



Five-Year Financial Forecast August 2009

FY2008-09 unaudited results.



Five-Year Financial Forecast Overview

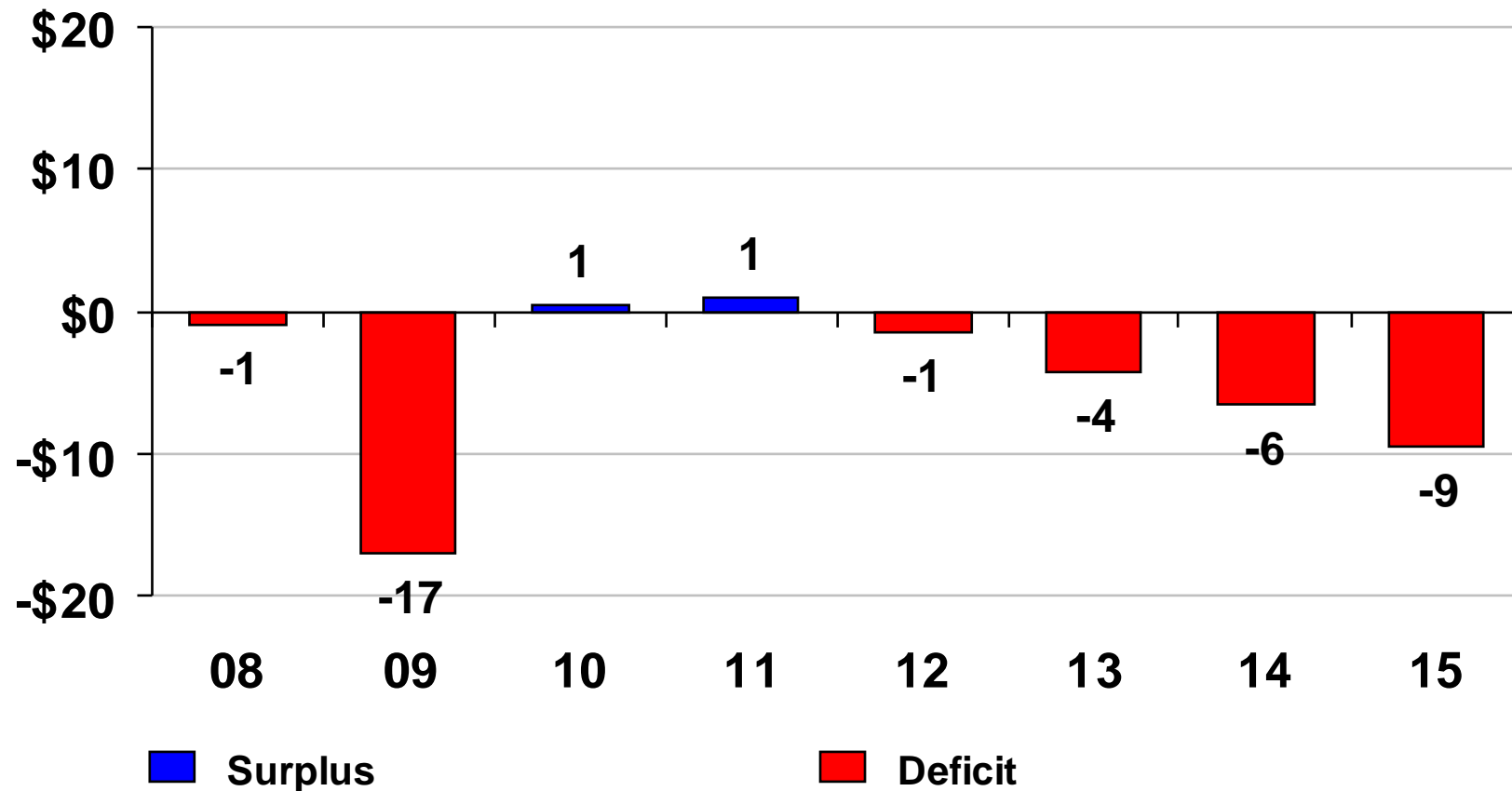
- Projected Surplus/Deficit
- Current Forecast Assumptions
- Revenues
- Expenses
- General Surplus Fund
- Board Recommendations



