

**MD 11 Council of Governors Meeting
Lansing, Michigan
Friday, August 8, 2008**

CALL TO ORDER – The meeting was called to order at 7:00 p.m. in the Capital Room of the Best Western Midway Hotel by Council Chair Terry Bowerman. Governors present were: Jim Williams, 11 A1; Connie Shelton, 11 A2; Roberta Sexton, 11 B1; Linda Bosma, 11 B2; Mike Johnson, 11 C1; Frank Rivette, 11 D1; Charles Belesky, 11 D2; Larry Morlock, 11 E1; David Zeller, 11 E2; and Robert Miller, SD 10. Absent was Shirley Marshall, 11 C2. Vice District Governors in attendance were: John Daoud, 11 A1; Ron Holler, 11 A2; Tom Morris, 11 B1; Al Vredberg, 11 B2; Bob Schalow, 11 C1; Kevin Storberg, 11 C2; George Carter, 11 D1; Robert Ryan, 11 D2; Wayne Kreitner, 11 E1; and Beverly Bodem, 11 E2. Others present were: PID Bill Hansen; PID Chuck Weir; PID Bill Hanel; Council Chair Terry Bowerman; State Treasurer Paul Hemeryck; and Executive Director Mary Brown.

APPROVAL OF PROPOSED AGENDA – Governors requested the addition of the following discussion items: (1) Family and student dues, (2) combining of district conventions, (3) a resolution for the Michigan Eye Bank, and (4) a question from 11 B1 for the Treasurer.

MOTION –Belesky, Rivette, to approve the proposed agenda with the requested additions. Motion carried.

REVIEW OF COUNCIL MEETING RULES – Council Chair Terry Bowerman covered basic rules to govern meetings of the Council of Governors. The first and last rule mandates that all discussion of sensitive or controversial issues will remain in the room. Tail Twister fines are limited to \$5 per person per weekend. One conversation at a time; no side bars. Vice District Governors are encouraged to participate in discussions, but should request permission to speak through their District Governor. Smoking is prohibited in the meeting room and in the hospitality room. Each agenda item will have a brief discussion to outline the topic, a motion and second, open discussion, and a vote on the motion. All Governors were asked to work for the good of the state and the multiple district, not just their individual districts. All topics and concerns are to be brought to the Council Chair.

LEADERSHIP REPORT – Esther LaMothe, PDG, MD 11 Leadership Chairperson
The Leadership Development Committee held its first meeting in July. Eighty percent of the committee members participated in person or through written or oral reports. This will be the only in-person meeting, except for the combined MERL meeting in October. All other meetings will be handled via email, written/oral reports, or conference call.

The committee reviewed the 3-year plan established by the MERL team. This is the third year of the plan, and the goal is to move forward in membership and bring all districts above 1,250 members.

Leadership Chairs from each district have been active. All of them report that they have held club and cabinet officer training sessions. Governors were urged to use their Leadership Development Chairs at events throughout the district.

For the past two years, PDG Esther has written articles on leadership for publication in the Lion Pride Magazine. These articles are shared with the Leadership Division of LCI. This year members of the committee will write the articles. The month the district is featured in the magazine is the month the District Leadership Committee Chairperson's article will appear. It is to be generic in nature, but

applicable to all districts. Each chairperson is asked to share his/her article with Esther and the other committee members to obtain feedback before publication. District 11 A2 is featured in the Sept/Oct issue, so Jim Pettinato will write the first article.

October 11 is the scheduled date for the combined MERL committee meeting. PDG Hank Bosma is in charge of making arrangements for this meeting.

Each year, the Leadership Committee is asked to submit topics (and sometimes serve as presenters) for forums to be held at the MD Convention in May and the Michigan Forum in February. Several ideas have been presented for consideration by committee members; additional topics have been suggested by FDI graduates.

A training session for current and new MD committee chairpersons was held at the Lions State Office in July. FDI graduates Dave Bennett and Tom Doyle instructed them on their responsibilities.

PDG LaMothe reviewed the VDG training schedule. Their first session was held on Friday at the State Office. During that session, Jack Pyle presented information on speaking skills. Presentations by the VDGs were videotaped and critiqued. Additional VDG training will take place in October, December and March, on Friday of the Council Meeting. The final training session, as well as goal setting for the upcoming year, will take place on Thursday prior to the MD 11 Convention.

REVIEW PROGRESS OF COUNCIL GOALS – The Governors reviewed the goals they set in May, which included having each DG sponsor five new members this year, increasing membership in all districts to at least 1,250 by June 30, and identifying younger members to become future leaders. Membership totals through July 31 showed a net gain of 6 for MD 11. District 11 A1 showed the greatest increase, with a net gain of 46. Districts 11 B1, B2 and D2 also showed net gains.

CONFIRMATION OF ACTIONS TAKEN IN MAY

MOTION – Williams, Morlock, to approve the minutes of the meeting of the District Governors-Elect held in Sault Ste. Marie on May 16, 2008. Motion carried.

MOTION – Williams, Morlock, to confirm the committee chair appointments made in Sault Ste. Marie on May 16, 2008. Motion carried.

MOTION – Sexton, Belesky, to confirm the appointment of State Treasurer Hemeryck. Motion carried.

COMMUNICATIONS

Meeting arrangements have been made to hold the December 2008 and March 2009 Council of Governors Meetings at the Holiday Inn West in Lansing.

Ten copies of “Who’s Who in Michigan Lionism” were distributed to the Governors for dissemination in their districts. They were informed that state projects, PIDs, MD 11 Committee Chairpersons and members of the PDG Association automatically receive copies.

