



Wilton Rotary Drummer

Wilton, Connecticut

www.wiltonrotaryclub.org



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Editor: ___Carol Johnson_____

Guests/Visiting Rotarians

Nineteen Rotarians were in attendance, and three guests; John Hendrickson, Assistant District Governor, and Debbie Gran and Al Paolozzi, both from People's Bank. The first meeting of our Rotary new year was presided over by President Frank Spencer.

Announcements

1. Frank thanked all who attended the Installation Dinner on June 23rd at Silvermine Golf Club.
2. Former club president, Rick Kellam passed away two weeks ago. Our club made a donation, in his memory, to a charity selected by his family.
3. At the first board meeting of the new year on July 28th, Rick Eason from Vintage Wines is going to speak to the board about a possible wine tasting event.
4. Frank thanked Bill, Karen, and Carol for being the Drummer editors for the past year, and he thanked Cliff for arranging for our weekly speakers.

Assistant District Governor, John Hendrickson swore in Bud Boucher as our club's foundation chair. John announced that our new district governor, Rupi Rupwani has a special project for Seeing Eye dogs, named "Rupi's Rovers." The DG's goal for the year, for this district wide project is \$10,000.

He also reminded everyone that there is a new district web-site and that everything loaded into this web-site will automatically go to our district (7980,) and to Rotary International.

Program

Today's speaker was Charlie Howell, President and CEO, of the Wilton Bank. Charlie spoke about the financial crisis and how it impacted community banks and local businesses. One of the major contributing factors to the downturn in the economy was mortgage qualification standards going "out the window" in 2000. The national movement placing an emphasis on home ownership, and "Liar Loans," provided a perfect storm for economic disaster. These loans which were "stated income," meant that no verification of income was required. As a result, mortgage brokers basically told borrowers what they needed to "state" on the application to be approved. Wall Street packaged these poor credits, and everything unraveled when the credit crisis hit because so many people ended up with no equity in their homes, and not enough income to make their monthly payments. In the US today 28% of homes with a first mortgage are underwater, and 40% of homes with a first and a home equity line of credit are underwater. While community banks did not get involved in this type of financing, they are nonetheless affected, as the crisis caused regulators to clamp down. Tighter underwriting requirements, availability of credit, and finding qualified borrowers whose collateral has not deeply declined has made lending challenging for all banks. The real value of a community bank comes from its level of focus. While they offer quality products and excellent service, they are also heavily invested in the community. This is evidenced by the emphasis on their commitment to their communities through service to volunteer organizations and through philanthropic giving.

See you on the 15th at Marly's.....Carol