Five-Year Financial Forecast

Projected Surplus/Deficit

US\$ millions



*Excludes pension liability adjustment

Five-Year Financial Forecast 2009-10

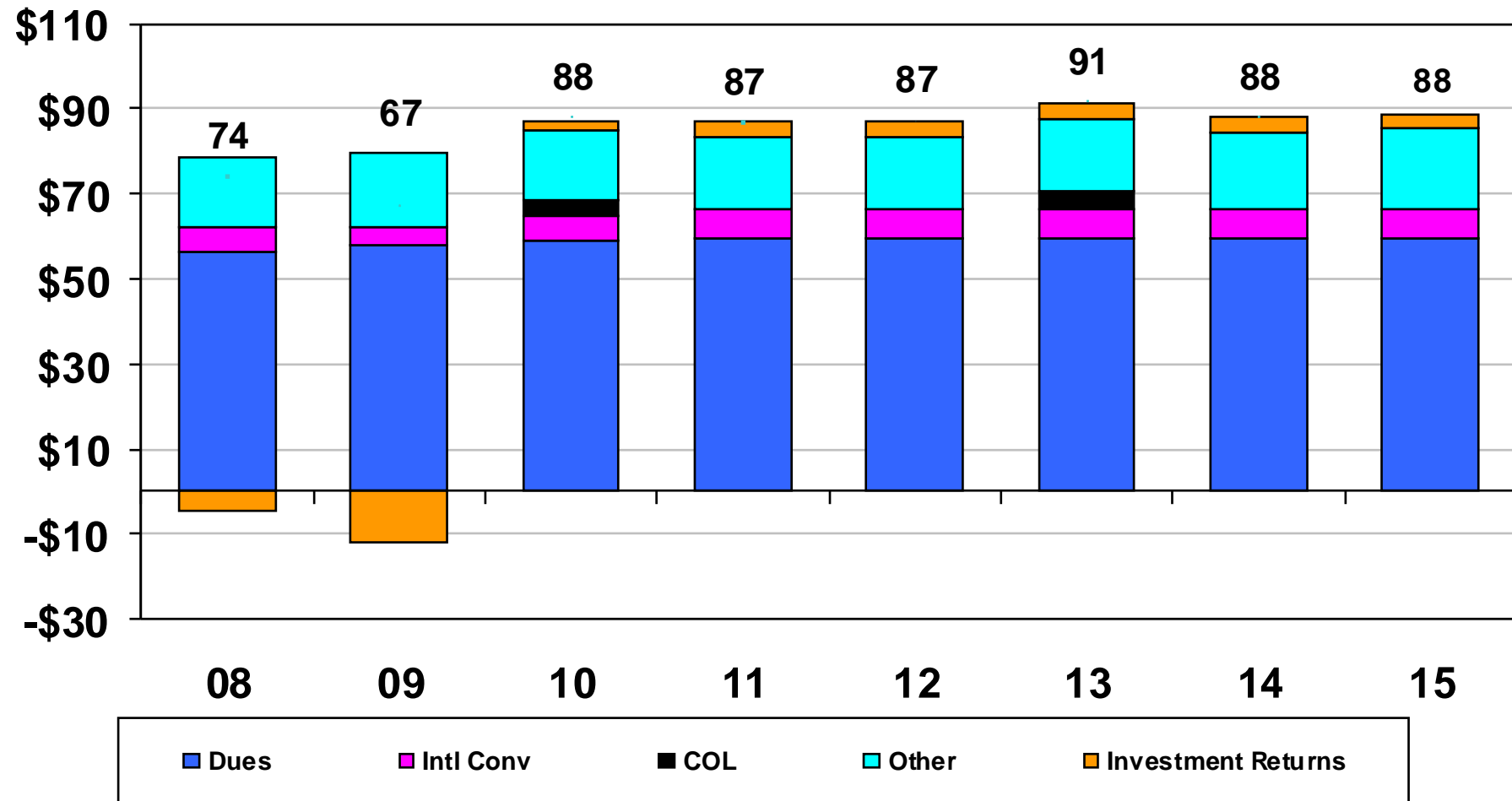
Assumptions

- Presents 2008-09 unaudited results
- Reflects 2009-10 approved budget
- Membership Dues: 2008-09 = US\$48/year; US\$1.00 increase in 2010 and 2011; assumes no dues increase after 2011
- Stable Membership
- Inflation: 3% general; 5% for activities requiring significant travel
- Net Investment Earnings assumes a return of 4%



