



Reach Within to Embrace Humanity

# Five-Year Financial Forecast September 2011

FY2010-11 Audited Actual Results



# Five-Year Financial Forecast Presentation Overview

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- 2010 – 2011 Highlights
- Five Year Financial Forecast
  - Current Forecast Assumptions
  - Revenues
  - Expenses
  - Projected Surplus / Deficit
- General Surplus Fund
- Key Initiatives and Projects



# 2011 Highlights

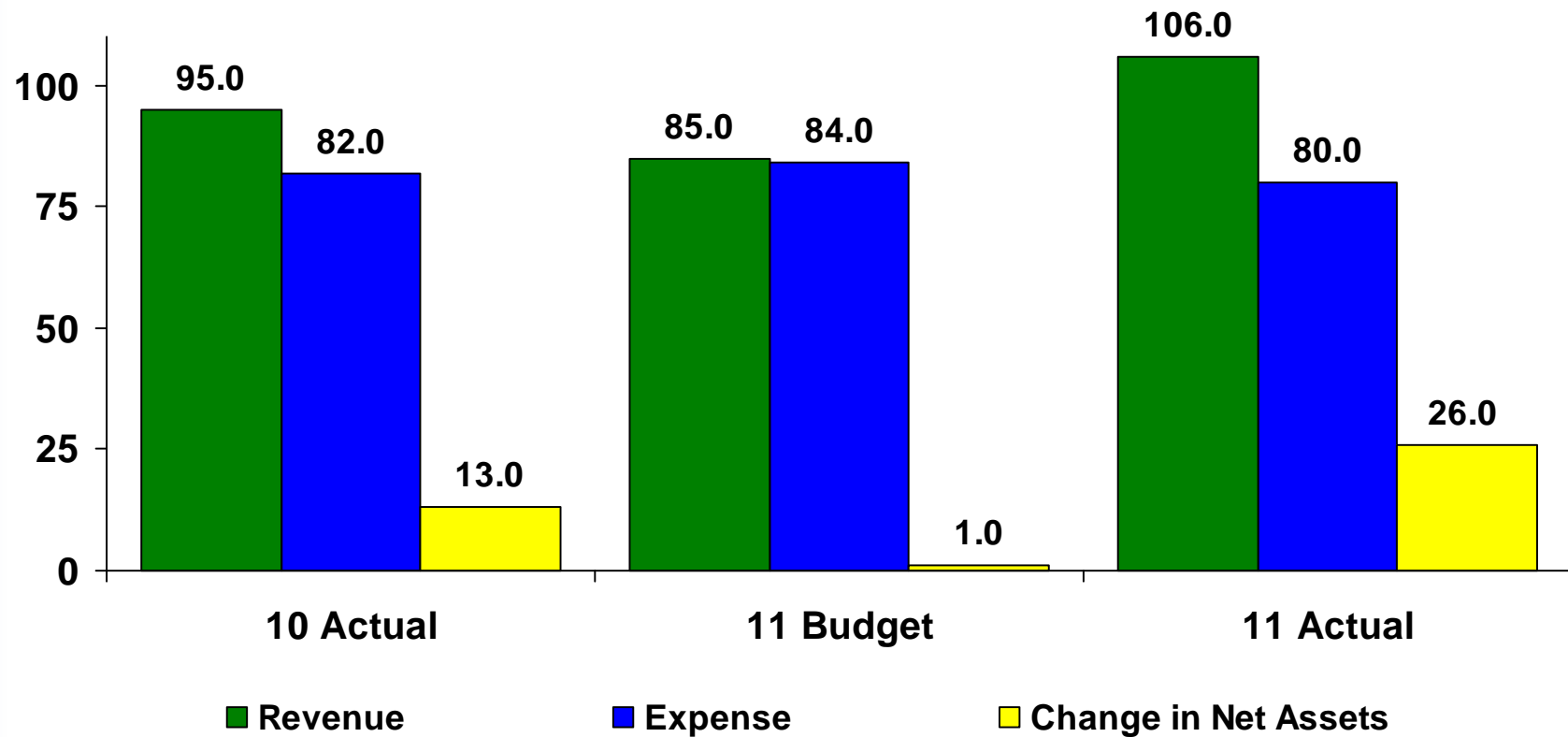
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- Strategic Focus resulting in Board approved strategic initiatives
- Strong Financial Gains
- General Surplus Fund at highest level of all time