LEADERSHIP INSTITUTE REPORT – PDG Paul Hemeryck, Co-Chairperson

A \$10,000 grant from Lions International for Michigan’s Regional Leadership Institute has been approved. This is the 10th consecutive year that LCI has supported Michigan’s Institute. In order to

demonstrate to LCI that the Leadership Institute is receiving local support, each district is being asked to contribute \$300.

The VDG is allowed to attend the Leadership Institute at no charge if his district donates \$300; otherwise he/she has to pay the \$165 registration fee. (VDGs who plan to attend MUST submit an application form.) Every district in Michigan is guaranteed five seats at the Leadership Institute; however, districts that donate are guaranteed nine seats.

The Leadership Institute is scheduled on November 14-16, 2008—with the realization that this is deer hunting season. There was a scheduling conflict with the Michigan Fire Fighters Association due to the timing of Halloween this year.

Two graduates of the FDI will team teach with experienced faculty members this year. The committee is training people to take over in the future by mentoring them.

District Governors should look constantly for potential leaders and encourage them to move up the ladder. They should promote attendance at the Leadership Institute. Afterwards they should get feedback from graduates and recognize them at cabinet meetings, conventions, etc. In response to a comment that some Leadership Institute graduates never move up to district leadership positions, PDG Hemeryck noted that there are individuals who are comfortable providing leadership at the club level. They are making an impact there and don't want or need a title.

The Leadership Institute manual will be available on CD this year.

DISCUSSION OF ITEMS TABLED IN MAY

MOTION – Williams, Johnson, to table further action on redistricting. Motion carried.

MOTION – Johnson, Shelton, to hold a Regional Faculty Development Institute in conjunction with the Leadership Institute in November.

PID Hansen explained that the procedure for nominating individuals to attend the LCI Faculty Development Institute has changed. The DGs and the MD Leadership Chairperson will be asked to coordinate nominations. Those who attend and graduate are expected to return home to train people at the multiple district level. The curriculum is dictated by LCI.

Three Lions from District 11 C1 attended LCI's Faculty Development Institute in Atlanta last year. They have been asked to host (and can obtain grant funding from LCI) for a regional FDI. Holding it in conjunction with Michigan's Leadership Institute enables them to concentrate on training, not facility management. Last year's Governors made the commitment to obtain funding and hold a regional FDI in November; and the money must be used this year. At one time, when funding from LCI was in doubt, there was talk of making the FDI a "graduate class" for Leadership Institute participants. The Leadership Institute would have absorbed the costs if LCI grants were not available.

Vote on the Motion: Motion carried.

MOTION – Sexton, Johnson, to appoint the same Faculty Development Committee as last year, plus any DG who is interested in serving on the committee. Motion carried.

FAMILY/STUDENT DUES - Governors Johnson and Williams spoke in favor of instituting half-price dues at the MD level for students and family members in an effort to increase membership. Governor Williams pointed out that there are only 24 student members in Michigan, and perhaps this group could be used to test the effectiveness and feasibility of implementing the reduction in dues. There are 800 family units in MD 11, which would result in a \$4,000 loss in annual revenue. The Council agreed to discuss the subject further on Saturday after the Treasurer's report.

COMBINING DISTRICT CONVENTIONS - Governor Johnson explained that Districts 11 C1 and 11 E1 are holding a joint convention next spring. He urged the VDGs to consider consolidating their convention with another district next year. It provides an opportunity to meet more Lions and cuts down on costs and travel. Larger numbers of attendees also equate to more perks from hotels. Governor Sexton pointed out that districts also have the option of holding their convention in conjunction with the Multiple District Convention.

RESOLUTION FOR EYE BANK – The Council will ask Ed Weessies, Chairman of the Constitution and By-Laws Committee, to draft a resolution in support of the Eye Bank's Gift of Life program.

VISIT TO LCI HEADQUARTERS – Council Chair Terry Bowerman will coordinate arrangements for a visit to Lions International headquarters for the DGs, VDGs and spouses. He offered two possible dates in October, both on Friday because LCI offices are not open on weekends. The group selected October 17 as the best choice. An overnight stay on Thursday in Michigan City, Indiana was suggested. The following morning, the group would car pool to Oak Brook, meet with the heads of departments at LCI, and tour the facilities. The visit will conclude around 2 or 3 o'clock.

**MD 11 Council of Governors Meeting
Lansing, Michigan
Saturday, August 9, 2008**

CALL TO ORDER – The meeting was called to order at 9:00 a.m. in the Capital Room of the Best Western Midway Hotel by Council Chair Terry Bowerman. Governors present were: Jim Williams, 11 A1; Connie Shelton, 11 A2; Roberta Sexton, 11 B1; Linda Bosma, 11 B2; Mike Johnson, 11 C1; Frank Rivette, 11 D1; Charles Belesky, 11 D2; Larry Morlock, 11 E1; David Zeller, 11 E2; and Robert Miller, SD 10. Absent was Shirley Marshall, 11 C2. Vice District Governors in attendance were: John Daoud, 11 A1; Ron Holler, 11 A2; Tom Morris, 11 B1; Al Vredberg, 11 B2; Bob Schalow, 11 C1; Kevin Storberg, 11 C2; George Carter, 11 D1; Robert Ryan, 11 D2; Wayne Kreitner, 11 E1; and Beverly Bodem, 11 E2. Also present were: PID Bill Hansen; PID Chuck Weir; PID Bill Hanel; Council Chair Terry Bowerman; State Treasurer Paul Hemeryck; and Executive Director Mary Brown. They were joined on Saturday afternoon by PID Dennis Cobler and PID Mike Butler.

TREASURER'S REPORT – Paul Hemeryck, PDG

Financial Reports – Treasurer Hemeryck provided the Council with a 5-year summary (2003-04 through 2007-08) of all 24 accounts administered by the Lions of Michigan. He noted that it was a historical document to enable the group to look back before looking ahead.

