AGENDA

- Review sources of revenue
- Review results 2016 – present
- RI Five-Year Forecast 2020 - 2024
REVENUES 2019 BUDGET (US$ MILLIONS)

- Membership Dues: $79
- Investment Returns: $32
- Other Rotary Revenue: $3
INVESTMENT RETURNS

- Annual Investment Returns
- Budget

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment Return</th>
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<tr>
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<td>FY18</td>
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<td>FY19</td>
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</table>
RESULTS FROM 2016 TO PRESENT
CUMULATIVE FOUR YEAR RESULTS

$9 million Favorable

Revenues 2016-2019

$410 Forecast $419 Actual

Expenses 2016-2019

$418 Forecast $410 Actual
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
RI FIVE YEAR FINANCIAL FORECAST
2020-2024
LOOKING FORWARD: ASSUMPTIONS 2020-2024

- **Membership**
  - 1.2 million members

- **Per Capita Dues**
  - FY2020 US$ 68

- **Net Investment Return**
  - 3.75%

- **Inflation**
  - 3.00%

- **Capital Spend**
  - US$ 59 million Cumulative

- **Operational Efficiency**
  - reduce expenses 2.5% Cumulative
FORECAST WITH $0 ANNUAL DUES INCREASE 2021 - 2023

Deficit/Surplus

Reserves & Targets

FY18 FY19 FY20 FY21 FY22 FY23 FY24
- Reserve Balance
- Bylaw Target 85%
- Board Target
FORECAST WITH $1 ANNUAL DUES INCREASE 2021 - 2023

Deficit/Surplus

Reserves & Targets

<table>
<thead>
<tr>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
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</tbody>
</table>

- Reserve Balance
- Bylaw Target 85%
- Board Target
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
THANK YOU