

RI FIVE-YEAR FINANCIAL FORECAST

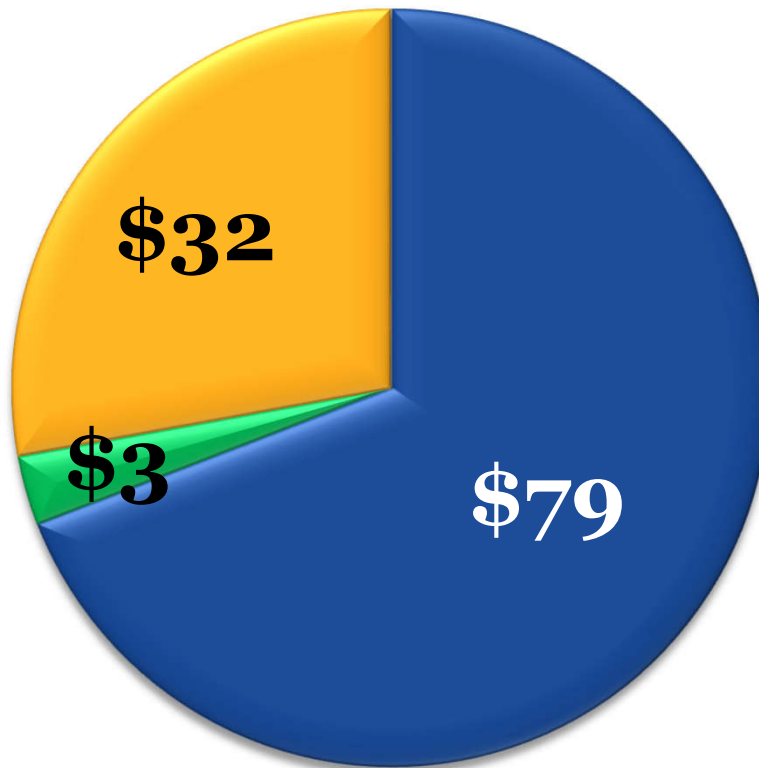
Council on Legislation
April 2019



AGENDA

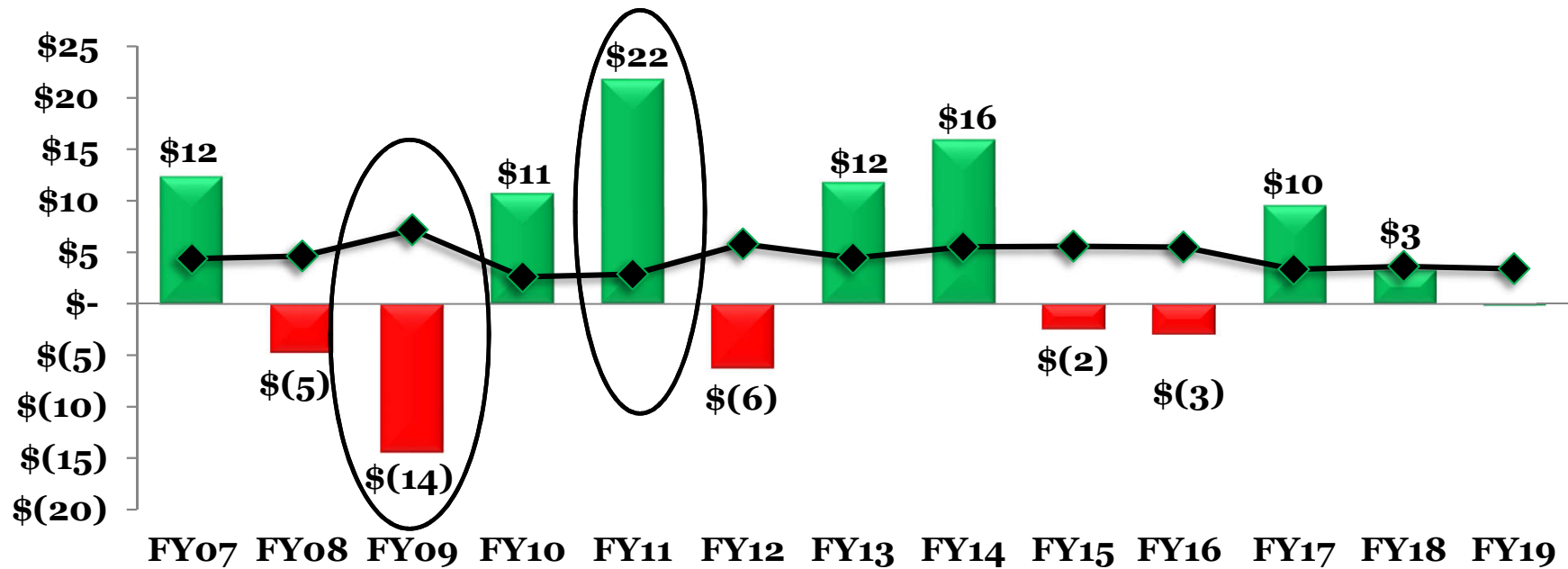
- Review sources of revenue
- Review results 2016 – present
- RI Five-Year Forecast 2020 - 2024