PDG Hemeryck then reviewed the financial reports for the fiscal year 2007-08. He explained that the year-end totals have not been finalized yet because there are still outstanding bills for several accounts.

Treasurer Hemeryck pointed out that wise budgeting and investment decisions made by past Councils have helped the Lions of Michigan to survive despite declining membership. Last year, the Council and Committee Account, the International Convention Account, and the MD Convention Account (which are dues-funded accounts) all experienced net losses due to declining dues revenue.

The magazine was hit with a postage increase of nearly \$3,000 last year, coupled with a decrease in subscription fees (from dues) of \$2,800. However, thanks to the efforts of the Publication Advisory Committee, changes in paper and printing were implemented to save money. The magazine managed to make a net profit of \$3,000.

Treasurer Hemeryck reviewed the dues allocations per member for MD 11 and SD 10. He tracks the projected income versus actual income during the year and advises the Council if potential problems arise.

The final page of the financial report was a summary of membership totals by district for years between 1997 and 2008. During that period, overall membership in MD 11 declined 3,026. Every district has been experiencing losses, and none has had a net gain since 2005-06.

Projections – Treasurer Hemeryck presented 5-year financial projections for the dues-funded accounts. Net losses have already begun to occur in some areas. The main causes are declining membership (i.e., loss of dues revenue) and inflation. The biggest losses are in the Council/Committee/Treasurer Account. The only source of revenue for this account is dues so it is heavily impacted by declining membership. The MD Convention and the International Convention Accounts are designed to break even, but they have been chipping away at their equity with losses over the past few years.

PDG Hemeryck explained that membership figures he used in the projections remain flat after 2009— with no increases or decreases shown. If membership continues to decline, the overall financial picture will deteriorate much faster than indicated in these reports.

IRS Update – Changes to the Form 990 will take at least three years for the IRS to implement. Some clubs have reported problems filing the new forms because an incorrect fiscal year was reported when they obtained their Federal Identification Number. Others have been using the wrong ID number or have more than one because they obtained a new one when they could not locate their existing number.

IRS is currently auditing a number of Lions Clubs in the Detroit area. They are targeting groups that run weekly Bingo, especially those who also sell pull tabs (because this is taxable income). If they pay people to work, they are checking to make sure the club has filed 1099s on them (because workers have to pay self-employment tax on that income).

MD 11 CONVENTION REPORT – Bob Sturgis, PDG, Chair

The convention will be held at the Holiday Inn South in Lansing on May 15-16, 2009. PDG Sturgis and Mary Brown conducted an inspection trip in July. There is ample meeting space and the rooms are appropriate for the convention events being planned. The hotel is providing two complimentary suites. One will be used for the International speaker (2nd Vice President Sid Scruggs) and one will be available for Michigan's candidate for International Director, Dr. Sara Doubledee. The Lions room block will contain six handicap rooms per night, but people must request them when making hotel reservations.

PDG Sturgis noted three other “problem areas” that were addressed with the hotel. In Sault Ste. Marie, they ran out of food at the buffet dinner on Friday night and the luncheon on Saturday. The Food Service Manager assured him that this would not happen at the Holiday Inn South. Also, previous Lions’ events at this hotel experienced difficulties when a wedding reception with loud music was booked in the room next door. It is very difficult for the crowd to hear the banquet speaker when this happens. The Sales Manager agreed not to contract such events in the room next door on Saturday evening unless music/dancing were scheduled to start after 10 p.m. Finally, hotel rooms for Lions will be grouped together so as not to disturb other hotel guests.

The financial report for the 2008 MD 11 Convention showed a loss of \$2,664.56. It was noted that this loss had been built into the budget. Over the past 20 years, a surplus has built up in the account, so the committee decided to offer all meals at cost in order to gradually “give back” to the attendees. (A written report from Brian Shepard on the 2008 Convention is included as an attachment to the minutes of this Council Meeting.)

LIAISON COMMITTEE REPORT – PID Bill Hansen, Chairperson

During the July 19th meeting of the Liaison Committee, a motion was approved to encourage the Council of Governors to approve an exception to the Policy Manual this year, allowing both the State Treasurer and the State Secretary to attend the International Convention in Minneapolis to provide assistance with Sara Doubledee’s campaign for International Director. These two individuals serve the Lions of both SD 10 and MD 11. The estimated additional cost is \$1,500.

MOTION – Williams, Shelton, to approve attendance at the International Convention in Minneapolis by both the State Treasurer and State Secretary. Motion carried.

A proposed Liaison budget of \$24,800 was presented. Committee expenses total \$7,300, while campaign expenses are budgeted at \$17,500. The proposed budget was adopted by the Liaison Committee during their meeting on July 19.

MOTION – Bosma, Morlock, to approve the proposed Liaison Committee budget. Motion carried.

Governors Williams, Sexton, and Bosma had contacted PID Hansen about having International Second Vice President Sid Scruggs participate in the Joint District Cabinet Training that was started in May 2008. The training would be held on Sunday morning after the MD 11 Convention. PID Hansen indicated that this could be arranged providing: 1) attendance needed to be large enough, and 2) Second Vice President Scruggs would speak no longer than one hour. DG Bosma stated that the 2008 Joint District Cabinet Training was well received by all in attendance, including the presenters and trainees. The 2009 training would be formatted similar to the 2008 training. At least half the districts have already made a commitment to attend the 2009 training. PID Hansen indicated that he would proceed with making appropriate arrangements with 2VP Scruggs to attend and participate in the Joint District Cabinet Training.

PID Hansen questioned whether the Policy Manual prohibited candidates from outside MD 11 from talking to convention attendees or distributing printed materials at the MD 11 Convention. He explained that SD 10’s endorsed candidate had been advised of such a rule in Sault Ste. Marie, and it led to comments from attendees that she had not been visible and did not mingle with the Lions.

