

FINANCIAL PICTURE FOR RI CONTINUES TO IMPROVE

Dear Rotarians,

I'm pleased to report that since my last letter on 15 February, the financial picture has continued to improve for both Rotary International and The Rotary Foundation. While the financial markets remain volatile, for the first nine months of this fiscal year, RI's investments earned US\$17.0 million, which more than recovered 2009 losses of \$12.1 million. With investment returns of \$92 million, the Foundation recouped more than half of its 2009 losses; its operating reserve is now positive at \$3 million, up from negative \$41 million at the end of June 2009. Operating expenses across the organization are well controlled and remain below budget.

During the past several months, the Foundation's Investment Advisory Committee, Rotary's investment consultants, and staff have comprehensively reviewed the investment policies for the Annual Programs Fund, the Permanent Fund, and RI's General Fund. New policies will be recommended to the Trustees and the Board of Directors at their June meetings. These recommendations include reducing the equity risk in the portfolios and adding assets that will help protect the portfolios from inflation risk. In April, the Trustees approved a new operating reserve policy. Beginning this fiscal year, they will establish a funded operating reserve that will be 100 percent invested in fixed income securities. Although fully funding the reserve may take some time, this more conservative investment approach should enhance the Foundation's ability to finance its operations when financial markets decline.

The improved financial situation has allowed the Trustees to approve a 2010-11 budget in which the World Fund will support Matching Grants at the previous high 2007-08 district levels and fund [Future Vision global grants](#).

The Foundation's sound financial management and stewardship practices have been recognized in the world of philanthropy. Independent evaluator Charity Navigator ranks The Rotary Foundation as No. 4 on its list "10 Best Charities Everyone's Heard Of," saying: "These 10 charities ... became household names in part because of their exceptional financial management, no easy feat considering the scope and size of their operations. Charitable givers should feel confident that these national institutions put their donations to good use."

Fortunately, a great many Rotarians agree with this assessment. Excluding funds from the Bill & Melinda Gates Foundation grant, overall contributions are up by \$5 million compared with last year. Rotary's US\$200 Million Challenge has reached \$124 million, well ahead of schedule toward its goal.

While we are all happy to see positive investment returns, increasing contribution levels, and stable membership figures, the senior leaders and staff remain vigilant in safeguarding Rotary's assets. RI's Finance Committee and the Foundation's Investment Advisory Committee are working with the staff to reduce risk while maximizing investment income, fully restore the Foundation's operating reserve, and keep operating expenses at or under budget.

The recent financial crisis generated a surge of interest in Rotary's investment policies and budgeting process. We have worked to become increasingly responsive to the many questions we've received from you. The [financials section](#) on Rotary.org has enhanced our transparency, and I have communicated regularly about the organization's financial status. Given Rotary's improved financial position, I don't anticipate the need to continue these regular communications. We will, however, post updates on the financials section on the RI website when appropriate. We are also planning a finance update to be held on Monday, 21 June, at the RI Convention in Montréal, where Rotary senior leaders and RI staff will present information and answer your questions. I encourage interested convention goers to attend this informative session.

Sincerely,

Ed Futa
General Secretary



The Four Way Flasher

Rotary Club of MeadowRidge Newsletter

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INVOCATION

May 18	Walter Volpatti	June 1	Stan Wade
June 8	Rustam Yazdgerdian	June 15	Laurie Anderson



HAPPY BIRTHDAY

May 29: Jo-Ann Knuttila

TODAY'S PROGRAM: Fireside

NEXT WEEK'S PROGRAM: TBD

CALENDAR OF CLUB AND DISTRICT 5050 EVENTS:

Date	Time	Event	Venue
June 20-23		Rotary International Convention	Montreal
June 29		Installation Executive 2010/2011	Heather Hills Farm
Aug. 21	1:30 pm	Golfun	Useless Bay Golf & Country Club Langley, Wa

50 / 50 draw - Jackpot at \$1010.50 + 1/2 of today's sales, 19 cards left, Jackpot on "Queen of Hearts" only!

LAST WEEK'S MEETING

Guests: Billy Weselowski, Dick Drew, Bob Knight, Adrienne Dale.

Happy/Sad: Marco attended District Conference and received the Presidential Citation – he thanked the whole club and said it was a club effort and not just the President that earns it. He also gave thanks to be visited by Bob Knight of the Peace Arch Journal.