REVENUES 2019 BUDGET (US\$ MILLIONS)



- **Membership Dues**
- **Investment Returns**
- **Other Rotary Revenue**

INVESTMENT RETURNS



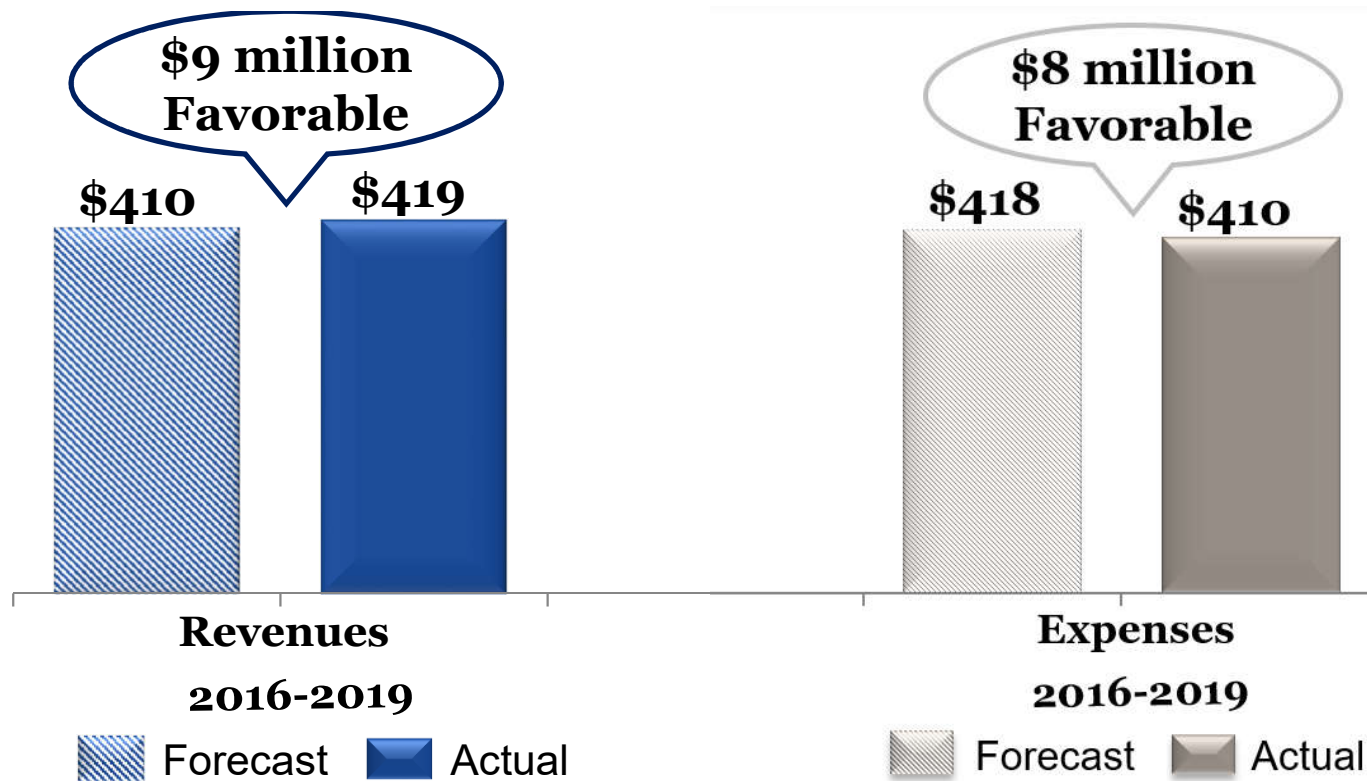
■ Investment Return

