

Motion to Amend
Board of Directors of RI

PROPOSED ENACTMENT 22-46

To increase per capita dues

Proposer(s): Board of Directors of RI

1 *To amend the **BYLAWS** of Rotary International as follows*

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3 **Article 18 Fiscal Matters**

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5 **18.030. Dues.**

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7 18.030.1. *Per Capita Dues.*

8 Each club pays per capita dues to RI for each member as follows: ~~US\$34.00 per~~
9 ~~half year in 2019 – 20, US\$34.50 per half year in 2020 – 21, US\$35.00 per half~~
10 ~~year in 2021 – 22, and US\$35.50 per half year in 2022 – 23, US\$37.50 per half~~
11 ~~year in 2023 - 24, US\$39.25 per half year in 2024 - 25, and US\$41.00 per half~~
12 ~~year in 2025 - 26, and thereafter. The dues shall remain constant until changed~~
13 by the council on legislation.

(End of Text)

PURPOSE AND EFFECT

14 Revenue sources for RI include membership dues and investment earnings. In
15 addition, there are other sources of revenue that are used to support specific self-
16 funding activities, such as the Rotary magazine, the International Convention
17 and others. Membership dues make up approximately 95 percent of the budgeted
18 RI core revenues (excluding revenues from self-funding activities). Investment
19 earnings account for approximately 2.5 percent of budgeted core revenues but are
20 unpredictable in nature and are dependent on financial market fluctuations.

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22 When deciding on the per capita dues recommendation, the RI Board, with the
23 support of the Finance Committee, carefully analyzes the five-year financial
24 forecast. The forecast takes several key factors into consideration, including
25 membership numbers, investment earnings, inflation, and capital spending on
26 projects, among others. They continue to review its recommendation based on
27 the forecast and these factors up until the Council on Legislation is held to ensure
28 that RI is able to maintain its required balanced annual budget per the RI Bylaws.
29 This enactment may be amended based on the RI Board's continued review.

1 Therefore, this enactment would amend the RI Bylaws to provide for an annual
2 dues increase of US\$4.00 in 2023-2024 and a US\$3.50 dues increase per year for
3 2024-2025 and 2025-2026. This enactment aligns per capita dues revenues at
4 levels necessary to sustain RI's current operations and programs, and to support
5 RI's financial sustainability for the future.

FINANCIAL IMPACT

6 This enactment would result in an increase in per capita dues revenue for RI.

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8 An annual increase of US\$4.00 in 2023-2024 and a US\$3.50 dues increase per
9 year for 2024-2025 would be equivalent to an average annual increase in dues
10 revenue of approximately 4.91 percent.

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12 At projected membership levels, RI would have a net deficit of US\$1 million in
13 2023-2024 and a surplus of US\$1 million and US\$2 million for 2024-2025 and
14 2025-2026, respectively.

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16 Rotary continually investigates opportunities to reduce costs while maintaining
17 high quality service to Rotarians.

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21 The RI Bylaws require a balanced annual budget.