# 2010 – 2011 Financial Highlights

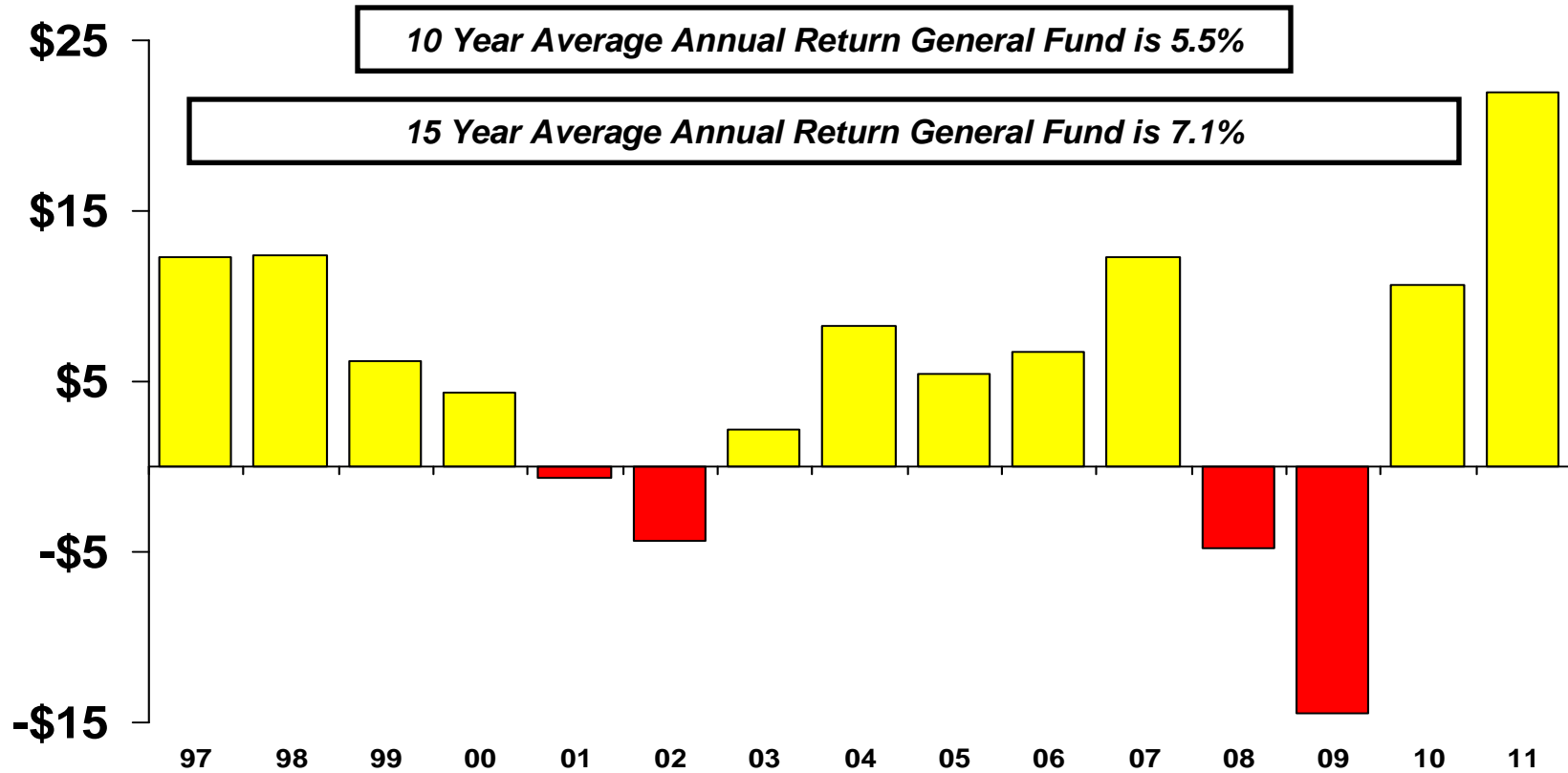
US\$(millions)





