

**COUNCIL OF GOVERNORS MEETING  
KEWADIN CONFERENCE CENTER, SAULT STE. MARIE, MICHIGAN  
FRIDAY, MAY 16, 2008**

**CALL TO ORDER** - The meeting was called to order at 7:00 a.m. in the Ontario Room by Council Chair Janalee McClure. Governors present were: Joseph Griggs, 11 A1; Tony Capozzo, 11 A2; Bob Chrisman, 11 B1; Margaret Anderson, 11 B2; Gary Lacy, 11 C1; Lloyd Kilbreath, 11 C2; Joe Gwizdala, 11 D1; Les Selby, 11 D2; William Raymor, 11 E1; Florence Kelpinski, 11 E2; and Duane Goltz, SD 10. Vice District Governors in attendance were: Jim Williams, 11 A1; Connie Shelton, 11 A2; Roberta Sexton, 11 B1; Linda Bosma, 11 B2; Mike Johnson, 11 C1; Shirley Marshall, 11 C2; Frank Rivette, 11 D1; Chuck Belesky, 11 D2; Larry Morlock, 11 E1; David Zeller, 11 E2; and Robert Miller, SD 10. Also present were: PID Terry Graham; PID Dennis Cobler; Council Chair Janalee McClure; PCC Sara Doubleddee, SD 10; CC-Elect Terry Bowerman; State Treasurer Paul Hemeryck; and Executive Director Mary Brown.

**APPROVAL OF AGENDA AND MINUTES**

MOTION – Raymor, Kilbreath, to approve the proposed agenda with two additions. Motion carried.

MOTION – Capozzo, Raymor, to approve the minutes of the March 2008 Council Meeting. Motion carried.

**COMMUNICATIONS** – Mary Brown

MD 11 Convention packets were distributed to all DGs and VDGs in attendance. Past District Governor name badges were distributed for the 2007-08 Governors and their spouses.

The website modernization project is still under construction. The MSU students ran into a snag when they discovered that the Lions of Michigan’s web hosting service does not support the most recent version of the coding framework they used to write the new website. They recommended switching to a new web hosting service. CenturyTel does not support contemporary standards, and the new web functionality we requested will not perform well using old standards. Three of the four students plan to continue developing the website during the summer term as an “extra credit” project. To date, the team has worked a total of 542 hours on the project. Using pay rates based on experience, they estimated that the project would have cost \$11,417.92. If a company was hired to do the work, the pay rate would have been approximately \$50 per hour per person, or approximately \$27,100.

One of the goals of the website update was to make it accessible for the visually impaired. The students used a yellow and blue theme because these colors have the lowest incidence of color blindness (affecting less than 1% of the population). Another consideration was low-vision users who are able to see, but have problems seeing small objects such as text on a computer screen. Links were added to increase or decrease all of the text that appears on a page. In addition, a “text-only” link was added to remove styling and improve readability for people who use screen readers (i.e., it removes tables and other confusing layouts).

**FINANCIAL REPORT – Paul Hemeryck, State Treasurer**

Treasurer Hemeryck is writing a series of articles for the Lion Pride, entitled “Tax Alert.” Subject matter will be based on actual IRS audit concerns. He noted that all clubs with weekly Bingo should expect to be audited. Some of the problems the IRS is investigating include: Failure to issue 1099s to workers who are compensated, incorrect use of Federal ID numbers, improper allocation of expenses against pull tab income, and failure to report pull tab income as taxable income. Another area coming under scrutiny is scholarships. If club members select the recipients, there are specific procedures to be followed. Being the son or daughter of a club member cannot be a criterion for receiving scholarship funds.

Treasurer Hemeryck reviewed the financial statements. All dues-funded accounts show a profit through the end of April. Despite membership losses, the State Office Account is operating in the black because of interest earned on investments. The magazine is operating in the black and has a good cash position; however, the recent increase in postage will impact the bottom line in the future.

Last year’s dues budget was based on 13,000 members in MD 11. A comparison of projected revenues to actual totals showed that the projections were on target. Treasurer Hemeryck also reviewed a chart showing membership totals for the past 10 years, reflecting a continuing downward trend. Treasurer Hemeryck noted that the financial information would be covered in detail during his report at the Business Session on Saturday.

Treasurer Hemeryck will contact CPA Bob Heemer about conducting the annual audit for the Lions of Michigan. The audit report will be presented to the Council at their October meeting.

A list of aged receivables was distributed. Governors were asked to contact individuals and clubs from their districts that have balances over 90 days old.