Al Brandel has published his criteria for Presidential Awards. To qualify for the Presidential Medal, Lions must distinguish themselves for service that significantly strengthens their community and/or the Association. Nominees for the Leadership Medal must have made significant contributions to leadership development and results within the Association. Presidential certificates and lapel pins are likely to be more limited in distribution this year. Appreciation Certificates may be requested for Lions who provide meaningful humanitarian services and support club presidents in their efforts to operate and build their respective clubs. PID Hansen urged the DGs to nominate Lions who have not been recognized previously for their achievements. He requested that they provide specific documentation to justify the reasons they have nominated Lions for these awards. He also advised the DGs to begin now to gather background information about their nominees; it will take more time than anticipated. Mary Brown will send the DGs a list of past recipients of Presidential and Leadership Medals.

PID Mike Butler is the International Chairman for the Global Membership Team (GMT). The program does not supplant MERL. It works in conjunction with the MERL Team to achieve the District Governors' membership goals. The program recognizes that the life blood of the association is membership growth, club growth and retention. PID Butler is expected to attend the Council Meeting this weekend to discuss the GMT with the Governors.

PID Hansen reminded the Governors that promoting state projects and visiting clubs is NOT the most important thing they do. He challenged them to avoid scheduling any more club visits until after the first of the year and to concentrate on extension and membership growth in their districts. The Lions year does not end with the district convention; there is plenty of time to schedule club visits between January and June of 2009.

Lions International hired an organization to conduct a brand audit to determine how people outside the organization see us. One of their findings is that our target audience for membership should be people 20 years younger than ourselves. They also found that the yellow vests (especially those covered with pins) are a big turnoff for a large segment of the public. Time is a big issue in recruiting members from younger generations; they waste time and energy on unnecessary and unproductive meetings.

An amendment to establish the position of Second Vice District Governor was approved at the convention in Bangkok. The position is mandatory, not optional. All districts and multiple districts have to amend their constitutions to accommodate the new position. Next spring, districts can have candidates for both 1st VDG and 2nd VDG; but in the future, there is a procedure for succession. In order to avoid the prospect of being "stuck" with an ineffective leader for three years, it is recommended that the constitutional language include an option for "no endorsement." The seated DG has latitude to assign duties to the 2VP, but the job description as currently written is more management-oriented than leadership-oriented

A revised logo has been adopted by Lions International. The lettering is easier to read, and the faces have been redefined. The new rendition is the latest of five versions that have been used throughout the history of the association.

CONSTITUTION & BY-LAWS COMMITTEE REPORT – Ed Weessies, Chairperson

The Constitution and By-Laws of MD 11 contain "housekeeping" provisions that allow the Council of Governors to automatically include changes that have been adopted by LCI without the necessity of a vote by the delegates at the MD Convention.

MOTION - Williams, Johnson, to align the MD 11 Constitution and By-Laws with the Lions International Constitution and By-Laws regarding the Second Vice District Governor position. Motion carried.

As requested by the Council of Governors, Chairman Weessies drafted the following resolution in support of the Eye Bank:

WHEREAS, the Council of Governors of Multiple District 11 and Single District 10 does hereby recognize the leadership of the Michigan Eye Bank in the area of organ donation; and

WHEREAS, the need for organ donors in the State of Michigan is paramount; and

WHEREAS, the Council of Governors feels the need to encourage all citizens to become registered as organ donors.

NOW THEREFORE BE IT RESOLVED that the Council of Governors unanimously supports the efforts of the Michigan Eye Bank to raise awareness and register citizens into the organ donor program.

Adopted on this the 9th day of August, 2008.

MOTION – Williams, Johnson, to approve the resolution. Motion carried.

Chairman Weessies suggested that the districts modify their own constitution and by-laws to conform to LCI's standard form constitution and by-laws for sub-districts. Doing so makes it easier to implement changes adopted by LCI.

MOTION – Williams, Sexton, to ask the Constitution and By-Laws Committee to draft an amendment to establish a "student dues rate" for MD 11. Members who are recognized and reported to Lions Clubs International as student members would receive at least the same percentage reduction in the MD dues as they receive in dues reduction from LCI for being a student member, with the incoming Council of Governors annually setting the MD's amount of reduction for their term.

MOTION – Johnson, Sexton, to amend the motion to also include "family dues." Motion carried.

Vote on the Motion, as Amended: Motion carried.

The MD 11 By-Laws were amended in May to change all one-year committee appointments to two-year appointments. One of the affected committees was the Leo Committee. At the International Board meeting held in March of 2008, the Leo Committee was changed to a three-year term. Because the policy of LCI supersedes the MD 11 C&BL, this change must be made. Chairman Weessies will draft the language and present it at the next Council Meeting.

Chairman Weessies reminded the Governors that local Lions Clubs that aren't incorporated should consider doing so. In most jurisdictions, incorporation protects individual members from being held liable, individually or severally, in suits against the club. Liability is limited to the capital or assets of the club.

He also reminded them that LCI's insurance does not cover liability arising out of the sale or serving of alcoholic beverages. When Clubs or Districts sell or serve alcoholic beverages or distribute alcoholic beverages at a fund raising activity or event, separate Liquor Liability insurance should be arranged.

LIONS OF MICHIGAN FOUNDATION REPORT – Bill Klingensmith and Bob Jenkins

The Lions of Michigan Foundation provided lunch for the group. Foundation President Bill Klingensmith noted that contributions from Lions Clubs are increasing. All of these donations are used for grants.

The Foundation has partnered with the Lions Hearing Center to make hearing aids available to those who can't afford them. The hearing aids are shipped to licensed audiologists, not to clubs or individuals.