# Net Investment Return

US\$(millions)

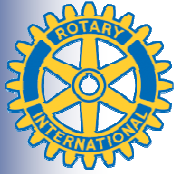




# Five-Year Financial Forecast 2011 – 2012 Assumptions

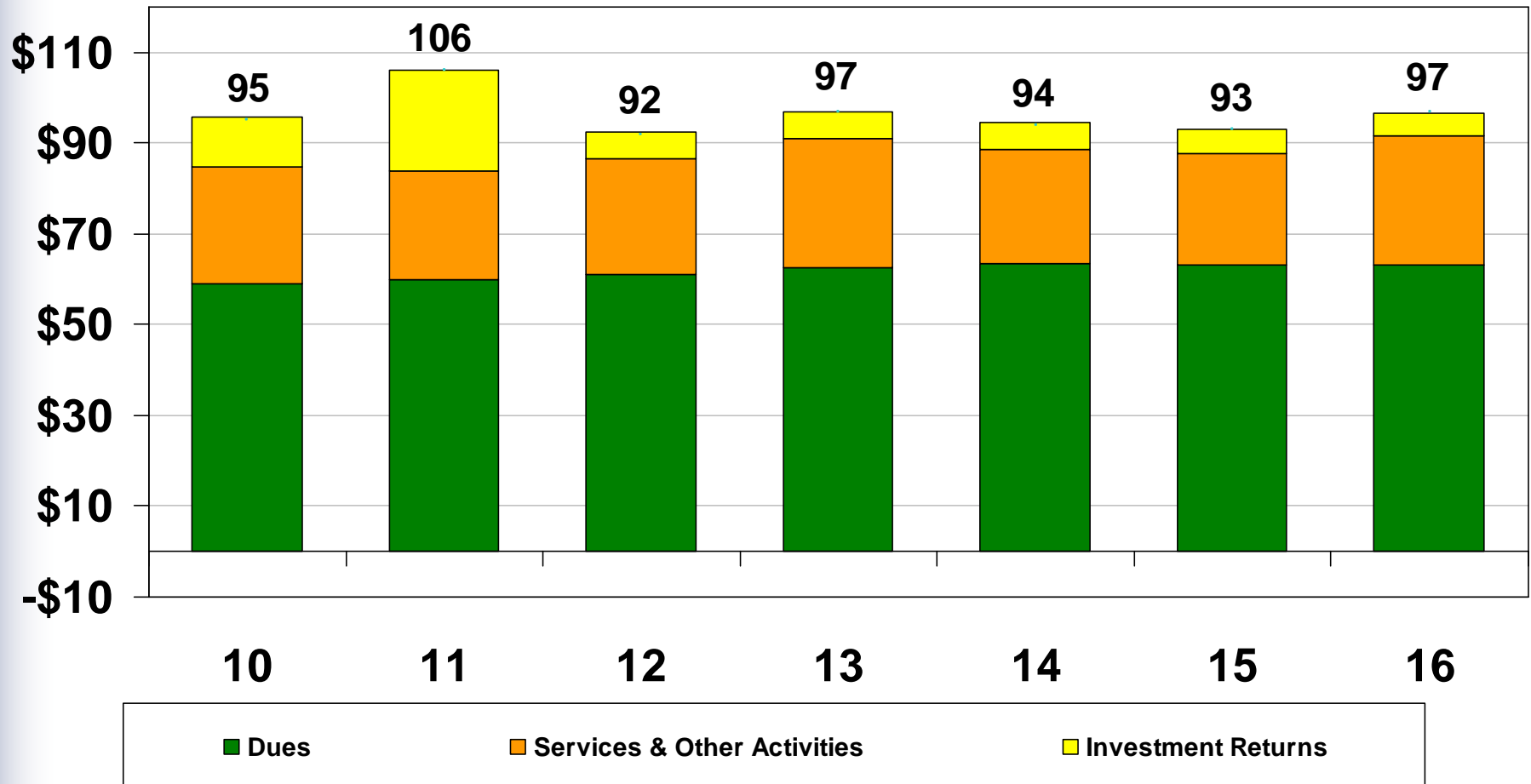
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- Presents fiscal year 2011 actual results
- Reflects fiscal year 2012 approved budget
- Per capita dues: fiscal year 2012 = US\$51/year ;  
Annual US\$1.00 increases in 2013 and 2014,  
as approved by the 2010 COL;  
Assumes no dues increase after 2014
- Stable Membership
- Inflation 3%
- Net Investment Earnings assumes a return of 5%