Lindsey – went to his first 5050 District Conference, and was happy he returned safe after riding with Marco ☺

Peter Tam – Happy to be participating in the Maple Ridge Festival this weekend and wants to erect a Shelterbox, but need some help. Also a big talent contest at the Festival and he needs a judge for the contest – Dick Drew and Adrienne Dale volunteered to assist.

Ken Knutilla – is glad to be back from his holiday and will now be busy as he's been appointed to the Eastern Star for B.C. He was also happy to report that our exchange student has received notification from her first host family and will be going to Normandy.

Ineke – had a great time at District Conference. She and Peter went in the motorhome. They are also happy to be going to District.5060 Conference in Moses Lake, Wa this weekend. Next year's District Conference is in Harrison Hot Springs.

Bob Knight – Is happy to be visiting in B.C. and attending many clubs.

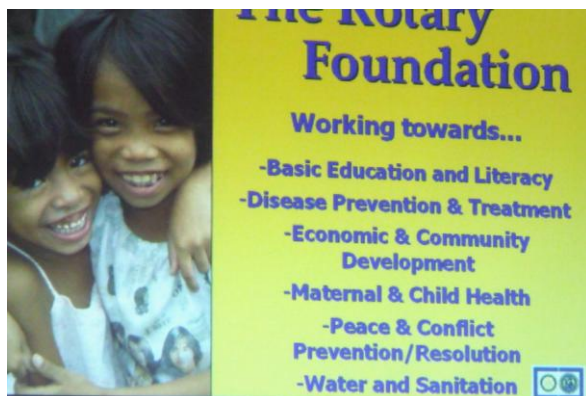
Brian Johnson – happy that it's his wife's Birthday and is happy to be taking the kids to Disneyland.

Carol Tichelman – Happy to be at our club for the first time!

Billie – happy his son was able to attend RYLA and the impact it had on his son's life.

Mystery Greeter: Sharon Kyle managed to shake the money tree with the members and not their hands and added to the cup.

Fine Master: Lindsey didn't know the answers to his own questions, so he voluntarily paid \$15.00 on behalf of all members.



Rotary Moment: Marco spoke about Sir Nigel Gresley – He had a steam engine named after him. In 1921 – Gressley worked for the Great Northern Railway and was elected VP of his Rotary Club

Marco announced that District Conference is in Harrison Hot Springs next year and encouraged us all to consider attending. He also reminded us of our next meeting as Fireside – needs our #'s confirmed – sheet was passed around.



Marco introduced our Guest Speaker – Carol Tichelman – a prototype of what a Rotarian should be. Service above self.

Carol spoke to us about the Foundation. She gave us the Foundation 101 presentation she gives at conferences.

Her early passion for the Foundation started shortly after she joined. Her father was a victim of post polio syndrome.

1. 1 billion people in the world live in extreme poverty – less than one dollar a day.
2. Has been exposed to poverty in Mexico as a child.
3. Has been to Uganda and Ethiopia on Rotary Missions.
4. The Foundation provides \$167.6 million in donations each year. ½ is spent on Humaitarian, ¼ on polio and other ¼ on education programs.
5. 28 billion is needed to alleviate malnutrition, poverty and communicable diseases and wipe them off the earth. \$550 B spent on LEGAL gambling. 54 B on Beer.

More on Carol's Rotary Foundation 101 presentation can be seen by copying and pasting this link to your web browser: <http://www.rotaryfirst100.org/foundation/images/TRF-Milestones.ppt>

Marco thanked Carol for an enlightening presentation and for sharing her passion. He explained our tradition of donating a book in her name to the Mobile Library in Guatemala.

50/50 Laura did not pull the Queen – the big money is still up for grabs!

Submitted by Terry Becker

GOLFUN

Date: Saturday Aug 21, 2010 at 1:30 - Aug 21, 2010
Event Fee: \$110.00 USD INCLUDES GREEN FEES, CART & DINNER (no discount for walkers)
Location: Useless Bay Golf & Country Club
5725 Country Club Drive Langley, WA 98260 USA

11:00 AM Lunch
11:00 AM Contests Longest Drive, Putting
1:30 PM Tee-Time

ADDITIONAL OPTIONS AVAILABLE: Sandwich Bar Lunch \$15 USD includes tax & gratuity

Ferry Pick-Up Available, Home Hosting Available

SEMIAMMOO WEEKEND DRAWING (for paid registration prior to July 1st)

GOLFUN 2010 benefiting The Rotary Foundation, Polio Plus program

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