◆ Budget

RESULTS FROM 2016 TO PRESENT



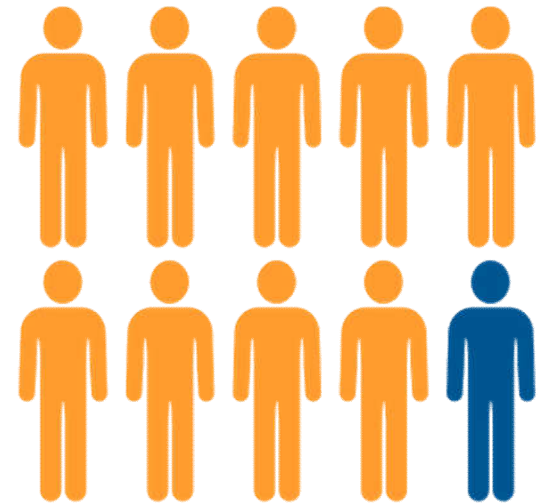
CUMULATIVE FOUR YEAR RESULTS



2015 SURVEY RESULTS

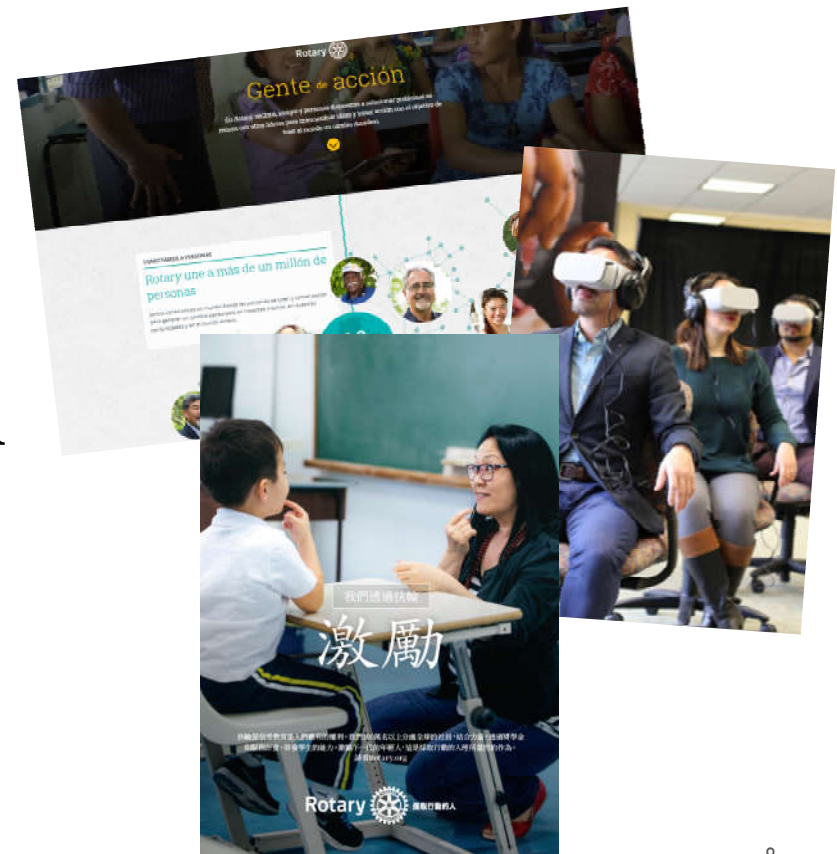
90% of respondents wanted:

- Improved training
- Connecting clubs
- Planning resources
- Online tools
- Leadership development plans
- Social media training



INVESTMENTS MADE

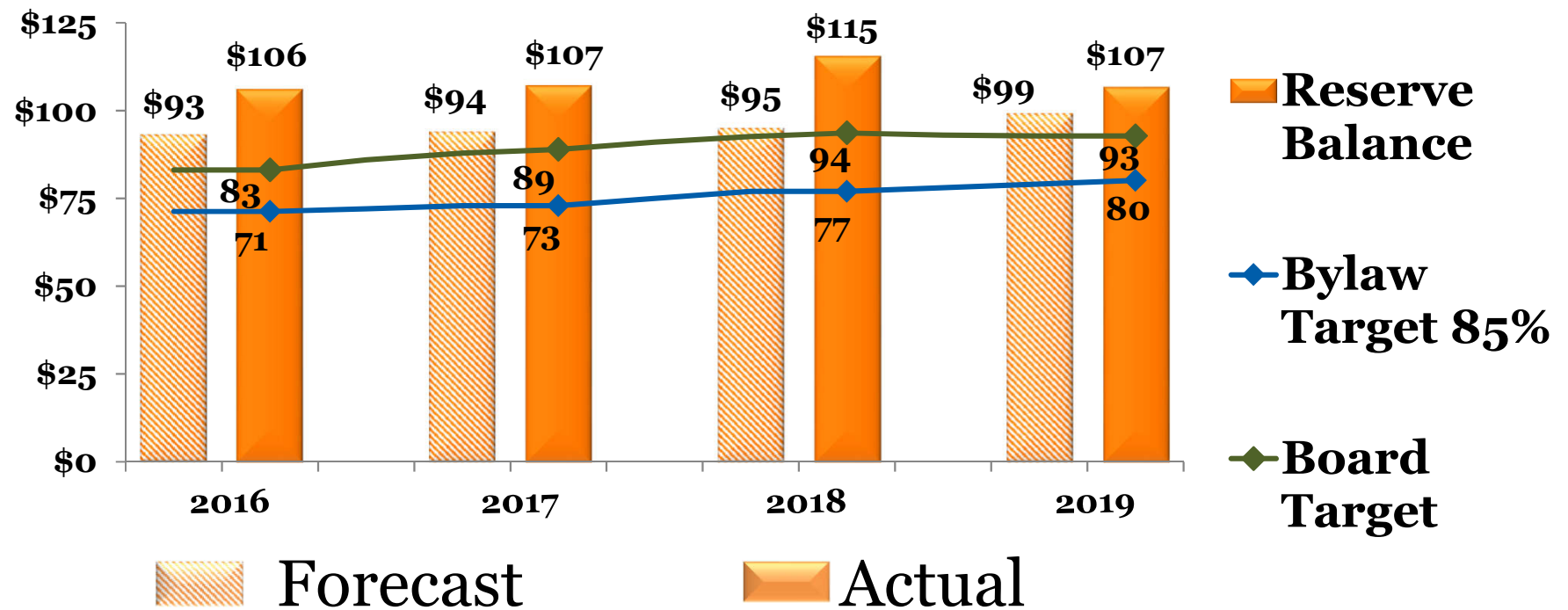
- Rotary.org
- Rotary Club Central
- Rotary Learning Center
- People of Action Campaign
- Virtual Reality Strategy
- Financial Management System