# Five-Year Financial Forecast Revenues

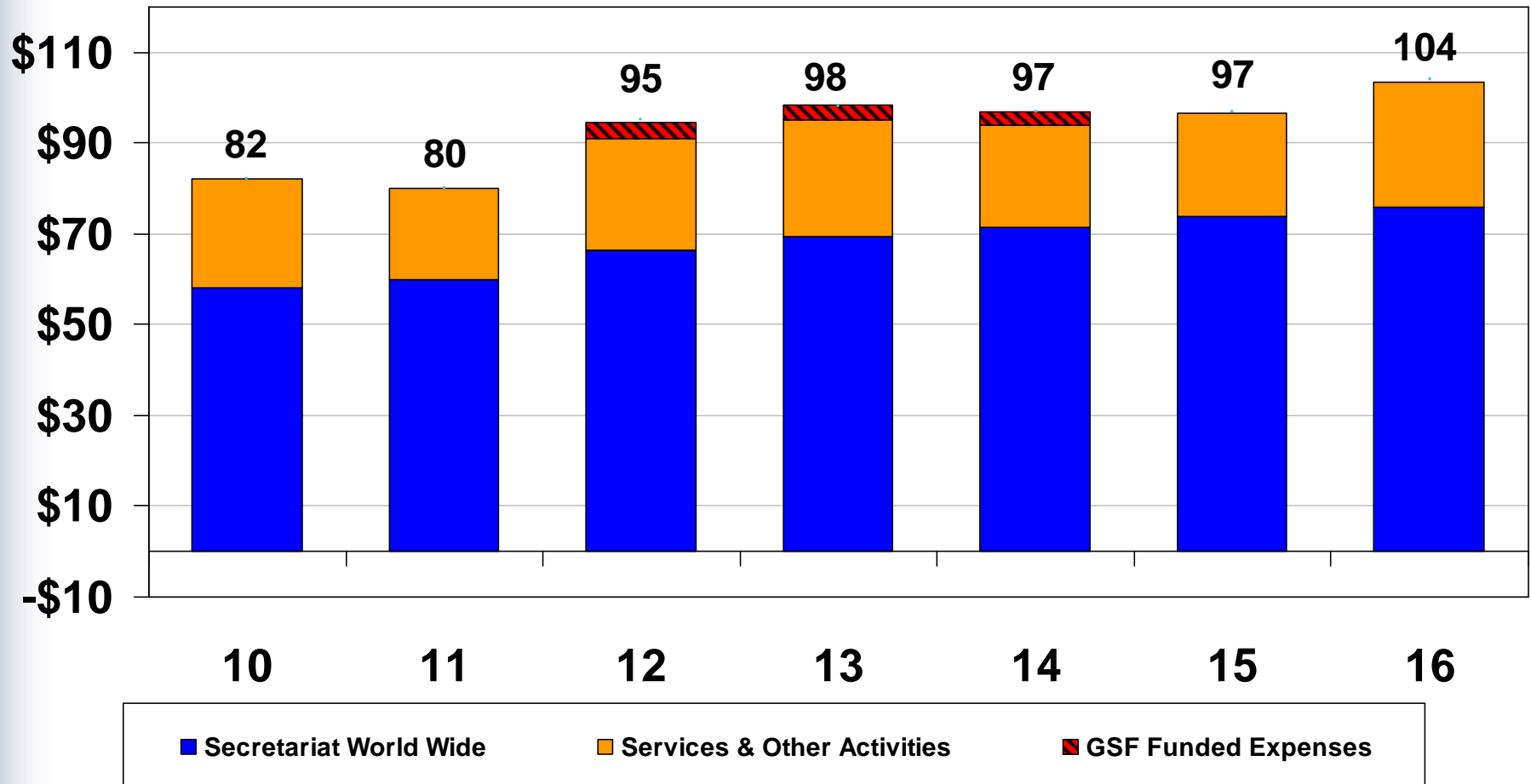
US\$ millions





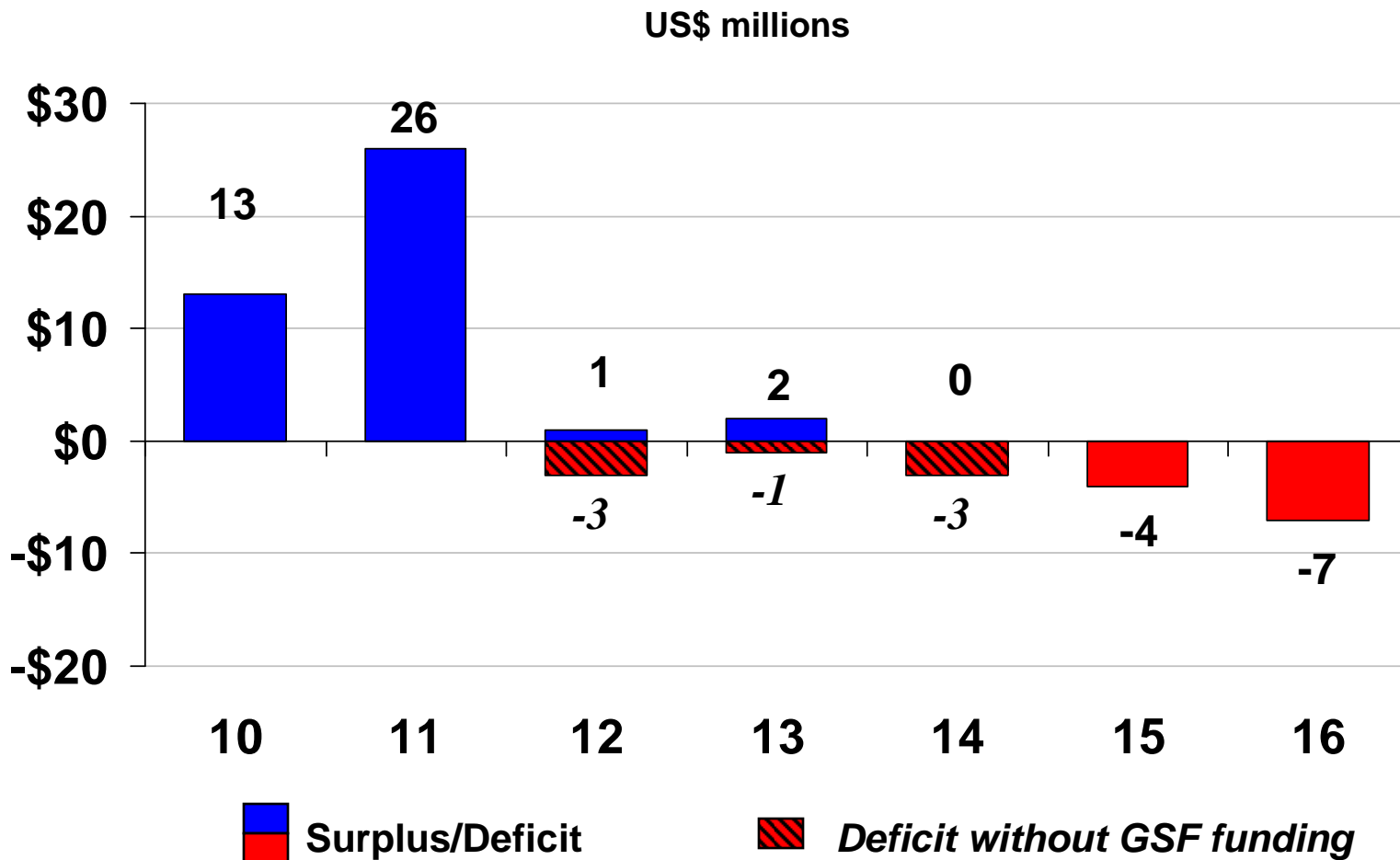
# Five-Year Financial Forecast Expenses

US\$ millions





# Five-Year Financial Forecast Projected Surplus / Deficit – Net GSF

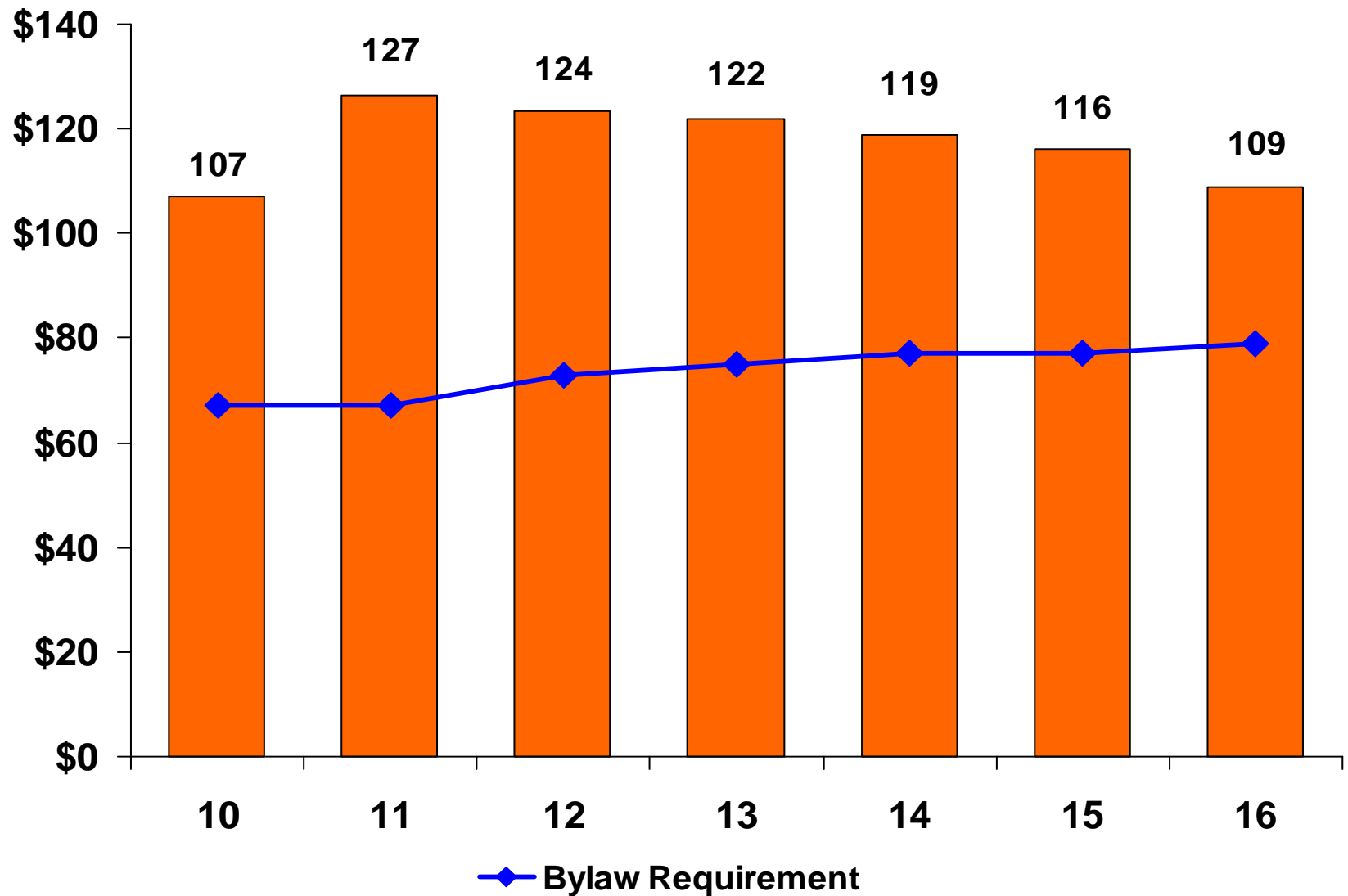


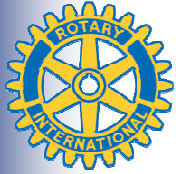
\*Excludes pension liability adjustment



# Five-Year Financial Forecast General Surplus Fund

US\$ millions

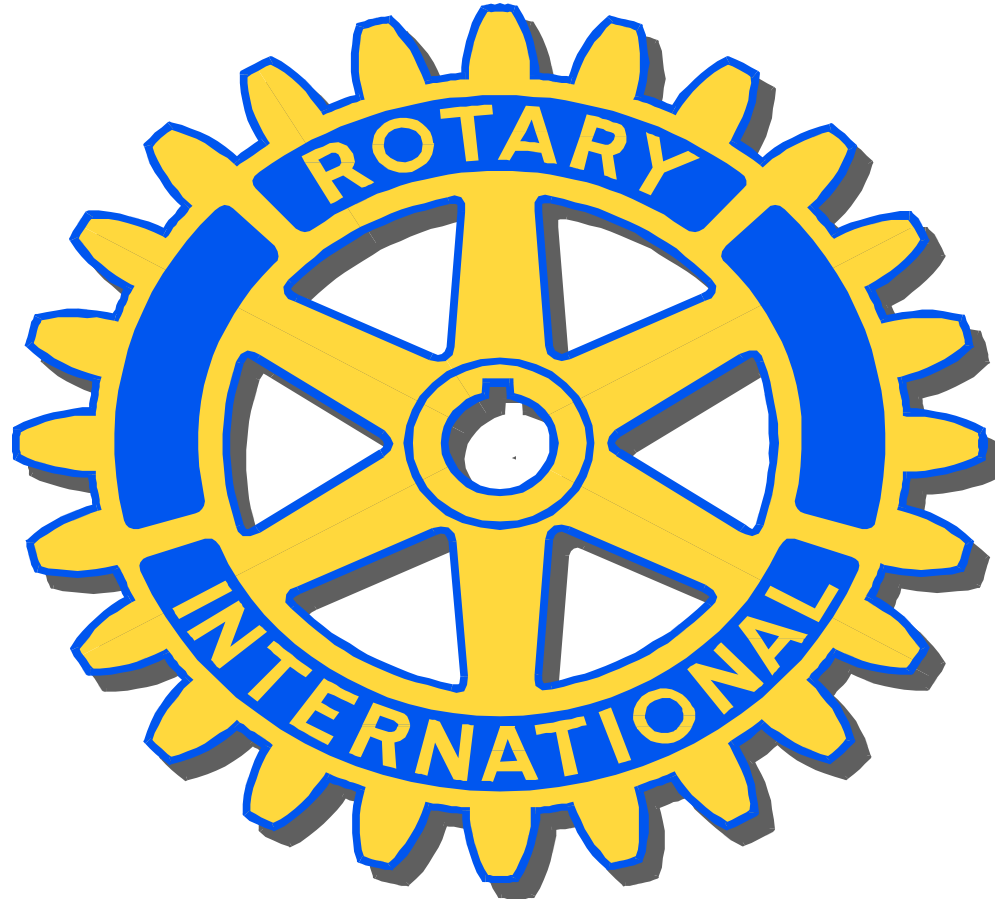




## Key Initiatives & Projects

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- Stronger alignment of budgets to the Strategic Plan
- Continued focus on business process improvements and implementation of a new budget methodology





# Actions taken to reduce investment portfolio risk

- Reduced allocations to equities
- Further diversified the portfolios
- Introduced flexible manager mandates
- Established an operating reserve with designated assets for the Foundation