The Foundation is sponsoring a cruise in February of 2009. Rates for the cruise include a \$150 donation to the Foundation per cabin. Nineteen couples have signed up to date.

EXTENSION REPORT – Bob Jenkins, PDG, MD 11 Extension Chair

Newly appointed Extension Chairman Bob Jenkins introduced himself to the Council. He cited his experience in chartering seven new clubs in three years. His goal is to charter at least two new clubs per district this year. He urged the Governors to allocate funds for extension work in their district budgets. He cautioned them that "organizing new clubs requires a lot of work."

A minimum of 20 members is required to charter a new Lions Club. It is easier to increase membership in a district through extension than it is through membership drives alone.

PDG Jenkins distributed copies of an Extension Manual he has created to the Governors and Vice Governors. He provided copies to the members of the Extension Committee during a meeting held in July. He would like to develop an "Extension Model" similar to the ones for posted on the State Office website for Membership and Retention.

Governors were encouraged to bring in the extension team from LCI to assist them in the organization of new clubs.

UPDATE ON STATE OFFICE SERVER AND WEBSITE UPGRADES

A \$2,500 budget was approved in May to upgrade the network server in the Lions State Office because the old one was no longer adequate. The Lions were sharing server space with the Foundation, with storage divided evenly between the two. This amounted to about 6gigs of storage space for each organization. While that amount is more than adequate for the Foundation's needs, the Lions of Michigan were continually running out of space. The State Office now has 140gigs of space available for storage and the ability to hold up to six more hard drives.

Originally, the thought was to purchase a "beefier" model of the current server. What was purchased is a medium business server with a faster processor and more memory, storage space and expandability. Dell was running a great special, and a \$3,400 machine was purchased for around \$2,000. Two after-market removable hard drives were bought for data back-up. They cost a fraction of what the old tape-drive system cost, and they write data faster and are easier to manage. Additional savings were realized by purchasing software through a company that offers big discounts to nonprofits. Two items that retail for \$1,047 were obtained for \$70.

The Lions of Michigan donated the old server to the Foundation. Estimated residual value on the server was \$800-900. A switch and Cat/5 cable were purchased by the Lions to enable the Foundation to set up their own network. Paul Hemeryck donated a router, and Mary Brown provided a monitor, mouse and keyboard. The Lions of Michigan also paid to have a technician come in to set up both networks.

The revised website is in the final stages of development. Four MSU students worked 542 hours on the project, with the goal of making it more functional and easier to navigate for the visually impaired. If the Lions had to pay for this, it would have cost \$11,000 to \$27,000 (depending on the experience level of the individuals working on the project). Unfortunately, the students were not able to completely finish the project before the end of the class. They were going to complete the work on over the summer, but have been unable to do so. One of the “bugs” in the merchandise pages (white cane supplies, pins, and shirts). Until the glitch is fixed, the site cannot be transferred to “live status.” Michelle has been in contact with the team, and they plan to have the website operational soon. The Council can view the preliminary work on the website at <http://beta.lionofmi.com/>. When it is completed, the website will include the ability to increase the font size or to view print in a text-only format. It website will also have a media gallery where people can download convention photos, etc. Other features include a “quick links” page and a “search” button.

Finally, last year’s Strategic Planning Committee suggested the development of a disaster preparedness plan for the State Office. They recommended having off-site backup for computer data. Because the Lions of Michigan website has a dedicated virtual server as a web-hosting solution, the “back-end” of the server may be used as off-site file storage. Michelle is investigating free software that will check file modifications on the network server and send them to the remote server on a daily basis. This solution hinges on the virtual server allowing remote files to be published; however preliminary data sounds promising. Along that vein, the new server has remote tools installed that will allow employees to work from home if the need arises.

DISTRICT EDITORS/PUBLICATION ADVISORY COMMITTEE REPORT – Michelle Fields, Magazine Editor
 The printing schedule for 2008-09 was distributed. Each district is spotlighted in one issue. Feature articles include the “Club of the Month,” an editorial by the District Governor, an editorial by the District Membership Chair, and an article about a district project. Lists of previous Clubs of the Month and Governor’s editorial topics were distributed. This year’s publication schedule is as follows:

<u>Issue</u>	<u>District Assignment</u>	<u>Copy Deadline</u>	<u>Publication Date</u>
Sep/Oct	11 A2	Aug. 15	Sept. 1
Nov	11 B1	Oct. 15	Nov. 1
Dec	11 C1	Nov. 15	Dec. 1
Jan/Feb	11 C2	Dec. 15	Jan. 1
Mar	11 D2	Feb. 15	Mar. 1
Apr	11 A1	Mar. 15	Apr. 1
May	11 E1	Apr. 15	May 1
Jun/Jul	11 B2	May 15	Jun. 1
Aug	11 D1	July 15	Aug. 1
Swing	11 E2		

The “swing” district assignment was explained. Nine issues are published each year, but there are 10 districts; therefore, the Governor of the “swing” district is asked to submit his/her information early in

the year to fill a vacancy should a District Governor fail to submit the requested items. Otherwise, one issue will feature two districts.

The District Editors would like to “introduce” the incoming District Governors on the cover of the magazine next June, including a photo and a short biography. VDGs are asked to submit background information to Michelle Fields at the State Office.

Michelle noted that issues of the Lion Pride are available online at the State Office website. The visually impaired can get it in “text only” format.

During the past year, the US Postal Service implemented a large increase in postage—one that cost approximately \$500 more per issue. Additional increases in postage and paper costs are anticipated during the upcoming year.

MEMBERSHIP REPORT – Jim Walls, PDG, MD 11 Membership Chair

The committee met via conference call on August 2. This method of meeting saves time and travel, and the committee will continue to meet in this fashion.