EXPENSE REDUCTIONS

- Moved content to online delivery
- Implemented an Office of Investment
- Reorganized our regional focus and footprint
- Off-shored additional operations to India



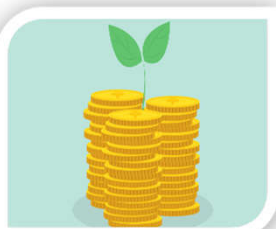
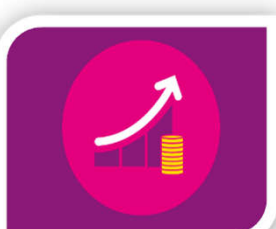
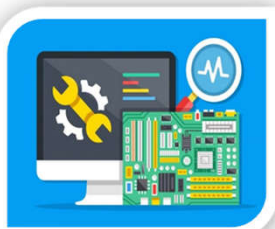
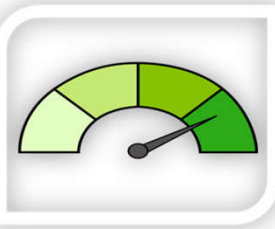
RESERVES: FORECAST VERSUS ACTUALS



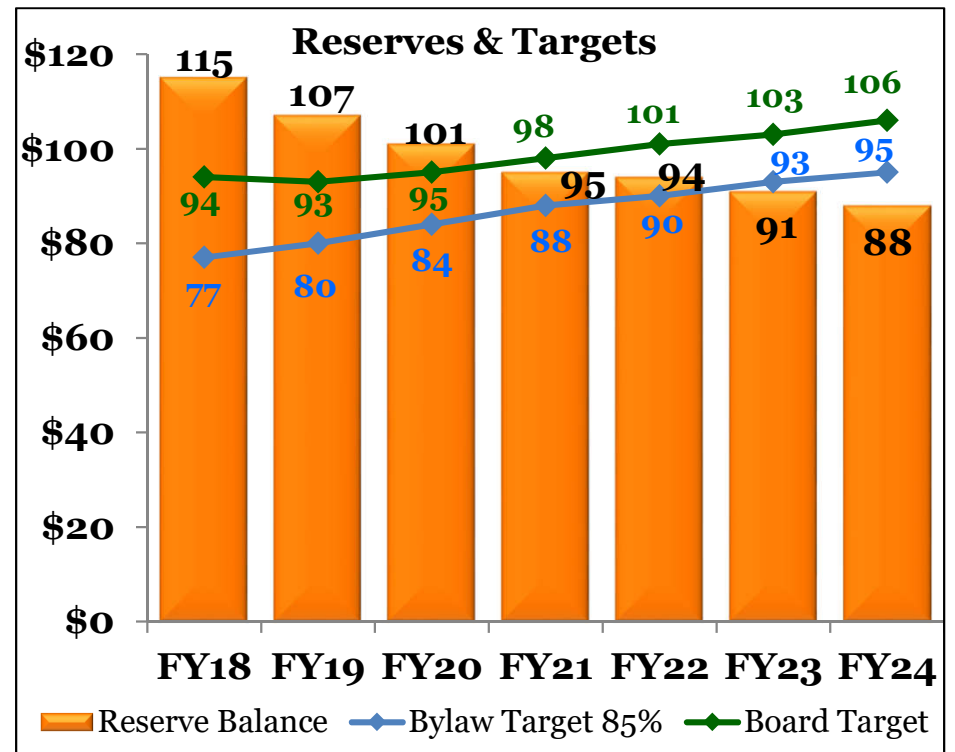
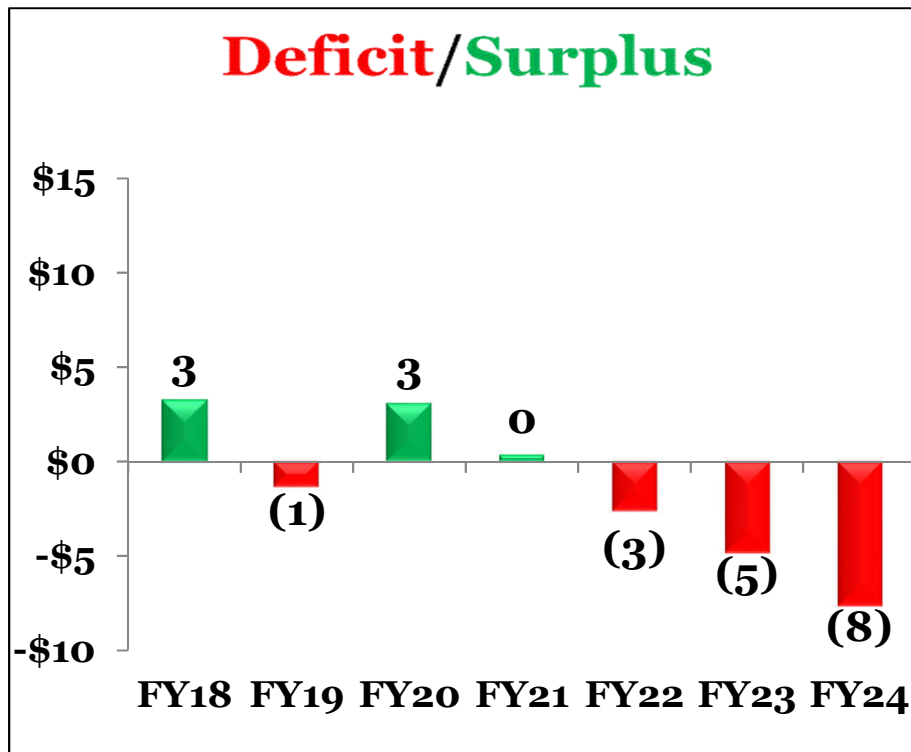
RI FIVE YEAR FINANCIAL FORECAST 2020-2024



