



## ROTARY ZONES 30-31 TREASURER'S SUMMARY REPORT

### UPDATE ON ROTARY INTERNATIONAL'S FIVE-YEAR FINANCIAL FORECAST

Hello Fellow Rotarians,

My name is Otha Ray Stearman, PDG, and I would like to thank you for the opportunity to serve as Rotary Zones 30-31, Inc.'s Treasurer for FY2021-FY2023. It is my duty under Rotary's bylaws to provide you with the Update on Rotary International's Five-Year Financial Forecast report on our organization's finances. I have attached a twelve-minute video with Rotary's Chief Financial officer and with the RI Treasurer.

The video includes financial results and updated forecasts through FY2027. Please take a few minutes to watch the video before you arrive in Chattanooga for the ***Pathways to the Future 2.0*** Institute. I am presenting you the video but also a short synopsis of the major items.

Stewardship of Rotary's assets is a key responsibility of staff and volunteers. Money must be used for its' intended purpose. **Rotarians Trust Rotary!**

#### ➤ **Five Year Forecast Assumptions FY23-FY27**

- ✓ Revenues (Rotary has 3 major sources)
  1. Membership Dues – 70%
  2. Services & other Activities – 28%
  3. Investment Return – 2%
  
- ✓ Membership – Largest Source of Revenue. Two Main Factors:
  - Number of Members - 1.168 million with 37,000 clubs and 221 countries
    - Connect Global Membership Module
    - Partnership with Toastmasters
    - People in Action Campaign
  
  - Dues Rate Per Member
    - \$4 increase in 2024
    - \$3.50 increase in 2025
    - \$3.50 increase in 2026Dues pay for:
    - Rotarian Support 57%
    - Administration and Compliance 22%
    - Enhance Image 21%
  
- ✓ Projected to have sufficient funds to meet the Board Target through 2027

- ✓ Membership projection drops from 1.206 M to 1.168 M and stabilizes
- ✓ Reserves are not a luxury; we must have sufficient funds for unplanned events
- ✓ Rotary by-laws require all budgets to be balanced.
- ✓ The 2016 and 2019 Councils funded to build and upgrade global infrastructure – The Learning Center offers over 1600 courses in 24 Languages

➤ **Outlook and conclusion**

In summary Rotary will need to:

- ✓ Enhance our needs
- ✓ Continue our Transformation to be a digitally enabled organization
- ✓ Improve upon user-friendliness

I appreciate you reading the Summary and I hope you will take the time to view the attached video by clicking on the link below.

[2022 Five Year Forecast EN](#)

PDG Otha Ray Stearman  
Secretary/Treasurer  
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