PDG Hemeryck explained that the Lions of Michigan are running out of space on the server in the State Office. The current equipment was purchased four years ago when the magazine was brought in-house. Half of the space on the server is allocated to the Lions of Michigan Foundation. This is more than adequate for them, but the Lions of Michigan need more storage capacity and increased speed to accommodate the magazine and graphic design applications. Treasurer Hemeryck proposed that the Lions of Michigan purchase a new server and give the old one to the Foundation. This would allow both organizations to have control over their own systems and files. He estimated that the cost would be approximately \$2,000.

MOTION – Selby, Anderson, to approve the purchase of a new server (identified as Option B) from the Office Fund. Motion carried.

**REDISTRICTING**

Lloyd Kilbreath reminded the Governors that redistricting was a Council goal this year. A plan was presented, but it was rejected. He felt that it was a mistake to present a plan that did not affect every district. He felt it was important to look at what is best for the multiple district—

not the individual districts. This Council Meeting is the last chance for the 2007-08 Governors to take action on redistricting. He suggested that the plan identified as 6A might be a good one to be presented next year.

Governor Anderson preferred a 7-district plan, such as 7A, instead of the 6-district plan favored by Governor Kilbreath. She felt that reducing the number of districts from 10 to 6 was too drastic a change. The new districts would be too large. Lloyd noted that LCI is moving away from having the District Governor visit every club. Margaret felt that eliminating DG visits would diminish the prestige of the position and diminish esprit de corps in the districts.

CC McClure recommended 6C as another alternative. The group agreed that the basic problem with any plan is overcoming opposition from the past district governors and others who are intent on protecting their turf. She informed the Governors that the Liaison Committee expressed concern during their last meeting about the ineligibility of future International Director candidates from Michigan, as well as the total number of seats on the International Board held by US Directors.

MOTION – Capozzo, Lacy, to send redistricting Plan 6C to the districts for a vote next year. Motion carried (opposed by D-1, D-2, and E-2).

Governor Kilbreath appealed to the group for unanimous support. Without total agreement, he felt that it was doomed to fail. VDG Dave Zeller explained that membership is one of the goals of next year's Council. They want to concentrate on extension and membership recruitment instead of promoting a redistricting plan.

LCI will not force districts under 1,250 in membership to merge or redistrict. They will continue to impose sanctions, however, such as fewer awards, withholding payment for DG spouse travel to the International Convention, and ineligibility to endorse an ID candidate.

#### **LEO AWARD**

CC McClure asked for permission to nominate Laurene Homsher for the Leo Chair Achievement Award. One of the requirements (organization of two clubs) has not been met, but is in progress.

MOTION – Anderson, Raymor, to approve the nomination for submission once the second Leo Club has been formed. Motion carried.

#### **MD 11 CONVENTION REPORT** – Brian Shepard, PDG, Convention Chair

Pre-registration totals show 326 people registered for the convention. Meal totals are: Friday Night Dinner - 245; Saturday Brunch - 266; and Saturday Banquet -307.

Each Governor received a booklet containing agendas, introductions, and seating arrangements. PDG Shepard pointed out that there would be a head table only at the Saturday Banquet. Governors will be asked to “host” tables during other convention meals.

This year's golf outing has 28 participants. It is sponsored by the Sault Ste. Marie Lions Club. Proceeds will benefit their Bud Weber Scholarship Fund.

**ALL STATE BAND REPORT** – Brian Shepard, PDG

Club donations through May 9 total \$26,000. This is \$3,500 more than this time last year, but still short of the \$37,000 goal. PDG Shepard distributed a chart showing the average operating expenses for the band (\$46,600) over the past 10 years versus the average amount received from Lions donations (\$37,600). Lions don't contribute enough to operate the program, and the band has to rely on outside sources of revenue. A committee has been formed to investigate changes in the way the band operates and additional funding methods.

The band has 58 members this year—the smallest group ever. Six staff members will travel with the band to Bangkok; however, Brian will not go with them. Michigan's All State Band is the only Lions' band going to Thailand. The Mississippi Lions All State Band will travel to Washington, DC instead of Bangkok this year.

The band is struggling with the cost of this year's tour. Between the time the trip was priced last fall and now, airfares have increased from \$1,200 to \$1,800. The proposed budget included a \$300 "cushion" for increases, but that amount has been surpassed. In addition, currency exchange rates have not been favorable. Adjustments have been made in the tour schedule, and band camp has been reduced from four days to three days.

The Michigan Lions' band will have a new travel shirt this year because the red/white/blue shirt was discontinued. The new shirt is blue and gold and it costs less than the other shirt.