Annual membership losses in MD 11 have been decreasing. PDG Walls hopes to show a gain in membership this year. The goal is to bring in three new members per club, for a gross gain of 120 members per district.

Membership awards will be presented again this year, recognizing the club and district with the greatest membership growth as of March 2009. In addition, the Lions of Michigan Foundation Award will be presented at the MD Convention. An application form for this award will be printed in the magazine. Committee members are not eligible to receive this award as they are responsible for selecting the winner.

Forty-six clubs in MD 11 are delinquent in filing MMRs. PDG Walls noted that District Governors can place clubs on status quo for failure to submit MMRs for six or more consecutive months. The Membership Committee recommended making the VDGs responsible for working with clubs to make the reports current. The DG (or someone designated by the DG) needs to check membership statistics regularly.

RETENTION REPORT – Hank Bosma, PDG, MD 11 Retention Chair

The Retention Committee will re-institute the “regret letter” that was developed two years ago, which was sent to members who resigned from their Lions Club. The letter gave them options, such as transferring to another club or becoming an affiliate member. The committee also recommended putting someone from each club in charge of contacting members who stop attending meetings. This personal touch might keep them from dropping.

The joint MERL training session will be held on October 11. The timing is earlier this year so the committees can get a head start.

2008 INTERNATIONAL CONVENTION REPORT – Jesse Arnold, Chair

Thirty-eight people from Michigan attended the International Convention in Bangkok, including the District Governors-Elect and their spouses. The weather in Thailand was hot and humid, and bus transportation after the parade was a problem. The Lions of Michigan All State Band was outstanding.

They participated in the parade and the flag ceremony and performed in concern at the Plenary Session. The delegation at the Michigan headquarters hotel helped ID candidate Sara Doubledee to assemble campaign materials

The International Convention Committee met that morning. Hank Bosma was selected as Vice Chair. The headquarters hotel for the Michigan delegation in Minneapolis in 2009 is the Marriott West. It is approximately three miles from the convention center. Estimated attendance from Michigan is 150 to 200 people. The Convention Committee will investigate the cost of a bus trip to Minneapolis.

The committee made no recommendation regarding parade hats this year, leaving the matter to the discretion of the Council. Umbrellas were mentioned as a possible alternative.

The committee recommended having a Michigan Reception, similar to the receptions hosted by each year by Germany or Italy. They envisioned inviting 600 – 1,000 people. They want it to be a first-class event. Candidates for International Office would be invited to speak and the All State Band would play. Committee members will seek donations of food and beverages. Questions were raised about the cost of such a reception and whether the hotel would allow us to bring in our own food and beverages.

MOTION – Belesky, Bosma, to have the Convention Chair and Vice Chair investigate prices and the feasibility of a Michigan Reception when they conduct their inspection trip and report back to the Council in October. Motion carried.

MOTION – Bosma, Belesky, to reduce the price on all parade shirts to a flat rate of \$20 each. Motion carried.

BUDGETS –Paul Hemeryck, State Treasurer

Treasurer Hemeryck presented proposed budgets for 2008-09 for the State Office, Magazine and the Council/Committee/Treasurer Accounts. He requested input from the Council on amounts that are set at the discretion of the Governors.

MOTION –Shelton, Williams, to set the amount for bonuses in the Administrative Account budget at \$1,000.

MOTION – Johnson, Zeller, to amend the amount to \$1,500. Motion carried.

Vote on the Motion as Amended: Motion carried.

MOTION – Williams, Bosma, to set the amount for bonuses in the Magazine budget at \$500. Motion carried.

MOTION –Zeller, Williams to allot \$750 this year for the Council Chair’s attendance at the USA/Canada Forum. Motion carried, 5-4.

MOTION –Bosma, Morlock, to approve the proposed budgets, as modified. Motion carried.

Treasurer Hemeryck provided a financial report on the White Cane Account to make the Council aware that the committee is struggling. Sales are down substantially. New ideas and products are needed.

Money raised from the sale of white cane merchandise is used to fund a scholarship for a visually impaired individual and for publicity about the white cane law and the Lions of Michigan.

TAX ISSUES – Paul Hemeryck, PDG, State Treasurer

Starting in 2008, tax-exempt organizations (including Lions Clubs) that previously were not required to file a Form 990 because their gross receipts were less than \$25,000, are required to file an annual electronic notice, known as Form 990-N, with the IRS. The form must be filed electronically; there is no paper form. An organization that fails to file for three consecutive years will be dissolved automatically.

Treasurer Hemeryck noted that many clubs are having problems filing the new form because they have incorrect Employer Identification Numbers (EINs) or because they have reported a calendar year instead of a fiscal year.

Lioness Club funds are to be reported on the form that is filed by the sponsoring Lions Club. Because Lioness Clubs do not exist as a separate entity within the Lions organization, they are required to include their revenues and expenses on the Form 990 of their host Lions Club.

In response to a question about who signs the Form 990 for a district, Treasurer Hemeryck stated that any officer of the district can do so. This includes the seated District Governor, Immediate Past District Governor, Cabinet Secretary or Cabinet Treasurer.

GLOBAL IMPACT TEAM

After dinner on Saturday evening, the Council sat down with PID Mike Butler and PID Dennis Cobler to discuss Lions International's new membership growth initiative, which is spearheaded by a 41-member Global Impact Team. These appointees are charged with communicating, cooperating and working one-on-one with the District Governors in conjunction with their MERL teams. The approach is global in nature, but local in its focus. This multi-year program aims to provide consistency in an effort to reverse the membership trends of recent years.