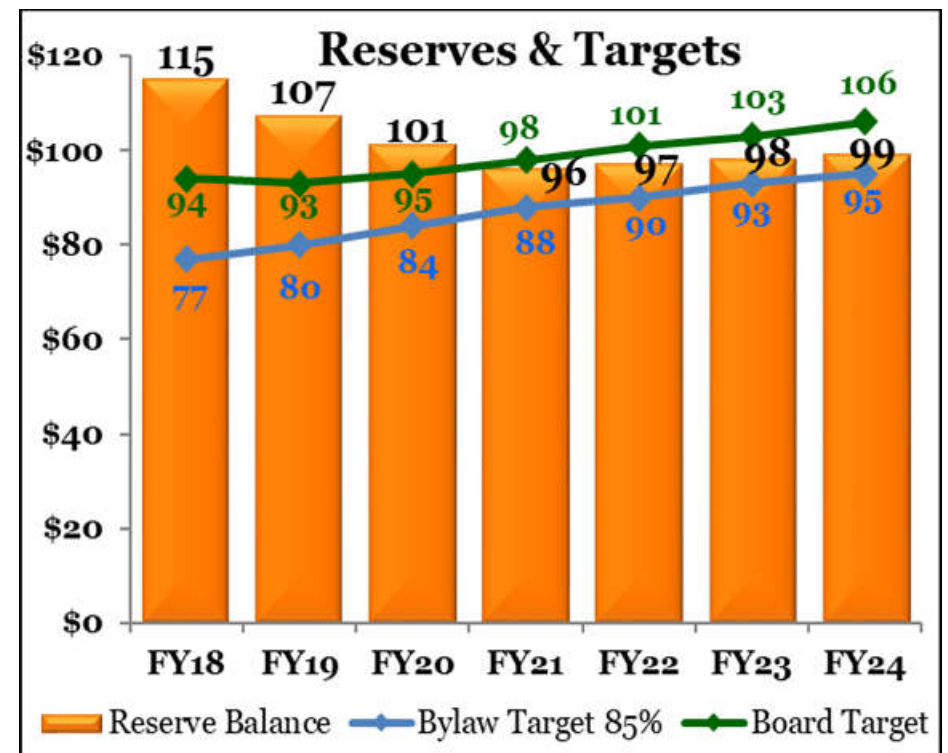
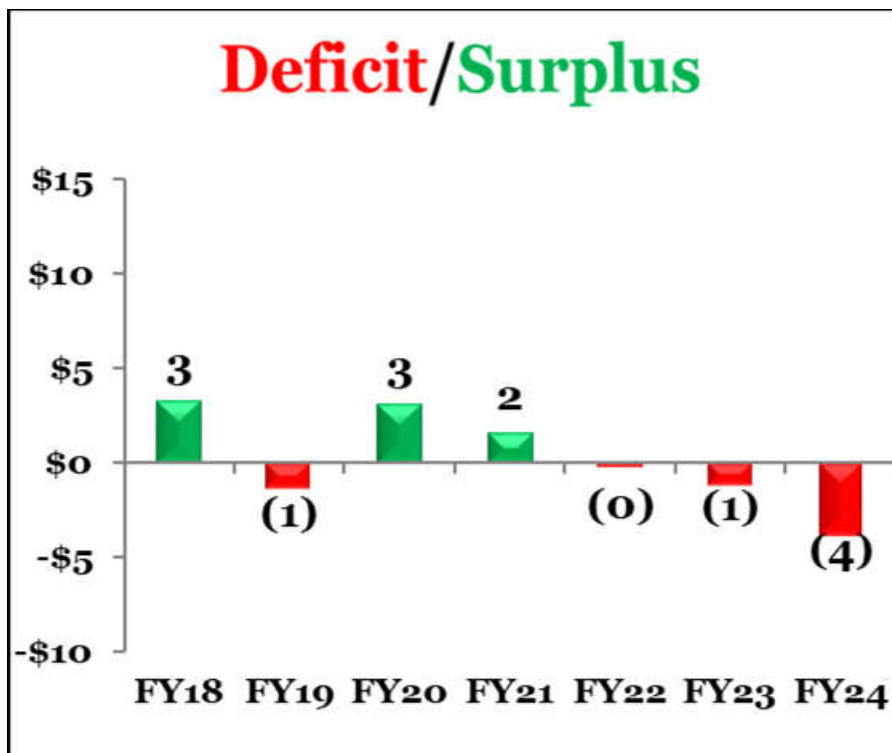
LOOKING FORWARD: ASSUMPTIONS 2020-2024

| MEMBERSHIP | PER CAPITA DUES | NET INVESTMENT RETURN | INFLATION | CAPITAL SPEND | OPERATIONAL EFFICIENCY |
|---|---|--|---|---|---|
|  |  |  |  |  |  |
| 1.2 million members | FY2020 US\$ 68 | 3.75% | 3.00% | US\$ 59 million Cumulative | reduce expenses 2.5% Cumulative |

FORECAST WITH \$0 ANNUAL DUES INCREASE 2021 - 2023



FORECAST WITH \$1 ANNUAL DUES INCREASE 2021 - 2023



CLOSING THE GAP

- Review business process and procedures
- Move work to low cost jurisdictions
- Implement our financial system
- Change RI's charitable status in the US

A close-up photograph of a smiling woman with dark curly hair, wearing a blue Rotary shirt. She is reaching out with her right arm towards the left side of the frame. In the background, another person is partially visible, looking down. The overall scene suggests a collaborative and positive work environment.

TOGETHER, WE

TRANSFORM

Rotary



PEOPLE OF ACTION



THANK YOU