Bids have not been requested for a trip to Minneapolis in 2009. It is anticipated that cost overruns from this year's convention will use up most of the band's reserves, so money will not be available to make a deposit.

**INTERNATIONAL CONVENTION REPORT** – Jesse Arnold, Chair

Forty-three people from Michigan will attend the International Convention in Bangkok. There will be no Michigan Night due to a change in the timing of the parade (from morning to evening). This created a conflict with the event that had been planned for Tuesday evening. There is no Michigan Caucus this year. LCI has made arrangements for one caucus at the convention center on Wednesday afternoon for all candidates.

The parade route is approximately one mile long. The Michigan delegation will assemble in the yellow section at 3:30 p.m. on Tuesday, June 24. Parade attire is the blue Michigan Lions' shirt with the black collar, white slacks, and white shoes. Neck coolers and hats will be provided for marchers. (These were distributed during the Council Meeting to the DGEs and DGs who are going to Thailand.) The Michigan delegation is the 13<sup>th</sup> unit in the parade lineup, which means they are positioned near the front of the parade.

Jesse provided the following information and suggestions for Lions traveling to the International Convention: The average temperature in Bangkok in June is 93 degrees, with

high humidity. The majority of people in Bangkok speak English. Certain cell phones will work in Thailand; check with your provider. An electrical conversion kit is required for hair dryers, curling irons, etc. It is wise to obtain some Thai currency for taxis, tips and purchases from vendors who do not accept credit cards. Advise your credit card company in advance about upcoming foreign charges so they do not freeze your account. Remember your passport. Make copies of your passport and your credit cards to simplify matters if they are lost or stolen. Check on personal medical coverage and travel insurance. (Dave Zeller offered to obtain information about this.)

### **CAMPAIGN BUDGET FOR INTERNATIONAL DIRECTOR CANDIDATE**

The Liaison Committee met on May 6 and adopted a budget of \$19,485 for Dr. Sara Doubleddee's campaign for International Director.

MOTION – Raymor, Selby, to approve the campaign budget of \$19,485. Motion carried.

PCC Doubleddee asked for help from the District Governors and Michigan Lions who are staying at the Montien Riverside Hotel in Bangkok. She needs their assistance assembling campaign giveaways and distributing brochures at the convention center.

### **POLICY MANUAL CHANGE**

CC McClure suggested a change to the Policy Manual that would let the Governors set the amount in the budget for the Council Chair's attendance at the USA/Canada Lions Forum, rather than a \$500 stipend.

MOTION – Raymor, Lacy, to make the change in the Policy Manual. Motion carried (opposed by 11 A2, 11 C2 and 11 E2).

### **WRITTEN REPORTS**

Written reports will be included as part of the minutes of the MD 11 Convention. The following committees submitted written reports:

All State Band Committee	Michigan Lions Forum Committee
Bear Lake Camp Committee	Public Relations Committee
Hearing Committee	Retention Committee
Leadership Development Committee	Sight Conservation Committee
Lions Quest Committee	Strategic Planning Committee
Membership Development Committee	Welcome Home Committee
Michigan Eye Bank Committee	Youth Exchange Committee

MOTION – Raymor, Kilbreath, to receive the written reports as submitted. Motion carried.

### **REVISIT COUNCIL GOALS**

The Council established two goals at the beginning of the year: (1) To present a redistricting plan and (2) to increase membership. As discussed earlier, a redistricting plan was presented

but rejected. The membership goal was not achieved, but fewer members were lost than last year. Overall, however, it was determined that both goals had failed.

#### **TAILTWISTER FUNDS**

After the March Council Meeting, a \$1,000 corporate donation to LCIF was made in honor of the 2007-08 DGs and VDGs. To date, the plaque has not been received. A balance of \$151 remained in the tail twister account. DG Capozzo collected an additional \$336 during the Council Meeting, bringing the balance to \$487.

#### **INTERNATIONAL DIRECTOR COMMENTS – Terry Graham, PID**

PID Graham reminded the Governors that there are six weeks to go before they leave office. They need to keep working to achieve their personal goals. He encouraged the incoming and outgoing Governors to work together for continuity and a smooth transition.

LCI will be implementing a global membership plan next year. The new initiative will be beneficial to districts around the world and will be a multi-year program.

#### **COUNCIL CHAIR PRESENTATIONS**

CC Janalee McClure thanked the Governors for an outstanding year and presented a friendship banner and a gift to each of them.

Meeting adjourned at 9:45 a.m.