**MD 11 Council of Governors Meeting
Lansing, Michigan
Sunday, August 10, 2008**

CALL TO ORDER – The meeting was called to order at 8:30 a.m. in the Capital Room of the Best Western Midway Hotel by Council Chair Terry Bowerman. Governors present were: Jim Williams, 11 A1; Connie Shelton, 11 A2; Roberta Sexton, 11 B1; Linda Bosma, 11 B2; Mike Johnson, 11 C1; Frank Rivette, 11 D1; Charles Belesky, 11 D2; Larry Morlock, 11 E1; David Zeller, 11 E2; and Robert Miller, SD 10. Absent was Shirley Marshall, 11 C2. Vice District Governors in attendance were: John Daoud, 11 A1; Ron Holler, 11 A2; Tom Morris, 11 B1; Al Vredberg, 11 B2; Bob Schalow, 11 C1; Kevin Storberg, 11 C2; George Carter, 11 D1; Robert Ryan, 11 D2; Wayne Kreitner, 11 E1; and Beverly Bodem, 11 E2. Others present were: PID Mike Butler; PID Bill Hansen; PID Chuck Weir; PID Bill Hanel; Council Chair Terry Bowerman; State Treasurer Paul Hemeryck; and Executive Director Mary Brown.

VOTING RIGHTS

VDG Kevin Storberg asked whether he was able to vote in the absence of his District Governor, who was not in attendance at the Council Meeting. Several DGs felt that his district was being disenfranchised. A question arose about whether this would constitute proxy voting, which is prohibited by the constitution of LCI. A clarification will be requested from the Legal Department of Lions International.

MOTION – Williams, Sexton, to allow the VDG to participate in Council Meeting discussions on behalf of his/her district when the District Governor is absent. Motion carried.

POLICY MANUAL CHANGES

CC Bowerman pointed out that LCI changed the mileage allowance from 28-cents to 30-cents per mile. This change should be reflected under “Rules of Audit” on page 5. He also reminded the Governors that they must submit expenses to LCI by August 20 for setting up office. Districts with fewer than 1,250 members should also submit to LCI the travel expenses for their spouses to the convention in Bangkok. If the district shows a net increase of one by the end of the fiscal year, these expenses will be reimbursed.

MOTION - Bosma, Sexton, to strike the words “two consecutive terms for the MERL Team Chairs” under the section entitled “Term Limits on Committee Chairs.”

DG Bosma spoke in support of limiting MERL appointments to a single 3-year term. These positions require a lot of time and energy, and appointees suffer from burnout after 3 years.

Vote of the Motion: Motion carried, 5 ayes, 4 nays.

MOTION – Bosma, Johnson, to make the State Treasurer position a 3-year appointment, effective with the current fiscal year (2008-09). Motion carried.

MOTION – Sexton, Johnson, to change the term of the Executive Director’s contract (currently April 1 through March 31) to the Lions fiscal year (July 1 through June 30). Motion defeated.

In accordance with the action taken by the Council of Governors in May, the title “Executive Secretary” has been changed to “Executive Director.” The Policy Manual should be modified to reflect this change.

Treasurer Hemeryck was asked in July to review the section of the Policy Manual entitled “IRS Filing Requirements” to determine if modifications are needed to reflect the changes that have been implemented by IRS regarding the Form 990. He submitted the following language to replace the current wording:

Annually, each Lions Club, District, and Multiple District must file an information form with the IRS. Form 990 must be filed if gross receipts exceed \$100,000. Form 990-EZ can be filed if gross receipts are more than \$25,000 but less than \$100,000. Form 990N may be filed online if gross receipts are less than \$25,000. Lions International furnishes a sample of these forms annually to each club. After having once filed, the IRS will normally send a blank form and instructions in subsequent years for filing the next annual return.

The Form 990 for the district or multiple district can be signed by any current officer. That would include the current District Governor, the immediate past District Governor, the Vice District Governor, the Secretary or the Treasurer. The preferred officer is the current District Governor. It is simply signed and mailed to the IRS. The return is due by November 15th for fiscal years ending June 30.

MOTION - Shelton, Sexton, to replace the wording on page 26 with the proposed language. Motion carried.

Noting the difficulties the DGs experienced in selecting their Council Chair last year, they asked the VDGs to carefully review the section of the Policy Manual relating to the Council Chair position. They should note potential problems and advise their Governor so procedural changes can be implemented if necessary.

The Governors asked whether Second Vice District Governors would be required to attend Council Meetings. The job description in LCI's constitution says they will "participate in Council Meetings as appropriate." The Governors asked CC Bowerman to research the definition of "as appropriate" and report back at the October Council Meeting.

GLOBAL MEMBERSHIP TEAM – PID Mike Butler and Dennis Cobler

Using a team approach and relying on existing structures, including MERL, President Al Brandel has asked 41 experienced Lion leaders from around the world to make a 3-year commitment to the Global Membership Program. PID Mike Butler heads up the group and PID Dennis Cobler is the Team Leader for a 4-state area that includes Michigan. Under a new policy for International programs and themes, LCI will no longer have new programs and new teams every year. This will provide continuity and flexibility for membership initiatives.

The GMT will help the District Governors to achieve their goals. Plans which they submitted in Bangkok outlined goals of organizing 11 new clubs and adding 279 new members (net) in Michigan this year. PID Butler told the Governors that they need to live up to their goals and the expectations of the Lions they represent. He also pointed out that dedication to the Lions organization doesn't have to be the #1 thing in their lives—Lionism is content to be #4, after family, occupation and church.

MERL is the key to the Global Membership Program—the GMT will not take over or do the work for them. LCI has an abundance of information available, but it has to be used. Governors were urged to use their Membership and Retention Chairs for stabilization of membership in existing clubs and to use their Extension Chairs for growth.

The #1 job of the District Governor is the health and well being of his/her clubs; #2 is to get on the team and work with the club presidents. Lions are a bottom-up organization. Things happen at the club level. Successes are achieved at the club level.