Five-Year Financial Forecast Revenues

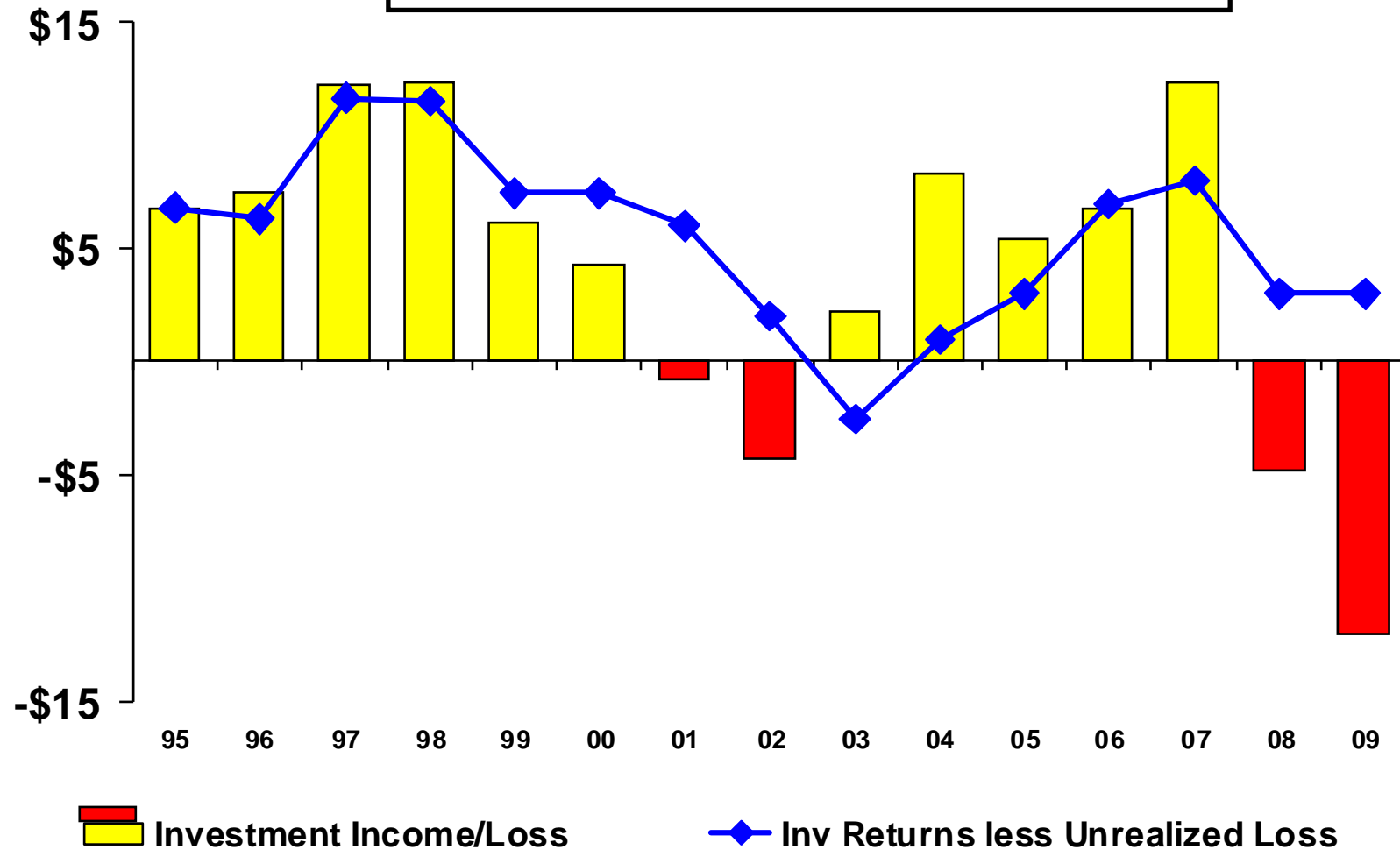
