a draft of a new corporate membership brochure approved by the board that needs review by a copywriter and has need of some illustration. Members who may be able to help should contact Lillian.

INTRODUCTION: Larry Parks introduced Guest Speaker, Professor Blackburn, Visiting Professor of the New School University.

Topic: *What's Wrong With Our Pension Funds Today?*

Professor Blackburn discussed the underlying problems of today's finance, indicating as the population ages and

Professor Blackburn discussed a recent Merrill Lynch analyst report titled “Decomposing Pensions” estimates an approximate \$323 billion deficit in corporate pensions. For retirees planning to live on approximately \$40,000 income, it is estimated that a nest egg of at least \$1 should be secured. Market has declined around 40% recently and estimates of 7% returns are optimistic at best. The population is aging and more active and healthy as they age, requiring that pension funds perform longer and longer.

In the next decade we face two major pension crises. The first is the draw from baby boomers, starting around 2010. The second is the ongoing under funding and poor management of commercial pension funds. Despite appearances, this situation is ‘bad’ only due to inappropriate arrangements and poor management of pension funds and can be improved with alternative solutions.

Today, there are basically two types of commercial pension provisions. One is Defined benefit, which guarantees a specified amount available to the employee at the point of retirement. The positives are that

returns are guaranteed. The negatives include: Employers often contribute their own stock to the fund; when returns are good, employers contribute less, when returns are bad, the company is forced to draw cash and contribute to make up for losses.

The second type of commercial pension provision is defined contribution. The employee bases this upon employee earnings and a percentage contribution. The size at retirement depends on the ups and downs of the market. Positives: Typically provides mix of securities. Negatives: Marketing and management costs often eat up the gains and returns are not guaranteed.

Dr. Blackburn further discussed that pension funds of civil servants and government employees are currently the best model to look towards. Their fund managers are not tied by commercial interest and favoritism as we have witnessed in the corporate market. Fund managers are well respected and often given much more independence in managing the fund. Furthermore, the government backs these funds so employees pension funds are secured.

The solution Dr. Blackburn proposes for these crisis is based on the idea of a share levy in which all corporations would be obliged to issue new shares equivalent to the value of 10% of annual profits that year. These shares could be used to top up Social Security and make up for the under funding of retirement pensions.

The positives of this share levy include that it does not raise labor costs, it does not interrupt corporate cash flow, and it does not take demand out of the economy. On the negative side, the share levy would dilute the share value, but all funds would receive more shares than lost by the dilution caused by the levy.

For additional information, Merrill Lynch's November 5th report, "Decomposing Pensions", illustrates what pensions are under funded and by how much.

Claudia King, Reporter of the week

Following e-mail was sent to the Rotary office recognizing the great work of our member Bill De Long

Dear Mr. Runggatscher,

Harold "Bill" de Long was staying here in Leipzig and Eilenburg from 9th to 16th November. He worked in Eilenburg - a small town approx. 16 miles outside of Leipzig. This is one of the places in Saxony where the flood destroyed houses, streets and bridges in August. This flood was the most terrible Germany has ever seen. But we also know that floods or tornados destroy so much every year in America. For the people in Eilenburg, it was so good to see that an American man is interested in our problems and helped out hands on.

Bill gave our organization 1,000 \$. We are very grateful for that donation, which we are using for helping people who need our help.

It was a very good experience for us to meet Bill. He is such a good men and does great work for the people around the world. He told us about his life and about his journeys around the world. What an important duty he gave himself.

The Rotary Club of New York can be very proud of Bill. He is an ambassador for the goods sides of America. We wish that he will be able to do all his humanitarian work for many years to come.

Please tell him that we thank him very much for helping us here in Germany.

Sincerely, Carmen Gellwitz Arbeiter-Samariter-Bund Kreisverband Leipzig e. V.