PID Butler explained that extension (new clubs) is the quickest way to increase membership and it creates the most enthusiasm. There is a check list of things to do: train Guiding Lions, identify Sponsoring Clubs, identify potential communities where new clubs might be organized, identify key individuals (contacts), etc. Work first in areas with the greatest potential for success. "Pick the low fruit" because success breeds success.

Governors were encouraged to bring in a team from LCI for an Extension Workshop. Districts 11 A1, A2, B1, B2, C1, E1 and E2 provided dates for PID Butler to take back to LCI for scheduling. The Extension Team will arrive on a Monday and meet with district Lions for instructions on how to canvas and Guiding Lion training. Over the next two days, they make personal contacts and work toward organizing the new club. By Thursday, the work should be finished and the new club should be organized. LCI's Extension person leaves on Thursday with checks and applications from at least 20 people in hand. Lions from the

district then assume responsibility for working with the new club on election of officers, arranging the charter night, etc.

The Governors were asked to appoint a Multiple District GMT Coordinator. He/she will be the liaison between the Council and GMT Leader Dennis Cobler. The GMT Coordinator is responsible for communications and orientation on the GMT Program. He/she will work with MERL to develop strategies for membership growth. He/she MAY be a current or past MERL Chair. He/she should have experience in membership development. He/she should be someone who is respected in the multiple district. He/she must work closely with PID Cobler in order to help the District Governors achieve their goals.

The Council agreed that this appointment was far too important to handle with a quick decision. They decided that each Governor should submit one nomination to CC Bowerman. Applicants will be discussed during a conference call, and a GMT Coordinator will be selected by the group.

MOTION – Shelton, Sexton, after consultation with their VDG, each DG will email one name to CC Bowerman by August 18.

MOTION – Williams, Sexton, to amend the motion to include a biography with the nominations. Motion carried.

Vote on the Motion as Amended: Motion carried.

MOTION – Rivette, Belesky, to adjourn. Motion carried.

* * * * *

The following written reports are included as attachments: Hearing Committee and MD 11 Convention-Sault Ste. Marie.

Lions Hearing Committee Report to the Council of Governors

August 10, 2008

Lion Gayle Morlock, Chairperson

The Hearing Committee has not met since May, but will have the first meeting of the year on September 6th at 10:00 a.m. at the Michigan Association of Deaf and Hard of Hearing (MADHH) Office in Lansing.

Tentative goals for the year:

1. Publicize to the Lions Clubs in Michigan the policy established by the Lions of Michigan Foundation.
2. Finalize information brochure on hearing loss.
3. Search ways of funding the program.

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2008 MD 11 Convention Final Report

Brian Shepard, PDG, Chairman, 2008 Convention Committee

I am pleased to announce that overall the Convention was a success. Attendance was up from the previous year and the comments were quite positive. Below is a recap of what went well and suggestions for future conventions.

Budget: Registration numbers were up from last year, in part due to the location and the participation from SD 10 and their International Director candidate. Despite the increase in attendance, the total income for the convention was lower than projected. However, we had projected using \$4200 from equity and actual total was \$2664.56.

Expenses were below budget with the exception of supplies, which included a purchase of name badges and inserts of \$550.68. However, this provides us enough for the upcoming year. The bus that we provided as a transportation option cost the convention \$120.

Location: The Kewadin Casino was an excellent location to hold the convention. I believe that the registration count shows that Lions prefer to attend conventions at resorts, where they have things to do during down times on the convention schedule.

The hotel was easy to work with, although there were a couple of issues throughout the weekend. On Thursday night, the hotel setup crew did not prepare the room for the Council Meeting on Friday morning. This resulted in the council meeting starting late. After that, room setup was no longer an issue. The hotel made some of our attendees switch rooms during the weekend which caused some bad feelings towards the convention.

Bus: I believe the committee made the correct decision to arrange for a bus to transport Lions to the convention. I would suggest that the Convention Committee continue to do so whenever appropriate, especially in light of increasing fuel prices.

International Director Candidate: I spoke to PDG Sara Doubledee following the convention and discovered she had been informed that it would not be appropriate for her to have a display table at the MD 11 convention. I believe in the future that a formal invitation should be sent to any candidate to invite them to the MD-11 Convention and let them know the rules regarding handing out brochures, display tables and campaigning.

Entertainment: Selecting entertainment for Friday evening is always a challenge. It is difficult to select a show that is appropriate for the group at the rate we are able to pay. I received several positive comments on Chris Lynn, but as with any show, you can't please everyone; and we did receive a few negative comments. I would suggest that the Convention Committee look into increasing the amount budgeted for entertainment. This will enable them to obtain better entertainment and might help to draw more people to the convention.

Attendance: Even though the 2008 convention showed a good number of registered participants, attendance at future conventions may decrease, especially at those in metropolitan areas, due to the overall economics of our state and our decreasing membership.

I would suggest that the Convention Committee look into the possibility of having their district conventions in conjunction with the Multiple District Convention. Consideration of this matter is not new—it was done that way when I first joined the organization. Our MD-11 Constitution allows for this

to take place. Overall it would reduce the cost to our members because there would be fewer conventions for them to attend. It would also give us better pricing as we could guarantee more people staying in the convention hotel. This option would not eliminate the opportunity for each district to hold its own cabinet meetings or memorial services during the weekend. I know that some of you may feel that the fellowship generated at your own convention would be disrupted, but I believe it would increase fellowship throughout the state and unite our membership. From a financial standpoint, it would reduce expenses for our districts, for state and district projects, and for our fellow Lions. It would also allow each district to bring in an International Guest for other functions throughout the year.

Golf Outing: Special thanks to the Sault Ste. Marie Lions club for hosting our annual golf outing.