US\$ millions



Net Investment Return

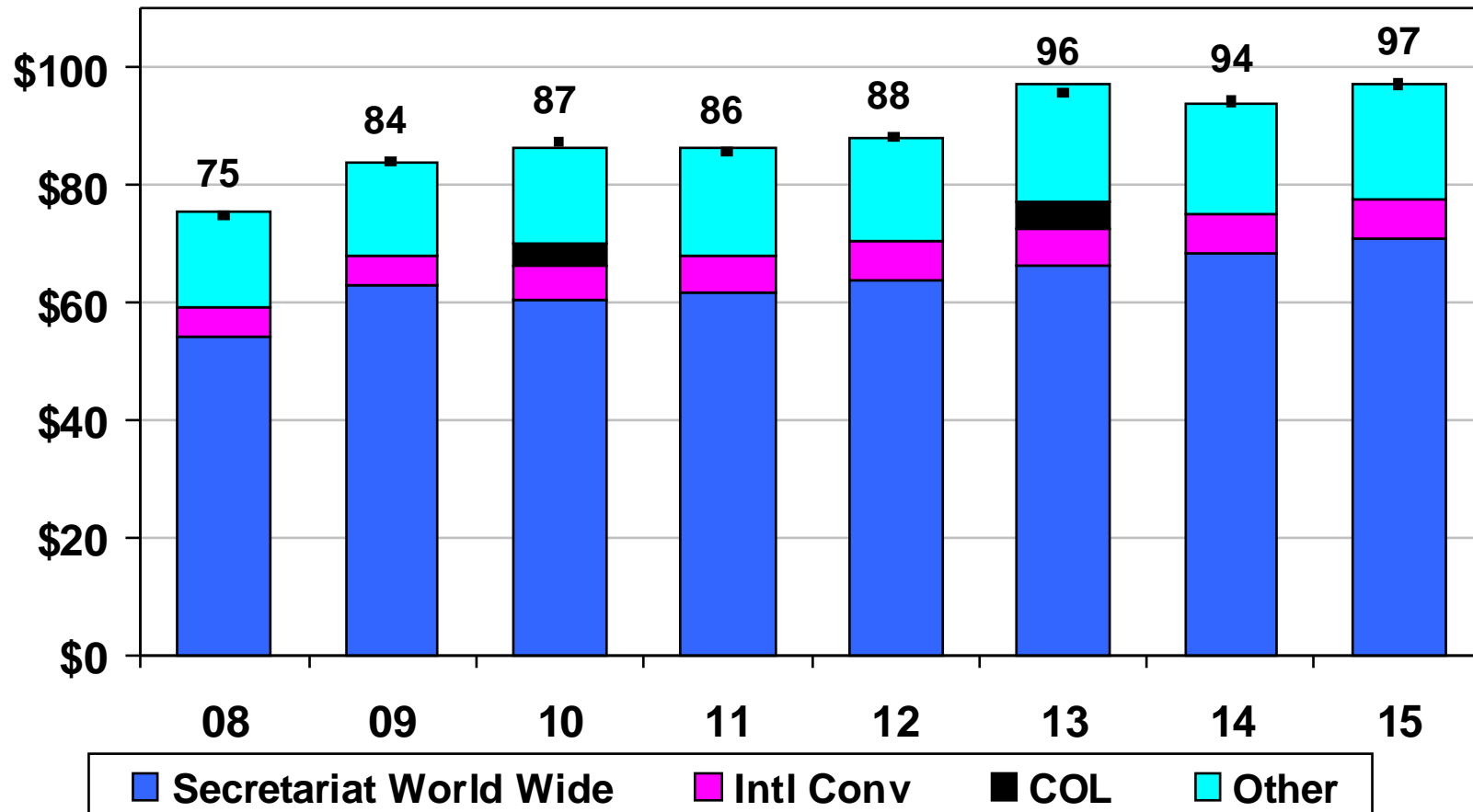
US\$(millions)

