

Lions Blind & Charity Fund, Inc.  
P.O. Box 2011  
Buffalo, NY 14226

Chairman's Report 2/25/2004

Dear Member Clubs, Presidents and Directors:

It is my pleasure as Chairman to report the status of your Lions Blind & Charity Fund, Inc. (Fund) for the fiscal year ending January 31, 2004.

This past year we continued scheduling a single day for appeal packet assembly with great success. The resurgence of interest in helping with this process and also opening donations and preparing donor thank you letters is gratifying. As in recent years, personalized thank you letters were sent to all donors of \$10.00 or more and to anyone making either a memorial or honorarium donation. Thanks to the Directors who have been so cooperative in getting the Lion volunteers necessary to accomplish these tasks.

We continue to support the Upstate New York Transplant Organizations (UNYTS) Annual Community Recognition Dinner as a major sponsor. This event provides us a great venue to present our annual gift to UNYTS and recognition in displays and program booklet. We again invited Member Lions clubs to attend; seven clubs were represented this year.

The Board of Directors at the last Annual Meeting authorized a 5% distribution of the Fund's assets as of 1/31/04. Due to the Fund's conservative investment approach and the improving stock market indices our assets are somewhat better than last year. However, our donation history continues to mirror that of other charitable organizations in that the number of donors continues to decline. I recommend that the Board adopt a 4% distribution for the year ending 1/31/05. This slightly more conservative approach should still generate a regular distribution that is higher than every recent year (except the one authorized for 2004) and reduce the possibility of having to liquidate assets to meet the distribution requirements.

In previous reports I have commented that we achieved progress during the past year. From my perspective this year is no less rewarding, as your officers continue to implement changes we feel are in the best interest of the Fund. We would welcome, a higher level of participation at Executive Committee meetings. These meetings are held at Lion Richard Koch's office on Millersport Highway adjacent to the I-290 (aka Youngman Expressway). Future meeting dates are posted on our website: **LBCFundInc.org**.

Following last year's Annual Meeting an investigation was undertaken to determine what financial impact, if any, there would be to either Southeast Works, or Autistic Services if we were to discontinue contracting with them for packet appeal. Through evaluation of their publicly available financial reports it was determined that our contracts accounted for only a small fraction of 1% of their total income, and thus not detrimental to their operations. It should also be noted that neither Southeast Works nor Autistic Services contacted us to inquire about a continuation of these same contracts.

Our multi-year Directors and Officer Insurance policy ended this past years, and due to changes in the marketplace we were unable to renew this insurance for more an one year at a significantly higher premium. The current policy continues to provide us \$1,000,000 in coverage with a \$1,000 deductible. The premium is \$930.00.

We were also subject to a routine audit by the Internal Revenue Service. The results of the audit revealed that one 990 form had not been filed (rectified as part of the audit), and that we are in substantial compliance and no penalties were assessed.

During the year ending January 31, 2004, the Executive Committee (and other interested Lions) met regularly to establish plans for the next fund raising appeal and the day-to-day management of the Fund. Additionally, this group participated in several sessions to assemble appeal packets, document donations and prepare donor acknowledgement letters. It is also fitting to note that each elected officer contributed countless hours of service to the Fund in addition to formal meeting attendance.

Some notable accomplishments since last year's Annual Meeting are:

- Presented \$20,903 donation to UNYTS to provide stem cell program operating funds and seed money to enhance eye-banking advertising.
- Purchased a multi-year supply of self-adhesive seals from a new vendor.
- Mailed ~ 51,000 appeal packets using a "stamp" vs. bulk mail indicia through Compu-Mail.
- Set Fall appeal packet mailing (~ 50,000) for November 2004.
- Mailed personalized appeal letters to over 3,258 donors from past appeal campaigns.
- Mailed personalized "Thank You" letters to all previous donors of \$10.00 or more.
- Responded to approximately 400 calls to the Lions Blind & Charity Fund telephone.
- Backed up database with a copy located in Lion Koch's office.
- Improved mailing list with added ZIP code information reduced prospect-mailing cost.

I am proud of each of the above accomplishments and most proud of the Member Clubs who responded to requests for help in opening returns and preparing appeal packets and thank you letters.

At present there are no pending bequests to the Fund, but we were notified that the Fund has been named as a beneficiary on a Single Premium Deferred Annuity Account.

During the past year we received the following United Way related donations:

• Combined Federal Campaign of Niagara Frontier	\$255.32
• State Employees Federated Appeal (SEFA - code # 571040)	\$878.27
• United Way of Buffalo & Erie County	<u>\$469.22</u>
Total	\$1,602.81

Unfortunately due to decreased donations we are at present unable to meet the United Way Combined Federal Campaign requirements and will see an elimination of funds from this source until we again meet their threshold for participation. I respectfully request that all Fund Directors encourage their Club members to donate through the United Way by donor designating the Lions Blind & Charity Fund this coming year. By United Way directive we may promote this type of donation only from Nov. 15 through Aug. 15 of each year.

In closing this report I would like to especially note the work of the following current Officers of the Fund: Lion Richard Koch, Treasurer; Lion James Martin, Vice-Chairman; and Lion Len Thornton, Secretary. Each has many times this past year taken on tasks that were over and above their normal duties. We owe them a loud Lion's roar and a debt of gratitude for their efforts.

Yours in Lionism,

DG Lion Thomas H. Reinagel  
Chairman, Lions Blind & Charity Fund, Inc.