15 Year Average Annual Return = 6.7%



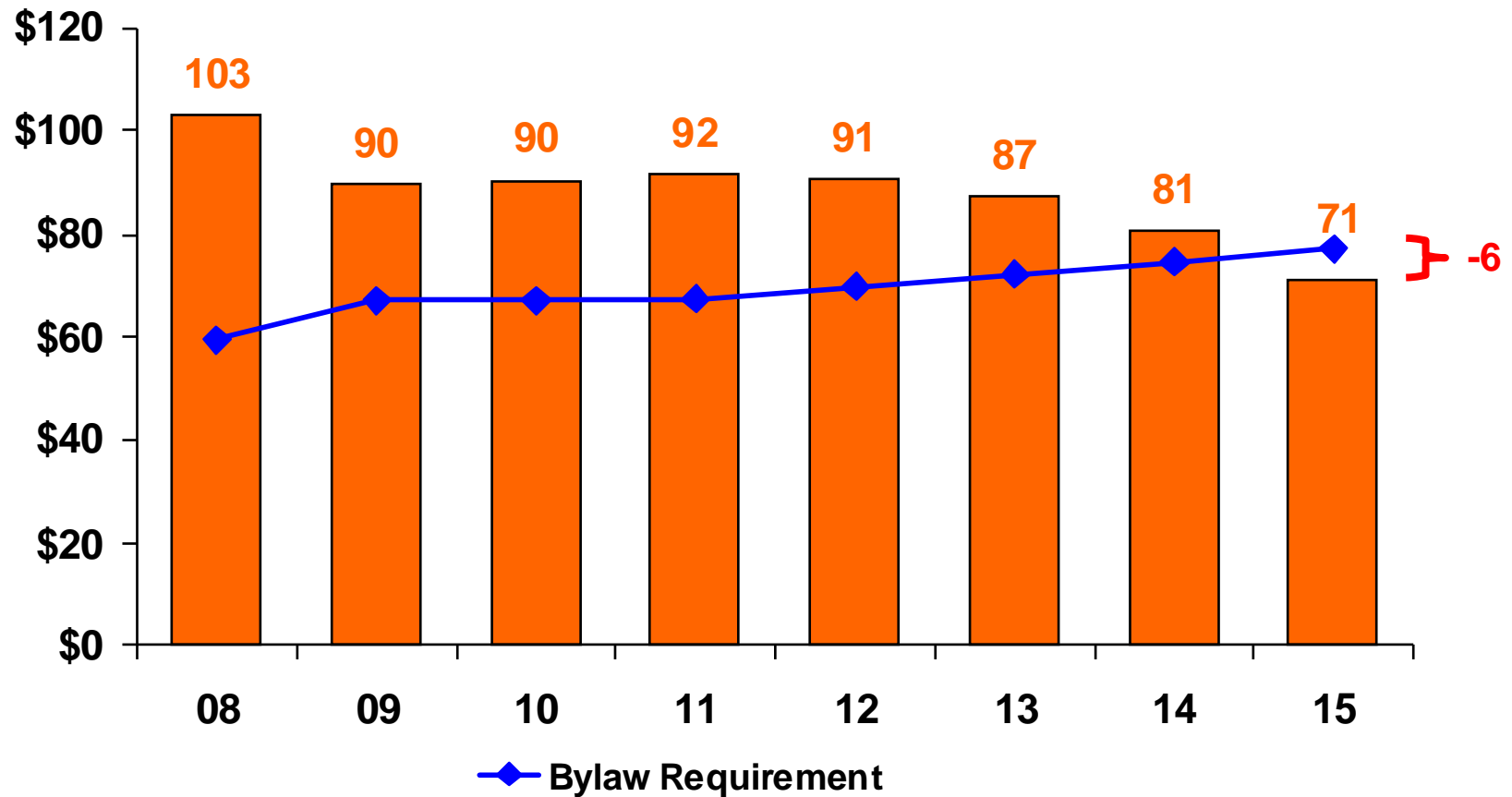
Five-Year Financial Forecast Expenses

US\$ millions



2009-2015 Five-Year Financial Forecast General Surplus Fund at 30 June

US\$ millions



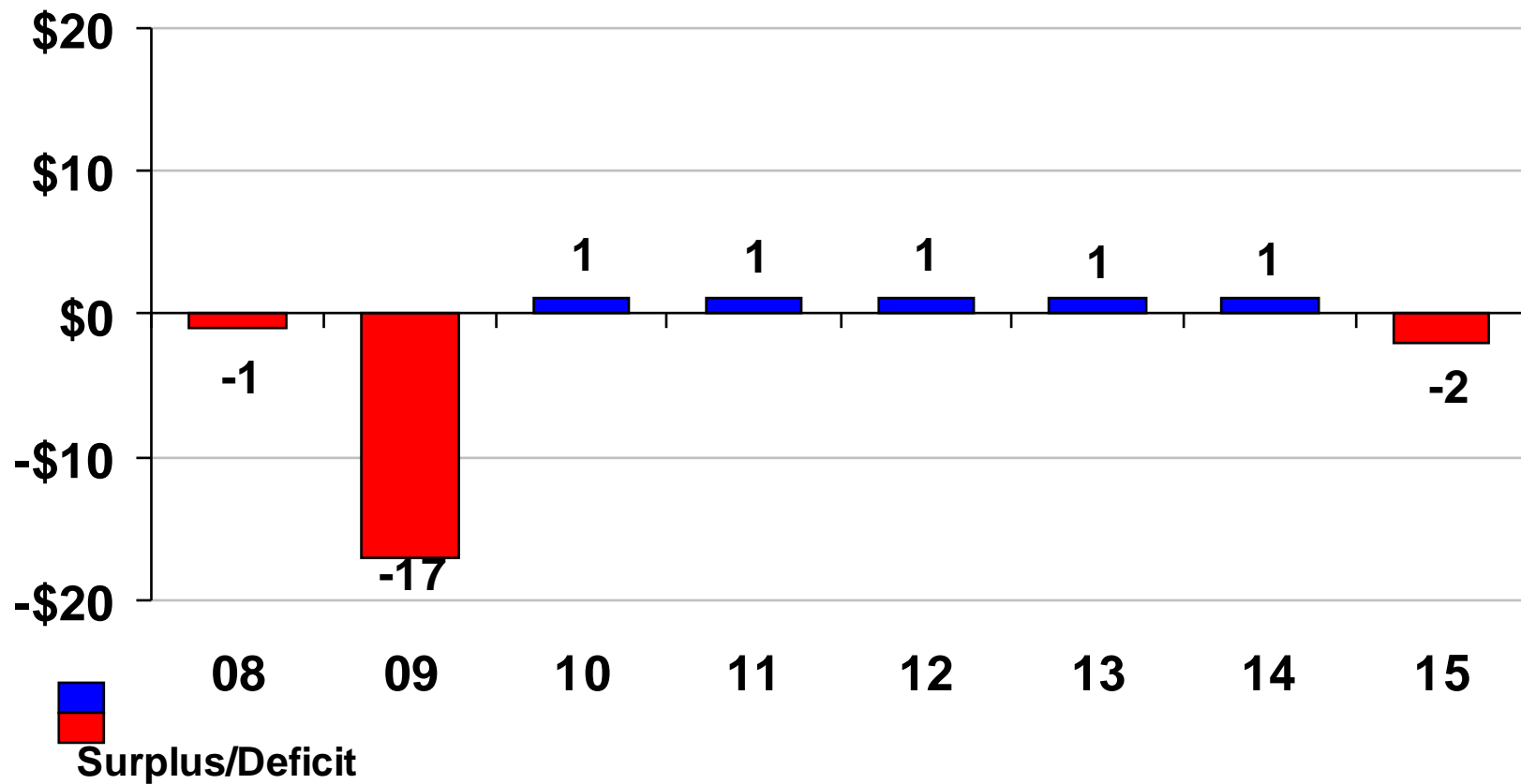
Board Recommendations

- The Board recommends a two dollar (US\$2.00) per capita dues increase beginning in FY2012, in FY2013 and in FY2014.
- The Board is also continuing cost reduction activities without reducing services.



Projected Surplus/Deficit with Proposed Dues Increase

US\$ millions



*Excludes pension liability adjustment

General Surplus Fund at 30 June

With Proposed dues increase

US\$ millions

